

Aga Khan Rural Support Programme
(A Project of Aga Khan Foundation)

CIVIL SOCIETY RESOURCE CENTRE
A Project of Aga Khan Foundation (Pakistan)



The Embassy of Belgium

Research Study on Women's Economic Empowerment

Dynamics and Factors Inhibiting Self-Employment in
Gilgit-Baltistan and Chitral



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Gilgit-Baltistan and Chitral*

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Acronyms

AKF-P	Aga Khan Foundation (Pakistan)
AKRSP	Aga Khan Rural Support Programme
BISP	Benazir Income Support Programme
CEDAW	Convention on the Elimination of All forms of Discrimination Against Women
CSOs	Civil Society Organizations
ECD	Early Childhood Development
FGD	Focus Group Discussion
GB	Gilgit-Baltistan
GBC	Gilgit-Baltistan and Chitral
GoGB	Government of Gilgit-Baltistan
GBLA	Gilgit-Baltistan Legislative Assembly
GoP	Government of Pakistan
ICT	Information and Communication Technology
KII	Key Informant Interview
KIU	Karakoram International University
LMA	Labour Market Assessment
MDGs	Millennium Development Goals
NPA	National Plan of Action
NPAEW	National Plan for the Advancement and Empowerment of Women, NPDAEW National Policy for the Development and Empowerment of Women,
PRSP	Poverty Reduction Strategy Paper
WDD	Women Development Directorate

Preface

Within the broader ambit of women's economic empowerment, this research study was primarily meant to generate information on women's self-employment as there is limited data on self-employed women in GBC. This research initiative is a first step towards deepening the understanding of dynamics of women's self-employment and underlying factors limiting it besides assessing the overall situation in which it operates. This research is also expected to set the stage for further research and in-depth investigation into the canvas of women's economic empowerment with new dimensions emerging for further detailed analyses.

This would not have been possible without the technical support and guidance of Mr. Muzaffar-uddin, Programme Manager, and Mr. Masood Ahmad Mir, Specialist Market Development. Mr. Karim Ullah, Manager MD Gilgit region, played a leading role in conducting this study. The contributions of other AKRSP team members including Mr. Amjad Wali, Mr. Sajjad Hussain, Mr. Ali Mutahiri, Mr. Hameed and Ms. Malika Aziz are also highly appreciated. Lastly Ms. Shaistan Jabeen, Ms. Rozina Shoukat and Ms. Saeeda Zahir deserve appreciation for their efforts with enumeration. Last but not least Pervaiz Ahmed had significant contribution in refining the study by thoroughly reviewing it.





Executive Summary

Economic empowerment of women has remained a dominant theme over three decades of AKRSP's programming in GBC. Women Organizations (WOs) have provided a collective platform for women to prioritize, plan, and undertake development initiatives in social as well as economic sectors. Given the need for learning lessons from its past experiences to advance women's self-employment agenda in GBC, AKRSP conducted a qualitative research focusing on dynamics and factors inhibiting the economic empowerment of women in GBC. This research initiative was funded by Belgian grant under a one year project (July 2011-June 2012) titled "Building Capacities for the Economic Empowerment of Women in Gilgit-Baltistan and Chitral in Pakistan".

In view of paucity of information on self-employed women in GBC, this research endeavor seeks to understand the dynamics of women's self-employment and the overall situation in which it operates, and factors that influence it and the nature of such influence; and to set the stage for further research and in-depth investigation into many aspects requiring detailed analyses. While the actual research study was conducted by AKRSP Market Development unit, the research report was subsequently reviewed by a consultant in order to enrich the study from the findings of the two separate studies namely "Review of Women's Economic Empowerment in GB" and the "Labor Market Assessment Survey Report" which were produced after this study. Within the changing context emanating from women's improved access to social sector services and social capital, new set of development challenges are emerging for the women of GBC. Owing to impressive human development indicators a more educated youth work force including young women are entering into the labour market. The young educated women are aspiring for jobs outside agriculture sector as non-farm income sources are increasingly becoming important for the livelihoods of the urban families.

The Labour Market Assessment Report shows women's labour force participation rate –15.5 percent in GBC compared to 22.2 percent in Pakistan. While it has significantly improved from 13.7% in 1999-2000, there are significant gender disparities in the labour participation rates. In GBC it is even more skewed due to social barriers and limited job

opportunities for women. With the transformation of GBC's economy from barter system into cash based transaction, women's contribution to the household cash income has become a necessity for the well-being of families. Therefore, building on its past achievements in promoting women's economic empowerment, AKRSP seeks to further this agenda through self-employment. However, women still face formidable challenges with regard to self-employment due to societal perception and social barriers to start up own businesses in the market place.

AKRSP has tried to address this issue by introducing the idea of Women's Market to provide a physical space for women to set up small businesses, but there are many more impediments to unleash their potential as successful entrepreneurs. In the backdrop of these challenges, there is a need for deepening the understanding of the dynamics of women self-employment through action based research. The findings will guide policy makers, development practitioners and financial institutions to evolve enabling policies, innovative programmes and relevant financial products to promote women's entrepreneurship.

As many organizations including AKRSP realize that economically empowering women is beneficial not only for women, but society at large. It promotes women's ability to achieve their rights and well-being while also reducing household poverty, increasing economic growth and productivity, and increasing efficiency. Economic empowerment is one of the most powerful routes for women to achieve their potential and advance their rights. Women's economic contribution in a family makes way for her participation expected and accepted by the family members particularly by the family heads. The confidence and economic strength of women may motivate and enable them to participate in different social events and associations.

While chalking out a plan for women economic empowerment it is imperative to take Millennium Development Goals (MDGs) into consideration. The nation states, including Pakistan, have reiterated their commitment, through a number of agreements and declarations, to meeting the MGD3 "*promote gender equality and empower women*". Given the importance of this MDG as a key development goal



in its own right, but also an important means to achieving all MDGs, there have been many follow up global conferences and meetings to accelerate the actions by the international community and their partners. Although, Pakistan is also a signatory of various international agreements and declarations, including Convention on the Elimination of All forms of Discrimination Against Women (CEDAW) in 1996, the Beijing Platform of Action, the MDGs and several other UN human rights and ILO conventions, it has abysmal record with regard to protecting women's rights. There are many policy documents including National Plan for the Advancement and Empowerment of Women, National Policy for the Development and Empowerment of Women, and Poverty Reduction Strategy Paper (PRSP) reflecting Pakistan's commitment to gender mainstreaming. The GoGB has not shown the same level of commitment as the GoP has to the cause of women's empowerment except implementation of the National Plan of Action (NPA). GoGB has not formulated the policies, institutions and interventions to achieve the objectives of the NPA in GB. Moreover, the performance of GBLA with one third of its women members has not been encouraging in terms of appropriate legislations to protect women's social, cultural and economic rights.

While the qualitative data was collected covering almost all project districts in GBC, the research team also made use of the secondary quantitative data for this study. The Consultant used the data from the two separate studies on WEE and Labour Market Assessment Survey. Cluster sampling method was chosen for the collection of primary data to ensure adequate representation of the population in GBC. The basis of cluster sampling was based on geographic proximity, social status, religious beliefs, educational level and economic status. Respondents were then randomly selected from the above mentioned clusters for the data collection. A total 18 FGDs were conducted in Gilgit, Baltistan and Chitral. The analytical framework used for data analysis was based on three main factors: resources, relations and structures which inhibit women's self-employment. The research findings have been grouped under these three themes.

The findings show that majority (85%) of women respondents, were married. Young women from urban and rural areas have slightly differing aspirations for life. Completion of college education followed by job and then marriage are three priorities of urban women, while for rural women, household chores and marriage are two important priorities of life though education up to secondary level is at the bottom. Psychological traits are important for unleashing women's potential for entrepreneurship. Only daring women challenged

the accepted norms by taking calculated risks for their economic advancement as well as motivating other women to believe in their capacity to act and decide independently. However, the risk taking enterprising women have had also support from their family members – especially their spouses. In GBC, a combination of the factors marginalizes and restricts women in suppressing their confidence, management and leadership skills thus making them more dependent on men to decide for their economic and productive engagement. The research findings further suggest that women entrepreneurs received foremost moral and social support from their husbands. While information is crucial for the success of any business, majority of the respondents have had no prior information about the running of business, start-up capital and skill requirements. They mainly relied on their relatives and people already in business as informal sources of information.

Regarding the educational level of the respondents, the study shows 67% were educated while only 33% of self-employed women were uneducated. Although 95% of educated self-employed women have had background in arts, but the respondents have underscored the need for training in business and change management, enterprise development and information technology as majority have had no previous training in vocational or business management. This is also consistent with the LMA findings that only 6% of those aged 10 and above had participated in a training course in GBC. Regarding financial services, women's access to start-up capital for new businesses has been a major issue in GBC as FMB mainly caters to the needs of working capital by existing enterprises. Similarly access to credit from formal banks of bottom 20% households is 16% compared to 42% by the top 20% of households in GBC. Thus women's creditworthiness is quite low and consequently their ability to access credit. The research finding suggests that while 8% of self-employed women are able to save income generated from their businesses, majority of them reinvest their earnings in the same business. Usually, women spend their savings on basic necessities of the household such as grocery and meeting children's educational expenses.

As 77% of the families live in joint families in GBC, the freedom for women to take up market based roles is quite limited. A woman feels more 'secure' and 'confident' outside the home if she is married and even more when she is a mother. The self-employed women shoulder more responsibilities compared to ordinary housewives due to their active participation in economic activities. However, their work load has significantly increased as 30% of working women reported to have lack of proper rest and sufficient sleep. 75% of women respondents travel to markets

in groups while 15% are accompanied by a male family member and only 10% go to the market alone. AKRSP introduced the women's market concept to promote women's entrepreneurship within the cultural milieu of GB. Since most of the women owned enterprises in GBC are at micro level, they are unaware of the business development services they might require to grow their businesses. Since most of the micro and small enterprises including those of women are in the informal sector, they are not registered under any legal umbrella including SECP.¹ 85% of businesswomen are not registered nor did they consider necessary to register their businesses. The research findings further suggest that self-employed women in GBC are least effective in forging relations within and with external agents in promoting and defending women's interest. Businesswomen have not formed any business alliance, union or group working to defend women's economic rights and making the environment conducive for self-employment. Self-employment of women in GBC is driven by multiple factors in the socio-economic and cultural domains depending on the type of social system, as the GBC society is not homogenous as such. Despite these challenges, AKRSP has, however, made important contributions to women's economic empowerment through vocational, technical and business training. AKRSP must continue to take the leadership role in sensitizing public and private sectors including the banks and other civil society organizations to collaborate for the development of an integrated strategy for women's economic empowerment – self-employment being an integral component. As the NGOs alone cannot address all the issues, there is a need for more collaborative efforts for policy reforms and improved coordination amongst the key stakeholders including public, private and civil society sectors for developing innovative programmes to expand the opportunities for women's self-employment.

