

Promoting women's participation in the APEC economies: Some recommendations

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Introduction

Women comprise a heterogeneous group in terms of their economic participation and contribution that take different forms: as corporate managers/executives, as wage employees in the formal economy, as registered owners of small and medium enterprises (SMEs), or as unregistered microentrepreneurs or workers in the informal economy.

The case for increasing women's economic participation is not yet universally accepted despite three decades of global advocacy since the Beijing Women World Summit in 1995. In countries where deliberate efforts and policies have been put in place to mainstream gender concerns in policies and programs, women empowerment and gender equality are still a work in progress. Although there have been efforts to mainstream gender, the risk remains for these efforts to vanish over time if they are not consciously nurtured and if leadership support dwindles.

A mechanism that can be tapped to promote women's economic participation is the Asia-Pacific Economic Cooperation (APEC). As early as 1999, the APEC SME Working Group did a study on women entrepreneurs in SMEs in the APEC region (Yuhua 2013). The APEC Women and Economy Forum (WEF) was established in 2010 and was later called upon to collaborate with the SME Working Group. Through the APEC WEF meetings, specific suggestions have been made in the areas of awareness raising and advocacy on the benefits of gender diversity in the public and private sectors, resetting the mindset of employers to be more open to mothers' re-entry

PIDS Policy Notes are observations/analyses written by PIDS researchers on certain policy issues. The treatise is holistic in approach and aims to provide useful inputs for decisionmaking.

This *Policy Note* is culled from the APEC 2015 Research Project commissioned by the Department of Foreign Affairs. The main objective of the project is to provide the analytical framework that will form part of the basis for the substantive priorities the Philippines will push for as APEC host economy in 2015. The project's main output is a set of policy studies with recommendations that can serve APEC 2015 purposes and can be used as inputs to the Philippine government's future development planning, strategizing, and visioning exercise in a post-2015 scenario.

The author is a consultant of PIDS. The views expressed are those of the author and do not necessarily reflect those of PIDS or any of the study's sponsors.

into the workforce, and acknowledging the achievements of women innovators.

The first Women and SME Ministers joint meeting in 2013 formally signified joint work in the areas of promotion of entrepreneurial culture and increasing access to finance and markets for women-owned and operated SMEs as well as promotion of SMEs internationalization through financial education, financial literacy, and greater consumer protection and awareness. The first Joint Ministerial Statement of the SME and WEF was issued in 2013.

The business community has a special interest in women's engagement in the economy. Hence, the APEC Business Advisory Council (ABAC) calls on APEC economies to take further steps to implement the key policy pillars of the San Francisco Declaration, in particular by promoting access to capital for women; improving women's ability to access markets; encouraging capacity and skill-building programs, including science, technology, engineering, and mathematics education for women; and addressing barriers that discourage women from assuming leadership positions in the public and private sectors. Each

¹ The National Center for APEC (NCAPEC) is the only US business association focused exclusively on facilitating American private sector input to the APEC process. Representatives of NCAPEC often serve on official US delegations to APEC meetings, capitalizing on the organization's excellent working relationships with US government agencies as well as with business and government representatives from APEC's 21 member-countries. Their programs are characterized by robust, candid discussions among the business sector, government, and academia on key trade and economic policy topics in the Asia-Pacific region. Membership is limited to US corporations. The NCAPEC also functions as a conduit for US businesses into APEC by serving as the Secretariat for the three US executives who are appointed members of the APEC Business Advisory Council.

APEC government should consider appointing at least one woman to the ABAC (Kelly et al. 2011).

Continued advocacy of the business community and government stakeholders will be required to sustain existing momentum and to ensure that APEC reaches its full potential as a multilateral platform for women's economic empowerment (Jarett 2013). Advocacy on gender and its importance to economic growth and social inclusion must be pursued persistently to enable internalization by decisionmakers, the private sector, and those in charge of economic governance.

