

DAY OF DIALOGUE
ON
GENDER AND FINANCING FOR DEVELOPMENT

New York, 25 February 2002

Inter-Agency Taskforce on Gender and Financing for Development
Inter-Agency Network on Women and Gender Equality

Table of Contents

1. Foreword
2. Keynote statement by Professor Isabella Bakker
3. Background to the Day of Dialogue
4. Report from the Day of Dialogue
5. Annexes
 - I. Mainstreaming gender perspectives in issues addressed in the preparations for the International Conference on Financing for Development. An initial analysis, April 2001, prepared by the Gender and Financing for Development Taskforce of the Inter-Agency Network on Women and Gender Equality (IANWGE).
 - II. Intergovernmental mandates on incorporating gender perspectives in the issues covered by the International Conference on Financing for Development, April 2001, prepared by the Gender and Financing for Development Taskforce of the Inter-Agency Network on Women and Gender Equality (IANWGE).
 - III. Statement delivered by Ms. Angela E.V. King, Chairperson of the IANWGE, in plenary sessions of the Preparatory Committee of the International Conference on Financing for Development “Gender perspectives on Financing for Development” May 2001.
 - IV. Statement delivered by Ms. Angela E.V. King, Chairperson of the IANWGE, in plenary sessions of the Preparatory Committee of the International Conference on Financing for Development “Incorporating gender perspectives in the Financing for Development agenda” October 2001.

Foreword

It has been pointed out many times over the past few decades that the overall macroeconomic framework for development is as important for gender equality as all the specific policies and strategies put in place for promoting gender equality and the advancement of women. Equally, without gender equality macroeconomic development will neither be effective nor lasting.

Most recently, this was highlighted at the Regional Symposium on Gender Mainstreaming in the Asia/Pacific Region, held in Bangkok in December 2001. At that Symposium, participants emphasized the importance of moving beyond working to incorporate gender perspectives into individual sectors to influencing the larger economic development framework and the necessity of situating discussions of micro-credit for women and the work on gender mainstreaming in national budgets in the broad macroeconomic context. Issues of good governance in the macroeconomic framework – in particular, participation, transparency and accountability – were identified as critical for gender equality, especially in the context of globalization.

In preparation for the International Conference on Financing for Development (FfD), delegates, staff of United Nations entities, non-governmental organizations (NGOs), civil society groups and researchers made concerted efforts to bring greater attention to gender perspectives in the work and outcome of the conference. An inter-agency taskforce of the United Nations Inter-Agency Network on Women and Gender Equality (IANWGE), headed by the International Labour Organization (ILO) and later by the Division for the Advancement of Women (DAW), was established. It worked systematically to disseminate necessary background information, and create forums for discussion on gender perspectives in financing for development, including this Day of Dialogue. NGOs, working individually and through their Caucus, played a key role in maintaining the focus on gender perspectives in all the Preparatory Committees.

The progress made has to be assessed on three levels. *First*, the explicit references to gender contained in the document are important ones. The recognition that development must be gender-sensitive, as well as sustainable and people-centred; the acknowledgement that gender equality is one of the essential elements of good governance; the highlighting of the empowerment of women as one of the priorities in economic development; and the priority given to micro-credit for women and gender-responsive budget processes are all critical for moving forward.

Second, the Monterrey Consensus provides a conducive environment for further work on promoting gender equality in discussions of financing for development. The siting of discussions within the framework of the Millennium Declaration's principles of justice, equity, democracy, participation, transparency, accountability and inclusion are vital. So is the recognition of the importance of poverty eradication, the acknowledgement that globalization offers both opportunities

and challenges and the commitment to a fully inclusive and equitable process of globalization. Together, these guiding forces provide opportunities for raising important social equity and gender equality issues within the discourse.

Third, the process of promoting and facilitating the incorporation of gender perspectives into the preparations for the conference has been important as an awareness-raising exercise. Many of the delegates at the Preparatory Committees had not previously had much exposure to gender perspectives, particularly those coming from Ministries of Finance or working exclusively with the Second Committee of the General Assembly. The preparatory process provided a unique opportunity for placing gender perspectives on the financing for development agenda and stimulating dialogue. In this way, a much more conducive environment for discussing gender equality in relation to the financing for development agenda has been created.

Nevertheless, it has to be acknowledged that much work remains to be done before gender perspectives are adequately incorporated in financing for development. It is not enough to emphasize gender perspectives in national resources allocation through a focus on micro-credit for women or even gender-sensitive budget processes. Gender perspectives are critical in revenue-raising as well. The gender perspectives on taxation need more attention. Social welfare systems, social policies, pension systems and savings schemes all need to be looked at from a gender perspective to identify and address the differences and disparities between women and men in these areas. Foreign direct investment (FDI) which is not gender-sensitive can perpetuate or even exacerbate gender differences and inequalities. Gender perspectives on trade issues and negotiations, debt management and official development assistance (ODA) also need greater attention, as do systemic and institutional issues.

The Day of Dialogue provided an important opportunity to discuss the gender perspectives on all the issues raised at Monterrey, the extent to which these issues have been taken into account to date, potentials that exist, remaining challenges to address, and most important, what needs to be done to ensure that gender perspectives are given attention in all follow-up to the conference.

Keynote statement
by
Professor Isabella Bakker
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Thank you for this opportunity to contribute to the Financing for Development dialogue. In the short time that I have today, I'd like to organize my remarks around three questions:

1. First, why is a gender perspective important for understanding and improving the FfD agenda?
2. Second, have discussions of gender been adequately mainstreamed into the finance for development framework? If no, then how can a gender perspective be taken further?
3. Finally, can we make such a framework more accountable to gender equality goals? In other words, can we rebalance global economic governance to meet the needs of all stakeholders?

Now, of course, each of these questions is very large, so in what follows I'll simply try to raise some of the issues that we might consider in our discussions today. I do so building on the work of people who had regional dialogue and those who have worked on background papers, such as Professor Maria Floro of the American University.

Let me turn to the first question: why is a gender perspective important for the FfD Agenda?

The gender dimension represents a commitment to developing financial mechanisms and outcomes that meet outcomes that are in line with overall development goals, including gender equality. Key issues included the potential of all groups in society, including both women and men, to influence, participate and benefit from all economic development. New work on macroeconomics shows that in many instances, economic development policies, formulated without gender-awareness, would not only worsen gender inequalities, but also make it harder to achieve macroeconomic goals, such as growth. There are also instances where growth may be achieved at the expense of gender equality. So a gender perspective asks: does the finance for development agenda increase, decrease, or leave unchanged gender equality goals?

One example referred to in the Monterrey Consensus is gender-responsive budgets that relate to the mobilization of financial resources at the national level. Here it has been shown that, efficiency gains can be realized through the improved targeting that results from gender-responsive budgets. This avoids what in the language of economics is called "false economies" – by this I'm referring to attempts to reduce or contain financial costs in one sector, such as health care by transferring

actual costs and time-use to the unpaid sector. Gender-budget analysis opens the door to evaluating work beyond the paid sector of the economy by linking fiscal policy to the unpaid provision of care. So this is one example of how a gender perspective is important to financial resource discussions.

This leads me into my second set of questions, namely: have discussions of gender been adequately mainstreamed into the finance for development framework? To answer this question I want to look at how development and governance frameworks have changed and where we would like them to go.

The current development framework is linked to a more market-based paradigm that emphasizes a greater role for private capital and private capital flows in development. The Monterrey Consensus is built from this framework of thinking, although it differs from its predecessor, the Washington Consensus, because of its welcome emphasis on the need for greater gender mainstreaming and a more integrated role in the development process for people living in poverty.

Despite these praiseworthy goals, there are a number of commitments outlined in the Monterrey Consensus that may undermine these intentions.

Macroeconomics and liberalization

For example, the call for sound macroeconomic policies and fiscal discipline in para. 8 of the Monterrey Consensus that deals with mobilizing domestic financial resources reflects a framework of accountability that prioritizes the needs of capital markets – the three “Cs” of credibility, consistency and confidence – with the social sector subservient to those three Cs. What I mean is that governments have to demonstrate their credibility to investors and the financial markets first by creating a consistent policy framework that will ensure investor confidence. In practice, what this has meant for the many developing countries are policies that combine commitments to low inflation, fiscal discipline and budget austerity, with liberalization of markets and the privatization of public assets.

In other words, governments have tended to become much more accountable to market forces in terms of their financial policies and less accountable to their citizenry and social needs.

However, market accountability may or may not lead to the kind of resource allocations that have a sustained long-term impact on gender equality and poverty reduction.

Let me give two sets of familiar examples: the impact of public spending and the impact of the privatization of public services.

Research from a gender perspective has shown how changes in patterns of public spending and revenue-raising have different gender-based distributional

results. One example is social expenditures, which are often lowered when there is a crunch on public finances or when there is a financial crisis. These cuts will tend to hit the poorest the hardest. Here, it is worth noting that, first of all women are disproportionately poor and second, because resource allocation within labour markets and the household is often gender-biased, poor women tend to be hit harder than poor men. More generally, when provision of health, education and other kinds of services by the state is reduced, this tends to impact poor women the most, as aspects of the care economy previously supplied by government, are displaced into households or marketized. This is an example of how the care economy tends to be treated as what economists call an externality – an infinite resource – that’s “invisible” in fiscal policy-making. Put differently, the purely financial view “free rides” on the unpaid burdens of women who provide the public good of the care economy. So the key point I want to emphasize here is that we need to make this invisible process more visible in the finance for development dialogue and work towards making gender equality and poverty eradication global public goods (GPGs) that are collectively provided. Otherwise, we risk undermining the entire sphere of social reproduction upon which communities and individuals rest.

My next example concerns privatization of the care economy – in this sense what I would call the privatization of risk for many. For instance, selling public assets to foreign investors to finance budget deficits and repay debts often leads to user fees or, in some cases, the withholding of services and public goods, since newly privatized companies need to make profits. The point here is that there’s a potential bias in assuming that privatization will lead to greater competition, job creation and efficiency. Here again, we can learn from a more holistic notion of efficiency that takes into account non-market resources and values.

Finally, for many countries, the problem of public goods provision is much tougher because capital mobility makes it more difficult to sustain the tax base. Corporations are now freer than ever to repatriate profits, or move them offshore to decrease taxes. As corporations increasingly emphasize shareholder value and the short-term orientation to profits, it becomes increasingly difficult for developing countries to tax them effectively. So, whilst increased liberalization and greater capital mobility may result in inflows of resources, the globalization process can be a double-edged sword for developing countries, especially if their tax base is made more precarious.

So, it may well be the case that important aspects of market-based development undermine the ability of governments to meet one of the key stated objectives of para. 8 of the Monterrey Consensus related to gender equality goals which is to fund “sustainable investments in education, health, nutrition and social security programmes which take special care of children and are gender-sensitive and fully inclusive of the rural sector and all disadvantaged communities (para. 8)”. I hope that we can contribute to this gap in today's informal discussions and use the political momentum of the Finance for Development process.

Capital flows, trade and investment

Turning to mobilizing international resources for development, the emphasis in the Monterrey Consensus is on attracting financial flows to developing countries whilst maintaining a stable international financial system.

Here a gender perspective would introduce questions about the terms under which private foreign capital flows enter a country, how this can shift sectoral and budgetary allocations and to what extent sustainable development and gender equality goals will be affected. The introduction of regulatory and compensatory measures that are gender-aware are critical as are mechanisms for participation, monitoring and assessment that recognize the wide variety of old and newer actors involved in global economic governance.

If we take the example of trade, this also has significant gender implications since various sectors of the economy are affected in different ways as trade patterns change. Legal and social barriers to participation by women are certainly one aspect of this. Another aspect that shapes gender equality goals relates to the way in which national governments institutionalize market-based rules and practices through their trade and investment agreements. These mobilize large amounts of private financial resources that in turn can shape the parameters of fiscal governance. So this is very much a political process shaped by various governments and hopefully discussions in Monterrey will deal with some of these difficult questions.

My point is that new trade and investment agreements tend to “lock in” the rights of investors to repatriate profits, and help to secure greater freedom of capital movements. In effect, trade agreements help to supplement the market-based financial disciplines – the three Cs – that I have already mentioned. These frameworks tend to encourage fiscal prudence and balanced budgets and discourage counter-cyclical spending. Governments have to meet a fall in the level of demand through spending cuts, a strategy which might well postpone recovery, and this has implications for growth, efficiency and the development of women’s and girls’ capabilities. So overall, the extent to which we can make progress on social development and gender equality goals needs to be considered in the context of the new global financial regime. This is why a gender analysis needs to be injected into these larger discussions; only if we have a plurality of economic development strategies that balance stakeholder interests will we meet sustainable human development objectives.

Finally, how can we develop accountability frameworks that recognize and transform these new global economic frameworks and gender equality goals?