A market based approach with a focus on making markets work for women needs to be pursued with clearly defined bench marks for the next six to seven years. Strengthening of BDS providers, at least in major town markets, should be included as part of the market development programme. Establish a special investment fund as lenders in the formal sector would be reluctant to provide start-up capital till they change their policy and develop new products for women entrepreneurs, financing from special investment funds would enable women entrepreneurs to start their activities. Further research is also required to document the best practices in women's small business operations and the factors which contribute to their success.

1 Securities and Exchange Commission of Pakistan (SECP)



1. Introduction

AKRSP has, over the past three decades, made enormous efforts to empower the marginalized community members especially poor and women through its participatory approach and multi-dimensional programming, which have broadened the asset base of women and enhanced their social capital. With an overarching goal of improving the living standards of Gilgit-Baltistan and Chitral (GBC) people, women received considerable attention from the outset to enhance their social status within the household, community and the society at large. Economic empowerment of women, therefore, remained a dominant theme through the decades long programming of AKRSP in GBC. Women Organizations (WOs) have provided a collective platform for women to prioritize, plan, and undertake self-managed development initiatives in social as well as economic sectors.

Given its decades long involvement in women's economic empowerment and the need to learn lessons for its future programming to promote women's self-employment in GBC, AKRSP conducted a qualitative research focusing on dynamics and factors inhibiting the economic empowerment of women in GBC. This research initiative was funded by Belgian grant as part of a one year joint project² titled "Building Capacities for the Economic Empowerment of Women in Gilgit-Baltistan and Chitral in Pakistan". The duration of this project was July 2011 to June 2012.

The main purpose of this research study was to utilize the key findings for designing the various capacity building activities to promote women's self-employment. Since information on self-employed women in GBC was very limited, this paper has

two pronged objectives outside the project domain: a) to understand the phenomenon of women's self-employment and the overall situation in which it operates, and factors that influence it and the nature of such influence; and b) to set the stage for further research and in-depth investigation into its subject matter- with many aspects of it requiring specific and detailed analyses.

While the actual research study was conducted by Market Development Section of AKRSP, the paper was subsequently reviewed by a consultant in order to enrich the report from the findings of two separate reports namely "Review of Women's Economic Empowerment in GB" and the Labor Market Assessment Survey Report which were produced after this study. The report heavily draws from the findings and data from the two studies to augment the analysis and trends in self-employment by highlighting the factors which affect women's self-employment to help understand the dynamics of women's economic empowerment GBC.



² Civil Society Resource Center (CRSC) of AKF (P) is the lead partner and AKRSP is the project partner for the implementation of this grant. AKRSP has received a part of the total grant to implement specific project activities either on its own or in partnership with CSRC. The grant is donated by the grant is generously donated by the Royal Embassy of Belgium Islamabad under the Public Diplomacy Grant of the Federal Government of Belgium.



2. Development Context in GBC

The development context in GB and Chitral has significantly changed over the past three decades, although the pace has been different in these two different administrative regions due to two main factors. Firstly, all weather road access of GB with the mainland through KKH and secondly, a relatively higher per capita public sector investment in GB has led to transformative changes in this region. On the other side, the seasonal road access to the mainland, limited public sector investment in infrastructure and social sector services have resulted in slow progress in the socio-economic development of GB and Chitral which is further complicated by the precarious law and order situation of GBC. There are also security challenges to this area due to its proximity with Malakand in the south and Kunar province of Afghanistan in the west.

In both cases, nonetheless, a high level of social capital and the presence of vibrant civil society organizations (CSOs) are the direct result of three decades long interventions of AKRSP to promote human and institutional development. AKRSP fostered broad-based village level institutions—Village and Women Organizations³ (V/WOs) have provided a collective platform for men and women to prioritize, plan, and undertake self-managed development initiatives at the local level. As women in GBC were mainly confined to their villages, the formation and development of WOs has enhanced their mobility and confidence level to participate in local development processes. AKRSP's support in human capital investment and financial help to women organizations was crucial to address the evolving needs and challenges of women in GB. A detailed overview of AKRSP's contribution in promoting women's economic empowerment is attached with this report as annex B.

³ Since 1983, AKRSP has fostered over 3500 V/WOs across GBC which have successfully mobilized local resources to manage local development including natural resource management





As a result of rapidly changing context, new set of development challenges are emerging for the women of GBC. Some of the significant changes that have particularly effected women's lives in GBC include improved access to education, economic opportunities, technical and vocational training, increased mobility due to better communication and information technology infrastructure, and social capital. At the same time, the demographic changes in GBC shows over 60% of the population being under 30 years with more educated work force including young women entering into the region's labour market.

There are significant gender disparities in the labour force participation rates due to social barriers and limited job opportunities for women. The Labour Market Assessment Report shows women's labour force participation rate -15.5 percent in GBC compared to 22.2 percent in Pakistan. While it has significantly improved from 13.7% in 1999-2000, still there are considerable gender disparities in the labour participation rates. In GBC it is even more skewed due to social barriers and limited job opportunities for women. While agriculture still remains a dominant sector that employs a large proportion of rural women, education, vocational training and small trading business are other important industries which have provided employment (including self-employment) to women in the urban centers. Thirty years back, the GBC's economy was largely based on barter system; it has now transformed into cash based economy and hence women's contribution to the household income has become a necessity for the well-being of families. AKRSP's anecdotal and empirical evidence suggests that economic empowerment leads to improved status of women in the household with increased role in decision making.

In the backdrop of these changes, AKRSP seeks to advance the agenda of women's economic empowerment with a focus on self-employment in GBC. However, despite significant improvements in the past fifteen years, women still face formidable challenges with regard to self-employment due to societal perception and social barriers to starting up own business in the market place. While AKRSP has

addressed part of the issues by awareness raising⁴, providing a physical space to facilitate the women's business start-ups, facilitating access to micro-credit, there are many more impediments including mobility, access to start-up capital and lack of linkages with wider market in their pursuit to become successful entrepreneurs. It is therefore important for AKRSP, micro-finance institutions and policy makers in the public sector to deepen the understanding of the dynamics of women's self-employment through action based research. AKRSP's current initiative supported by Belgian grant is an effort in this direction.



⁴ In 2005 with the financial support from GoP, AKRSP mobilized 5000 women to give them awareness on small business. As a result of this initiative, 500 women entrepreneurs were identified for further support in business management training and facilitating business start-ups.



3. Conceptual Underpinning of Women's Economic Empowerment

Rationale for women's economic empowerment:

There is increasing recognition that economically empowering women is essential both to realize women's rights and to achieve broader development goals such as economic growth, poverty reduction, health, education and welfare. More recently, many organizations including AKF⁵ have committed themselves to the goal of women's economic empowerment. These organizations realize that economically empowering women is beneficial not only for women, but society at large. It promotes women's ability to achieve their rights and well-being while also reducing household poverty, increasing economic growth and productivity, and increasing efficiency.

"One motivation for women's empowerment is basic fairness and decency. Young girls should have the exact same opportunities that boys do to lead full and a productive life ... the empowerment of women is smart economics."

(President Robert Zoellick, World Bank spring meetings, April 2008)

Research has found that there are strong reasons to emphasize women's economic empowerment in development programmes:

- Economic empowerment is one of the most powerful routes for women to achieve their potential and advance their rights.
- Since women make up the majority of the world's poor, meeting poverty-reduction goals requires addressing women and their economic empowerment.
- Discrimination against women is economically inefficient.
- Working with women makes good business sense. When women have the right skills and opportunities, they can help businesses and markets grow.
- Women who are economically empowered contribute more to their families, societies and national economies. It has been shown that women invest extra income in their children, providing a route to sustainable development

What is economic empowerment?

According to DFID⁶, economic empowerment is "a process that increases people's access to and control over economic resources and opportunities including jobs, financial services, property and other productive assets (from which one can generate an income), skills development and market information"

ICRW⁷ defines women economic empowerment as "A woman is economically empowered when she has both the ability to succeed and advance economically and the power to make and act on economic decisions".

⁵ Under Rural Development Programme, AKF has been supporting market development initiatives in the developing countries, including South and Central Asia by strengthening RSPs for poverty reduction and promoting economic development.

⁶ DFID 2012 (Starter Pack on economic empowerment of women and girls).

⁷ International Centre for Research on Women (2011) Understand and Measuring Women's Economic Empowerment. Washington DC: ICRW (p.3)

To *succeed and advance economically*, women need the skills and resources to compete in markets, as well as fair and equal access to economic institutions.

To *have the power and agency* to benefit from economic activities, women need to have the ability to make and act on decisions and control resources and profits.

To achieve women's economic empowerment, organizations must address the underlying factors that contribute to it: individual and community resources, and norms and institutions.

Resources are the building blocks women can draw on to succeed economically or to exercise power and agency. Resources can be at the individual or community level. They are more than financial or monetary in nature, and include; human, financial, social and physical capitals.



Norms and Institutions are the “rules of the game” or the organizational and social systems that govern activities and mediate relations between individuals and their social and economic environment. Norms and institutions influence how resources are distributed and used. Norms include gender defined roles, taboos, prohibitions and expectations such as whether or not it is appropriate for women to be in public spaces, hold certain types of jobs, or manage money. Institutions include legal and policy structures, economic systems, market structures, marriage, inheritance and education systems.

Skill development programmes are processes which lead to empowerment of women by providing them with income generating opportunities combining with its skills, access to resources and awareness among women. The three basic components give opportunity to the women to earn income, which ultimately reduces the economic dependency of women. Reducing economic dependency can be a basis for empowerment. Women need to be engaged in a productive activity that gives them some financial autonomy.

The increased level of income for women along with awareness improves their self-confidence and subsequently they engage in decision making in personal and family affairs. Income in the hand of a woman boosts her confidence to put forward her opinion and share views in family decisions. In other words, women's economic contribution in a family paves way for her participation expected and accepted by the family members particularly by the family heads. The confidence and economic strength of women may motivate and enable her to participate in different social events and associations.

The gender and development literature shows that there are gender differences in employment in terms of differences in human capital where women are disadvantaged because of their family responsibilities, physical strength, education, training, hours of work. Women are disadvantaged due to lack of skill, awareness, education, and burden of responsibilities. AKRSP's skill development programme⁸ has provided women with skill, opportunity, and awareness to engage them in income generation activities, thus contributing to their economic

⁸ Over 20,000 women have been trained since the inception of AKRSP

empowerment. However, the empowerment outcome is a complex process as it can be traced through increasing bargaining power in the households.

