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WOMEN'S CONSULTATION
RECOMMENDATIONS

FINANCING FOR DEVELOPMENT (FfD)

WOMEN'S CONSULTATION RECOMMENDATIONS

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Background

This paper emerged from a Women's Consultation convened by WEDO in partnership with UNIFEM in February 2001 during the United Nations Second Preparatory Committee on Financing for Development. The Consultation brought together some 30 representatives of women's organizations from around the world. These representatives spent the day mapping out ways to bring a feminist perspective to the FfD agenda and to identify priorities and determine strategies for including women's voices and experiences, particularly women from the global South.

Participants at the consultation discussed the feminist economic analysis presented by Dr. Maria Floro, whose paper was commissioned by UNIFEM. It was a very comprehensive document and helped advance common understanding of the issues. Participants saw the need to formulate specific recommendations and decided to collaborate on a concise text focusing on recommendations in the six main headings contained in the agreed FfD agenda. These recommendations also correspond to the six sections of the Secretary General's Report and the Facilitators Report.

The following organizations volunteered to develop the recommendations in the respective areas: WEDO, Mobilizing Domestic Resources and International Resources for FDI; Gender and Trade Network, Trade; Association of Women's Rights in Development, Official Development Assistance; World Council of Churches/Ecumenical Team and Freedom from Debt Coalition, Debt; Women's Eyes on the Multilateral Institutions (ALCADECO), Systemic Issues. WEDO coordinated the compilation and production of the document, circulating it to all the Women's Consultation participants and integrating their inputs and suggestions.

Encompassed in this paper are the preliminary recommendations. These recommendations provide a point of reference for FfD delegates seeking ways to incorporate gender concerns into the process. It will also enable other civil society organizations engaged in FfD to better incorporate gender into their own recommendations and work. This is a first version and will be discussed at the Women's Caucus for further revisions as we actively engage with the FfD process during the Third Preparatory Committee, May 2-8, 2001, in New York City.

I. Mobilizing Domestic Resources

We recommend that governments:

1. Recognize that to mitigate poverty, domestically and globally, policies and actions must focus on the economic conditions of women, who are the majority of the world's poor.
2. Develop economic policies that focus on women's contributions to the economy and that support and broaden their participation in the labor market and the economy.
3. Develop economic reforms that increase women's access to financial services, assets and resources including land ownership, property rights, and informational, educational and technological resources.
4. Establish effective and efficient tax administration that will enable governments to focus on socially productive public expenditures, that benefit poor and women.
5. Develop tax proposals that focus on direct rather than indirect taxation as the latter are detrimental to the poor and women; thereby creating greater balance in revenues received from direct and indirect taxes.
6. Provide for gender analysis of revenue raising, government expenditures, and the provision of public goods and services.
7. Ensure that private sector development initiatives and accompanying financial policies encompass the guidelines set forth by the host country's social development objectives.
8. Develop an enabling environment for financial sector growth in a way that promotes sustainable development and gender equality.
9. Promote macrocredit policies that expand women's access to markets and resources, e.g. through strengthening rural financial and banking institutions. Microcredit and microsavings alone do not address the prevailing economic situation of women in the economy.
10. Promote gender-sensitive strategies to improve savings, especially through pension plans, community reinvestment acts and the creation of mixed development funds (firms, government and workers) and incentives for corporate reinvestment of profits.
11. Initiate and implement gender-sensitive analysis into government and public sector budgets at local and national budgets as a form of public sector finance.

Rajyashri Waghray, Women's Environment & Development Organization (WEDO)

II. Mobilizing International Resources for FDI

We recommend that governments and international organizations:

1. Recognize that foreign direct investment and other investment strategies and policies affect women as both participants in the economy and as members of households.
2. Promote investment strategies and policies that prioritize human sustainable development with economic growth.
3. Create development plans for foreign enterprises that embody the social development agenda of the host country.
4. Enact a regulatory framework to govern and monitor global capital flows and regulate employment practices of global corporations to make them gender and environmentally sensitive.
5. Establish partnerships between the public and private sectors for responsible assessment of both fiscal and social risks of private-public joint investments.
6. Promote the participation of civil society, including citizens and women's organizations, in evaluating FDI to ensure responsibility, accountability and transparency.
7. Promote public discussions concerning the ideal relationship between foreign capital and socio-economic development initiatives.
8. Develop gender-sensitive policies that link the development of small businesses with foreign enterprises and encourage the transfer of information and technology.
9. Develop gender-sensitive programs that protect the longevity and well being of agricultural workers and local enterprises affected by globalization.