Here, I’d like to raise some issues concerning governance and accountability. A more comprehensive finance for development process informed from a gender perspective will need to address systemic issues and develop mechanisms for mainstreaming a gender approach to macroeconomic policies, as well as within

international, multilateral and national institutions. This also means ensuring that civil society networks have not only voice but also the required resources to intervene and engage in the international financial system.

So one way to pose this issue is in terms of what political economists have called *voice and exit in matters of governance*. Put simply, poor women and men often have very little “voice” in matters of formal political representation and policy-making, in contrast to well-organized producers, like corporations and their business associations, or indeed, well-organized trade unions. Corporations, under the conditions that I’ve been describing, not only have voice, they also have the right to exit countries if the investment climate is perceived to have gotten worse. So, whereas capital is relatively mobile, labour is relatively immobile, hemmed in by restrictive immigration measures that prevent the free movement of labour. This is even more the case for the poorest members of society, particularly poor women who are often bound to specific places by virtue of their roles in social reproduction, including work in subsistence that is, by definition, place-bound.

So addressing the asymmetry of voice and exit options from a gender-sensitive perspective will be crucial to reforming global economic governance structures and financial relations. A key part of the success of any new development paradigm will be to engender economic governance regimes by making the non-financial count in financial decision-making at all levels.

I hope that we will get the chance to come up with proposals today that address both these broader macro frameworks and this question of voice and exit, for instance, proposals to discuss the Tobin Tax or the social responsibility of corporations. And also more specific initiatives designed to directly address gender equality goals, such as the earmarking of resources released through debt relief for specific benchmarks and targets agreed upon at Beijing and in the Millennium Declaration, or the commitment to 30 per cent of key decision-making positions being occupied by women. So it will be key for us to come up with some benchmarks for the Financing for Development agenda in order to evaluate its progress and to continue to highlight potential contradictions between the system of economic governance and realizing social development objectives, including gender equality.

Thank you.

Background to the Day of Dialogue

The Gender and Financing for Development Taskforce of the IANWGE organized a day of dialogue on 25 February 2002 at the United Nations Headquarters in New York to provide an opportunity for United Nations Member States, NGOs, the private sector, United Nations entities and researchers to have a dialogue on the gender perspectives of the issues covered by the International Conference on Financing for Development, specifically, national resources allocation, international financial resources including FDI, external debt, trade, ODA and systemic issues.

The plenary session, moderated by the Chairperson of the IANWGE, Ms. Angela E.V. King, included three speakers, the Co-Chair of the Preparatory Committee of the International Conference on Financing for Development, Ambassador Shamshad Ahmad of Pakistan, the Chair of the G77, Ambassador Milos Alcalay of Venezuela, and the Executive Coordinator of the Financing for Development Secretariat, Mr. Oscar de Rojas. The substantive keynote statement was delivered by Professor Isabella Bakker of York University in Toronto, Canada.

Participants in the dialogue broke into working groups, led by facilitators, to discuss gender perspectives on each of the above-mentioned issues, as well as the best means to ensure a continued focus on gender perspectives in the follow-up to the International Conference on FfD. The working groups were encouraged to focus their discussions on future actions, including on:

- What needs to be done in order to increase the attention to gender perspectives in financing for development;
- What the specific roles of the Member States, the United Nations system, NGOs and civil society groups, researchers, and the private sector should be;
- How can complementarity and synergy be assured; and
- How will progress be monitored?

More than 80 people participated in the dialogue.

Report from the Day of Dialogue

Introduction

The Day of Dialogue was convened in preparation for the International Conference on Financing for Development, held in Monterrey, Mexico from 18-22 March 2002. It provided an opportunity for representatives of Member States, the United Nations system, NGOs and civil society groups, and research institutes to deepen the understanding of gender perspectives on all the issues to be taken up in the international conference and to identify what needs to be done to ensure gender perspectives are incorporated into all follow-up to the conference. The objective of the International Conference on Financing for Development is to bring together policy-makers from all over the world to discuss ways to enhance the mobilization of financial resources – private and public, domestic and international – and the channelling of such resources towards development goals.

The Day of Dialogue sought to:

- Create greater understanding among participants of the gender perspectives in the different issues being addressed in the International Conference on Financing for Development;
- Identify opportunities for giving greater attention to these gender perspectives during the conference and its follow-up; and
- Make concrete recommendations for actions to be taken by all actors in the area of financing for development in implementation of the Monterrey Consensus.

The participants at the Day of Dialogue recognized the need for the International Conference on Financing for Development to address the internationally agreed commitments on gender equality, poverty eradication and sustainable development, including through the Beijing Platform for Action and the Millennium Declaration goals, in an integrated and holistic manner. The importance of linking social and economic policies and programmes was highlighted. The agreed findings and recommendations on each of the six main areas covered in the preparations for the International Conference on Financing for Development are outlined below.

1. Mobilizing domestic financial resources for development

The Day of Dialogue acknowledged the important linkages between the gender dimensions of national and international economic conditions and the mobilization of domestic resources. It recognized that this era of globalization has increasingly challenged governments in their task of mobilizing and managing public finances. Highly mobile capital has led to pressures to reduce taxes and increased

competition between countries through the provision of overly generous tax incentives, especially with regard to the taxation of capital income. Trade liberalization has led to reduced import duties, which many countries, especially the least developed, have had difficulty replacing with domestic taxation. Although globalization has many positive features, its downside includes the undercutting of domestic public revenues, poorly controlled privatization of public resources, more unstable forms of employment, and strong pressures of multilateral financial institutions to adhere to their model of development.

The gender biases found in macroeconomic policies, decision-making processes and governance structures of international and domestic financial institutions could pose serious constraints to the effectiveness of processes for raising domestic financial resources for development. Gender analysis of macroeconomic policies, including taxation, trade, investment and financial policies, was raised as critical for ensuring mobilization of resources to meet the needs and priorities of the poor, including women. The collection of sex-disaggregated data, the identification and addressing of gaps in information, including on unpaid work, was also highlighted.

The importance of making resource allocations gender-sensitive within a transparent and participatory fiscal process which includes the “voices of women” was highlighted. The need for concrete mechanisms, specified time-frames and adequate support for the implementation of gender analysis of budget processes at national, regional and local levels, was raised.

Gender-sensitive financial reforms and support for research and development of innovative financial mechanisms and instruments that reduce the costs of credit and other financial services to poor women are needed to eliminate discrimination against women in the delivery of financial services. They are essential for strengthening the ability of the domestic financial sector to provide affordable financial services to the vulnerable segments of the population. The development of financial services that serve poor women on a major scale will require, not only gender-responsive micro-credit programmes, but also the provision of integrated savings, insurance and credit services. Women should not be relegated to the special programmes in the microfinance sector but should have improved access to all services in the formal mainstream financial sector.

The trend towards individualization of risk, such as the privatization of pensions and other social security schemes, can undermine the fundamental need for social protection and have important gendered implications. While recognizing that privatization may have some good effects, participants emphasized that reforms need to be undertaken in a manner which protects the vulnerable. The elderly, especially childless women, are most adversely affected by the collapse of social security systems.

Complementary legal and economic reforms that increase women's access to resources, such as land, market knowledge and technology, as well as education for women on their rights, are also essential.

Participants also highlighted the need for capacity-building on gender analysis within finance and other line ministries, as well as the development of accountability mechanisms.

In consideration of these observations, the following recommendations were addressed to the major stakeholders:

- Adopt a more gender-sensitive programming and management approach in the allocation and mobilization of domestic resources that addresses the distinct concerns and needs of both women and men for insurance, savings and credit services, and focuses in particular on the inherent biases of many financial institutions in serving the poor, and women in particular.
- Support research on, and development of, innovative financial mechanisms and instruments that reduce the costs of credit and other financial services to poor women and eliminate discrimination against women by financial institutions.
- Increase consultation with poor women and other vulnerable groups and support their representation in key economic bodies and financial regulatory arrangements and structures, and develop other means to ensure that the concerns of these groups are taken into consideration.
- Support complementary economic and legal reforms that address existing gender-based inequalities in the distribution and access to resources such as land, education, market knowledge and technology, and support removal of specific gender-based discriminatory legislation.
- Support complementary macroeconomic reforms in trade and foreign investment policies that reduce the economic vulnerability of households and promote more stable forms of employment with decent pay and working conditions.
- Undertake and disseminate gender analysis of macroeconomic policies, including taxation, trade, public expenditure, investment and financial policies.
- Collect sex-disaggregated data and identify and address gaps in information, including on unpaid work.
- Support the incorporation of gender perspectives in budget processes at all levels to ensure gender-sensitive resource allocations, potential for women and men to demand transparency and accountability in budget processes and opportunities for ensuring that policy commitments to gender equality are matched with adequate resources.

- Implement concrete steps to support capacity-building in gender mainstreaming within finance and other line ministries to ensure that domestic resource mobilization for development is carried out in a gender-sensitive manner and that the social and economic impact of financial, fiscal and other macroeconomic policies on poor women and their families is systematically monitored.

Develop accountability mechanisms to ensure that all the above recommendations can be implemented and that progress is systematically monitored, including through measures, such as gender equality scorecards for line ministries.

2. Mobilizing international private resources for development

There are potential benefits of foreign investment for development, but the persistent trends of speculative capital inflows and highly volatile currency transactions that lead to financial instability and crisis must also be recognized. Financial crises leading to high inflation, depreciating currencies, bank failures and a collapse of public revenues, impose significant social costs, especially on women and the poor, through loss of work and social services and degradation of the environment. These social costs are often in “less visible” and unmeasured forms, such as increased unpaid work burden. Prudent fiscal and monetary measures, including those that limit excessive dependence on speculative capital, are critical to ensuring a stable macroeconomic environment which supports the achievement of development goals.

Stabilization policies aimed at establishing international credit-worthiness have, in some contexts, resulted in the reduction of social spending. This fiscal retrenchment impacts inequitably on vulnerable groups, including poor women. The use of tax-based incentives, alongside the often weak attempts to enforce environmental and labour standards, in attracting international capital leads to an inequitable distribution of benefits and costs. Tax incentives not only lead to an inequitable distribution of benefits and costs but also inefficient investment that is not conducive to stable high quality growth. Such “hit and run” operations are more likely to lead to poor quality jobs, violation of environmental and labour standards and the exploitation of workers, often young, vulnerable women, many of whom are recruited from abroad.

In enhancing the financial flows to developing countries and economies in transition, governments in recipient countries need to ensure that such flows and their strategies and efforts to promote them, do not contradict the principles of gender equality, equity, justice, participation, democracy and accountability.

There are important gender perspectives in relation to FDI. FDI helps to promote increases in women’s employment in the formal sector (in export processing zones, for example) and in the informal sectors (via subcontracting and homeworking links). However, female employment has remained concentrated mainly in low skill

sectors and the gender wage gap has shown no signs of disappearing. The issue of the poor conditions under which many women work also needs to be consistently raised. The shift of women into paid employment without inputs to relieve them of their reproductive responsibilities leads to unacceptable increases in the workloads, often with negative impacts on family welfare. The increasing role of multinational corporations in food and agriculture is also creating serious survival and sustainable livelihood issues for women farmers and women in family farming entities. Traditionally, women have dominated food production in many developing countries.

There is a need to address the gender implications of the serious inconsistencies in the types of policies and corporate governance that governments tend to promote in creating the domestic and international conditions to facilitate direct investment flows. Research and dissemination of best practices on gender-sensitive corporate codes of conduct should be given more attention and monitoring mechanisms established.

In consideration of these observations, the following recommendations were addressed to the major stakeholders:

- Develop public forums with gender-balanced representation and other monitoring mechanisms and instruments that can help assess the quality of engagement of foreign capital in support of gender equality and women's empowerment goals.
- Develop gender-aware "regulatory frameworks" and other measures in source and destination countries to mitigate excessive market volatility.
- Evaluate the gender-specific developmental impacts of foreign direct investment, including on employment, income and working conditions and unpaid work.
- Establish a standard code of conduct for foreign direct investment and for transnational corporations that is transparent, equitable and enforceable and includes attention to gender perspectives and other social equity issues.
- Support research and dissemination of good practices on gender-sensitive corporate codes of conduct and concomitant monitoring mechanisms.
- Establish gender-sensitive policies and guiding rules in employment practices of foreign investors, including global corporations, by building on existing agreed multilateral instruments, including in particular the ILO conventions.

3. International trade as an engine of growth and development

Trade policy formulation requires a broader understanding of the entire economy and production system that includes the indispensable caring and support activities, which are not traditionally costed or remunerated. Trade has an impact on resource allocation and has the potential to exacerbate unequal distribution of resources between women and men.

The privatization of services, including in the health sector, results in trade in such services and can lead to domestic job losses, particularly for women. In addition, higher prices for these services can lead to heavier burdens of unpaid work, especially in poor households. The differential effects of import liberalization and export promotion on women and men in terms of the level of earnings, job security and employment conditions also need to be considered.