3.1 Policy Frameworks for Women's Economic Empowerment

3.1.1 Global Frameworks

The international community has shown strong commitment to gender equality and women's rights in the area of access to and control over resources at the Fourth World Conference on Women in 1995, the twenty-third special session of the General Assembly in 2000, and other inter-governmental processes, including the Millennium Summit in 2000, the 2005 World Summit, the International Conference on Financing for Development in 2002, and the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus in 2008.

The Declaration and MDGs have become a universal framework for development and a means for developing countries. The third Millennium Development Goal (MDG3), "promote gender equality and empower women" has a special place among the MDGs — not only is it a key development goal in its own right, but also an important means to achieving all MDGs. Acting on MDG3 has a catalytic effect on all MDGs and makes their attainment more feasible. However, there has been slow progress in terms of actions to achieving this MGD across many of the developing countries including Pakistan.

3.1.2 National Policy Frameworks and Programmes

While Pakistan is a signatory of various international commitments, including Convention on the Elimination of All forms of Discrimination Against Women (CEDAW) in 1996, the Beijing Platform of Action, the Millennium Development Goals (MDGs) and several other UN human rights and ILO conventions, it has poor record with regard to protecting women's rights. Although covenants and international legal and policy frameworks stress on states to show zero tolerance towards oppression, marginalization and exclusion of women in all spheres of society and promote gender equality and women empowerment in the economic, political and legal domains, but women in Pakistan are still struggling for their rights – especially in the

rural areas where women's oppression is more pronounced.

The main policy documents reflecting Pakistan's commitment to gender mainstreaming include:

1. National Plan for the Advancement and Empowerment of Women,
2. National Policy for the Development and Empowerment of Women (NPDEW 2002),
3. Gender Reform Action Plan (GRAP 2003-2010),
4. Medium Term Budgetary Framework (MTBF),
5. Poverty Reduction Strategy Paper (PRSP) and
6. Medium Term Development Framework (MDTF).





The overarching goal of the National Policy is "Empowerment of Pakistani women, without prejudice to caste, creed, religion, or other consideration for the realization of their full potential in all spheres of life, especially social, economic, personal and political; and in keeping with our Islamic way of life."

The National Plan of Action⁹ (NPA) for the Advancement of Women was adopted as a working document in August 1998 by the President of Pakistan emphasizing on: a) reduction of poverty among women; b) issues regarding the girl-child; c) addressing health issues; enhancing education level; d) combating violence against women; and e)

⁹ This document was developed as a follow up to Beijing Declaration. The Beijing Declaration and Platform for Action was approved unanimously by representatives from 189 countries attending the Fourth World Conference on Women, held during the 50th anniversary year of the founding of the United Nations.

the economic, political and social empowerment of women.

Gender Reform Action Plan (GRAP 2003-2010) implemented at the federal and provincial levels reflecting the GoP's commitment towards mainstreaming gender. GRAP focused on: a) engendering the planning and budgetary process and narrowing the gap in public expenditure; b) restructuring of national machinery dealing with gender issues and; c) facilitating policy shifts from social welfare to social development

GRAP strategy to address gender gaps was to bring reform in: political reforms; administrative/institutional reforms; reforms in public sector employment and; policy and fiscal reforms

3.1.3 Government of Pakistan's Economic Initiatives Targeting Women

The government of Pakistan is working towards providing women opportunity and avenues to access resources mainly micro-credit for initiating their own business through various channels such as:

- National Bank of Pakistan
- National Rural Support Program
- Pakistan Poverty Alleviation Fund (PPAF)
- Rural Support Programmes (RSPs)
- First Women Bank (FWB)
- Agricultural Development Bank (ADB)
- Khushali Bank
- Benazir Income Support Program (BISP)

3.1.4 Policy Frameworks of Government of Gilgit-Baltistan (GoGB)

The Government of GB has not shown the same level of concern and effort towards the cause of women's empowerment as the federal government has done. The National Plan of Action (NPA) was implemented by the GB Government. However, efforts in this regard have been scant and ineffective with the lack of policies, institutions and interventions to achieve the objectives of the NPA at the GB level.

The GoGB has established a Women Development Directorate (WDD) with a mandate to initiate projects for economic advancement of women. The idea of WDD was conceptualized and advocated by AKRSP with the support of community organizations including WOs. While the directorate is currently functioning under the GoGB as a project, the efforts are underway to institutionalize it permanently within the government structure. Moreover, GoGB is represented by only one woman on the National Commission on the Status of Women - chaired by the Prime Minister of Pakistan. A summary of the projects implemented by AKRSP in collaboration with the Federal as well as GB Governments has been attached at the end of this report as annex A.

Despite a sizeable number (30% of the total) of women members of Gilgit-Baltistan Legislative Assembly (GBLA), the provincial Assembly's legislation record for making laws to protect women's basic rights to social services, protecting their dignity and honor, creating economic opportunities¹⁰ and access to economic resources has been abysmal. These laws are crucial to eliminate all forms of gender discrimination and to promote gender equality by formulating pro-women development policies for socio-economic development in GB. Economic empowerment is one of the most powerful routes for women to achieve their potential and advance their rights.

While AKRSP's policy and advocacy efforts have led to increased partnership with the GoGB for supporting several projects towards women's empowerment, GoGB is yet to show its long term commitment to addressing the women's strategic issues by adopting the CEDAW framework, Anti-harassment law and other national and international policy frameworks. While detailed description of the GoGB supported projects is attached as annex A, these projects have benefited over 7000 women in terms of awareness raising on self-employment and training of 500 women in business management.

Another initiative supported by the GoGB was ICT project, implemented in collaboration with Karakorum Area Development Organization¹¹

(KADO) for skills development of women in information communication technologies. Through this program, more than 40 IT centers have been established around GB. The centers benefit women in business and potential entrepreneurs through providing services in marketing, product development through design software, basic and advanced IT skills and IT related businesses.



¹⁰ This includes allocation of job quotas in government departments

¹¹ KADO was established by Aga Khan Culture Service, Pakistan (AKCS,P) in 1996 to promote entrepreneurship, economic growth and value added products in order to reduce poverty and marginality of women, special people and other disadvantaged segments of society.



4. The Research Study

Women's participation in the broader economy is important for sustainable development and pro-poor growth. Their work is, however, constrained by limited access to financial and physical assets and market information, fewer business connections, limited access to education and skill development. Moreover, stereotypes about the role of women within the society, women's psychological barriers, lack of enabling public policies and monopolistic control of men over market systems are other limiting factors which inhibit participation of women in economic activities.

Given the knowledge gap in the area of women's self-employment in GBC, it became imperative to undertake some preliminary work to gain familiarity with the phenomenon of women self-employment and the overall situation in which it operates, and the factors that influence it and the nature of such influence.

The research conducted by AKRSP's Market Development Section was exploratory study with women's economic empowerment being its universe. The research focused on identifying and analyzing various constraints, and factors which affect women's self-employment in GBC. The aim was to set the stage for further enquiry and investigation into the issues of women's self-employment, its dynamics and inhibiting factors within the broader context of GBC. Moreover, the findings of this study would be useful in formulating enabling public policies and improving the AKRSP programming for advancing women's economic empowerment agenda in GBC.

The objectives of the study were therefore:

- To assess the key factors relating to resources, structure and relations which inhibit women's economic empowerment
- To look into historical developments and programs for women's economic empowerment by the public and private sectors

4.1 Research Methodology

While the research made use of the secondary data that was available with AKRSP through several





studies conducted in the past, the primary data was also generated by employing qualitative methods during the course of this research. Most importantly, the study extensively used the data from Labour Market Survey conducted after this research survey. In addition, the reviewer also conducted the literature review to benefit from the vast knowledge available on women's economic empowerment.

As AKRSP has generated substantial amount of empirical data¹² through longitudinal studies and numerous research reports on the socio-economic trends in GBC, the available data was used to highlight the impact of AKRSP's work on women's empowerment in general and economic empowerment in particular. As such, no need was felt for conducting fresh surveys during the research to generate primary data since the relevant quantitative data was already available covering a large number of demographic segments of GBC.

The qualitative data was, however, collected by the research team through FGDs and semi-structured interviews with the key informants and knowledge bearers. A number of reports, studies, articles and publications by AKRSP, Government of Pakistan and the World Bank were reviewed as part of the documents review process for the research study. This was helpful in assessing the past efforts for the economic empowerment of women and key and lessons learned from those experiences.

In terms of sampling framework, cluster sampling method was chosen to ensure adequate representation of the population in GBC. The cluster sampling was based on geographic proximity, social status, religious beliefs, educational level and economic status. Respondents were then randomly selected from the above mentioned clusters to collect the required information with maximum precision. A total of 18 FGDs were conducted in Gilgit, Baltistan and Chitral.

To facilitate a smooth discussion, between 7 to 10 participants took part in each FGD majority of them being women. Key informant interviews were also held with officials from social and women development departments, political authorities, religious scholars, private sector representatives, academia and self-employed women to get their views and perceptions on the key issues in women's economic empowerment. Since the research objective was to analyze the factors inhibiting the economic empowerment of women in GBC, a cross-section of the population was picked up to get their opinions and perceptions on the subject in question. In this

¹² AKRSP has been conducting Gilgit-Baltistan and Chitral Household Income and Expenditure Survey since 1999 with the interval of four years. This survey provides gender disaggregated data on poverty and income trends.

way the research team was able to get an overall picture of women's economic empowerment.

The analytical framework used for the analysis of the qualitative data was based on three main factors: resources, relations and structures which inhibit women's self-employment. The research findings have been grouped under these three themes. The integration of categorized responses then formed the basis for the generation of research report.

4.2 Limitations of the Study

The study design and results have been affected by certain limitations such as:

- A cross sectional data was used for analysis as time series data was not available

- Difficulties in proper communication on the part of the respondents of the study
- Limited budget and time remained a constraint which limited the size and nature of this study
- As women are not a homogenous group, their life experiences and subsequent barriers and opportunities are different depending on their family status, religion, education and ethnic group etc. Hence any conclusive generalization was extremely difficult.





5. Research Finding: Factors Inhibiting Women's Self-employment in GBC

The research findings show that transition of women from home based initiatives to the markets has been a remarkable achievement. Analysis of FGD data shows different aspirations of young women in urban and rural areas in terms of their priorities for life. The urban women desire to have college education followed by marriage and then a paid job, whereas the rural young women are less ambitious about college education and job though marriage seems to be equally important for them.

Assessing factors relating to the resources, structure and relational aspects of economic empowerment, it seems that women have not been able to capitalize financial and material resources, their knowledge and ability to realize their full entrepreneurial potential. This phenomenon is mainly due to a number of socio-cultural and structural barriers which limit women's access to financial, physical and relational resources for business ventures. Issues in mobility, limited access to market information and the lack of business planning are other factors behind slow growth in women's enterprises in GBC.