Rajyashri Waghray, Women's Environment & Development Organization (WEDO)

III. Trade

We recommend that:

1. ECOSOC commission a comprehensive social and gender sensitive review of the current process of trade liberalization, trade expansion and trade intensification and their utility and efficacy for development, paying particular attention to the concerns of the poor and women.
2. An independent focal point be established to monitor the coherence and contradiction between the policies and practices of the WTO, IMF, and World Bank with regard to the programs and operations of specialized UN agencies such as FAO, World Food Programme, WHO etc. It should also work to ensure that the emerging cross-conditionalities between the IFIs and the WTO system do not expand the power of international trade institutions above internationally agreed instruments and conventions such as the Universal Declaration of Human rights, CEDAW, etc.
3. The general assembly establish a commission to examine the implications of incorporating agricultural trade (in terms of food security) and intellectual property rights (in terms of access to biological resources and technology) under the umbrella of the WTO.

With regards to specific issue areas:

1. Food products in countries in the South should be excluded from the discipline of import control and domestic support. Food security should be seen as a 'right' and measures to secure this right should be internationally guaranteed. Food aid cannot be a substitute for food self-sufficiency.
2. International trade agreements on agriculture should take into consideration the particular situation of women farmers in the South, who do not participate in commercial ventures but engage in farming for food self-sufficiency, as a family activity passed down from generation to generation. Small-hold farmers in the South are not able to compete and meet the obligations of international competition. Large-scale international commercial farmers pose a threat to them and to rural livelihoods as such.
3. Women farmers and smallholders should be protected, to avoid unemployment, poverty and food insecurity. A clear distinction between the production of staple food crops for domestic consumption and the production of other crops for exports should be drawn.
4. Countries should plan and budget for food, just as they do for national security.
5. The international community should pass a resolution against the mandatory patenting of some life forms and some natural processes. Plants, animal and micro-organisms should not be patentable. Furthermore, trade rules governing IPR must be in conformity with the

Convention and bio-diversity. Farmers must have the right to save and exchange seeds and sell their harvest.

6. International guarantee of access to essential medicine, especially for HIV/AIDs and other prevalent diseases that are impairing the lives of poor women and men.

7. Acknowledge that microcredit for women is not necessarily the only effective means to achieve equality and poverty eradication.

8. There should be an international commission to examine the issue of the transfer of existing and new technology and how these are constrained by the intellectual property rights regime of the multilateral trading system. Particular attention should be paid to the opportunities and challenges of technological development for women and marginal economic agents.

9. International recognition and guarantee of the right of access to affordable essential services such as health care, education, water and energy.

10. Trade rules should allow fewer impediments on the natural movement of persons. Movement of labor should be receive the same considerations as movement of capital.

11. Coordinated international efforts to end the international trafficking of women and girls.

12. Trade rules should be dedicated to poverty eradication and bound by existing international agreements that promote and protect human and women's rights, the environment and the dignity of life.

13. Corporations must be obligated to protect the human rights of female and male workers. There must be a mandatory and enforceable TNC code of conduct. This can be accomplished by streamlining and strengthening the existing code under the auspices of a specially created entity or a specialized agency such as UNIDO.

14. Strengthen existing institutional mechanisms for protecting labor rights, e.g. the ILO, including greater attention to gender-specific issues such as freedom from sexual harassment and sexual discrimination; access to day care; menstruation leave and breast feeding times.

15. Cancellation of external debt to help developing countries reduce budget constraints and liberate resources developing supply-side capacity.

16. International Fund to assist developing countries strengthening supply capacity and meeting the requirements of reasonable domestic alternatives to meeting democratically agreed upon trade commitments. Currently, both the rules, the need to establish those rules, the technical assistance and the finance to implement such come via the WTO process. Thus countries have no independent funding sources to assess the technical requirements of their economy and make changes that promote poverty eradication and gender equality.

17. Governments should be allowed to maintain strategic use of investment, finance and trade including domestic content requirement, the promotion of universal service provision and special programs for vulnerable groups, especially women.

18. Governments should encourage development of local firms and entrepreneurs through measures such as preferences and tax breaks to local investors, farmers and women entrepreneurs.

19. Government should retain the rights to institute requirements on foreign investment in order to protect the balance of payment and meet the foreign exchange needs of the economy. These include resort to local content requirement, import restrictions, conditions on profit repatriation and retained earnings and listing on local stock exchange.