The lack of participation of women in economic decision-making and the failure to incorporate relevant gender concerns in trade agreements and trade policy-making is a critical constraint. Unless gender concerns are systematically incorporated into the proposed actions in the Doha Declaration and in the follow-up mechanisms, trade-related commitments, as well as trade agreements can undermine the internationally-agreed development goals of gender equality, women's empowerment and poverty eradication.

In consideration of these observations, the following recommendations were addressed to the major stakeholders:

- Provide capacity-building and technical assistance to developing countries and economies in transition in multilateral trade negotiations (Monterrey Consensus, para. 38) and ensure that women, as well as men participate both as trainers and trainees.
- Facilitate the active participation of women's organizations in national, regional and international trade decision-making structures and processes to ensure that critical gender concerns are addressed at the formulation, implementation and evaluation stages of trade-related commitments and policies.
- Carry out a gender-sensitive review of the decision-making structure of the World Trade Organization (WTO) and other trade policy-making bodies.
- Implement a gender review (parallel to the WTO Trade Policy Reviews (TPRs)) of bilateral, regional and international trade negotiations and treaties in order to identify gender biases in terms of access to productive resources, earning levels, job security, workers' rights and unpaid work burdens.

- Mainstream gender perspectives in the formulation, implementation and evaluation of trade agreements and treaties. This could involve taking the following steps:
- Investigate the possibility of utilizing the gender mainstreaming guidelines and strategies of the United Nations Conference on Trade and Development (UNCTAD), the World Bank, ILO and other international organizations in WTO and other trade forums; and
- Collect and disseminate good practice examples of gender-sensitive trade policy formulation and implementation.

4. Increasing international financial and technical cooperation in development

The participants in the Day of Dialogue agreed that, unless gender considerations are fully integrated into the operational framework of financial and technical cooperation and donor-recipient partnerships, aid distribution, management and evaluation can actually compromise the internationally-agreed development goals, including on gender equality. Aid projects can disadvantage women because initiatives, even when “developed and owned” by recipient countries, can have a “male bias”, overlooking the important economic and care activities of women. The special needs and priorities of poor women can be persistently overlooked.

Concrete measures need to be taken to ensure that all international cooperation incorporates the recommendations of the Beijing Platform for Action and directly addresses the Millennium Development Goals, in particular gender equality objectives and the critical concerns of the poor. Gender-responsive international cooperation can make an important contribution to capacity-building for gender mainstreaming in economic decision-making and can facilitate the participation of women’s groups and networks in economic governance structures and bodies.

There is a need for a specific time-frame to be established so that internationally agreed ODA levels are met.

In consideration of these observations, the following recommendations were addressed to the major stakeholders:

- Meet the agreed commitment of 0.7 per cent of GNP as ODA to developing countries and 0.15 to 0.20 per cent of GNP to least developed countries expeditiously and within a specified time-frame.
- Earmark the use of ODA resources to advance gender equality and poverty eradication by prioritizing the critical needs of the poor, and supporting the provision of basic needs for women, as well as men, including for social services, credit and savings.

- Institutionalize mechanisms to implement a gender-responsive framework for international cooperation and country partnerships.
- Include representatives of women’s groups and networks in institutional arrangements regarding ODA and take measures to ensure that gender perspectives are fully incorporated.
- Carry out further research on gender equality and poverty eradication as Global Public Goods.

5. External debt

Governments have the primary responsibility for providing economic security, particularly in terms of food and employment security, and in ensuring the right to health and education. They have a critical role to ensure that loans are secured on terms or conditions that do not compromise universally-agreed human rights and gender equality goals.

The effectiveness of the recommended actions in the Monterrey Consensus on the attainment of the development goals requires the implementation of a gender-aware approach to debt relief, debt sustainability review and debt management arrangements. Debt relief initiatives and debt financing measures will contribute more effectively to the achievement of the Millennium Declaration goals if there is gender-balanced representation and active participation of women’s groups in loan negotiations and debt relief agreements, as well as in the follow-up mechanism of the Monterrey Consensus. Regional differences and relevant country-specific contexts should be taken into account, as well as when developing monitoring and follow-up mechanisms.

Without a historical understanding of external debt and utilization of gender analysis, there is little chance that efforts to reduce or manage external debt will lead to “fair burden sharing” (Monterrey Consensus, para. 51) and bring about gender equality and poverty eradication for both women and men. Fair debt burden sharing should involve a gendered impact assessment of debt payment and loan /debt relief conditionalities on the economic security, access to resources, and social services of women and men, as well as the cumulative “hidden” costs in terms of adverse health, education and social consequences (increased crime and violence) and increased unpaid work burden, particularly for women, that has resulted from the long decades of debt in both the middle-income and least developed countries.

In consideration of these observations, the following recommendations were addressed to the major stakeholders:

- Ensure coherence between the financing for development goals and the universal human rights framework and the mechanisms put in place in relation to debt, including debt relief, debt sustainability reviews and debt management arrangements.
- Alter the present highly-indebted poor countries (HIPC) eligibility criteria and computational procedures and assumptions of debt sustainability reviews to include the gendered impact of debt payment and loan and debt relief conditionalities, including the cumulative “hidden” costs in the form of adverse health, and social consequences (withdrawal from schools, increased trafficking of women, crime and violence) and the greater burden of unpaid work.
- Ensure gender-balanced representation in loan negotiations and debt relief discussions, as well as in institutional structures that may emerge in the follow-up mechanism of the Monterrey Consensus, and develop other means to ensure that women’s concerns (particularly those of poor women) and gender perspectives are given adequate consideration.
- Create a democratic and participatory debt arbitration body with gender-balanced representation. Cancellation of debt of the least developed countries and eligible middle-income countries and assessment of debt sustainability should always include an analysis of the impact of external debt on development goals, including gender equality. The consequences of any action towards the repayment of external debt should also be analyzed from a gender perspective.
- Eliminate conditionalities in debt relief initiatives and debt financing measures that lead to the violation of human rights and to the perpetuation or exacerbation of gender inequalities and investigate ways and means of explicitly monitoring improvements in gender equality, through, for example, improvements in infant mortality rates, nutrition, etc.
- Earmark resources released by debt relief to address specific targets and benchmarks agreed upon in the Beijing Platform for Action and the Millennium Declaration goals.

6. Addressing systemic issues

In the spirit of “enhancing coherence and consistency in international monetary, financial and trading systems” (Monterrey Consensus, para. 52), multilateral financial institutions should include the surveillance of major industrial countries in their work.

There are organizational gaps in global economic governance that need to be addressed. There is a need for multilateral financial institutions and regional and international bodies to explicitly mainstream gender perspectives into all economic policy-making.

The emphasis in the Monterrey Consensus on fair burden-sharing, as well as moral hazard prevention is a concrete move towards addressing the issues of equity and justice. It is important, however, to consider that macroeconomic policies, as well as clauses in crisis resolution adjustments and international debt workout mechanisms, have gender dimensions in both content and impact. In many instances, the disproportionate burden of adjustment falls hard on the poor, including in particular women, with increased unpaid work burdens and compromised levels of human subsistence. Without the systematic utilization of gender analysis, these social costs are likely to be overlooked, remaining unmeasured and unaddressed.

Innovative sources of financing should be explored for enhancing the provision of global public goods and for redressing the systemic imbalance in resource distribution and in the global redistribution of benefits and costs of globalization. This task would be facilitated by greater cooperation among existing international organizations and the creation of new forums, such as an international tax cooperation forum. Already, international institutions are cooperating on fighting money laundering, corruption, and terrorism, and now consider attention to these issues an integral part of their operations. However, other global public goods, such as raising the status of women in developing countries, should also receive the same attention (Monterrey Consensus, para. 66).

There is still need for specific measures that ensure active participation by citizens of developing countries, particularly poor women, in global and economic governance structures and institutions. Their representation and voice in the International Monetary Fund (IMF), the World Bank, WTO, the Bank for International Settlements, the Basel Committees and the Financial Stability Forum, and the regional development banks, as well as in leading UN bodies, such as the Economic and Social Council and the United Nations System Chief Executives Board for Coordination and the United Nations regional commissions, is critical in ensuring that vulnerable groups have an important role to play in economic decision-making and norm-setting.

It is also important that civil society, including women's groups and networks, are actively engaged with the ministries of development, finance, trade and other line ministries to help improve "domestic policy coherence" in support of the MDGs. Capacity-building among women's groups in conducting economic analysis and among policy-makers and economic advisers on implementing gender analysis need to be supported and given priority.

In consideration of these observations, the following recommendations were addressed to the major stakeholders:

- Ensure a greater integration of economic and social policies and programmes throughout the follow-up to the international conference.
- Earmark financial resources to meet multilaterally-agreed development targets and benchmarks, including those in the World Summit for Social Development and the Beijing Conference.
- Develop a comprehensive, gender-aware framework that enhances the social impact assessment of financial flows as part of any international financial stability planning.
- Support research on the gender dimensions of macroeconomic policies, on recommended approaches towards gender mainstreaming, on gender equality and poverty eradication as global public goods, and on the link between financing for development and the attainment of the goals in the Beijing Platform for Action and the Millennium Declaration.
- Utilize existing frameworks for collecting relevant data, setting up benchmarks and monitoring progress and include reporting on gender equality in IMF Article IV consultations.
- Develop global funding schemes and an international tax body or organization that can provide financial support to global public goods and ensure that these financial resources are allocated for meeting social priorities and needs, including promotion of gender equality, women's empowerment, environmental protection and poverty eradication, as well as the fight against HIV/AIDS.
- Strengthen broad-based participatory policy formulation, decision-making and rules-setting processes and help fill organizational gaps in governments and international bodies. Involve civil society, including women's groups and networks, in debt workout mechanisms and in key economic international bodies and financial institutions, such as the WTO, IMF, World Bank, Financial Stability Forum, as well as in the United Nations regional commissions, regional development banks and United Nations organs, including the Economic and Social Council and the United Nations Secretariat.
- Ensure gender-balanced representation and participation of civil society, including women's groups and networks, in the follow-up mechanisms and activities in the implementation of the Monterrey Consensus.

- Ensure the full involvement of gender specialists in all follow-up to the International Conference on Financing for Development and establish a strong link between research and actual policy action at the national and all other levels.
- Support capacity-building on gender analysis of macroeconomic policies and development strategies for policy-makers, economic advisers, technical consultants, as well as staff of economic bodies and line ministries.
- Support capacity-building for women's groups and organizations in economic analysis and in economic/financial decision-making processes and structures.

Annex I

Mainstreaming gender perspectives in issues addressed in the preparations for the International Conference on Financing for Development. An initial analysis, April 2001 prepared by the Gender and Financing for Development Taskforce of the IANWGE

Introduction

Over the past decade increasing recognition has been given to the importance of equality between women and men for sustainable people-centred development. Initiatives that improve gender equality ultimately contribute to economic development. This is recognized in the Millennium Declaration objective: “To promote gender equality and empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate development that is truly sustainable” (para. 20). Economic development policies and strategies should pay more explicit attention to the policies and strategies on the promotion of gender equality, as part of efforts to improve achievement of overall economic goals.

There has been little recognition of the importance of gender perspectives in macroeconomic policies and institutions, including those areas covered by the International Conference on Financing for Development. An increasing number of economists have, however, begun to highlight that macroeconomic policies and institutions which do *not* take gender perspectives into account, not only often impact negatively on women relative to men, but through the perpetuation and exacerbation of gender inequality can also have a direct negative impact on the achievement of the macroeconomic goals set. There has been an important shift from focusing on how economic policies have affected welfare in a gender-specific manner, to illustrating how gender biases negatively affect the outcome of these same economic policies. Efforts are being made to illustrate the impact of gender inequalities on the major concerns of policy-makers, for example, economic growth and structural adjustments. Gender perspectives need to be given more attention in, for example, fiscal policy, financial sector reform, financial architecture, trade and debt.

It needs to be recognized that the significant gender differences and disparities with respect to decision-making powers, participation, and returns for effort that prevail in different societies should be taken into account when responding to the forces of globalization. Because of their subordinate position in many parts of the world, women can be affected negatively by globalization processes to a greater extent than men. On the other hand, there can be significant gains for women, with

globalization being a positive force for greater equality. For this to be possible, however, social objectives, equity/equality issues, and the provisioning of needs must become central to macroeconomic policy-making.

Women as well as men are actors, stakeholders and agents of change in economic and social development. The potentials and contributions of women as well as men, as farmers and entrepreneurs for example, should be highlighted. Even though women in many parts of the world face serious inequalities and constraints in relation to economic development, the focus on women in relation to economic resources and economic development should not be solely in the context of vulnerable groups, or as those bearing unequitable burdens in situations of economic crisis.

