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Source: SPECIFIC OPTIONS FOR INTEGRATING LOW-INCOME WOMEN

INTO THE USAID/PERU - CDSS

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Background:

Low-income women in Peru face key problems, the most critical being their being ignored during the development planning process. There is also a lack of reliable statistics to demonstrate their real contribution in priority areas, such as, agriculture, housing, public social services implementation and overall productive roles in both urban and rural areas.

Low-income women are a crucial sector of the Peruvian poverty map, and in fact, they comprise approximately the 50 percent of that categorization. Ironically enough, low-income women do persist as an ignored factor in development, and policy makers have been slow in addressing this issue on a priority basis.

Integrating women into the development process is not just a matter of benevolent attitudes. We believe that it is essentially a technical and analytical problem requiring the ability to disentangle the patterns of human lives. Closing the gap between good intentions and appropriate actions requires a realistic understanding of the actual involvement of women in the development process.

This options paper provides a beginning in that direction. It represents an attempt to initiate a dialogue with project managers as to how to introduce some degree of flexibility in the on-going projects of the Mission portfolio in order to enhance women's ability to participate in the USAID development programs and to consolidate a policy where both men and women are integrated in the national socio-economic life.

General Facts:

Women's work is seldom accurately reflected in the statistical base used by planners and so is discounted in planning and often undercut in the name of effective planning. However, some statistical approximations--summarized below--could help in the appraisal of the situation of women in Perú:

- (a) Low-income women in urban areas now form over 27 percent of the economically active population, an increase of 10.2 percent between 1972 and 1981. One fifth of the female population is considered economically active by the census data. Nevertheless, the statistics obscure and underestimate the real nature of women's participation.
- (b) Female underemployment is also crucial. Approximately 51 percent of women fit into this category. Women play significant economic roles as producers, entrepreneurs and laborers, both within households, and within the overall national economy. However, women represent more than 54 percent of the people categorized as unremunerated workers in family business, a 72 percent increase over 1972.
- (c) Women have the highest illiteracy rate. Two of every three illiterates in Peru are women, a statistic unchanged since 1972. Only one fifth of Peruvian women have secondary education and only 3.3 percent have university schooling. Half of the Peruvian women still do not benefit from primary education.
- (d) Low-income women have limited access to publically-supported housing and overall credit programs. They are generally unable to meet the established formal/legal requirements. Though they do run businesses, earn crucial incomes as small entrepreneurs and have assumed primary and active responsibility for their family's housing needs, including the actual construction of their homes, they do not qualify for these programs. These problems are even more severe for women who are heads of households, an increasing percentage in Peru.
- (e) Rural women traditionally have been economically active but are "invisible" producers in Peru. Between 1972-1981, female participation in economic activities in rural areas--mainly commerce and agriculture--increased nearly 50 percent. However, rural women lack access to appropriate technical assistance and training programs. Even though they dedicate a large portion of their productive lives to agriculture or livestock, most learn the basics from their parents and are rarely targeted for agricultural extension programs, a traditional domain for rural men.

Unfortunately, general development strategies do not take into consideration the crucial linkage between women's roles and national development, nor do they attempt to acknowledge the socio-economic activities traditionally performed by women.

The options outlined below rely heavily on the following research efforts and USAID institutional coordinations:

- a) A strategic assessment that reviewed programs implemented in Peru to integrate low-income women into the development process. This research project was coordinated by the USAID/WID Officer with an interdisciplinary team of Peruvian professionals under the supervision of Dr. Carlos Aramburú, Research Director of INANDEP (Instituto Andino de Estudios en Población y Desarrollo).
- b) Information gathered and exchanged at the institutional and personal level, such as the Industrial Bank of Peru, INPET, International Center for Research on Women, Cooperación Popular, Asociación Obras de Bien Común, Population Council working group among others. Specific mention should be given to the supportive work of Ms. Cressida McKean, from PPC/WID.
- c) Specific field-work and direct contact with low-income women have also contributed to validate these specific strategies.