Despite successful women role models in business in GBC, educated women are still risk averse to start businesses. Hence more concerted efforts are required to create self-employment opportunities and strengthen institutional mechanisms to support women's entrepreneurship. In GB, there is no policy framework, strategy and institutional structure for the promotion of women's entrepreneurship although it did support a one time off project for women's business mobilization in partnership with AKRSP.

A more detailed analysis of the factors which inhibit women's self-employment is presented below:

5.1 Resources

5.1.1 Psychological Traits

In GBC, men mostly control resources within

households and heavily influence life choices of their women and children, especially girls. "In most cases, it is the family that decides the life course for their children in our culture" says Halima, a young graduate from Gilgit.

In a typical nuclear family in the rural areas of GBC, young girls are taught to be more obedient, respectful and acquiescent than boys. Hence young rural women have to conform strictly to the roles set for them and follow life paths carved out by their parents. On the contrary, the women and girls in the urban nuclear families enjoy relatively more freedom in matters of marriage and education. However, the research findings show that young women have limited responsibility or authority in their formative years.

Overall, in both rural and urban settings, a combination of the factors marginalizes and restricts women in terms of their independence and suppressing their confidence, management and leadership skills. Consequently, women become dependent on men to decide about their economic and productive engagement. Interestingly, young women are normally not innovative and risk takers as they tend to conform to social gender norms. However, they become confident after their marriage as they are more likely to take risk of starting their own business with their husbands' support.

Text box 1:

Aspirations of Urban Young Women

- College education
- Marriage
- Paid job

Text box 2:

Aspirations of Rural Young Women

- Family work
- Marriage
- Secondary education

“I am very afraid of the idea of handling cash and dealing with people. I was never responsible for anything at home. Even the type of clothes and the colors I had to wear, were decided and brought for me by my parents”.

(Yasmeen Ijaz, a research officer in Gilgit)

Against these odds, a small proportion of daring and enterprising women challenged the accepted norms by taking calculated risks for their economic advancement thus acting as role models and motivating other women to believe in their capacity to act and decide independently. Interestingly, the risk taking enterprising women have had also support from their family members – especially their spouses.

The research findings show that husbands have proved to be the foremost source of moral and social support for 9 out of 10 married women interviewed during the data collection process. Women have also noted changes attitudes of more conservative elements of the society, especially religious clergy towards women's involvement in economic activities. They are gradually recognizing the socio-economic benefits of women's participation in economic activities – most importantly in business.

5.1.2 Informational Factors

For any woman to graduate from home based initiative to business in market require access to critical information about business. Ironically majority of the women respondents reported that while starting their business, they had little information about the working of business, start-up capital and skill requirements and other economic information. Around 90% of the FGD respondents

said they had access to formal sources of information such as television or radio. However, due to illiteracy, lack of business education and inability to understand the technicalities of business, women have not benefited from the information sources.

Given the small size of the women's businesses, they hardly look for any market related information as such. Many did not even know whether there was any demand for their products and services. As they have limited awareness on the information requirement for business, most of them ventured as if doing business was an interesting and challenging task and hence they successfully established businesses without proper planning.

The research further noted that women mostly used informal sources such as discussions with relatives and women who are already in business to obtain business information. Not surprising though the beneficiaries of AKRSP's business mobilization campaigns have had better understanding of the dynamics of business as an important and attractive means of livelihood. Nevertheless, majority of the women have had limited understanding of business concepts and tools including simple book keeping. This shows significant capacity gaps amongst business women.

5.1.3 Education

Although education does not necessarily promote entrepreneurship, but basic education is necessary for women entrepreneurs to run their businesses. Overall 52%¹³ of population is literate with 62% of male and 41% of females. However, literacy rate is higher (60%) amongst youth with 68% of males and 51% of females. In terms of education, men acquired more formal education than women, where the lowest education levels occurring in Gilgit-Baltistan¹⁴. The Labour Market Assessment Survey shows 80% of young people had accessed some form of education at the time of the survey, although young women had attained less education than their male counterparts. 24% of women had not had any formal school compared to 13% of men.

¹³ Aga Khan Foundation (2013) *Enhancing Employability and Leadership for Youth, Labour Market Assessment, Gilgit-Baltistan and Chitral Report*: Aga Khan Foundation Canada and Pakistan, AKRSP and MEDA.

¹⁴ This is mainly due to very low education levels of women in Diamer and Skardu

The primary data of the research study shows 33% of self-employed women respondents were uneducated while majority of the respondents were literate and educated. Interestingly, more than 95% of educated self-employed women have studied social sciences at college and university levels. Further in-depth inquiry is required to see possible correlation between the education type and entrepreneurial culture, although young women who have studied business management might be more interested in setting up businesses.

While in GBC both educated and uneducated women are self-employed, the primary data shows positive correlation between education and income. Figure 5.1 shows that educated woman are earning more income than uneducated businesswomen. Education helps small businesswomen keep business records, understand customer demands more effectively, have more ability to conduct market research for improving product and service quality, and utilize information and communication technologies.

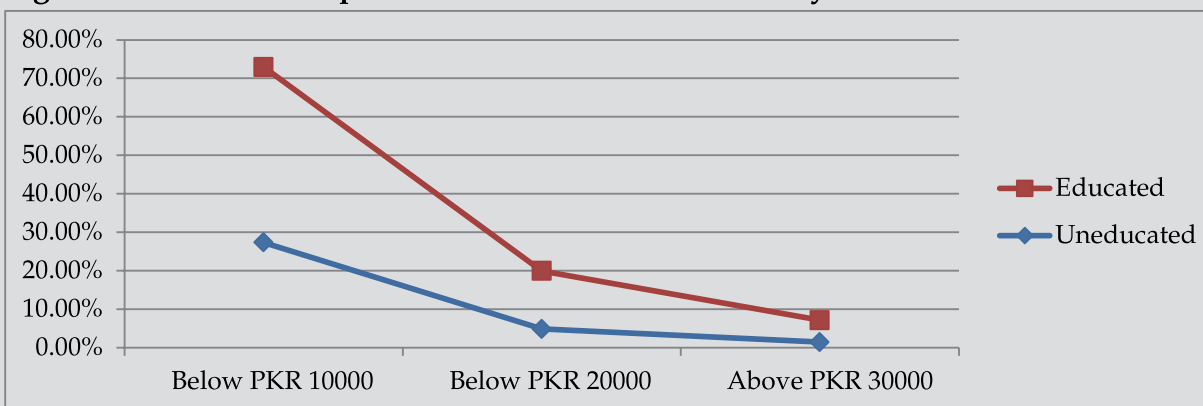
However, despite educational achievements women have not been able to fulfill their aspirations due to unemployment. The Labour Market Assessment Report has noted extremely high level of unemployment¹⁵ amongst women. Another report¹⁶ by Jones et al has noted that educated women are less aware of the job opportunities outside the traditional sectors of education and health and that there is no system to support for women in this area.

5.1.4 Business Management Skills

Personal communication with some business women shows that generally GBC business women have better interpersonal and communication skills as they have developed these skills through their association with WOs and extensive training courses which they received from AKRSP. However, women have identified the need for further capacity building in key competency areas such as self-management, change management, enterprise development, information technology, and business communication. As CSOs, including AKRSP, gave more attention to social and institutional development in terms of training courses in the past decades, there is need for more training courses in enterprise development and provision of business development services to women in GBC. "We have never learnt in our homes how to talk and think like a business person" says Samina Gul who runs a clinic in Chitral.

The primary data shows that more than 95% of the respondents reported that they had not received quality training in technical and vocational fields. According to Labour Market Assessment, in GBC, only 6% of those aged 10 and above had participated in a training course. Similarly, according to Youth Perception Survey¹⁷, the most needed training areas were around computer and IT training, interpersonal communication, language and skills education.

Figures 5.1: Relationship between education and monthly income



¹⁵ Unemployment is 95% in Chitral, 94% in Skardu, 87% in Gilgit, 96% in Astore and 42% in Hunza/Nagar

¹⁶ Jones, L; Market, E; Karim, Y and Muzzafaruddin (2012) *Review of Women's Economic Empowerment in Gilgit-Baltistan* Gilgit Aga Khan Foundation (p.43)

¹⁷ This survey was conducted as part of Labour Market Assessment Survey (2013) conducted for Aga Khan Foundation and AKRSP under CIDA funded Enhancing Employability and Leadership for Youth Programme.

While traditional apprenticeship is practiced in some trades in GBC, it lacks the vigor, quality and relevance to effectively train competent human resources required by the industries in the region. Although there are many public sector vocational training centres across GBC, they are sub-optimally functional and inefficient due to resource constraints and poor management. Vocational training areas have untapped potential to create self-employment opportunities for the GBC women. By providing vocational training and education, uneducated, semi-educated, poor and young women could be turned into a vibrant and enterprising workforce.

5.1.5 Financial Resources

Research showed that in GBC very few women can sell land or house owned by the family. However, women can and they have been selling such assets as gold, jewelry, trees and livestock to raise financial resources for establishing their businesses.

While the network of First-micro Finance Bank provides access to micro-credit facilities for women across GBC, there are limited sources of loans for small businesses through existing banks in the area. The poor and disadvantaged groups like women face serious issues as they lack access to loans for business start-ups. The FMB loans have high mark up on their individual loan products and another problem is that loans are not provided for business start-ups as FMB caters the needs of existing enterprises. Likewise access to credit from formal banks of bottom 20% households is 16% compared to 42% by the top 20% of households in GBC.

According to FMB report¹⁸ women borrowers in Pakistan are 35% and in GB the proportion is expected to be even lower as priority is given to group loans.

A more recent World Bank report¹⁹ has noted that the practice of passing on loans to male household members is quite widespread; women may be bearing all the transaction costs and risks of accessing loans, but are not the final beneficiaries. Secondly, a very low proportion of female microfinance clients are actually entrepreneurs. The report explores why businesswomen in Pakistan may not be using microfinance products to meet their start-up and

Khursheed Bano is one of the many aspiring women who wanted to establish her own business to contribute to family income, but she could not arrange the capital from any sources. Eventually Khursheed's husband had to sell his car fulfill her dream of setting up her own business. With her husband's support Khursheed Bano now runs a photography business in Gilgit.

working capital requirements, in spite of identifying access to finance as a key constraint to their business operations. Against this backdrop, access to finance remains the biggest challenge for a woman who wants to start or grow a business.

Yet less than a quarter of the entrepreneurs identified through business development service providers were currently borrowing from microfinance lenders. Even among those entrepreneurs that borrow, dissatisfaction level is high because women borrower-entrepreneurs are not able to access individual loan products. Instead they are consistently relegated to group lending, but group loans are not feasible due to high cost for a woman who is running a business, and the loans are too small to fulfill working capital requirements. The report further reveals that in the case of formal lending institutions such as banks one of the biggest limiting factors is collateral for formal borrowing. Women in GBC normally do not own property and those who do own property have no freedom in its utilization.