The key challenge in financing for development is to ensure that the process of resource mobilization and the allocation of these resources, are in line with the overall development goals, including social development goals and gender equality. The issue is complex, particularly because contradictions can arise between the policy goals of poverty reduction, good governance, human rights, environmentally-sustainable development and gender equality in national and international development strategies and the conditions of financial liberalization and trade liberalization processes.

It is not sufficient to plan, implement and monitor the different options for financing for development from a purely economic standpoint. Social development criteria need also to be utilized and questions of equity/equality should be high on the agenda. Key issues include the potential of all groups in society, including both women and men, to influence, participate and benefit from economic development. Access to and control over resources is a critical element. There are potentials and constraints from a gender perspective related to each of the issues covered in the International Conference on Financing for Development, as will be outlined briefly in this paper.

“The Report of the Secretary-General to the Preparatory Committee for the High-Level International Intergovernmental Event on Financing for Development” (A/AC.257/12) focused on the major macroeconomic variables affecting development, as well as the importance of ensuring that financing for development is in line with global commitments to social development goals. In this context, the goal of promoting gender equality, as outlined in the Beijing Platform for Action (1995) and the outcome document of the twenty-third special session of the General Assembly entitled “Women 2000: Gender Equality, Development and Peace for the 21st Century” (2000), should be explicitly raised in the final outcome, both because of the need to ensure increasing equality between women and men and because of the importance of gender equality for economic development.

1. Mobilizing domestic financial resources for development

Inequalities in access to resources, including independent income, faced by women in many parts of the world have important implications for development. These inequalities reduce the participation of women in economic production and thus reduce their contribution to development. In addition, gender inequalities hamper human capital formation of future generations. A number of studies have shown that women have greater propensity than men to spend their income in ways that directly benefit other family members, especially children. According to the World Bank, evidence has shown it can take up to 15 times more spending in some contexts to achieve a given improvement in child nutrition when income is earned by the father than by the mother. In Nicaragua, a survey found better nutritional status in female-headed households than in male-headed households. Improving women's access to credit and other financial services has direct positive developmental impacts. The fact that, in some situations, women tend to utilize their economic resources for the betterment of their families to a greater extent than men should be taken into account in efforts to mobilize and allocate domestic resources for sustainable and people-centred development.

Even though it is increasingly recognized that gender inequality is an impediment to economic development, little has been done in many parts of the world to increase the access of women as well as men to economic resources. The specific constraints women face, relative to men, need to be clearly identified and addressed. These include lack of access to productive resources such as land, property rights and inheritance; lack of access to the formal economy; and inequitable representation at all levels in both private and public political and economic forums, and in particular in decision-making.

Gender perspectives need to be taken into account in relation to poverty eradication strategies. There are important gender differences and disparities in terms of the causes and consequences of poverty, as well as the potential to develop adequate coping strategies. Although precise data is not available, there are indications that women are seriously overrepresented among the poorest of the poor. The Secretary-General's report (A/AC.257/12) highlighted the importance of focusing on the household and intra-household income and security as well as the need to disaggregate in terms of women, men and children. Issues of access to and control over resources and decision-making potential within households are critical.

1.1. An enabling environment

Ensuring that resource mobilization and allocation at domestic levels, in particular through national budget processes, take relevant gender perspectives into account and provide equitable opportunities for both women and men to voice their priorities and needs, depends on the development of an enabling environment. This requires identifying the specific constraints women face in gaining equitable access to property rights and productive resources, credit and financial services, social

protection, entrepreneurship support and developing effective policy and institutional responses. Transparent and accountable governance should provide opportunities for consultation and participation with all groups of stakeholders, including women's groups and networks. Legal and regulatory frameworks need to take gender perspectives into account to ensure that the development constraints imposed by gender inequalities are removed.

The Secretary-General's report (A/AC.257/12, para. 25) highlights that adequate responses to people and their needs are highly correlated with the achievement of effective, participatory, transparent and accountable governance institutions. This is linked to the intensification of reforms geared to strengthening legal and regulatory frameworks, social, economic and institutional infrastructure, equal access to and control over resources for women and men, the enforcement of contracts and domestic laws regarding private property, and financial sector reform. Each country needs to maintain a set of macroeconomic and financial policies and institutions that can be sustained both economically and socially. Since both public and private actors are involved, an important role of governments is to establish the policy frameworks, institutions, rules of law and regulations for mobilization and utilization of private as well as public capital. These elements should be particularly addressed in relation to established development goals, including on poverty reduction and gender equality.

Actions required:

- **Initiate legal and administrative reforms to ensure women's equal access to productive resources, such as land, property rights and inheritance;**
- **Develop fiscal policies and financial sector development plans that address social development objectives and incorporate gender concerns in the allocation and mobilization of domestic financial resources for economic and social development;**
- **Establish effective, transparent, participatory and accountable governance policies and institutions, responsive to the needs and priorities of all groups in society, including women. This requires intensifying reforms geared to strengthening legal and regulatory frameworks, institutional infrastructure, the enforcement of contracts and laws regarding private property, and financial sector reform, with due attention to all relevant gender perspectives, as well as ensuring equal access to and control over economic resources for women and men; and**
- **Adopt broad-based consultation approaches which would include the voices of all stakeholders, including both women and men, as a means of ensuring greater transparency and accountability in the allocation**

and use of financial and other domestic resources, in accordance with commitments to social development and gender equality in global conferences and summits.

1.2. Strengthening public finances

1.2.1. National budgets

National budgets are a mechanism for ensuring the allocation of adequate resources to achieve established development goals, including gender equality. This includes resources for provision of essential public goods and services. National budgets should be assessed in relation to social development goals, as well as financial and monetary goals and targets. Increasing attention to gender perspectives, particularly through consultation with women's groups and networks, in identifying priorities and needs can contribute to greater transparency and accountability and the long-term legitimacy of governments.

Since the mid 1980s, efforts have been made within a large number of Member States (at least 41 mainly developing countries) to give more attention to gender perspectives in national budget processes. These efforts have been initiated by NGOs and civil society groups or by governmental mechanisms for promotion of the advancement of women. Parliamentarians have been actively involved in these processes in some countries. Ministries responsible for national and/or state budget processes have also been directly involved in a number of countries.

Over the 15 years in which these initiatives have been undertaken, there has been a clear evolution of approach – from analyzing how the budget, as already formulated, would impact on both women and men, to trying to influence the actual formulation of budgets. There has also been a move from an almost exclusive focus on expenditures to incorporate a focus on revenues, including taxation. Attempts have been made to link budgets at different levels to national policy statements on gender equality in order to point out glaring gaps in allocation of resources to match policy goals. The initial focus in many initiatives to influence budget processes from a gender perspective was on the budget at national or state levels. Increasing attention is, however, being given to local-level resource allocation processes. In some countries, there has been a strong focus on training individuals and groups in civil society (including women's groups and networks), on analysis of budgets and lobbying techniques to influence the formulation of budgets at different levels and to facilitate more transparent and accountable processes of resource allocation.

As well as promoting gender equality, such gender-sensitive and participatory budget and review procedures would assist Governments in: protecting development expenditures in times of adjustment; enhancing the cost-effectiveness of public expenditures; ensuring appropriate target groups are being addressed; and facilitating adequate evaluation of impacts, particularly in terms of promoting gender equality, eradication of poverty, and promoting people-centred development.

Actions required:

- **Apply gender analysis to revenue-raising, expenditure plans and reviews and provision of public goods and essential services in order to help reduce gender inequality in the allocation of public resources;**
- **Initiate transparent budget procedures which incorporate gender perspectives and facilitate the participation of civil society, including women's groups and networks, with a view to enhancing the efficient and equitable provision of infrastructure and services and meeting the needs of all groups in society;**
- **Initiate transparent expenditure reviews, based on participation of civil society, including women' groups and networks, which link the allocation of resources to overall development goals, in particular social development and gender equality, and evaluate impacts on the poor, in particular women (as recommended in the Secretary-General's report – A/AC.257/12, para. 35); and**
- **Explore the potential of tapping civil society and private sector resources to contribute to the provision of infrastructure and social services in a manner which expands access to the poorest, including in particular to women (as recommended in the Secretary-General's report A/AC.257/12, para. 36).**

1.2.2. Taxation

The gender perspectives on taxation systems have become more widely recognized as a result of research around taxation policy changes in some developed countries. This has raised the importance of taking gender perspectives into consideration in discussions of direct versus indirect taxation; types of appropriate tax rebates; and the issue of the impacts of progressive taxation schedules. Systems where direct taxation provides the dominant proportion of taxation-based public revenue tend to benefit the poor, including women, more directly. Women's entry into the labour market, and the conditions of their involvement, can also be directly affected by taxation structures and schedules. Employment disincentives can exist for women because of joint income tax structures which disadvantage the spouse earning least, usually the woman, as well as the failure to provide tax rebates to cover social costs involved when women enter the labour market, such as for child-care. Tax rebates on retirement savings schemes must also take into full account the disparities between women and men in relation to labour force participation and the specific conditions of that participation. All the above issues, as well as impacting negatively on the coping and survival strategies of individual women and their families, have broader developmental impacts at different levels.

Actions required:

- **Develop efficient and equitable taxation systems on the basis of an assessment of the needs and priorities of both women and men and the gender implications of different systems; and**
- **Incorporate attention to relevant gender perspectives in the attempts to integrate the informal sector into the mainstream of the economy and in any efforts to develop alternative systems of taxation.**

1.3. Strengthening the domestic financial sector

Credit and financial services

Gender-based discrimination in the credit market means that the rates of interest charged to women overestimate the cost of lending to women and underestimate the returns to lending to women's enterprises. While women in urban enterprises may receive more bank loans than men, on average the size of loans made to women is smaller than those provided to men. Institutional procedures can create gender bias in that formal lending services are not set up to administer small loans, and this effectively hinders women's equitable access to credit. Women also accrue higher transaction costs as a percentage of their total loan due to the fixed costs associated with lending.

Many women lack access to land ownership, property and other critical resources, in part because of discrimination in relation to inheritance rights. Consequently, these women lack the collateral necessary to receive credit and loans from formal financial sector institutions. The tightening of credit controls in many developing countries creates even greater impediments for small-scale producers, including women, to gain access to credit. While many women have benefited from special micro-credit initiatives, equal access to mainstream financial and credit markets is also essential, as was recognized in the Secretary-General's report (A/AC.257/12, para. 37). Women should not be relegated to the informal economy and special micro-credit schemes, but should be recognized as important economic actors in some sectors and situations critical for economic development and be given equal access to credit and other financial services.

While micro-credit is important for many women, particularly in rural areas, it is important not to focus solely on micro-credit and neglect the issue of access to other financial services. It is also critical to go beyond consideration of micro-credit for women in trying to incorporate a gender perspective into economic development. The risks of ghettoizing women in the micro-credit field have been well established. The potentials and constraints of women, as well as men, as economic actors need to be taken into account in all areas of macroeconomic development.

Actions required:

- **Increase the mainstream financial services available to women – poor and rural women in particular – such as credit, insurance, savings mobilization, and technical assistance, to improve women’s capacity to contribute to household survival, poverty reduction and achievement of local and national development goals;**
- **Strengthen women's rights to pledge collateral as a means of improving access to mainstream sources of financing (as recommended in the Secretary-General's report (A/AC.257/12, para. 41);**
- **Develop a rural credit plan to provide services to farmers, fisherfolk and other rural producers, including in particular women (as recommended in the Secretary-General's report (A/AC.257/12, para. 40; and**
- **Establish a transparent and efficient overall legal framework and administration complemented by effective regulatory and supervisory institutions to reduce excessive risk taking and “moral hazard”, taking into account the impacts on the poor, particularly women.**

1.4. Social security and savings mobilization

1.4.1. Social protection systems

The Secretary-General’s report “Enhancing social protection and reducing vulnerability in a globalizing world” (E/CN.5/2001/2) points out that the experiences of countries successful in economic, political and social terms illustrate that economic development and social protection are mutually reinforcing. While social protection should not be considered separately from macroeconomic stability, the right to social protection should not be sacrificed to conjunctural considerations. Social protection spending should be seen not as non-productive expenditure but as an important investment into human capital and social cohesion, essential for economic development. Social protection may provide an incentive for both women and men to invest in education and training, thereby augmenting human capital, and contributing to labour productivity, leading in turn to economic development. The major challenge is to find solutions which allow social protection to meet increasing needs, including the particular needs of poor groups and particularly poor women, in such a way that it contributes positively to economic performance.

The above-mentioned Secretary-General’s report (E/CN.5/2001/2) also points out that in some societies, women experience discriminatory treatment under existing social protection regimes. Inferior access to health services (including essential reproductive health services), education and training, places women in a

disadvantaged position in the labour market. Women predominate in low-pay, low-status, part-time or contract work that offers limited opportunities of social security coverage. In addition, unequal access to productive resources, such as land, capital, credit, technology and extension services, has the effect of reducing incomes and savings, thereby restricting women's capacity for self-protection and increasing their dependence on their families. In addition, the cost of reproducing and maintaining the labour force in a given society remains invisible, so long as the scope of economic activity does not include unpaid "reproductive" labour.