For APEC, this advocacy must be carried out at the regional and national levels and must be linked to the challenges of globalization and trade liberalization (Jarett 2013). But advocacy must be coupled with sound analysis and evidence. As Higgins (2013) noted: "While there is an increased interest in and research on gender and trade policies, sound empirical evidence remains sparse, with analyses limited by the absence of gender-differentiated data, as well as the difficulty of disentangling the effects of trade liberalization from other simultaneous changes."

Today, compared to three decades ago, the knowledge base and evidence supporting women's economic empowerment has accumulated and buttressed the advocacy that their economic participation must be nurtured and advanced. The National Center for APEC¹ (NCAPEC) has started to compile empirical evidences that are now contained in the 2013 publication, *Economic empowerment and inclusion of women in APEC economies*.

This *Policy Note* outlines some recommendations on how to enhance women's participation in the APEC economies. The recommendations are organized into two strands: one at the level of the national economy and the other at the regional level.

Recommendations

At the level of the Philippine economy

In the Philippines which is globally acclaimed as having a narrow gender gap compared with other countries, there have been extensive efforts to integrate gender in national development. Yet criticisms persist that gender stays enclosed in social development and does not penetrate "hard" areas like finance, energy, infrastructure, and the like. Where agency heads perceive gender as inconsequential or unrelated to their respective agency mandates, the talk of gender will not walk far enough to reach the frontlines where it matters. The quality of the services delivered to the constituents could be gender blind or gender insensitive. If policymakers see the link between gender and, national productivity and wealth creation, the case for gender will become a more attractive proposition. In fact, this is now an action point for the Philippine Commission on Women and the National Economic and Development Authority Social Development Committee.

By 2020, free trade is expected to be in full swing and to comprise the new order in the APEC economies. Efforts must now be taken to ensure that women's economic opportunities are not eroded and that women are prepared to cope with the challenges of the new order. There is a need to strengthen women enterprises to prepare them

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Women's economic empowerment

1. *Break the access barriers.* The barriers to women's entrepreneurship are inadequate access to productive resources, lack of social preparation and technical skills for entrepreneurship, lack of readiness to global markets, vulnerability and lack of access to health and sociolegal protection, and difficulty of sustaining and scaling up of enterprises, among others.
2. Intensify actions to remove access barriers through more effective service delivery. Local government units (LGUs) should be mobilized in expanding the provision of business development services and ensure that these services reach women entrepreneurs in their areas of jurisdiction. Access barriers, especially access to finance, hinder the setting up and expansion of women micro, small, and medium enterprises (MSMEs). This means ensuring the availability of business development services for women such as training, counseling, and consultancy services, including access to financing, cooperatives, or



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business association toward more stable business ventures. There is a need to improve access of women entrepreneurs to relevant business information and linkages such as trade fairs, subcontracting, market matching, product design, and other information that would help them grow their business.

3. Promote the organizing of women microentrepreneurs in the informal economy. This is an extremely underserved group due to

multiple constraints (e.g., financial, nonfinancial, and gender-based constraints to business performance). Assistance should be provided to women entrepreneurs in the informal economy to organize themselves into cooperatives or business associations so they could have better access to services. Women microentrepreneurs' associations can take the form of self-help groups, cooperatives, and federations by trade and industry sector. This will make it easier for government and business service providers in the private sector to reach and help in enhancing their competitiveness. Incentivize formalization to encourage entrepreneurs in the informal sector to register through provision of business development services or productivity grants or subsidies. For example, microentrepreneurs who register may be given opportunities to be in the supply chain of government procurement programs.

4. Globalize the outlook of women entrepreneurs. There is a need to educate women entrepreneurs on what free trade means for their enterprises—its opportunities and risks and how they can enhance their readiness to global markets. They should be made aware of the rapid changes in the regional and global business environments and understand the importance of knowing and complying with regional and global standards of quality, productivity, and efficiency.