¹⁸ First Micro-finance Bank Pakistan Country Report 2010

¹⁹ World Bank (2013) *Are Pakistan Women Entrepreneurs being Served by Micro-finance Sector?* Washington DC: World Bank

Thus women's creditworthiness is quite low and consequently their ability to access credit. Women reported that during the process of acquiring services from financial institutions they face many challenges such as: lack of women-friendly financial products; complex procedures of financial institutions and; high interest rates²⁰ with short payback periods.

While majority of the WO members have their individual savings in the collective savings of women organizations, their savings are not sufficient to provide business start-up capital to potential entrepreneurs, although some WOs run their internal lending programmes with varying degree of success. Usually, women spend their savings on basic necessities of the household such as grocery and meeting children's educational expenses. The research finding suggests that while 8% of self-employed women are able to save income generated from their businesses, 38% of women reinvest their earnings in the same business.

5.2 Structural Factors

5.2.1 Cultural

Culture is a dominant force defining and shaping the space for men and women in GBC. Within the changing socio-cultural context, gender roles are also evolving due to better educational outcomes for women though GB society is still patriarchal. Household dynamics are such that women's reproductive role and extensive on-farm responsibilities renders them minimum options in terms of getting into market based activities.

With an average family size of more than ten persons and over 77% of the families living in joint families in GBC, the freedom for women to take up market based roles is quite limited. Typically, some 20 productive years of a woman's life starting from marriage are consumed in child rearing and household chores. Rural women on the other hand are heavily involved in on-farm activities as there is increasing tendency of migration among male members to major cities for employment and education. This has altered the patterns of livelihoods from farm based to non-farm sources of income. As a result, women's role in decision making is gradually increasing across the GBC.

²⁰ In some cases the interest rate is as high as 25%

In terms of the profile of the self-employed women, the findings show that majority of self-employed women in GBC were literate and married. A woman feels more 'secure' and 'confident' outside the home if she is married and even more when she is a mother.

These self-employed women shoulder more responsibilities compared to ordinary housewives due to their active participation in economic activities. However, their workload has significantly increased as 30% of working women reported to have lack of proper rest and sufficient sleep. With the increasing trend of nuclear families especially in the urban centers, the workload of self-employed women is further likely to increase in future. ECD Centers²¹ may ease women's child care related workload and hence they may find time to engage in productive market based activities.

The findings further show that well-off families do not allow their women to establish own businesses as there are no economic compulsions for their women to work. The notion of women engaging in commercial activities is still not widely accepted in the male dominant conservative society. Therefore, business startups are fiercely resisted from the male members who are not ready to accept a new role for their women, a role which entails dealing with male customers and cash.

While women still face considerable challenges on the continuum of self-employment to economic empowerment, winds of change through improved education, exposure to outside world and economic compulsions due to rising cost of living have started blowing. More awareness raising and advocacy efforts on women's economic rights are needed to further the women's economic empowerment agenda in GBC.

5.2.2 Mobility in Public Space

In GBC, women's mobility outside home is restricted due to social taboos. They will go to the market with a male member of the family. The AKRSP survey²² shows only 23% women are mobile for

²¹ AKRSP has supported scaling up of ECD Centres across GBC to promote social entrepreneurship and human development. After receiving training young educated women are now running EDC centres with increasing trend of enrollment of the children of working women.

²² AKRSP (2008) *Socio-Economic Survey in Gilgit-Baltistan and Chitral*. Gilgit:AKRSP

Societal Perceptions against women's entrepreneurship in GB:

- Upholding the tradition and culture is prime responsibility of individuals especially women being bearers of family honor.
- Poor families in the conservative areas take poverty as divinely ordained and, therefore, as hence it should be tolerated.
- Employment is the most preferred income source. Interestingly educated youth are more risk averse and hence not into business compared to less educated youth.
- Many families are content with a single or/and limited sources of income. Wealth creation tendency is not widespread.
- The principle of gender equality in access to economic opportunities is not fully understood by general public which is a major impediment for women's self-employment.

market related work as compared to a much higher proportion (40%) of women mobile for the socio-cultural activities²³.

In the more traditionally conservative areas women's mobility is severely restricted, rarely getting out of home, when not accompanied by their family members. Even when the need is most immediate and genuine such as a health related case or marriage of close kin, women do not walk on their own. *"For many years, our families and society opposed and resisted the idea of women entering the market for running business...but then we broke the shell and came out.... we have kept our honor intact by not bringing a bad name to our families"* says Zahra, a businesswoman from Skardu.

In urban or less conservative areas of GBC such as Hunza, Ghizer, Gilgit City, Astore and Skardu

City women are relatively more mobile than other conservative areas as they enjoy limited freedom to move around in groups or even alone at times.

According to the research findings, 85% of self-employed women are married and hence they feel safe to move around in their villages. 75% of women respondents travel to markets in groups while 15% are accompanied by a male family member and only 10% go to the market alone. Some business women also travel to big cities outside GBC for the procurement of goods and inputs in the company of their husbands or other close male relatives.

The situation in rural areas is, however, different given more restricted movement of women in highly conservative areas such as the Diamer district and Southern Chitral. Nonetheless, in cities and villages where community and women organizations have a strong foothold, restrictions are easing for women to move outside the homestead and within the village.

In the backdrop of restricted mobility and other challenges faced by women, AKRSP introduced the women's market concept to promote women's entrepreneurship within the cultural milieu of GB. Hawa Market was the first ever women specific market to provide a secure space for women to start their small businesses. This innovative approach was later replicated in other parts of GB. Women markets have been accepted even by hardliner religious clergy as both the buyers and sellers in these markets are women. Women-markets have not only provided women a space to explore their business talents, but they are also culturally appropriate to local conditions for social interaction and networking. Despite their success in GB, women specific markets have not been established in Chitral district and hence proportion of self-employed women is much lower in this region compared to GB where over 80% of women business are now located in these markets.

Apart from running businesses in the women specific markets, women have also established businesses at other locations within GBC which are considered appropriate for women. The ECD and day care centers and beauty salon are a few examples. Overall, more policy and advocacy efforts are needed to create the enabling environment for women's self-employment as well as creating employment opportunities for women in GBC given high un-employment rate among women.

²³ This includes weddings, funerals, religious and cultural festivities

5.2.3 Women's Access to Business Development Services²⁴

Since most of the women owned enterprises in GBC are at micro level, they are unaware of the business development services, which they might require to grow their businesses. Moreover, as BDS market is not developed in GBC, women entrepreneurs have no knowledge about the value of business development services to expand their businesses. In addition to AKRSP, KIU - the only public sector university in GB, currently provide BDS to enterprises in the area. However, given the lack of practical experience in designing and managing enterprises, the quality and relevance of the business development services provided by KIU need improvements. NGOs including AKRSP cannot sustain provision of BDS due to their dependency on donor funding although, historically, AKRSP subsidized BDS to micro and small businesses due to inability of micro entrepreneurs to pay the cost of services rendered.

Realizing the need for establishing sustainable BDS within GBC, AKRSP is following a market development approach by supporting value chain development and promoting self-employment initiatives. However, AKRSP needs to establish BDS in the market through capacity building of educated women as trainers and technical capacity to develop business plans for potential entrepreneurs. There is also a need for developing public private partnership to create an enabling environment for women's self-employment.

A cohort of trainers in business management and with expertise in business planning will be an important step towards creating BDS in GBC.

5.2.4 Legal and Policy Framework

Pakistan ranks low on international 'doing business' country rankings and if this consideration is stretched to GBC, the picture becomes even bleaker for facilitating small business. There is no policy framework to advance women's self-employment or small enterprise development agenda due to the lack of institutional structure and absence of a strategy

for private sector development after promulgation of "GB Empowerment and Self Governance Order 2009".

While devolution of powers to the provinces by the federation requires that finance be raised at the provincial level, GB has no share in the divisible pool of National Finance Commission awards which is divided amongst the four constitutional provinces of Pakistan. The GB Government is, therefore, solely dependent on the Federal Government for meeting its annual budgetary requirements. While the GB Government's right to tax is currently being debated, no decision has been made in this regard as yet. There are also capacity issues within the GB Government to fully utilize its annual development budget. The Provincial Government would need technical assistance for policy reforms in developing a comprehensive strategy for private sector development with economic empowerment of women being an important component of that strategy to ensure inclusive growth in the region.

Some of the prominent issues inhibiting women self-employment:

- Bad governance and limited capacity of GB Government to formulate policy framework for creating enabling environment to promote women's self-employment in GB.
- Lack of national or provincial level programmes for fostering women self-employment.
- The paucity of public-private partnerships to support women's self-employment as important tool for poverty reduction.
- Lack of public institutions structure to promote women's self-employment.
- Relevance, quality and outreach issues in the prevailing technical and vocational education programmes.
- Weak contract enforcements and protection of property rights with distinct legal guarantees for self-employed women.

²⁴ Any nonfinancial service to business, offered on either a formal or an informal basis. Such services as market access, technology and product development, training and technical assistance and policy advocacy are important as they help people identify and benefit from income-earning opportunities.

Since most of the micro and small enterprises including those of women are in the informal sector, they are not registered under any legal umbrella including SECP²⁵. According to the research findings, 85% of businesswomen are not registered nor did they consider necessary to register their businesses. However, they were aware that registration could be done even years after the business was established. Obtaining a clearance certificate from settlement department is the least and mandatory requirement before making investment in any business. But sadly there is only one official in the labor department of GB who is responsible for labor laws for the entire province. This shows serious capacity gaps in GB Government to deal with labor affairs.

5.2.5 Market Support Functions

While GB faces serious power shortage which has hampered economic growth and development, Chitral has poor road infrastructure due to which markets are under developed. Owing to low public sector investment, Chitral's economic indicators are low with the highest unemployment rate²⁶ (96%) amongst women. Other major impediments include; acute power shortage, inefficient transport system, long distance to down country markets and complicated governance structure.

“GB's physical features translate into an economic geography characterized by low density, acutely felt distances, and significant internal and external divisions, which pose formidable obstacles to development”

GB Economic Report (World Bank, 2010)

While GB's private sector is still very small due to the lack of industrial base, there is good potential

for improving productivity, value addition and marketing in agriculture, as well as accelerating private sector-led growth through investments in hydropower generation, minerals, tourism and trade. This would require strengthening the capacity of the public sector departments and increasing the effectiveness of public sector investment in GB. There is a need for public private partnership for boosting private sector development in order to broaden income earning opportunities in GBC.