In developing country contexts the majority of the population stands outside formal systems of social protection, being engaged in various forms of rural or urban self-employment. Women play a key role in traditional forms of social security, often developing innovative approaches to secure the livelihoods of their families and support relatives and neighbours. The challenge in these contexts is for social protection systems to strengthen the capacity of individual women and men to sustain their own independent livelihoods (where facilitation of access to credit, financial services and savings is a critical element), while at the same time guaranteeing a collective public response for those deprived or seriously at risk (Secretary-General's report E/CN.5/2001/2).

Increasing financial integration in the global economy has been accompanied by a growing vulnerability of developing countries to financial and economic crises which have had devastating social costs, especially in terms of a rise in unemployment and poverty and reduced access to basic social services. With globalization, more flexible labour markets and the spread of informal types of work there is evidence that various forms of socio-economic insecurity are spreading, leaving a growing number of people and communities unsupported by mainstream forms of protection. In these situations it is women who are more adversely affected.

Given both the social dimensions and the economic implications of the HIV/AIDS pandemic, social protection schemes, particularly in developing countries, should be designed to take this into account, as was highlighted in the Programme of Action for the World Summit for Social Development (1995, para. 38). The Report of the Secretary General to the special session of the General Assembly on HIV/AIDS (A/55/770, para. 28) highlighted that more women than men are caretakers of people with AIDS, which puts the burden of care on them in addition to financial responsibility for their family's survival. The implications of the important roles played by women in securing the continued livelihoods of families in contexts of considerable economic and social stress need to be identified and addressed.

Actions required:

- **Adopt a comprehensive approach to the development of sustainable social protection systems which facilitates risk management at individual and family levels, particularly for women, as recommended by the Secretary-General's report (A/AC.257/12, para. 44);**

- **Extend progressively social protection systems to the sectors of the economy where women dominate, such as smaller enterprises and the informal economy, and to women performing unpaid work (as recommended by the Secretary-General's report A/AC.257/12, para. 44), through the introduction of special measures for those not covered by formal social protection systems. These measures should include the introduction of state-funded social assistance, and the promotion of micro-insurance programmes and micro-credit schemes at the community level;**
- **Develop social protection and social support programmes that take into account the multiple roles and concerns of women, including in particular their contributions to economic development through unpaid work, and meet the specific needs of particular groups of women, for example the reintegration of women into formal work after periods of absence and support for older women, as recommended in the Programme of Action of the World Summit for Social Development (1995, para. 38 (j));**
- **Consider explicitly the impact of HIV/AIDS pandemic on the social protection potentials of households and communities, taking particular account of the critical roles played by women; and**
- **Make unpaid work visible and redefine the economic meaning of work to include unpaid reproductive labour.**

1.4.2. Savings and entrepreneurship

Formal programmes to promote savings and entrepreneurship development tend to neglect women. The assumption has been that women are unable, for a variety of reasons including extreme poverty, to mobilize savings effectively. Part of the reason for the failure to engage women has, however, also been related to the persistent perception of women as dependants of men and the assumption that any income women earn is purely supplementary and of less importance for household survival than the contributions of men. Studies have shown, on the contrary, that women's income is critical for family well-being. It is increasingly well known, for example, that women tend to allocate a greater share of household income to health, education and nutrition-related expenditures. Women are actively involved in small-scale enterprises which, in many cases, are essential for the survival of families and development of local communities, as acknowledged in the Secretary-General's report (A/AC.257/12, para. 38). In addition, the existence of many different forms of informal savings clubs and networks run by women around the world is indicative of the strong interest and capacity among poor women to mobilize savings as a means of improving the welfare of their families.

Actions required:

- **Promote household savings among the poor, taking into account specific constraints of different groups, including women in particular;**
- **Increase access to financial services and savings possibilities for small and medium-size enterprises run by women; and**
- **Improve the opportunities and working conditions for women entrepreneurs by eliminating discrimination in access to credit and other productive resources, including information, new technology, management skills, improved infrastructure and access to wider markets, as recommended in the Programme Action of the World Summit for Social Development, 1995, paras 51 (d) and (f).**

2. Mobilizing international resources for development: foreign direct investment and other private flows

There are important gender perspectives in relation to FDI at macro-, meso- and micro-levels. At the macro-level, FDI helps to promote the feminization of the labour force and thereby contributes to increases in the intensity of women's labour in the formal sector (in Export Processing Zones, for example) and in the informal sectors (via subcontracting and homeworking links). At the meso-level, there are issues of unequal transaction costs, inequitable access to information, asymmetric property rights and gender segmentation of markets. The expansion of investment opportunities as a result of the infusion of foreign investment may not be equitably available to women entrepreneurs, due to gender bias that locks women into, or out of, particular markets.

Credit conditions are generally more favourable to men. As a result of gender inequality in the ownership of economic resources, women may also lack the necessary property rights to qualify for credit to take advantage of new investment opportunities in the export or domestic sector. At the micro-level, women's responsibility for household work may constrain their ability to take advantage of employment opportunities or to participate in higher-valued business activities. Furthermore, gender differentiated patterns of demand will influence the purchase of particular types of goods and services. Ultimately, the differing patterns of control over assets and income, and the bargaining power and position of women and men, will influence the investment and spending decisions related to the opportunities presented in trade and foreign investment liberalization.

The relocation of labour intensive industries from advanced market economies to middle income-developing economies has increased employment of women. Even though female employment has remained concentrated mainly in low skill sectors and the gender wage gap has shown no signs of disappearing, the rapid increase in the

female labour force participation rate can have considerable positive impact on women's economic well-being. Nevertheless, the issue of the poor conditions under which many women work needs to be consistently raised. The problem is particularly acute in sweatshops in the informal sector which, through arrangements, such as sub-contracting and outsourcing, became an integral part of the formal economy and have experienced an explosive growth in recent years.

The shift of women into paid employment without inputs to relieve them of their reproductive responsibilities leads to unacceptable increases in the work loads, often with negative impacts on family welfare. Social service cuts, in both developed and developing countries, which shift responsibility for care, childcare and care of the elderly, sick and mentally disabled, back to the family – and in effect back to women – exacerbate this situation.

The increasing role of multinational corporations in food and agriculture is creating serious survival and sustainable livelihood issues for women farmers and women in family farming entities. Traditionally, women have dominated food production in many developing countries. In addition, the privatization and transformation of land to cash crop export agriculture is affecting women's access to land in many countries. At the same time, the reduction in domestic support to agriculture will present a problem for small farmers, including women farmers, who are often totally reliant on some form of assistance from government.

Actions required:

- **Establish a standard code of conduct for FDI and for transnational corporations that is transparent, fair and enforceable and includes adequate attention to gender perspectives, and other social equity issues; and**
- **Evaluate gender-specific developmental impacts of FDI, including on employment, income, working conditions and unpaid work.**

3. Trade

For many countries, trade is the primary vehicle for realizing the benefits of globalization. Trade policies affect employment, markets, distribution and consumption patterns, cultural values, social relations and the environment, all of which engage and affect women as well as men. Potential does exist for greater human development gains through trade, but only if the adherence of foreign firms to goals and established standards in relation to human rights, gender equality and environmental sustainability can be assured.

Many sceptics of the WTO system – including some of its members as well as civil society – are questioning whether the critical values and objectives of equity/equality, rights, transparency and sustainable development, on which the

global trade system should be based, are being taken into account adequately. Issues raised include poverty, unequal income distribution, and gender disparities in relation to representation, access to and control of economic resources and in the shouldering of the burden of adjustment to economic shocks and dislocations resulting from trade liberalization.

Trade policies may have significant gender implications as various sectors of the economy are affected in different ways in terms of both cutbacks and expansion associated with membership in WTO. In the transition towards trade liberalization the sectors in which women represent the majority of the labour force are often the most affected by cutbacks. Women need to be given access to the opportunities linked to expansion in other sector areas. The Secretary-General's report (A/AC.257/12, para. 70) recognized the fact that the textile and clothing sector and agricultural sector continue to be critical in developing countries. It would also be important to highlight the fact that these sectors are as well the main source of employment for women in many countries.

Comparative advantage in low labour costs has led to the relocation of labour-intensive industries to developing countries, assisted by policies including trade liberalization, investment incentives and subsidies, and deregulation of labour markets. This has significantly increased the demand for labour, usually non-skilled labour, and often young, female labour. The positive gains in this respect may, however, be negated by the lack of compliance with adequate standards for working conditions, leading to exploitation of workers, particularly where there are weak or non-existent rights of worker organization, lack of opportunities for long-term skill development and the lack of sustainability of employment due to volatility of investment flows and intensive working conditions.

Research relating to trade and work has focused on formal, manufacturing employment. The implications of trade for small-scale agriculture, informal sector work, and unpaid household labour, are less well understood. In general, the impacts of trade liberalization have been mixed: positive in terms of women's employment and wages; but with negative impacts on leisure time and the reproductive economy that raise questions about the welfare outcomes and sustainability of such policies. More consideration should be given to the regulation of women's work that is hidden in the home or small sweatshops and informal sectors.

As well as being associated with rising female employment, trade liberalization is also expected to promote the expansion of women-owned and operated businesses. Both of these opportunities provide women with income, which can contribute towards increasing their autonomy and empowerment in the household and the community. But trade liberalization policies may also exacerbate existing gender inequalities thereby worsening women's economic and social status. For example: trade liberalization policies that increase the employment of women in the formal and informal economy, without complementary measures, such as day care, may simply increase the work burden of women. Trade liberalization may also

reinforce gender segregation and gender-typing of occupations and industries in which “women’s jobs” have lower pay and less secure tenure than “men’s jobs”. Additionally, trade liberalization does not necessarily move resources, such as land and credit to women and may even reduce women’s access to these critical resources. For example, when there is a switch from subsistence to cash crop production for export, women generally lose traditional access to land.

Existing gender inequalities can undermine the effectiveness of trade policy because they affect the factors that are critical to the successful implementation of the policy. Because of existing inequalities women may face difficulties in responding to incentives and opportunities. Women workers may have particular constraints, such as lack of childcare and sole responsibility for other reproductive activities, which can affect their ability to respond appropriately to price signals. The barriers women farmers and entrepreneurs face in accessing credit, technical assistance and training may also negatively affect their ability to expand production and take advantage of new opportunities.

It is recognized in the Secretary-General’s report (A/AC.257/12, para. 78) that women in particular continue to be dependent on the agricultural sector and that the implications of this must be taken into account. Most discussions of trade have emphasized economic and political aspects at macro-level, but ignored the differential social and economic impact of changing trade patterns on women and men at other levels. This is particularly true in the agricultural sector which is the strength of many developing countries and where women play a critical role in both food and cash crop production. If gender equality concerns were to be given greater attention in trade policies, potential would exist for improving women’s as well as men’s standards of living and quality of life, for enhancing local community sustainability, and for opening access to resources and decision-making for women as well as men.

Actions required:

- **Analyze the potential differential impacts of trade on women and men, and develop strategies to ensure benefits for women as well as men;**
- **Identify measures to protect and retrain workers laid off in the sectors in which a country does not have a comparative advantage and to protect and invest in workers in the sectors in which the country has potential to specialize, taking into account the contributions and needs of women as well as men;**
- **Incorporate social development perspectives, including gender perspectives, in the Trade Policy Review mechanism, particularly in relation to key development indicators, such as impacts on employment patterns and income generation; and**

- **Investigate potentials for expanding access of women producers to trade opportunities.**

4. Increasing official development assistance (ODA)

Effective mobilization and utilization of ODA to support achievement of the development goals established in the Millennium Declaration requires the establishment of strong economic and social policies and strategies in developing countries. The focus on ODA in the context of financing for development has stressed the importance of basing ODA on policies and programmes that enjoy ownership of the governments and civil society in recipient countries (Secretary-General's report – A/AC.257/12, para. 83). Attention to consultation and participation should include attention to gender perspectives, ensuring that all groups in civil society, including women's groups and networks, have the possibility to make their voices heard and that women as well as men are reached in efforts to promote broad-based participation. The Secretary-General's report (A/AC.257/12, para. 83) highlights the important role of ODA in promoting empowerment, in particular of women. The focus on expanding human capital and productive capacity within developing countries should be based on a recognition of the critical development inputs of women, and should identify and address the constraints hindering the full development of their potential.

In response to intergovernmental mandates on gender mainstreaming the great majority of multilateral and bilateral development cooperation agencies have well-established policies and strategies on the promotion of gender equality. Progress with the implementation of these policies and strategies has been mixed. Systematic mainstreaming requires attention to gender perspectives in analyses, policy development and in the planning, implementation and monitoring of programmes on the ground. It should ensure that women and men can influence, participate in and benefit from initiatives, resources and investments. The increased focus on programme assistance in many donor countries raises issues of the importance of gender perspectives in relation to the overall policy context and institutional development.