Studies on the effects of liberalization in particular sectors especially the trades where women are dominant (i.e., agriculture and tourism) should be pursued. The APEC Women and the Economy team in the Philippines can initiate these actions in collaboration with women study centers and women organizations. For example, a

dialogue on food security in the context of a liberalizing economy was organized by HOMENET Philippines in collaboration with the University of the Philippines' College of Social Work. The dialogue was held on October 15–18, 2013.

Enhancing women's competitiveness in a free trade environment

1. Provide continuous capacity development on entrepreneurship. Examples of relevant activities for women microentrepreneurs include good manufacturing practices, how to start a business, hazard analysis and critical control points, packaging and labeling, ISO22000: 2005 Food safety management system marketing seminar, and product development. It is recommended to strengthen and integrate core messages in capacity building toward developing business discipline and competitiveness and inculcating innovative approaches and business strategies. Lessons from the studies and workshops on the Accelerator program of APEC should be consolidated and steps should be taken on translating these into actions at the country level.

2. Leverage APEC initiatives on innovation and information and communication technology (ICT) as mechanisms for enhancing women enterprises. Innovation and ICT are relatively new topics in APEC. The discussions at Ningbo, China in 2014 can shed light on how this agenda can be advanced and how it can be translated into actions at the country level. Promotion of entrepreneurship and innovation, access to international market, and access to finance are the priorities for SMEs both in the APEC and ABAC. There is a need to identify how e-commerce tools can provide solutions to SMEs in each of these priorities using China as an example

and to explore how global supply chains can be enhanced through e-commerce and how SMEs can benefit (ABAC 2013).

Ensuring sustainability and resilience

1. LGUs should be mobilized to assist the MSMEs in anticipating, and as much as possible, coping with the impacts of adverse events like the financial crisis and extreme climate disturbances. They should be more proactive in facilitating access to pertinent information like geohazard maps and early warning information. LGUs should institutionalize their disaster preparedness programs and make sure MSMEs are involved in the process. In addition, social protection programs should be present to improve coverage and ensure delivery of benefits and services to vulnerable groups.

LGUs must strengthen their capacity to implement the MSME development policies (i.e., BMBE law, MSME, Magna Carta of Women). Models for implementing microenterprise programs could be found in the Rural Micro Enterprise Promotion Project (RuMEPP) of the Department of Trade and Industry (DTI) and the GREAT Women Project of the Philippine Commission on Women. The experience of the GREAT Women Project in engaging local governments to support women microentrepreneurs (including the use of the gender and development budget for programs and services for women empowerment, setting up of one-stop-shop business development services, passage of local policies for women's economic empowerment, and partnerships with the private sector to upgrade women enterprises) can be replicated in other parts of the Philippines. Similarly, the success of the DTI's RuMEPP should be replicated in other provinces.

2. There should be sector-based capacity building of women entrepreneurs in terms of understanding how free trade could affect their enterprises. The effects could vary among different sectors involved in trade. Country-level studies should be done for different sectors. For the Philippines, agriculture and tourism are priority sectors and the effects of trade liberalization should be understood by women entrepreneurs.

Knowledge resources on business continuity planning are available at the APEC SME Crisis Management Monitors and case studies of postcrisis SME recovery and these can be accessed through the Internet and can be used to guide actions at the country level.

In collaboration with the Women's Business Council, the APEC Philippine team can initiate a program to revisit data collection schemes and available data on women entrepreneurs and enterprises. Relevant and updated data are needed to break the access barriers faced by women entrepreneurs and improve the enabling environment for women entrepreneurship.

At the APEC regional level

APEC has implemented a number of women-related directives and initiatives.

In 2011, the APEC Transportation Working Group launched a Women in Transportation initiative to develop and implement actions that will advance the opportunities for women throughout the sector. The Women in Transportation initiative builds on the core principles of APEC's Policy Partnership on Women and the Economy (PPWE). Transportation and mobility are central to trade facilitation, sustainable development, and

economic growth. As countries move to address evolving transportation needs, developing all available human capital is vital to enhancing the transportation industry's global competitiveness and supply chain performance. The APEC Women in Transportation effort focuses on identifying barriers to women's inclusion in the transportation workforce, as well as strategies for enhanced opportunities in four key areas of the career continuum: education, access to jobs, retention, and leadership development. Public-private engagement comprises an integral component of the effort to strengthen the role of women in transportation. The Women in Transportation initiative sets a model for embedding women empowerment in the work of other APEC working groups.