A. Low-Income Women participation in USAID Housing Strategy.

Objective: Expand and strengthen the Housing Programs with the capacity to reach low-income community groups, including women's heads of households. Urban development efforts need to focus on these groups in their planning stage.

Options:

1. Initiate discussions with the Banco de la Vivienda del Perú (BVP) to re-evaluate income and guarantee requirements for home improvement loans with particular attention to the applicability to women of low-income families and heads of households.

Target funds for family groups where the monthly family income is derived from at least two minimum basic salaries, family members perform low qualified occupations, have low education levels, live in marginal human settlements, i.e., Pueblos Jóvenes, "tugurios" and Housing Cooperatives, and lack of accessibility to social and urban services, e.g., water, sewage, electricity.

2. Reassess the loan criteria on forms of the Banco de Materiales and BVP to ensure inclusion of economic activities of all workers in a household in assessment of income levels and facilitate the access of low-income families, particularly women who are heads of households.
3. To design and implement a technical assistance program within the Banco de Materiales for the beneficiaries of credit-in-kind, particularly women heads of households to assure (a) optimum use of materials, and (b) supervision in the basic technical elements of construction.
4. Coordinate programs to upgrade the effectiveness of local community groups and organizations, utilizing efforts of low-income women to secure services, e.g., water, sewage, electricity for the community.
5. Design a pilot program for upgrading "tugurios", (slum settlements in the downtown areas of Lima) that could be replicable in other settings. The program should include integration of components such as education for self-construction, training for productive employment generation and technical assistance for social services and construction.

Women in these marginal settlements, are an important and often untapped resource for resolving local problems, including the construction of their homes. This project would recognize the economic contribution of women, identify small micro-enterprise projects to increase the community capacity to generate additional income and work directly with the overall community in an organized basis. Women would be trained in basic construction skills and related supervisory tasks under the direct supervision of a responsible PVO and related institutions already working in this areas i.e., Cooperación Popular, Banco de Materiales, Banco de la Vivienda del Perú, INPET, etc.

As a community development project for marginal sectors, it could represent a viable alternative in terms of a low cost housing program accessible to significant population sectors that are now by passed by the housing planning efforts.

Inadequate urban planning, financing, management, employment generation, community services, construction and technical assistance could be the basic constraints to be overcome by this program.

B. Private sector: Credit and small enterprise development strategy

Objective: To expand and increase the flexibility of credit programs targeted for the poor in order to strengthen their capacity to reach low-income women and to upgrade the productive potential of women.

Options:

1. Coordinate with the Industrial Bank of Peru (BIP) specific modifications to AID's project with BIP in order to strengthen its capacity to integrate low-income women entrepreneurs into this credit program.
2. Develop with the BIP a monitoring and credit assessment component to develop a socio-economic profile of the program's credit users. The aim is to monitor the effectiveness of the credit extension efforts in reaching the target population and to develop a data base for evaluation of the programs. Efforts in this direction are being coordinated with the International Center for Research on women (ICRW).
3. USAID should seriously consider amending the loan agreement with the BIP to earmark approximately \$78,000 of the loan funds as a revolving credit fund as proposed in the document in the document "Proyecto Fondo Rotatorio para Prestatarios Destinados a Capital en Unidades Empresariales de Pueblos Jóvenes".

A revolving fund and/or a guarantee fund is an urgent need to overcome a crucial constraint in the existing credit programs--the requirement for cash upfront in order to borrow from the on going programs with the Industrial Bank, Housing Bank, etc. Direct coordination with intermediate institutions to serve as liaisons between the formal financial institutions and community groups will be needed.

4. To strengthen the capacity of national PVOs working in the implementation of credit programs for women entrepreneurs in both urban and rural areas.