Bringing gender perspectives into ODA can ensure a more accurate understanding of the development potential in a country – the resources, opportunities and challenges – and enable more appropriate responses and sustainable development outcomes from development agencies. The Secretary-General's report (A/AC.257/12, para. 90) highlighted the importance of raising interest in development assistance in donor countries by linking to specific pursuits that resonate with the public at large in these countries. This would include gender equality goals, since there is a strong interest in improving the situation of women in many donor countries.

The Secretary-General's report (A/AC.257/12, para. 2) recognizes the need for special attention to resource needs in relation to humanitarian and complex

emergencies. An improved focus on gender perspectives, through for example the Consolidated Appeals Process (CAP), should be given particular emphasis.

Actions required:

- **Ensure that the development goals established in the Millennium Declaration, particularly in relation to poverty reduction and promotion of gender equality, are taken into consideration in mobilization and utilization of ODA;**
- **Support the development of sound socio-economic policies and development frameworks, with a strong focus on poverty eradication goals and gender equality, in developing countries to guide the mobilization and utilization of ODA;**
- **Support the development of capacity for incorporating gender perspectives into development policies and programmes in developing countries, as an integral part of ODA;**
- **Ensure that gender perspectives are fully integrated into the development policy and operational frameworks utilized by the United Nations and the Bretton Woods Institutions;**
- **Increase ODA earmarked for supporting social development and gender equality goals, particularly related to increasing economic decision-making roles for women;**
- **Enhance the role of ODA in ensuring that the benefits of globalization reach people living in poverty, taking particular account of the needs and priorities of women;**
- **Give attention to issues of ownership, consultation and participation with particular consideration of the constraints facing women and ensure opportunities for the contributions, priorities and needs of women as well as men to be taken into account;**
- **Development of effective accountability mechanisms to ensure that ODA is based on assessment of gender differences and disparities and incorporates relevant gender perspectives;**
- **Ensure involvement of women's groups and networks in the development of holistic national development frameworks in developing countries to guide the provision of ODA in line with social development and gender equality goals;**

- **Ensure that donor coordination includes attention to the effectiveness in eradicating poverty and promoting the achievement of overall social development goals and gender equality;**
- **Ensure that gender perspectives are explicitly addressed in the Consolidated Appeals Process;**
- **Focus on increasing gender mainstreaming as a means to both promote greater equality and ensure achievement of all other development goals, in efforts to improve the delivery mechanisms for ODA;**
- **Carry out regular reviews of incorporation of gender perspectives of ODA, in particular that linked to economic development;**
- **Ensure that any campaign to review the implementation of the Millennium Declaration goals gives adequate attention to gender perspectives;**
- **Enhance the role of coordinating bodies working to promote greater attention to gender perspectives in ODA, for example the IANWGE and the Organization for Economic Co-operation and Development/ Development Assistance Committee (OECD/DAC) Working Party on Gender Equality; and**
- **Investigate the gender perspectives in relation to Global Public Goods.**

5. External Debt

The debt problem facing many developing countries, besides curbing economic growth, is a major impediment to achievement of social development goals, including gender equality. Unfavourable loan terms and complex conditionalities, coupled with inadequate systems of debt management, have created an untenable situation for the HIPC countries. Heavy schedules of debt servicing and the policy adjustments required by the loans, particularly relating to cuts in basic goods and services or shifts of responsibility for these goods and services to the market, has led to increased poverty in many countries. The failure to take gender perspectives into account has also exacerbated gender disparities to the detriment of sustainable development. Debt relief is essential for developing national capacity for sustainable people-centred development in these countries.

Loan negotiations, including discussion of conditionalities, must take into account the impacts of proposed policy changes on social development, and on gender equality as a precondition for development. Debt management should also consider relevant gender perspectives as part of consideration of social development and equity/equality issues. The social costs of debt servicing in relation to reduced

access to basic services such as health, education, water and energy supplies and the increased burden on women's unpaid work must be included in calculations (outcome of the twenty-third special session of the General Assembly, June 2000, A/Res/S-23/3 paras 101 (i)).

Actions required:

- **Ensure that international financial institutions take social consequences, including gender perspectives, into account in loan approvals, debt servicing and debt relief, in compliance with international goals on social development and gender equality; and**
- **Give consideration in debt restructuring and debt relief to how the resources released could be utilized for meeting basic needs, alleviating poverty and achieving the goals of social development, including gender equality, in accordance with the recommendation from the twenty-third special session of the General Assembly (June 2000, para. 101 (j)).**

6. Addressing systemic issues

Strengthening the role of the United Nations

The Secretary-General's report (A/AC.257/12, para. 144) recognizes that a major challenge in financing for development is to construct an international financial system that will best serve development in a globalized and interdependent environment – a system that is open, efficient, stable, innovative and just and which spreads opportunities to all. The importance of the international financial institutions enhancing the broader development focus initiated in recent years, with particular emphasis on poverty reduction and gender equality, is increasingly recognized. The United Nations has contributed to global consensus on development goals, particularly in relation to social issues, including gender equality, during the 1990s. The United Nations can play a key role in ensuring that the goals of the Millennium Declaration, including on poverty reduction and gender equality, are kept in focus even at the macro-level. The United Nations is particularly well placed to foster dialogue between different groups on global policy issues.

Actions required:

- **Encourage the United Nations to provide leadership on incorporating gender perspectives into macroeconomic policies and institutions;**
- **Ensure that the General Assembly and ECOSOC, within their mandates and through their respective mechanisms (the committees of the General Assembly and the functional commissions of**

ECOSOC), bring adequate attention to gender perspectives in relation to all areas of financing for development;

- **Ensure that the broader development agenda of the IMF and World Bank gives adequate attention to gender perspectives;**
- **Increase the representation and participation of women's groups and networks in economic forums at international level;**
- **Ensure that efforts to raise the standards of effectiveness, equity, transparency, accountability, participation and voice take account of gender perspectives;**
- **Include attention to gender perspectives in reviews of the compliance of international mechanisms with global policy goals;**
- **Include civil society, including women's groups and networks, in efforts to reach out and engage underrepresented groups, as part of policy coordination;**
- **Ensure that monitoring of global economic conditions, policies and institutions is undertaken from the perspective of overall development goals, including poverty reduction and gender equality; and**
- **Include assessment of social costs, including the high costs for women, in the review of financial market failures.**

Annex II

Intergovernmental mandates on incorporating gender perspectives in the issues covered by the International Conference on Financing for Development, April 2001, prepared by the Gender and Financing for Development Taskforce of the IANWGE

1. Mobilizing domestic financial resources for development

Intergovernmental mandates on gender and macroeconomic policies

Twenty-third special session of the General Assembly (June 2000)

53. ... All economic policies and institutions as well as those responsible for resource allocation should adopt a gender perspective to ensure that development dividends are shared on equal grounds.

73. (a) Mainstream a gender perspective into key macroeconomic and social development policies and national development programmes;

82. (l) Analyze and respond, as necessary, to the major reasons why men and women may be affected differently by the processes of job creation and retrenchment associated with economic transition and structural transformation of the economy, including globalization;

85. (f) Assist governments, upon their request, in incorporating a gender perspective as a dimension of development into national development planning.

93. (e) Continue research on all current trends that may be creating new gender disparities in order to provide a basis for policy action.

101. (a) Take effective measures to address the challenges of globalization, including through the enhanced and effective participation of developing countries in the international economic policy decision-making process, in order to, *inter alia*, guarantee the equal participation of women, in particular those from developing countries, in the process of macroeconomic decision-making;

Commission on the Status of Women, Agreed Conclusions on Women and the Economy (March 1997)

23. Development policies should focus on the economic empowerment of women. The interlinkage between national policies at the macro level and economic and social gender roles and relations at the micro level should be clear in order to make the

policies more effective. The impact on women of liberalization policies, which include privatization, financial and trade policies, should be assessed.

Platform for Action (September 1995)

58. (b) Analyze, from a gender perspective, policies and programmes – including those related to macroeconomic stability, structural adjustment, external debt problems, taxation, investments, employment, markets and all relevant sectors of the economy – with respect to their impact on poverty, on inequality and particularly on women; assess their impact on family well-being and conditions and adjust them, as appropriate, to promote more equitable distribution of productive assets, wealth, opportunities, income and services;

58. (c) Pursue and implement sound and stable macroeconomic and sectoral policies that are designed and monitored with the full and equal participation of women...;

165. (p) Use gender impact analyzes in the development of macro- and micro-economic and social policies in order to monitor such impact and restructure policies in cases where harmful impact occurs;

Intergovernmental mandates on gender and budgetary processes, resource allocations and expenditure reviews

Twenty-third special session of the General Assembly (June 2000)

53. ...All economic policies and institutions as well as those responsible for resource allocation should adopt a gender perspective to ensure that development dividends are shared on equal grounds.

73. (b) Incorporate a gender perspective into the design, development, adoption and execution of all budgetary processes, as appropriate, in order to promote equitable, effective and appropriate resource allocation and establish adequate budgetary allocations to support gender equality and development programmes that enhance women's empowerment and develop the necessary analytical and methodological tools and mechanisms for monitoring and evaluation;

Platform for Action (September 1995)

58. (d) Restructure and target the allocation of public expenditures to promote women's economic opportunities and equal access to productive resources and to address the basic social, educational and health needs of women, particularly those living in poverty;

346. ...Governments should make efforts to systematically review how women benefit from public sector expenditures; adjust budgets to ensure equality of access to

public sector expenditures, both for enhancing productive capacity and for meeting social needs; ...

165. (i) Facilitate, at appropriate levels, more open and transparent budget processes;

Intergovernmental mandates on gender and economies in transition

Twenty-third special session of the General Assembly (June 2000)

82. (l) Analyze and respond, as necessary to the major reasons why men and women may be affected differently by the processes of job creation and retrenchment associated with economic transition and structural transformation of the economy, including globalization;

Intergovernmental mandates on gender and access to financial services

Twenty-third special session of the General Assembly (June 2000)

83. (b) Support the work of NGOs and community-based organizations in helping disadvantaged women, in particular rural women, in gaining access to financial institutions in establishing businesses and other sustainable means of livelihood;

101. (f) Encourage the establishment, in partnership with private financial institutions, where appropriate, of “lending windows” and other accessible financial services with simplified procedures that are specifically designed to meet the savings, credit and insurance needs of all women;

Commission on the Status of Women, Agreed Conclusions on Women and the Economy (March 1997)

5. Governments should ensure that women's rights, particularly those of rural women and women living in poverty, are being promoted and implemented through their access to economic resources, including land, property rights, right to inheritance, credit and traditional saving schemes, such as women's bank and cooperatives.

6. The international community should actively support national efforts for the promotion of microcredit schemes that ensure women's access to, self-employment and integration into the economy.

Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)

Article 13:

1. States Parties shall take all appropriate measures to eliminate discrimination against women in other areas of economic and social life in order to ensure, on a basis of equality of men and women, the same rights, in particular:

- (a) The right to family benefits;
- (b) The right to bank loans, mortgages and other forms of financial credit;
- (c) The right to participate in recreational activities, sports and all aspects of cultural life.

Article 14:

1. States Parties shall take into account the particular problems faced by rural women and the significant roles which rural women play in the economic survival of their families, including their work in the non-monetized sectors of the economy, and shall take all appropriate measures to ensure the application of the provisions of this Convention to women in rural areas.

2. States Parties shall take all appropriate measures to eliminate discrimination against women in rural areas in order to ensure, on a basis of equality of men and women, that they participate in and benefit from rural development and, in particular, shall ensure to such women the right:

- (a) To participate in the elaboration and implementation of development planning at all levels;
- (b) To have access to adequate health care facilities, including information, counselling and services in family planning;
- (c) To benefit directly from social security programmes;
- (d) To obtain all types of training and education, formal and non-formal, including that relating to functional literacy, as well as, *inter alia*, the benefit of all community and extension services, in order to increase their technical proficiency;
- (e) To organize self-help groups and co-operatives in order to obtain equal access to economic opportunities through employment or self-employment;
- (f) To participate in all community activities;
- (g) To have access to agricultural credit and loans, marketing facilities, appropriate technology and equal treatment in land and agrarian reform as well as land resettlement schemes;
- (h) To enjoy adequate living conditions, particularly in relation to housing, sanitation, electricity and water supply, transport and communications.