5.3 Relational Factors

The research findings show that self-employed women in GBC are least effective in forging relations within and with external agents in promoting and defending women's interest. Businesswomen have not formed any business alliance, union or group working to protect women's economic rights and making the environment conducive for self-employment. Moreover, women have no membership with the regional and national trade and commerce association or women chamber of commerce for that matter.

The GBC women do not possess institutional space to represent their collective interests in the economic arena. The lack of efforts on women's part is primarily due to the fact that women in GBC have limited understanding and awareness on the significance of building relations. However, the rural women in GBC have built their social capital through WOs, which have provided an effective platform to advance the social empowerment agenda thus building effective alliances with other WOs across the region. To facilitate businesswomen's alliances within and outside the region, they would need support in the formation of associations to ensure greater utility of collaborated efforts.

In the absence of a collective voice of businesswomen in the form of associations, they will not be able to articulate their views in the policy domain and to access new opportunities and resources to advance their business interest within GBC. Formation of business associations within GBC would give them greater bargaining power to improve policy environment for promoting women's self-employment in the region. Linking with wider networks of women's national level business organizations would be useful to promote GBC women's economic interests at higher forums.

²⁵ Securities and Exchange Commission of Pakistan (SECP)

²⁶ Aga Khan Foundation (2013) Labour Market Assessment Survey in GBC. AKF (Pakistan), Canada and AKRSP- Enhancing Employability and Leadership for Youth





6. Conclusion

In GBC women still face many challenges in realizing their entrepreneurial potential despite improved educational outcomes for women. This is mainly due to the fact that self-employment of women in GBC is driven by multiple factors in the socio-economic and cultural domains depending on the type of social system as the GBC society is not homogenous as such. AKRSP has made remarkable contributions to women's economic empowerment through vocational, technical, business management training and development of market infrastructure for business incubation. However, the enabling environment for women's self-employment is still missing in GBC due to the lack of institutional structure within the GB Government.

Empowerment requires resources, especially effective access to and control of economically productive resources, such as land and finance; the exercise of power, or agency that enables women to act as economic agents in their own right; and a focus on results so that women fully benefit from their economic endeavors. It is a process of incremental change. A favorable combination of factors from different spheres creates an enabling environment conducive to women's empowerment at a societal level. At an individual level, empowerment translates into women's ability to act on their own behalf and make decisions on matters that affect them.

However, many factors in the broader economic, social and cultural environment make it difficult to bring these requirements together. All the key actors including GoGB, CSOs and the private sector will have to work together to reduce the barriers women face in the quest for self-employment. The three key inhibiting factors within which the issues have been identified in this research needs to be discussed in various policy forums by bringing together the key stakeholders to develop a shared vision for women's self-employment and identify a set of actions to addressing them.

While reducing the socio-cultural barriers for women to unleash their entrepreneurial potential would be difficult in the prevailing cultural milieu of GBC, the issues related to economic resources, women's relational aspects and access to business development services can be improved. Given women's high unemployment rate and their low labour force participation rates, it is imperative for the policy makers and practitioners to develop a long term plan for expanding economic opportunities to women. Self-employment needs to be given a top priority as job opportunities in the public, private and CSO sectors would not be able to absorb women work force.

As AKRSP has successfully piloted the women's market idea in an attempt to address women's mobility constraint, efforts must continue through public private partnerships to find innovative solutions for reducing other socio-cultural barriers to women's entrepreneurship. At the same time more research is required to generate information and knowledge on various aspects of women's economic empowerment, including documenting best practices in self-employment. Given its legacy in championing women's empowerment in GBC, AKRSP must provide leadership role to advance the agenda through policy and advocacy for creating an enabling environment for sustainable growth in women's businesses.



7. The Way Forward

Women's entrepreneurship can be promoted by creating an enabling environment, enforcing the rules of business, developing market infrastructure and imparting the 'right' kind of vocational and business education to young women. As the NGOs alone cannot address all the issues, there is a need for sensitizing the government for policy reforms and improved coordination amongst the key stakeholders including public, private and civil society sectors for developing innovative programmes to expand the opportunities for women's self-employment. A market based approach with a focus on making markets work for women needs to be pursued with clearly defined benchmarks for the next six to seven years. Strengthening of BDS providers, at least in major town markets, should be included as part of the market development programme. Donors can also be attracted by developing innovative projects aiming to address the systemic issues faced by women in their pursuit to become entrepreneurs.

There is a need for greater recognition of the successful women entrepreneurs in GBC through annual "Businesswomen of the Year" award to the most successful business women, which would motivate other young women in the region to start up their own enterprises. AKRSP must continue to take the leadership role in sensitizing public and private sectors including banks and other civil society organizations to collaborate for the development of an integrated strategy for women's economic empowerment – self-employment being an integral component.

Some specific interventions which may help promote women's self-employment include:

- **Psycho-social support:** Design and conduct of training in psycho-social skills will help women remove the psychological barriers to act as entrepreneur.
- **Develop community led programs:** awareness raising through seminars and role plays to





reduce cultural and social barriers to women's entry into the economic domain through self-employment and enhancing social acceptance of women becoming entrepreneurs.

- **Access to market information and facilitating market linkages:** This can be done through business women's exposure visits to major wholesale markets and participation in promotion events and trade fair in the mainland.
- **Develop market infrastructure:** In collaboration with Chitral District Government and GB Provincial Government and the private sector, develop special enclaves (business development parks) or separate women markets in the conservative areas with appropriate supporting infrastructure where only women entrepreneurs can establish businesses for women buyers.
- **Cater women's special credit needs:** The First Micro-finance and other commercial banks must develop appropriate financial products to cater the needs of women for business start-ups. Micro-finance typically does not meet the needs of women for business start-ups.
- **Develop BDS with adequate capacity:** Business development services are crucial for sustainable growth in existing businesses as well as facilitating new business start-ups in GBC.
- **Establish a special investment fund:** Since lenders in the formal sector would be reluctant to provide start-up capital till they change their policy and develop new products for women entrepreneurs, financing from special investment funds would enable women entrepreneurs to start their activities. This fund would also be used to underwrite the business development cost of BDS providers as women entrepreneurs would not be able to cover this cost before starting their operations.
- **Facilitate formation of Women's Business Associations:** It would be important for business women to build their networks in order to strengthen their relational capacities. The business associations can be initially mobilized at the district level and then at GB and Chitral level. Seed funding for these associations could be provided by AKRSP, Government or other CSOs, but then association would start building

its own fund through membership fee to sustain their activities.

- **Creating an enabling environment for women's economic empowerment:** It is essential to create an enabling environment to achieve MDG3. This also means promoting women's economic empowerment through a complementary combination of policies, laws, institutional mechanisms and resources.





Annexures

Annex A: Projects Supported by GoP for Women's Economic Empowerment

1. SELF EMPLOYMENT PROGRAMME FOR WOMEN

Project Description:

The purpose of the Self-Employment Project for Women²⁷ (SEPW) was to help the GB's rural women to leverage their untapped potential for their socio-economic empowerment through income generating activities. The project activities were implemented in all districts of Gilgit-Baltistan. With an overall goal of poverty reduction, the project benefited a total of 6,000 women. Specific objectives of the project included promotion of enterprise culture in the area, provision of business skills and knowledge to the women, and SME development.

The Project duration was initially for one year starting from July 2006 and then it was extended for another year period ending in July 2008. The PC-1 for phase-II, of the project was submitted to Planning and Development Department (P&DD) for extension of the project up to June 2009.

In order to lower the socio-cultural barriers for women to enter in the business circle, AKRSP established Women Multi-purpose Activity Centers (WMAC). All the existing and potential women entrepreneurs were organized into a central village business center. These production/trading centers played the role of business incubators for the new entrepreneurs where women were facilitated and supported to carry out economic activities of their interest in a socially and culturally acceptable manner. These centers were managed by a team representing all the partner institutions. As AKRSP supported existing and new entrepreneurs for one year, these efforts have played an important role in promoting enterprise culture in the area.

Project Achievements:

As a result of Business Mobilization efforts under the project, a total of **7085** women were provided awareness and sensitization to initiate their own businesses against the original target of **6000** thus target was over-achieved. Self-Employment project thus laid the foundation of a new tier of business women in the region for pursuing income generating activities.

To equip unemployed women with necessary skills to start businesses, **2478** women were provided with business creation training against the target of **2000**. Out of these trained women, **510** women started their own businesses. Moreover, to successfully manage and grow their businesses, **381** female entrepreneurs were provided business management training against the target of **300**. More than **155** business plans were developed to examine the economic and financial viability of potential businesses against a target of **150**.

The Project supported **532** women entrepreneurs in marketing their products in local and national markets through different market promotion events like Silk Route Festival, Eid festivals, Women Expo and Treasurers of GBC. Business women from different areas made profits by marketing their products which include handicrafts, agricultural products, glass paintings, book stalls, handmade products, food, and honey. A variety of trainings were conducted that directly contributed to enhance skills of **4048** women entrepreneurs in different sectors.

Under the handholding and incubation component, 29 women market clusters (Women Multi-Activity Centers--WMACs) were established to provide ongoing business development support to those women entrepreneurs who were able to graduate from a home-based income-generating activity to a formal micro business in the market.

²⁷ A joint initiative of Planning and Development Department and AKRSP, implemented in all the seven districts of Gilgit-Baltistan.



Project Outcomes:

The key outcomes of the project were; (i) greater awareness of women and communities of the GB on business start-ups, (ii) improved capacity of women and their male relatives in business management skills, (iii) development of women specific market infrastructure besides improvements in home based business and, (iv) improved management practices of the businesses as a result of AKRSP's capacity building support.

Challenges and Lessons learned:

As AKRSP took up a greater role in implementation of the project activities, P&DD and local communities have had limited operational role thus making them rather passive partners. Also, there were some gaps in project design which led to issues in implementation of the project. Moreover, other constraints included; short duration of the project which left no time for course correction, a lenient project steering mechanism, lack of clarity in terms partnership and weak system of implementation oversight. Furthermore, entrepreneurs were not linked with financial institutions besides inadequate involvement of community organizations. No other organization was involved in training and capacity building efforts and provision of business incubation support other than AKRSP.

Sustainability was another missing dimension which is crucial to ensure sustained support to the women who are in business and also to encourage those who are ready to jump in, but need financial and capital support. Establishment of a revolving fund could have been a viable option for meeting the capital needs of enterprising women.

2. WOMEN ECONOMIC EMPOWERMENT PROJECT

Description and approach of the Project:

This project was funded by Women's Development Directorate of GB Government and implemented by AKRSP. The project aimed to upgrade the skills of existing businesswomen and help potential women with business start-up through provision of business development services and financing.

The overall goal of the project was "Poverty reduction and economic empowerment of women

by creating business opportunities". In pursuit of this overall goal, the project delivered on the following specific objectives during the three-years of project period:

- Enhancing capacities and capabilities of women for greater participation in the business sector,
- Disbursement of micro-finance facilities through small loans for income generation activities,
- Creating a women-friendly environment and improving business development support system from public and private providers.