Mariama Williams, Gender & Trade Network

IV. Official Development Assistance (ODA)

The International Community is urged to:

1. Recognize that every ODA policy, program, or project has a differential impact on women and men.
2. Reaffirm that a “transformed partnership based on the equality between women and men is a condition for people-centered sustainable development” (Mission statement, Beijing PFA), and that gender equality must therefore, be considered as an integral goal of ODA.
3. Integrate gender and social analysis in all ODA planning, design, implementation and evaluation.
4. Study the gender impacts of poverty and of poverty eradication strategies and development processes. Engage in regular reviews of ODA to assess development effectiveness. The achievement of women’s rights and gender equality should be a central goal of all development programs, and therefore indicators to measure decreases in inequality and attainment of rights should be used to measure impact.
5. Immediately translate the commitments of the Beijing Platform for Action and the ICPD Programme of Action and their respective five-year reviews into commensurate financial contributions to development programs.
6. Provide technical and financial assistance for incorporating a gender perspective into all development efforts, including technical assistance for the gender disaggregation of data, tracing impacts of policies on different groups of women and men, and strengthening the capacity for designing and managing programs and operational policies and procedures within developing countries and countries in economic transition.
7. Acknowledge that microcredit alone is not necessarily an effective means to achieve equality and poverty eradication for women. Research clearly indicates that in and of itself, microcredit can sometimes increase women’s disempowerment through higher debt and work burdens.
8. Endorse the principle that donor and recipient countries have a partnership relationship with respect to development processes. Further, endorse the principle that the Global South should take the leadership role in ODA, designing and coordinating aid disbursements.
9. United Nations bodies and agencies, multilateral financial institutions, regional banks, and bilateral funding sources should coordinate their financing policies and planning procedures to improve the impact, complementarity, and cost-effectiveness of their contributions to the achievement of sustainable development and gender equality.

10. Implement a currency transaction tax that would be charged on all international financial transaction that would both deter excessive destabilizing speculation and create new innovative sources of funding for equitable development and poverty eradication.

Recipient countries are urged to:

1. Take the leadership role in guiding ODA. In order to meet the objectives of the Beijing Platform for Action, the ICPD Program and Agenda 21, recipient countries must design and adopt comprehensive frameworks with the active involvement of women in the decision-making process. These frameworks must respond to the interests of women, particularly indigenous women, and women who face the most discrimination on the basis of race, ethnicity, ability and location.
2. Develop gender-sensitive national budgets. Prioritize the special needs of women in the allocation of both development assistance and national revenues.
3. Conduct regular reviews of development assistance to evaluate efficiency and effectiveness and to identify critical gaps, especially where the aid is not reaching the regions or groups who need it most. Gender analysis should be integrated into all evaluations and data should be disaggregated by gender.
4. Develop a multi-sectoral, participatory body that oversees development assistance and monitors its use. Make the terms of ODA and its use transparent and accountable to all people. Institutions and regulatory structures should include diverse representation that reflect women's concerns. Participation of civil society in setting objectives and developing strategies is essential.
5. Ensure that assistance received for the implementation of goals and objectives of the Beijing Platform for Action and the ICPD Programme of Action are invested to maximize benefits to women who face the most discrimination on the basis of race, ethnicity, ability and location.

Donor countries are urged to:

1. Increase the share, as well as honor existing commitments, of funding allocated to activities designed to implement the Beijing Platform for Action, the Programme of Action of the ICPD and Agenda 21, including positive provisioning for guaranteeing the rights of women, securing women's sustainable livelihoods, providing social protections, securing equal access and control over resources for women, and reducing gender inequalities in work burdens, employment, and access to health and education.
2. Complement, at the request of recipient countries, domestic efforts to meet objectives of the Beijing Platform for Action, the ICPD Programme of Action, and Agenda 21.
3. Commit immediately to avoiding reductions in the volume of ODA and take immediate measures to increase the volume of ODA and honor existing commitments to the target

amount of ODA as 0.7 percent of GNP. Increase in private capital flows should not be seen as a substitute for ODA.

4. Increase the flexibility with which resources are made available and reduce conditionality attached to development assistance particularly when conditionalities imply further economic restructuring towards a so-called “sound macroeconomic framework.”
5. Ensure a coherent foreign policy that supports gender equality and sustainable development whereby trade or international finance policies do not contradict with, or undermine, development assistance strategies.
6. Develop targets for ODA based on recipient country needs, in accordance with the recipient country’s own objectives of poverty eradication and sustainable equitable human development. Donor assistance strategies should be designed to support social development imperatives of the recipient country; tied aid should be entirely avoided.
7. Cooperate with other donors, international agencies and recipient countries to strengthen their efforts and their collaboration, so as to avoid duplication, identify funding gaps, reduce diagnostic and programming requirements, simplify and harmonize operational policies and procedures.
8. Pay special attention to the needs of Africa and least developed countries, countries facing or suffering from emergency humanitarian situations and financial and economic crises, and those developing countries suffering from low commodity prices, as well as countries facing long-term and large-scale environmental problems. In addition, pay special attention to the needs of countries in post-conflict situations and those affected by HIV/AIDS epidemics and the distinct needs of women within these societies.
9. Ensure that adequate resources are provided through multilateral aid agencies, without conditionalities attached.
10. Encourage transparent processes, accountability, civil society participation, and the consideration of the interests of women in all international economic and policy arenas.