Intergovernmental mandates on gender and credit

Twenty-third special session of the General Assembly (June 2000)

94. (c) Encourage the strengthening of existing and emerging microcredit institutions and their capacity, including through the support of international financial institutions, so that credit and related services for self-employment and income-generating activities may be made available to an increasing number of people living in poverty, in particular women, and to further develop, where appropriate, other microfinance instruments;

Platform for Action (September 1995)

166. (a) Promote and support women's self-employment and the development of small enterprises, and strengthen women's access to credit and capital on appropriate terms equal to those of men through the scaling-up of institutions dedicated to promoting women's entrepreneurship, including, as appropriate, non-traditional and mutual credit schemes, as well as innovative linkages with financial institutions;

167. (b) Mobilize the banking sector to increase lending and refinancing through incentives and the development of intermediaries that serve the needs of women entrepreneurs and producers in both rural and urban areas, and include women in their leadership, planning and decision-making;

Intergovernmental mandates on gender and entrepreneurship development

Twenty-third special session of the General Assembly (June 2000)

94. (a) Take measures to develop and implement gender-sensitive programmes aimed at stimulating women's entrepreneurship and private initiative, and assist women-owned business in participating in and benefiting from, *inter alia*, international trade, technological innovation and investment;

Commission on the Status of Women, Agreed Conclusions on Women and the Economy (March 1997)

4. ...Governments should ensure, *inter alia*, that macroeconomic policies, including financial and public sector reforms, and employment generation, are gender-sensitive and friendly to small-scale and medium-sized enterprises. Local-level regulations and administrative arrangements should be conducive to women entrepreneurs. It is the responsibility of Governments to ensure that women are not discriminated against in times of structural change and economic recession.

9. ...It is important that Governments, financial institutions, non-governmental organizations, civil society, women's organizations and other relevant actors promote women's entrepreneurial and self-employed activities through technical assistance services and programmes; information on markets; training; the creation of networks, including those at the regional and international levels; and adequate financial support; and where appropriate, by developing incentives. ...

Platform for Action (September 1995)

166. (a) Promote and support women's self-employment and the development of small enterprises, and strengthen women's access to credit and capital on appropriate terms equal to those of men through the scaling-up of institutions dedicated to promoting women's entrepreneurship, including, as appropriate, non-traditional and mutual credit schemes, as well as innovative linkages with financial institutions;

*Convention on the Elimination of All Forms of Discrimination against Women
(CEDAW)*

Article 15:

2. States Parties shall accord to women, in civil matters, a legal capacity identical to that of men and the same opportunities to exercise that capacity. In particular, they shall give women equal rights to conclude contracts and to administer property and shall treat them equally in all stages of procedure in courts and tribunals.

Intergovernmental mandates on gender and social protection

Twenty-third special session of the General Assembly (June 2000)

74. (b) Create and ensure access to social protection systems, taking into account the specific needs of all women living in poverty, demographic changes and changes in society, to provide safeguards against the uncertainties and changes in conditions of work associated with globalization, and strive to ensure that new, flexible and emerging forms of work are adequately covered by social protection;

Platform for Action (September 1995)

58. (o) Create social security systems wherever they do not exist, or review them with a view to placing individual women and men on an equal footing, at every stage of their lives;

165. (f) Conduct reviews of national income and inheritance tax and social security systems to eliminate any existing bias against women;

179. (a) Adopt policies to ensure the appropriate protection of labour laws and social security benefits for part-time, temporary, seasonal and home-based workers; promote career development based on work conditions that harmonize work and family responsibilities;

179. (c) Ensure, through legislation, incentives and/or encouragement, opportunities for women and men to take job-protected parental leave and to have parental benefits; promote the equal sharing of responsibilities for the family by men and women, including through appropriate legislation, incentives and/or encouragement, and also promote the facilitation of breast-feeding for working mothers;

*Convention on the Elimination of All Forms of Discrimination against Women
(CEDAW)*

Article 11:

1. (e) The right to social security, particularly in cases of retirement, unemployment, sickness, invalidity and old age and other incapacity to work, as well as the right to paid leave;

2. (b) To introduce maternity leave with pay or with comparable social benefits without loss of former employment, seniority or social allowances;

Article 13:

1. (a) The right to family benefits;

Intergovernmental mandates on gender and taxation

Platform for Action (September 1995)

58. (b) Analyze, from a gender perspective, policies and programmes – including those related to macroeconomic stability, structural adjustment, external debt problems, taxation, investments, employment, markets and all relevant sectors of the economy – with respect to their impact on poverty, on inequality and particularly on women; assess their impact on family well-being and conditions and adjust them, as appropriate, to promote more equitable distribution of productive assets, wealth, opportunities, income and services;

2. Mobilizing international resources for development: foreign direct investment and other private flows

Intergovernmental mandates on gender and TNCs

Platform for Action (September 1995)

165. (l) Ensure that all corporations, including transnational corporations, comply with national laws and codes, social security regulations, applicable international agreements, instruments and conventions, including those related to the environment, and other relevant laws:

3. Trade

Intergovernmental mandates on gender and trade

Twenty-third special session of the General Assembly (June 2000)

49. Organizations of the United Nations system and the Bretton Woods institutions, as well as the World Trade Organization, other international and regional intergovernmental bodies, parliaments and civil society, including the private sector and NGOs, trade unions and other stakeholders, are called upon to support government efforts and, where appropriate, develop complementary programmes of their own to achieve full and effective implementation of the Platform for Action.

101. (h) Establish ... social development funds, where appropriate, to alleviate the negative effects on women associated with structural adjustment programmes and

trade liberalization and the disproportionate burden borne by women living in poverty;

UNCTAD 10 Plan of Action (February 2000)

8. Policies and programmes need to integrate a gender perspective in order to contribute to the empowerment of women and to achieve equality between women and men in all sectors of the economy.

Commission on the Status of Women, Agreed Conclusions on Women and the Economy (March 1997)

4. Economic policies and structural adjustment programmes, including liberalization policies, should include privatization, financial and trade policies, should be formulated and monitored in a gender-sensitive way, with inputs from the women most impacted by these policies, in order to generate positive results for women and men, drawing on research on the gender impact of macroeconomic and micro-economic policies...;

23. Development policies should focus on the economic empowerment of women. The interlinkage between national policies at the macro level and economic and social gender roles and relations at the micro level should be clear in order to make the policies more effective. The impact on women of liberalization policies, which include privatization, financial and trade policies, should be assessed.

Platform for Action (September 1995)

165. (k) Seek to ensure that national policies related to international and regional trade agreements do not have an adverse impact on women's new and traditional economic activities;

165. (l) Ensure that all corporations, including transnational corporations, comply with national laws and codes, social security regulations, applicable international agreements, instruments and conventions, including those related to the environment, and other relevant laws:

173. (d) Create non-discriminatory support services, including investment funds for women's businesses, and target women, particularly low-income women, in trade promotion programmes;

4. Increasing official development assistance (ODA)

Intergovernmental mandates on gender and ODA

Twenty-third special session of the General Assembly (June 2000)

101. (l) Call for continued international cooperation, including the reaffirmation to strive to fulfil the yet to be attained internationally agreed target of 0.7 per cent of the gross national product of developed countries for overall official development assistance as soon as possible, thereby increasing the flow of resources for gender equality, development and peace;

Commission on the Status of Women, Agreed Conclusions on Women and the Economy (March 1997)

23. Development policies should focus on the economic empowerment of women. The interlinkage between national policies at the macro level and economic and social gender roles and relations at the micro level should be clear in order to make the policies more effective. The impact on women of liberalization policies, which include privatization, financial and trade policies, should be assessed.

5. Debt

Intergovernmental mandates on gender and debt

Twenty-third special session of the General Assembly (June 2000)

101. (i) Identify and implement development oriented and durable solutions which integrate a gender perspective to external debt and debt-servicing problems of developing countries, including least developed countries, *inter alia*, through debt relief, including the option of ODA debt cancellation, in order to help them finance programmes and projects targeted at development, including the advancement of women.

101. (j) Support the Cologne initiative for the reduction of debt, particularly the speedy implementation of the enhanced heavily indebted poor countries debt initiative; ensure the provision of adequate funds for its implementation and implement the provision that funds saved should be used to support anti-poverty programmes that address gender dimensions;

Commission on the Status of Women, Agreed Conclusions on Women and the Economy (March 1997)

21. The international community, in particular the creditor countries and international financial institutions, including the Bretton Woods institutions, should further pursue effective, equitable, development-oriented and durable solutions to the external debt and debt-servicing problems of the developing countries on the basis of existing debt relief and reduction, grants and concessional financial flows, in particular for the LDCs, taking into account the negative effect of these issues on women and women's programmes.

6. Addressing systemic issues

Intergovernmental mandates on the role of the United Nations in relation to gender equality

Twenty-third special session of the General Assembly (June 2000)

49. Organizations of the United Nations system and the Bretton Woods institutions, as well as the World Trade Organization, other international and regional intergovernmental bodies, parliaments and civil society, including the private sector and NGOs, trade unions and other stakeholders, are called upon to support government efforts and, where appropriate, develop complementary programmes of their own to achieve full and effective implementation of the Platform for Action.

Annex III

**Statement delivered by
Ms. Angela E.V. King, Chairperson of IANWGE,
in plenary sessions of the Preparatory Committee
of the International Conference on Financing for Development
“Gender perspectives on Financing for Development”
May 2001**

Distinguished Co-Chairs,
Members of the Preparatory Committee,
Colleagues and Friends

Over the past decade increasing recognition has been given to the importance of equality between women and men for effective and sustainable development. Initiatives that improve gender equality ultimately contribute to economic development. This is recognized in the Millennium Declaration objective which promises “to promote gender equality and empowerment of women as effective ways to combat poverty, hunger and disease and to stimulate development that is truly sustainable” (para. 20). Economic development policies and strategies would benefit from more explicit attention to the policies and strategies on the promotion of gender equality, as part of efforts to improve achievement of overall economic goals.

Gender equality should be seen as a precondition for, and indicator of sustainable people-centred development. Both women and men are actors, stakeholders and agents of change in their households and communities and contribute to national development. Bringing the perceptions, knowledge, experience, needs and priorities of both women and men to the centre of attention enriches development efforts – and in fact, is just good business sense. Women are, however, often constrained from contributing to their fullest potential by inequalities and subordination. Promoting women's active involvement in all areas of societal development and ensuring that development is based on the contributions and concerns of women as well as men often requires explicit and concerted efforts.

The links between gender equality and effective and sustainable development are clear in some areas, especially areas where both women's and men's roles are very visible, for example in health, education and agriculture. In other areas the interlinkages between gender equality and achievement of goals are not as clear. However, even when the broader development impacts of gender equality are increasingly understood, the direct and indirect interconnections with economic development are not always explicitly drawn out. There are many examples of why and how gender equality is critical for sustainable people-centred development, with links to economic development and economic efficiency.

- Research on agricultural productivity in Africa shows that reducing gender inequality could significantly increase agricultural yields. Studies have shown that giving women farmers in Kenya the same level of agricultural inputs and education as men farmers could increase yields of farmers by more than 20 per cent.
- Research on economic growth and education shows that failing to invest in education can lower the gross national product (GNP). All other things being equal, countries in which the ratio of female-to-male enrolment in primary or secondary education is less than .75 can expect levels of GNP that are roughly 25 per cent lower than countries in which there is less gender disparity in education.
- Research on gender inequality in the labour market shows that eliminating gender discrimination in relation to occupation and pay could both increase the income of women, and contribute to national income. Estimates reveal, for instance, that if gender inequality in the labour market in Latin America were to be eliminated, not only would women's wages rise by about 50 per cent, but national output would rise by 5 per cent.
- Gender inequality also reduces the productivity of the next generation – the World Bank reports mounting evidence that increases in women's well-being yield productivity gains in the future. The probability of children being enrolled in school increases with their mother's educational level and in some circumstances extra income going to mothers has more positive impact on household nutrition, health and education of children than extra income going to fathers.
- Data also shows that gender inequality hampers a positive supply response to structural adjustment measures by reducing women's incentives to produce tradeable goods by increasing women's time burdens.
- Women's time burdens are an important constraint on growth and development – women are a much over-utilized resource, not an under-utilized resource. The benefits of reducing this gender-based constraint can be considerable. A study in Tanzania shows, for example, that reducing such constraints in a community of smallholder coffee and banana growers increases household cash incomes by 10 per cent, labour productivity by 15 per cent, and capital productivity by 44 per cent. (Based on a report published by the Commonwealth Secretariat, 2000).

Most empirical evidence on the positive correlation between gender equality and economic growth is still found at the microeconomic level. The recent World

Bank report: *Engendering Development* (January 2001), highlighted that the promotion of gender equality makes good economic sense as gender equality leads to economic development. In some sectors there is considerable awareness of the negative impact of gender inequalities, particularly in terms of hindrances to the economic empowerment of women and the elimination of poverty (Platform for Action, 1995, paras 47 and 48; Twenty-third special session of the General Assembly, 2000, para. 101e). The gender inequalities which hinder sustainable people-centred economic development include imbalances in economic power-sharing; unequal distribution of unremunerated work between women and men; lack of adequate support for women's entrepreneurship; unequal access to and control over capital and resources such as land and credit; and inequalities in access to labour markets (twenty-third special session of the General Assembly, para. 8). In addition, there is recognition of the need to reconcile employment and family responsibilities if women's economic potential is to be released (twenty-third special session of the General Assembly, para. 20).