This three year project started in July 2010 and completed in June 2013. The total budget of the project was PKR 10 million including PKR 5.90 million for programme activities and PKR 4.10 million for management costs. This project was to benefit more than 2,000 women across all districts of Gilgit-Baltistan.

Following were the key components of the project:

- (i) Establishment of resource center,
- (ii) Value chain development in selected sub-sectors, e.g. food preservation, honey bee farming, horticulture, Gems and Jewellery, General trading, etc.
- (iii) Technical Skill Enhancement of 2000 women entrepreneurs in sectors targeted under value chain development,
- (iv) Entrepreneurship and Business Development: (development of tools and support services for women entrepreneurs from market research, business appraisals, business planning, start-up activities, market access and information, linkages to financial and non-financial business development services, and hand-holding for a specified period until the business can stand on its own feet.)
- (v) Micro-credit facilities for entrepreneurs,
- (vi) Creating women-friendly business environment: Focused on enabling public policy, advocacy, awareness raising and practical steps to orient service providers.

Project Achievements:

- More than 2,000 women benefited from project activities across all districts of GB.
- Business resource centre for women established where women have comfortable and friendly environment equipped with all basic facilities, e.g. outlet, internet, fax and business counseling facilities
- Women-only markets supported and were made functional on a sustainable basis
- Enhanced awareness of 50 service providers who provided support to 1,500 women entrepreneurs
- 500 women entrepreneurs developed backward and forward market linkages

Project Outcomes:

- The project generated an average monthly income of PKR 6,000 from income generating and micro-business activities.
- More than 18% of income of the beneficiary women was spent on children's education, 12% on health care and the remaining income spent for food and energy requirements thus accruing a wide range of social benefits in the area.
- The project resulted in creating direct self-employed jobs for over 2,000 women entrepreneurs while it created employment opportunities for 5000 women across GB.
- More than 300 women entrepreneurs were able to establish own micro-enterprises in GB as a result of the project.

Challenges and Lessons learned:

No significant challenges were faced, although inflationary pressure continued to affect the project beneficiaries in terms of lowering their profit margins. Another important lesson learned was establishment of a permanent structure within GB Government as part of an enabling environment for women's economic empowerment. More efforts are required through public private partnership to push forward the women's economic empowerment agenda.

3. DOOR STEP PROJECT

Project Description and Approach:

AKRSP, with the financial support of P&DD of GoGB, launched the project titled, "Door Step Project" in 2004. This project aimed at creating income generating opportunities for women through promotion and development of Handicrafts sector with full participation of poor and deprived artisans living in mountainous regions of Gilgit-Baltistan. With a total budget of PKR 59 million, the project duration was two years and directly benefited over 5,300 artisans from Gilgit-Baltistan.

The overall goal of the project was poverty reduction by creating income generating opportunities for poor rural women artisans through promotion of home-based handicrafts in GB. The project pursued the following objectives:

- Creation of self employment opportunities particularly in rural areas for home based artisans and craft workers.
- Promotion & revival of traditional handicrafts; improving quality of products and increase productivity.
- Establishment of crafts training centers in six districts of Gilgit-Baltistan for skills enhancement through trainings (Short term & Long term).
- To provide trainings on design, product development and marketing skills and other services to artisans and female craft workers free of cost.
- Improve artisan's access to appropriate market.
- Facilitate artisans to organize and make groups, cooperatives and build linkage amongst themselves and service providers

Project Achievements:

- Skills training in handicrafts making imparted for 1,300 artisans
- Marketing support provided to 176 enterprises/ entrepreneurs
- Established Pattu /Shawl/carpet Weaving and Wool Spinning training Center in Gilgit-

Baltistan.

- Networking/craft Cooperatives and Business coaching

Project Outcomes:

- This project enabled almost 3000 home based artisan to utilize their indigenous skills for income generation. More than 1800 artisans were trained in various crafts, in addition to providing them marketing support and exposure to national and local market places.
- This project contributed not only to the preservation of the culture but also helped generate income and alleviate poverty. The project created income generating opportunities for women at their doorsteps working at home or at the crafts training centers within their villages.
- This project enabled the artisan to improve the quality of products and increase production capacity through provision of advance and new technology and tools. Provision of hand looms and wheel spinners enhanced their production and quality, thus giving them a high value in market.
- Through this project, artisan's access to proper market was facilitated through various means including supporting small outlets and developing linkages with existing retailers in GB and down country.

Challenges and Lessons learned:

The project was small in scale and magnitude with limited resources. Being the mountainous and scattered region, in Gilgit-Baltistan it was not possible to reach out to the artisans scattered across remote valleys with limited amount of budget and resources.

4. Women Vocational Trainings (IT Skills) in Seven Districts of GB

Project Description and Approach:

The Government of Gilgit-Baltistan, in collaboration with KADO implemented a program for skills development of women in information communication technologies.

Under this program, 40 IT centers have been established across GB. KADO is operating the IT centers in collaboration with P&DD through expert human resources. The centers benefit women in business and potential entrepreneurs through providing services such as marketing, basic and advanced IT skills and IT related businesses. The main purpose of the project was to provide knowledge and skills to a cadre of over 4300 women in Information Technology in order to enhance women's access to social and economic opportunities. The activities helped engaging youth in village planning and documentations and ultimately to contribute to overall development of the society. The IT education and skills to educated unemployed women also helped finding jobs or engaging in income generating activities.

The project's overall goal was socio-economic empowerment of women folk in GB by enhancing their capacities and competencies in IT and other related fields. Main objectives were:

1. To train 3,320 educated women in basic computer and IT skills;
2. To train 1,000 educated women in advance computer and IT skills,
3. To train women in online e-earning skills and link them with online market sources,
4. To develop 10 village development plans and information systems linked with websites designed with the involvement of the students and other relevant stakeholders in the locality.
5. To link the center with different funding sources and capacity building organizations in order to offer diversified trainings to local women;

With a total budget of PKR 25 Million, the project duration was two years. In terms of geographic coverage, the IT centers have been established in Government Girls Schools in seven districts: Gilgit, Skardu, Diamer, Astore, Ghizer, Ghanche and Hunza-Nagar of GB.

Project Achievements:

- Established 35 IT Centers for females
- Employed 70 IT Master Trainers 34 in first 35 in second phase

- Most of the master trainers trained in the first phase got jobs in various organizations
- Trained total 6200 females in IT skills, 4200 in phase-1 and 3500 in the follow-up phase.
- Trained 600 women in advance computer and IT skills including freelancing and online income generating skills.
- Many trainees got entry level jobs in the market due to IT skills.

Project Outcomes:

The project made significant contribution to economic empowerment of women in GB as a result of income generating activities. It has also contributed to social empowerment of women due to their improved access to information.

Challenges and Lessons learned:

Most of the schools, where IT centres were established, did not allow the outsiders to get training in their school. Hence, the training was imparted to school students.

Lack of electricity supply in some IT Centers affected the training activities. The most affected centres were: Pakora (District Astore); Gulapur Shigar, (District Skardu) and; Thagas (District, Ghanche). Low salary level led to high turn-overs of MTs thus disrupting the training programme.

5. JAFKASH AURAT PATI DEVELOPMENT PROJECT

Funded by MoWD²⁸ Jafakash Aurat Pati Development Project's objectives were: to develop and strengthen the technical, social and entrepreneurial capacities of rural women in key economic sectors for poverty alleviation in the project area; and to strengthen and institutionalize the process of economic empowerment of women in project area. With a total funding of PKR 50.1 million, the project started in 2005 and ended in Nov 2011 after completion of two phases

Short Term Objectives:

- a) To provide direct income generating opportunities for approximately 4000

²⁸ Ministry of Women Development, Government of Pakistan

women in Chitral in key economic and social sectors particularly in crafts

- b) Sensitization and awareness raising of approximately 3600 women and men for business development in identified sectors.
- c) Develop key business service providers in the selected sectors and linkages with existing business financial service providers
- d) Explore new and expand the existing national and international market for women's crafts and products through different marketing strategies.

The project's geographic scope was Chitral district of KPK focusing on 8000 beneficiary women from Garamchashma, Mulkhow, Thorkhow, Mastuj, Chitral and Kalash valley.

Project Achievements:

- The target of 144 trainings involving 6,000 women was overachieved by providing 149 training courses to 6,648 women. These trainings were provided to the women of Garamchashma, Mulkhow, Thorkhow, Mastuj, Chitral and Kalashi women. Apart from these women, 585 men weavers and felters were trained in their respective fields
- 25 women were trained in advance weaving using advance tools
- Under vocational training 225 women and 37 men were given training in tailoring and stitching and 325 women were given training in pattern cutting and designing.
- A total of 18 workshops were organized for women tailors where 325 women of the project area participated and got training in designing, pattern making and cutting.
- The project has worked on developing groups of shu producers into Guilds/ Associations so as to make the institutional system of Shu producers more sustainable and viable by building their capacities in efficient management of their guilds.
- Establishment of MOGH (Ltd.) Company, whose 60% shareholders are now women Shu producers. Right from the project's initiation, its role has been as of a facilitator and a service provider. Based on the project's recommendation and advice, a public limited company came into being in January 2006. It is registered under the Companies Ordinance 1984. The objective was to first identify a market or a partner who has the capacity to safeguard the interests of Chitral women by taking them abroad.
- MOGH is now working with two international business partners, Caravana (an Australian Company working on embroidered garments and accessories) LOOP TEX (Pakistan based international company working on cotton fabric and Shu). MOGH Ltd with LOOPTEX has launched the brand name iSHUBINAKi in the national and international market. The project, therefore, developed and kept close coordination with the company and carried out most of the market development activities through MOGH Ltd Company, to keep it transparent, effective and out of repetition and duplication. Jafakash on established linkages between Shu processors and the company for Shu business.
- The company has so far purchased more than thirty thousand yard of Shu directly from women Shu producers of Garamchashma and upper Chitral.
- MOGH has developed a documentary and brochure to illustrate the process of shu production for international audience.
- 163 guild managers were capacitated in business management skills
- Rural artisans participated in different local and national events and festivals including Shandur and Islamabad.

Project Outcomes:

- In 2004 average household Shu production was 28 yards which has increased to 59 yards in 2007 showing an increase of 156.5%.
- Before the JKA interventions, price of per yard of Shu in Garamchashma valley was Rs. 80 in 2004 which has rose to Rs. 121 in 2007 showing an increase of 51.25 %.
- With the increase in the production of Shu

in Mulkhow, Torkhow and Laspur, the price per yard of Shu also went up in these valleys. Before the project, quantity of Shu produced in Mulkhow, Torkhow and Laspur valleys was marginal as Gharam Chasma was the major producer in the whole of Chitral. With the project support, the producers of shu in Mulkhow, Torkhow and Laspur valleys were able to fetch higher prices for their Shu. Thus price increase recorded was 197%, 289% and 299% respectively.