Two years later, Taiwan hosted the 2013 APEC Conference: Innovation and ICT for Women Business and the 1st Public-Private Partnership Network Meeting. The conference is part of the project, "Innovation for Women and Economic Development: Facilitating Women's Livelihood Development and Resilience with ICTs", co-hosted by Taiwan and Indonesia. In this two-day event, representatives of APEC economies shared their experiences on how ICT can help women improve their livelihood and business opportunities, and how women in different economic environments can use ICT to create various livelihood activities. The conclusions and recommendations gathered from this conference will be submitted to the third meeting of the APEC PPWE, and to the joint ministerial meeting on SMEs and women.

In addition, a 2013–2015 APEC study on "Evaluating Business Environments" in Malaysia,

Philippines, Thailand, and Indonesia is analyzing the factors affecting access to trade and the growth of women-owned SMEs in these member-economies.

The NCAPEC recommends more involvement of women in the business sector. Specifically, each APEC economy must educate local business communities about the importance of engaging and empowering women in fostering business development and economic growth. Close collaboration with the business sector should lead to the formulation of initiatives that would promote women's economic empowerment and enterprise growth. This will enable the private sector to enhance APEC's efforts in gender-responsive SME development.

Meanwhile, ABAC encourages APEC economies to organize dialogues to share statistics on the benefits of engaging women in the workforce and share best practices on how this can be effectively done. This advocacy can be further expanded among members of the business community. APEC and the PPWE must endeavor to engage the business sector in defining frameworks, indicators, and targets for business development in the context of a globalized business environment.

It is also important for APEC economies to continuously conduct labor market intelligence studies and monitor as far as possible the opportunities for women's greater economic involvement in the APEC region and all over the world. This includes being able to detect the opening of markets for goods and services, assess the relative competitiveness of women's enterprises in the APEC region and other external

markets, and anticipate the impacts of environmental integrity and enterprise sustainability on business. This can be consolidated into a framework for increasing women's economic opportunities, an agenda being recommended to be part of the APEC discussions in 2015 that will be hosted by the Philippines.

The era of free trade in the APEC economies presents economic opportunities and risks, including external risks due to natural disasters and volatile financial systems. It must be noted that "the effect of trade policy on economic and social activities tend to be different between men and women as they have different economic and social roles and different access to and control over resources, due to socio-cultural, political and economic factors. Women tend to be more affected by the negative side effects of trade liberalization and are facing bigger challenges than men when it comes to taking advantage of the opportunities trade offers (IANWGE 2011). The Asian financial crisis and typhoon *Haiyan* have vastly demonstrated the negative impacts of disasters on lives and economies.

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The Philippine delegates to the APEC SME and Women in the Economy meetings, (i.e., Women's Business Council, the Philippine Commission on Women, and DTI) have proposed to organize WEF discussions in APEC 2015 around these themes. The suggested subthemes are:

- a) Empowerment of women entrepreneurs
 - Access to finance and productive resources
 - Technical and vocational education
 - Women leadership and political representation
 - Inclusion of women microentrepreneurs in the informal economy in the agenda of APEC
- b) Enhancing enterprise competitiveness
 - Innovation (new business models)
 - ICT connectivity (skills building, infrastructure)
 - Globalizing the outlook of women entrepreneurs (building their readiness for the international markets)
 - Encourage formalization, organization, federations, networks, and trade associations (policy measures, good practices)

c) Ensuring enterprise resilience and reducing vulnerability

- Business continuity planning
- Disaster preparedness and reduction of vulnerability
- Social safety nets

The APEC 2015 meetings could push for more sector-specific public-private dialogues into ministerial meetings to ensure that the barriers to women's empowerment are addressed across sectors. ☰

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