Failure to recognize and measure in quantitative terms the unremunerated work of women, which is most often not valued in national accounts, has meant that women's full contribution to social and economic development remains underestimated and undervalued, and a country's real worth unknown. Human capital rationales are, however, increasingly utilized by economists and within this framework there has been recognition of the need to invest both in women and men and develop and utilize their economic capacity, to ensure effective and sustainable achievement of development goals.

There has been much less recognition of the importance of gender perspectives in other macroeconomic policies and institutions, including those areas covered by the preparations for the International Conference on Financing for Development. An increasing number of economists have, however, begun to highlight that macroeconomic policies and institutions which do not take gender perspectives into account impact negatively on women relative to men. Moreover, the perpetuation and exacerbation of gender inequality through these policies and institutions can have a direct negative impact on the achievement of the macroeconomic goals set. There has been an important shift from focusing on how economic policies have affected welfare in a gender-specific manner, to illustrating how gender biases negatively affect the outcome of these same economic policies. Efforts are being made to show how gender is relevant to macroeconomic policies and institutions because of the impact of gender inequalities on the major concerns of policy makers. Gender perspectives need to be given more attention in, for example, fiscal policy, financial sector reform, financial architecture, trade and debt.

The mandate for incorporating gender perspectives into macroeconomics was strengthened considerably in the twenty-third special session of the General Assembly (Beijing +5) when governments were explicitly requested to incorporate gender perspectives into key macroeconomic policies (para. 73a). The special session re-emphasized the need to continue to review, modify and implement macroeconomic

policies related to structural adjustment and external debt problems, in a manner which gives consideration to gender perspectives (para. 54). This should provide impetus for a stronger focus on gender perspectives in all areas of macroeconomics in the future. Particular emphasis is also given in the outcome document from the special session to the importance of gender perspectives in relation to budgets and resource allocation. Governments are requested to incorporate gender perspectives into the design, development, adoption and execution of all budgetary processes (para. 73b).

A key challenge in financing for development is to ensure that both resource mobilization – whether through mobilization of domestic or international resources, including FDI and ODA, through the development of trade or through loans – and the allocation of these resources, are in line with the overall development goals, including social development goals and gender equality. The issue is complex, particularly because contradictions can arise between the policy goals of poverty reduction, good governance, human rights, environmentally sustainable development and gender equality in national and international development strategies and the conditions imposed in financial liberalization and trade liberalization processes.

Social development criteria need to be utilized, and questions of equity/equality kept high on the agenda, in the identification of different options for financing for development. Key issues include the potential of all groups in society, including both women and men, to influence, participate and benefit from economic development. Access to and control over resources is a critical element.

The linking of social and economic factors in the preparation for the International Conference on Financing for Development is weakened by the fact that there is often an institutional separation of these issues, with different ministries dealing with social and economic development at national level, and different departments working on these issues in international organizations. Successful incorporation of gender perspectives in the International Conference on Financing for Development will require increased dialogue between all actors involved in the process, in particular between Ministries for Foreign Affairs, Ministries of Finance, ministries working with social development and poverty eradication and those dealing with gender equality at national level. It also will require increased collaboration between departments dealing with social and economic development within international organizations.

There are potentials and constraints from a gender perspective relating to each of the issues covered in the International Conference on Financing for Development. To support the incorporation of gender perspectives in the preparations for the International Conference on Financing for Development, the ACC Inter-Agency Meeting on Women and Gender Equality has established a taskforce to work on identifying the gender perspectives on financing for development. The taskforce, which is managed by my office, is comprised of representatives of the Department for Economic and Social Affairs(DESA), including the Division for the Advancement of

Women, the Development Policy Analysis Division, ILO, United Nations Development Programme (UNDP), United Nations Environment Programme (UNEP), United Nations Population Fund (UNFPA), UNCTAD, United Nations Development Fund for Women (UNIFEM), which had a panel on Friday and United Nations Non-Governmental Liaison Service (NGLS). The taskforce has prepared an inventory of intergovernmental mandates on incorporating gender perspectives into the six areas covered by Secretary General's report, which is available to members of the Committee. The taskforce has also prepared an initial analysis of the gender perspectives in each of the six areas. This paper can also be made available to interested delegates.

In addition, the taskforce is preparing a Day of Dialogue later in the year, to provide an opportunity for representatives of Member States, United Nations organizations, NGOs and civil society groups and the private sector and to come together to discuss the relevant gender perspectives in all areas of financing for development and the relevant means of addressing them.

Mr. Co-Chair, Members of the Preparatory Committee, I hope that the awareness you already have and continue to develop on gender equality issues and their links to sustainable people-centred development, will be brought to bear in a practical action-oriented sense in your deliberations and decision in this forum.

My best wishes for your success.

Thank you.

Annex IV

**Statement delivered by
Ms. Angela E.V. King, Chairperson of IANWGE,
in plenary sessions of the Preparatory Committee
of the International Conference on Financing for Development
“Incorporating gender perspectives in the Financing for
Development agenda”
October 2001**

Distinguished Co-Chairs,
Members of the Preparatory Committee,
Colleagues and Friends

I am honoured to address the Preparatory Committee of the International Conference on Financing for Development on the gender aspects in the financing for development agenda at this session, particularly as there seems to be an increasing awareness among delegations of the links between financing for development and gender since we last met.

May I congratulate the distinguished members of the High-Level Panel on Financing for Development and the Facilitator, Mr. Mauricio Escanero, for their commitment to the inclusion of gender perspectives in their work. Since the beginning of the preparatory process, individual Member States, the Financing for Development Secretariat, a United Nations Inter-Agency Taskforce on Gender and Financing for Development, individual agencies and numerous NGOs have made concerted efforts to identify and address relevant gender perspectives. Two key documents: the Zedillo Report and the Facilitator's Outcome Document have proven these efforts to be effective.

The overall objectives and framework of this initiative, outlined in the draft Outcome Document are conducive to integrating the gender dimension. I cite some examples:

- The international conference entails a global commitment “to work together to ensure that the global systems of finance and trade fully support economic growth and social justice for all peoples of the world”;
- Its objective is “to achieve a fully inclusive and equitable globalization” (para. 1);

- The need to reverse the increasing polarization between the haves and have-nots (para. 2), and to emphasize people-centred development (para. 3);
- The importance of governance and the rule of law (para. 8);
- The seven principles of economic and social governance: equity, solidarity, co-responsibility, foresight, participation, ownership and partnership (para. 4); and
- The need for gender-sensitive development and the empowerment of women (e.g. gender-sensitive investment in social sectors and social security, gender analysis of budgets and the incorporation of gender perspectives into economic and development policies).

Before we can take it for granted that the outcomes of the Conference will take gender perspectives into full consideration, there are other areas where gender impacts need to be more fully addressed. These include poverty eradication, vulnerable social groups, access to and conditions of employment, trade, debt and micro-credit, savings, social security and taxation.

Co-Chairs, Members of the Preparatory Committee,

In the area of domestic financial resources, particularly in relation to micro-finance much experience has been gained. That gender-based discrimination exists in the credit market can be illustrated by the fact that:

- Interest rates charged to women, not only overestimate the cost of lending to women but also underestimate the returns of lending to enterprises run by women;
- While women in some urban enterprises may receive more bank loans than men, the average size of these loans is smaller than those provided to men;
- In some instances, formal lending services are not geared to administer small loans, thus hindering women's access to credit; and
- While micro-credit is important for many women, particularly in rural areas, access to other financial services is often neglected thereby running the risk of ghettoizing women into micro-credit;

Another area of domestic resource mobilization where considerable attention has been given to gender equality is national budgets. [National budgets are a mechanism for ensuring the allocation of adequate resources for established development goals, and need to be assessed for social, financial and monetary goals

and targets. In identifying priorities and needs, increasing attention to and consultation with women's groups and networks, can contribute to greater transparency and accountability and the long-term legitimacy of governments.] Since the mid 1980s, over 40 Member States, mainly in developing world, have integrated gender perspectives in national budget processes. This topic, emphasized in the twenty-third special session of the General Assembly (Beijing+5, June 2000), will be the focus of a panel during the final Preparatory Committee in January 2002, to be organized by the Inter-Agency Taskforce on Gender and Financing for Development.

Formal programmes to promote savings and entrepreneurship development which are vital to national economic development, have tended to neglect women. This is due in no small part to the perception that women are dependent on men, and their income is supplementary and of less importance for household survival than that of men. [Studies have shown, on the contrary, that women's income is critical for family wellbeing, as women tend to allocate a greater share of their income to health, education and nutrition-related expenditures. The existence of many different forms of informal savings clubs and networks run by women around the world is an indication of the strong interest and capacity among poor women to mobilize savings as a means of improving the welfare of their families and contributing to economic development.]

Taxation systems are another important area. Systems where direct taxation provides a major portion of public revenue tend to benefit the poor, including women, more directly. Women's entry into the labour market, and the conditions of their involvement, can also be directly affected by taxation structures. For example, employment disincentives still exist for women where joint income-tax structures disadvantage whichever spouse earns less, usually the woman, and the absence of tax rebates (e.g. to cover child care) are a further disadvantage to women entering the labour market.

Gender perspectives are not only relevant for domestic resource mobilization, but are also critical to all other issues raised in the discussions of financing for development, including foreign direct investment, ODA, debt and systemic issues.

Trade is another area where differential impacts on women and men need to be further explored. Low labour costs, influenced by trade liberalization policies, investment incentives and deregulation of labour markets have led to the relocation of labour intensive-industries in developing countries. An increasing demand for non-skilled labour, often young, female labour, has followed both in the formal (Export Processing Zones, for example) and the informal sectors (subcontracting and home-working links). Positive gains for women's employment may, however, be negated by the lack of compliance with adequate working standards, leading to exploitation of workers.

An increasing number of economists have begun to demonstrate that macroeconomic policies and institutions which do *not* take gender perspectives into

account do not make sound economic sense. Such policies have in fact further exacerbated gender inequality which in turn impedes the achievement of macroeconomic goals.

For example, where existing inequalities in the ownership of, or access to, economic resources exist, (say the lack of title to property required to qualify for credit), these bar women including women farmers and entrepreneurs from taking advantage of new or expanded investment opportunities in the export or domestic sectors.

The United Nations Inter-Agency Taskforce on Gender and Financing for Development, with representatives from (DESA including NGLS, ILO, UNCTAD, UNDP, UNEP, UNFPA and UNIFEM) has prepared and disseminated an initial analysis of gender perspectives in relation to each of the key issues selected by the preparatory process, and an overview of the existing intergovernmental mandates for incorporating gender perspectives in macroeconomics and trade. These documents can be found on the United Nations Womenwatch website (www.un.org/womenwatch).

I would like to take this opportunity to acknowledge the critical inputs of NGOs, working individually or in coalition – in raising awareness and in promoting the incorporation of gender perspectives into the preparatory process. The NGO Women's Caucus, convened by WEDO (Women's Environment and Development Organization), and an Ad Hoc NGO Working Group worked effectively both in the civil society hearings convened in November 2000 and during the three PrepComs held so far. [Panels on gender perspectives on financing for development have been organized and an advocacy document prepared. Regional-level dialogue has been facilitated and a large network of interested regional groups has been developed. Organizations involved include: Women's Eyes on the Multilaterals, Gender and Trade Network, Third World Network, Gender and Economic Reform in Africa (GERA), and the Association of African Women's Economic Policy Network. The Inter-Agency Taskforce on Gender and Financing for Development has established positive collaboration with these groups. We welcome the fact that these NGOs are able to participate actively in this PrepCom and can continue to make their important contribution.]

Future activities planned by the Inter-Agency Taskforce in collaboration with the Conference secretariat and other actors, as an input to Conference preparations include a Day of Dialogue on Gender and Financing for Development in December 2001. The Day will bring together around 65 participants from Member States, the United Nations, NGOs and civil society groups, the private sector and research institutes. It will focus on the six key issues: [domestic financial resources, foreign direct investment, trade, ODA, debt and systemic issues] and on other essential issues such as taxation, corruption, innovative sources of financing and codes of conduct in multilateral and bilateral investment agreements and practices.

Distinguished Co-Chairs, Members of the Preparatory Committee,

It is my hope that in the remaining months of the preparatory process we can deepen our knowledge and strengthen our capacity to address unequivocally the gender perspectives in all integral issues of the financing for development agenda. Identifying and addressing these relevant gender perspectives will not only ensure gender equality, but will provide the framework for the achievement of the goals of the Millennium Declaration and of the International Conference on Financing for Development itself.

I wish you a very productive meeting and a successful outcome in Monterrey and you can be assured of any support needed by my office or by the Division for the Advancement of Women of the Department of Economic and Social Affairs.