- According to the data, before the JKA interventions, average monthly income of women engaged in Shu making was Rs. 1229.75 in 2004 which increased to Rs. 5545 in 2007 thus raising women's income by 350.86%. The maximum income growth was in Garam Chahasma valley where average income from Shu in 2007 reached at Rs. 9,800 compared to Rs. 3,920 only in 2004.
- The women artisans from Mulkhow, Torkhow and Laspur valleys are also benefiting from income boom as they are also taking their market share as a result of improving their product quality. These efforts have contributed to women's economic empowerment and thus meeting the project's purpose.
- JKA interventions, besides providing income generating opportunities, have also been helpful in mainstreaming the women in development process through formation of guild organizations.
- According to the impact assessment of the project, majority of women have absolute control over the income.
- Established of MOGH Public Limited with woman being the major shareholder is the major achievement of JKA Project

Challenges and Lessons Learned:

No significant challenges were faced during the project implementation. However, an important challenge in the future would be sustainable growth in income as this is linked with the demand for Shu products in local, national and international markets.







Annex B: Overview of AKRSP's Efforts for Women's Economic Empowerment

1. AKRSP Strategy for Women Empowerment

AKRSP was initiated in 1982 to improve the living standard of poor people of GBC through participatory rural development. Empowerment of communities including women was an important element of AKRSP's model. Consistent with its participatory approach, AKRSP adopted a two tier strategy for women's development. Firstly programmes were initiated for broad-based economic and social development of villages and valleys and secondly projects were designed for women as target audience. In line with its first strategy, AKRSP fostered Village and Women Organizations (V/WOs), mobilized savings, developed capacities, supported productive physical infrastructure services for expanding agricultural land holding besides extending marketing support to farming communities.

AKRSP made the following interventions as part of its programme for women's development:

2. Institutional Development for Women's Economic Empowerment

Women Organizations:

AKRSP fostered women's organizations (WOs) along the VOs at the village level. The first WO was established in June 1983. The social organization objectives "of increasing women's managerial and organizational capabilities, enhancing their self confidence and putting the control of income in to their hands- are best met when there is a separate women's organization" (AKRSP Annual Review 1987). The WO also increases women's awareness of their own potential and helps in articulation of problems and perception.

Valley Conferences

Valley conferences serve as the forum for information and knowledge sharing among women

organizations as well as field experiences about work on different themes. AKRSP conducted a large number of such conferences for WO's to better align their operational direction with contextual needs of their constituency i.e. rural women.

Women in Local Development Organizations

To ensure women's participation in local planning and management, women were also made part of the management committees of some Local Development Organizations (LDOs), which were formed by the village organizations.

Social Sector Linkages

In order to improve women's access to social sector services such as education, health, family planning and water supply etc. AKRSP promoted linkages for WOs with various service providers in the social sector to facilitate women's access to services and consequently the service providers' outreach was enhanced through delivery of services by utilizing the channel of a WO.

Gender Awareness and Integration within AKRSP:

Starting from the 1990's AKRSP has made efforts to increase ownership among different sections of the program for women's development with gender sensitive planning and analysis.

Women-only Markets:

These markets were established around the programme area in 2006 and onwards by AKRSP to provide an exclusive space for women to establish and run their enterprises which was not possible in open market places. These markets have women act both as customer and service providers. Hence, the cultural sanctity of women has remained intact while opportunity is provided for women to unleash their entrepreneurial capabilities.

Women-led Local Support Organizations

AKRSP established local support organizations at the union council level as cluster of village and women organizations to institutionalize mass community mobilization and support better service delivery to local communities. It is a remarkable achievement of AKRSP's women empowerment efforts that some of the LSO are led by women as members of the general body and executive officials and leading management committees of LSO on development themes being executed within its jurisdiction.

Women Friendly Enterprises:

Community based organizations such as BEDAR, Shubinak Chitral and NGOs like Karakorum Area Development Organization through support and collaboration with AKRSP have fostered women friendly enterprises. In such enterprises women are encouraged and provided technical support to engage and actively participate. For instance KADO has trained and supported women to enter in wood works – the first time initiative in GBC where the wood work industry is dominated by men. Similarly Shubinak Chitral capacitated women artists from Chitral and linked their nascent enterprises to high end crafts and garments markets in down county.

3. Initiatives for Economic Development

The objective for AKRSP has remained twofold: First, to reduce the excessive work load on women through the introduction of time-labor saving technologies and second, to upgrade their agricultural and household skills through a series of training programs to help women earn increased incomes and cash. The conviction behind this approach was that, *"with economic empowerment and the right of association, women in the area can be assisted in improving their conditions and that can also serve as the first step towards addressing deep-rooted gender disparities"*

Technical Packages

During its initial program phases AKRSP made efforts to upgrade the traditional production systems employed by women in agriculture through provision of three main packages. First was vegetable production package in which improved seeds, tools and production techniques were introduced.

A second package was of home-based poultry in which improved inputs, such as vaccination and techniques, and poultry management were introduced. A third packages was the appropriate technology package which aimed to reduce workload on women through time saving tools in task such as wool spinning and butter churning etc.

Training and Extension at the Village Level

Field based training programmes used to be conducted for women to implement the packages designed for improved productivity. Such trainings for women were highly contextualized to the needs of clusters of villages and women were facilitated to benefit from such trainings by such efforts as keeping the number of participants per training small, providing pick and drop service to overcome mobility issues etc.

Vocational and Technical Skills

AKRSP under its different programme phases has made efforts to enhance and upgrade women's vocational and technical skills. Such trainings were/ are on themes such as advanced fruit processing training, tailoring, computer training, photography, beautician, gems cutting and polishing etc.

Savings and Credit

The credit and savings programme of AKRSP allows women to enhance their capital base and to access financial resources to meet their own and their family's needs. WOs throughout GBC accumulate savings and serve their members using the internal lending mechanism.

Employment and Enterprise Development

AKRSP extends training and support to women to improve their employability and promote entrepreneurship. Trainings on business creation and management along with support extended in market linkages, product development, promotion and range of business incubation service have been instrumental in fostering women enterprises in GBC. In addition, current approach of value chain and social enterprise development is expected to further promote enterprise development. Trainings on early childhood, literacy and numeracy, life skills, management and leadership skills aimed to enhance the capacities of women in tapping

employment opportunities. Under its new program AKRSP aims to initiate interventions that would ensure that young women's specific and contextual needs are addressed. It would strive to increase women's participation in the economic and social arenas while solving constraints related to women's economic empowerment and engagement.

4. Cumulative Effect of AKRSP Programs for Women Empowerment

The cumulative effect of AKRSP's three decade work cannot be completely and exclusively captured as a social change, however it involves a number of structures and agencies, each tied to the whole social fabric in a complex and interdependent way. Nonetheless some results and trends are visible and have been tracked by numerous AKRSP studies and reports²⁹. Thus it can be established that efforts by AKRSP, civil society and the public organizations have contributed to a considerable level of women friendly socio-economic environment in the area during the last 30 years or so.

Noticeable among these are the increased societal awareness and sensitivity regarding women rights and confidence among women to realize their potential as active members of society, reduced gender disparities within the household, at the community level and in the market place. Lastly there are improved institutional mechanisms for enhancing the status of women in the social and economic arenas. On the tangible side, there is an evidence of increased women off-farm incomes, high literacy rates, better health indicators, improved women asset and property holdings, increased savings rising women representation in representative bodies and communal organizations etc.

Women's Self-Employment in GBC: Forms of Growth: economic empowerment of women is seen as way out of poverty and enabling women in achieving other kinds of empowerment such as social, political and legal. There is an abundance of evidence in the development world supporting this assumption, which would not be discussed here. Social and cultural boundaries for women have been changing in the area for the better economic empowerment, it would be the high mark of women

empowerment initiatives. Increasing employment and self-employment are means of economic empowerment.

Self-employed women are active economic agents as producers of goods and services, earn cash and thus become a source of income for themselves and their families. We can identify a pattern of development of self-employment for women in GBC. Self-employed women start with home based activities, establish small women enterprises, become part of women-only markets and finally act as entrepreneurs.

Home and Farm Based Initiatives: these are activities in which women are actively involved while physically located within the household. The nature and range of this kind of initiatives is quite broad. Home based activities are widespread in the area for they require no movement, ensure safety for women, reduce costs of doing things and provide cash earning opportunities. These activities are undertaken for commercial purposes and include such activities as vegetable, vegetable seed production, fruit nurseries, handicrafts, food processing, production of dairy goods such as milk and butter, poultry keeping, knitting and sewing etc.

Collective Economic Management: AKRSP undertook some experiments with collective economic management approach for women, which did not yield successful results. An Orchard Development Package for women was introduced in 1989 and was subsequently terminated due to operational issues. In 2006, AKRSP formed farmer enterprise groups including women. These groups would produce agricultural goods and sale through common channels. In other instances women groups were provided with technology such as quilt making machines for common usage and so women acted on the modalities of a cooperative business.

Women Markets: AKRSP initiated these markets in the area to cater for the needs of women. As women became economically more productive, shrewd and enterprising, coming out of homes into the market was seen as a logical move. However, the culture ethos and tradition deems presence of women in the market place as inappropriate and hence unacceptable. This gave rise to the idea of women-only markets, a separate and at times close physical space for only women engage in commercial relations; to buy and sell products and services.

²⁹ AKRSP Annual Reviews, Socio-Economic Surveys and External Evaluation Reports of AKRSP.

Women Entrepreneurship: As the idea of women's economic empowerment is gradually being accepted and supported by larger society, some enterprising women established their enterprises in the physically open spaces and markets. The establishment of early childhood education centers is an example of

such ventures. The confidence acquired by women while becoming part of the market would gradually trigger the process of entrepreneurship on a wider scale- one which requires constant innovation and creation of systems along with operating an existing business.



Aga Khan Rural Support Programme (AKRSP)

Aga Khan Rural Support Programme is a private, non-profit company, established by the Aga Khan Foundation to help improve the quality of life of the villagers of Gilgit-Baltistan and Chitral (GBC). It was established in 1982 with the mandate to focus on economic and institutional development in collaboration with government departments, elected bodies, national and international development agencies and commercial institutions. Although AKRSP's own emphasis on the productive sectors, it is also expected to assist others agencies in promoting social sector programmes. AKRSP was established to act as a catalyst for rural development, organizing local human and financial resources in order to enable the communities to bring about their own development in an equitable and sustainable manner.

AKRSP is a non-communal organization, working with all the people of its project area, and recruiting its staff from all over Pakistan.



AKRSP

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