Joanna Kerr, Association for Women’s Rights in Development (AWID)

V. Debt

We Recommend that the International Community:

1. Identify debt as a significant obstacle to development in low-income, middle-income and transition economy countries.
2. Recognize that debt financing is an integral part of a country's development efforts.
3. Demand unconditional debt cancellation based on credible economic, social, moral, legal and historical arguments, including the illegitimate debts of all Southern countries, such as those that cannot be serviced without causing harm to people and communities, those incurred by corruption and fraud and those incurred by exorbitant interest rates.
4. Establish an independent, transparent arbitration process for debt cancellation and an ethical lending and borrowing mechanism to prevent future recurrence of the debt crisis.
5. Eliminate all conditionalities attached to new loans and debt relief.
6. Initiate public hearings for stakeholders to articulate coherent strategies and propose alternatives for debt relief. Establish an independent and transparent arbitration process for debt cancellation.
7. Build civil society capacity to enable its effective participation in such debt relief discourse, in the monitoring of current debt relief processes and in the acquisition of new loans by governments.
8. Develop an ethical lending-borrowing process, which would involve civil society as well as national parliaments.

Gail Lerner, World Council of Churches Ecumenical Team (WCC/ET)
Rebecca Desiree Lozada, Freedom From Debt Coalition, Philippines

VI. Systemic Issues

A. Participation

1. Commit to promoting a more democratic and participatory process in which all member countries have access to decision making under equal conditions, without regard to investment quotas.
2. Include all sectors of civil society—particularly women—in the design and application of macroeconomic, financial and commercial policies.
3. Promote legal reforms that guarantee social participation, transparency and accountability—both economic and political—at all levels: local, national and international.
4. Ensure that legislative and judicial powers approve all operations, negotiations or conditionalities imposed by multilateral financial institutions to guard against corruption at the executive level.
5. Guarantee civil society participation in decision making in international arena, both in established institutions such as the Financial Stability Forum and *ad hoc* groups, as well as in all of the design processes of the new international architecture and crisis prevention. Both the institutions as well as governments should promote affirmative actions to guarantee the participation of women and gender specialists.

B. Transparency, accountability and policy coordination

1. Assure transparency in all economic operations of multilateral financial institutions, particularly for quota, loan and project amounts, and for commercial transactions.
2. Ensure that the conditions imposed and the reasons for stabilization, adjustment or reform policies are easily accessible to the public.
3. Promote political and economic transparency, accountability and the coordination of coherent policies within countries and multilateral institutions.
4. Ensure that the evaluation and supervisory bodies of these institutions evaluate policies and programs in the context of poverty alleviation and improvement in the lives of the population and of women in particular.
5. Calculate women's contributions to the economy in the national accounts, including hours of free domestic, community and family care work, gender differentials in salary received for comparable duties, the negative gender impacts of economic processes, etc.

6. Establish a safeguard policy for gender in financial institutions, similar to that established for environmental issues in the World Bank, to prevent possible negative impacts of operations.
7. Encourage the coordination of economic policy among governments and multilateral institutions, and integrate a gender perspective into this process.
8. Introduce mechanisms within financial institutions for the participation and advancement of women similar to those already established in many countries.

C. The new international financial architecture, financial stability, and the amelioration of the financial crisis

1. Include the economic aspects of social and natural reproduction in the design of a new international financial architecture aimed at avoiding financial crises and ameliorating social inequity.
2. Provide comprehensive information at the micro and macro level and new international norms and conduct codes designed from a gender perspective based on sex-differentiated data.
3. Integrate a gender perspective into the IMF's new international norms, its supervisory and vigilant operations, and its structural adjustment programs. To achieve this, the IMF should include a gender specialist in the missions that visit member countries each year.
4. The World Bank should adopt gender safeguards and establish concrete measures to incorporate them into the public expenditure review and investment project documents.

D. The role of the United Nations in the international financial system

1. Establish concrete operating mechanisms that would allow the United Nations to participate in all of the existing multilateral groups: the International Monetary and Financial Committee, Development Committee, Financial Stability Forum, Group of 5, Group of 7, Group of 10, Group of 20, Group of 24 and the debt negotiation groups such as the Paris and London Clubs.
2. United Nations agencies such as UNIFEM and the gender units of regional offices should work closely with the WTO to evaluate the impact of trade in terms of gender. The Financing for Development Conference should recommend that this evaluation be carried out in a tripartite manner: WTO, United Nations with its regional bodies and gender specialist from organized civil society.

Laura Frade, Women's Eyes on the Multilaterals (ALCADECO)

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