5. To support technical assistance services to community-based organizations seeking entrepreneurial alternatives, particularly for those low-income women already trained in productive skills at the 24 Community Centers built by USAID.
6. To integrate the needs of women in project design and undertake constructive analyses to better understand women's roles and their potential for productive employment.

C. Agriculture, Rural Development and Extension.

Objective: Efforts to raise agricultural productivity and promote rural development will be successful as long as they consider the cultural background that determines the division of labor between men and women and recognize the significant economic participation of rural women on and off the farm. Thus, a basic objective is to set up concrete strategies to overcome the prevailing constraint produced by the lack of awareness on this situation, and enable rural women to benefit equally with men from Mission rural development efforts.

Options:

1. To develop through the National Institute on Agricultural Research and Extension (INIPA) a pilot extension package specifically aimed at a geographical area where women are specially active in agriculturally related production. Huancayo and/or Cajamarca could be ideal centers to start a family farming systems approach.
2. Dedicate specific efforts to expand the extension programs and motivate rural women participation on a regular basis.
3. To support the collection of statistics on rural women's productive roles and contribution to their household economy. The Regional Research Centers could promote this type of research along the lines of the statistical data being analyzed by Dr. Sara-Lafosse, under the grant approved by the Washington PPC/WID Office.

Research projects of this type could contribute to the agricultural production data base required to design short and long term development priorities for the agricultural sector. Such an information base could disaggregate production statistics by gender, which would have significant implications for planning for future agricultural research and extension activities.

4. The integrated Regional Development Project also offers considerable potential for integrating rural women into

their planning, particularly through the sub-project dealing with the establishment or upgrading of a regional market. The provision of marketing facilities for rural women could be a first step in formally supporting rural women's entrepreneurial participation. USAID could provide technical assistance to prepare a socio-economic profile to better understand the economic activities where women are engaged. Such a profile could serve to ensure that women active in commerce are able to benefit in this scheme or to ensure the development of appropriate project activities to serve the productive requirements of these economically active women.

Rural women are gaining some training and experience in some vocational skills areas, yet employment opportunities are not being generated. Specific attention needs to be given to some national PVO's seeking alternatives to support rural business initiatives i.e. street foods vending, marketing of agricultural products, creation of artisan centers for marketing of arts and crafts produced by campesina women and where they could also learn to improve the quality of their production. Some pilot programs have already been started in the Junin area with SDAF support but on a very small scale. However, they already offer reliable evidence to justify allocating additional financial resources: Market women need to be extended credit facilities, business circulation, etc. for efficient performance and expansion of their productive activities.

D. Education, Occupation Skills Training

Objective: Education being one of the most crucial areas affecting women's integration into development, the provision of realistic educational alternatives for low-income women emerges as an immediate challenge. Mission efforts should be oriented toward the study and definition of realistic occupational skills training options for women that could contribute to addressing Peru's present under- and unemployment problem.

Options:

1. An evaluation of present vocational training programs should be undertaken in order to ascertain where they are leading low-income women and to what extent the available training has affected their employment generation capability and/or attitudinal changes.

The type of training often offered to or requested by women, is "what they want to learn", i.e., sewing, knitting, rather than "what they need to learn" to function effectively within the economy. An evaluation of traditional vocational training skills programs should measure the impact of this traditional training vs. less traditional alternatives.

2. USAID/Projects dealing with occupational skills training should also allocate some efforts to the creation of Job placement units where these low-income women could receive some orientation about employment opportunities in the specific areas of their training.

Similarly, specific links should be defined with the credit institutions to provide orientation sessions about small enterprise formation, requirements for participation in the accessible credit programs etc.

3. The USAID Mission needs to coordinate their educational program with national PVO's that have achieved some expertise in occupational skills training and that could lead women to participate in less traditional type of training i.e.. electricity, shoe-making, gasfiteria, etc.
4. The Mission should assure that professional women have equal opportunity to benefit from training opportunities abroad, and that they are selected on the same basis as men.