### **HONDURAS**

# **WOMEN FINDING THEIR WAY**

Joint Programme: Human Development for Youth: Overcoming the Challenges of Migration through Employment

Thematic Window: Youth, Employment and Migration

Main Participants: UNDP (lead agency), FAO, ILO, IOM, UNICEF, UNFPA, UNODC, Ministry of Labour and Social Security, Ministry of Agriculture and Livestock Farming, National Centre for Employment Training, Foundation for Rural Entrepreneurial Development (FUNDER), credit cooperatives





#### 1. Introduction

The Joint Programme on Human Development for Youth: Overcoming the Challenges of Migration through Employment (the Programme) contributed to generating decent employment and entrepreneurial opportunities for vulnerable youth aged 15 to 29. Among some of its actions, the Programme developed skills-training programmes for employability and self-employment, and provided financial assistance through credit cooperatives, rural savings and a seed fund. In addition, it provided technical assistance and support to young men and women to implement their business plans. At the same time, it implemented awareness-raising activities on gender, employment and the prevention of violence. Girls and women represented 45 per cent of the total youth who participated in the Programme's capacity-development processes, access to credit and entrepreneurialism.

#### 2. Initial Situation

Honduras is one of the poorest countries in the Americas. Poverty affects 72 per cent of the population, and in rural areas the situation is particularly serious, specifically in the western area. Over half of the population, around 4 million people, live in extreme poverty and their income cannot cover the basic food basket, while the rest of the population who live in poverty (over 1.5 million people) can pay for food but cannot cover their basic needs in education, health or housing.<sup>27</sup>

The Honduran population pyramid shows a base consisting predominately of youth, with 67 per cent of the population less than 29 years of age. Youth unemployment and underemployment are pressing problems: over half of the unemployed population are under 24 years of age, while 40.7 per cent of employed youth are self-employed in the informal urban sector, i.e. with precarious jobs earning income below the minimum wage, without social protection, with long work days and with low or no union representation. This situation especially affects women, as reflected by a higher participation

of women in the labour force than men, and a large gender pay gap: US\$5,828 average income earned by women compared with US\$9,835 earned by men.<sup>28</sup>

In the past two decades, Honduras has experienced a considerable increase in emigration abroad. In 2012, 57 per cent of Honduran emigrants were men and 43 percent women. Nevertheless, although there are fewer women who migrate, various studies indicate that they are the most exposed to risks during journeys, including sexual violence and sexual trafficking. Similarly, in the homes where their companion has migrated, women have to take on both reproductive and productive roles, increasing their workload.

Based on this analysis, the Programme adopted a strategy for generating opportunities of employment and entrepreneurship for vulnerable men/boys and women/girls aged 15 to 29 years. The Programme set the initiative goal of 30 per cent female participation in the employment and entrepreneurship programmes. This goal, as shown below, was widely exceeded, reaching 45 per cent.

### 3. Objectives

The goal of the Programme was to contribute to creating decent entrepreneurship and employment opportunities for vulnerable youth between the ages of 15 and 29.

To achieve this, the Programme was structured into three main areas of activity:

- Increase the capacity to place young men and women who are vulnerable and have a high migratory potential into decent jobs.
- Strengthen the national and local institutional frameworks for the promotion of decent employment for youth, with an emphasis on potential emigrants and/or returned migrants.
- Strengthen the leadership capacity, ties and identity of young men and women and their participation in creating a vision of local development based on equality and shared principles and values.

<sup>27</sup> Informe de Desarrollo Humano 2009. UNDP, Tegucigalpa, Honduras.

<sup>28</sup> Íbid.

### 4. Key Actors

Seven United Nations agencies were responsible for the Programme implementation: UNDP, FAO, ILO, IOM, UNICEF, UNFPA and UNODC. The Ministry of Labour and Social Security was the main government partner of the Programme.

Other actors included:

- Relevant Ministerial Departments, in particular, the Ministry of Agriculture and Livestock
  Farming, the Ministry of Foreign Affairs, the
  Ministry of Governance and Justice through
  the Directorate General of Migration and
  Foreign Affairs, the National Youth Institute
  and the National Institute for Professional
  Training (INFOP);
- The National Center for Employment Training (CENET), responsible for providing skills training for employability and self-employment;
- The Foundation for Rural Entrepreneurial Development (FUNDER), which coordinated the participating rural cooperatives and savings in the Programme and provided technical assistance to young men and women entrepreneurs;
- The four credit cooperatives through which credit was channeled in the urban areas: Cooperativa Mixta de Mujeres Ltda (COMIXMUL), Cooperativa Mixta Unidas para Progresar Ltda (COMUPPL), Cooperativa de Ahorro y Crédito Fronteriza Intibucana Ltda (COACFIL) and Cooperativa Mixta Regional Gualema Ltda (COMIRGUAL);
- The local governments of 23 municipalities of the Departments of La Paz, Comayagua and Intibucá

# 5. Strategy

The Programme was implemented in three Departments, La Paz, Intibucá and Comayagua, two of which, La Paz and Intibucá, are characterized as rural, with a predominantly Lenca indigenous population. The Programme is aimed at vulnerable youth, who lack training and specialized skills and who do not meet the minimum requirements to

be granted credit by the financial institutions. With the aim to "increase the capacity to place young men and women who are vulnerable and have a high migratory potential into decent jobs," the Programme developed the following strategies:

- Strategy for Promoting Employability, focused on job placement, which included the following actions:
  - Analysis of the training institutions for employability;
  - The creation of Local Youth Employment Boards;
  - Creation of Multi-service Offices (MSOs) for the promotion of employability and entrepreneurship at the municipal level;
  - Skills training for job management;
  - Agreements with local companies; and
  - Internships for trained young men and women.
- Strategy for Entrepreneurial Development, focused on self-employment, through the following processes:
  - Analysis of productive chains with strong potential;
  - Professional training in business management;
  - Financial assistance through: (i) a credit fund managed by credit cooperatives and rural savings; and (ii) a Seed Capital Fund managed through the Mayors' Offices; and
  - Technical assistance and support to improve productive processes, marketing, etc.

#### Gender Awareness Programme

- Training workshops for youth, institutions and local businesses.
- Solidarity and Productive Remittances
   Programmes, aimed at community development, which include:
  - The organization of Committees of Family Members of Migrant Workers;
  - The establishment of communication with United States of America consulates;

- The establishment of communication with Honduran migrant workers' organizations in the United States of America; and
- The identification of social and productive projects.

#### **MULTI-SERVICE OFFICES (MSOs)**

MSOs are the core of the intervention model proposed by the Programme, since they are responsible for coordinating all of the local services of job placement and entrepreneurship, and connecting them with youth. The MSOs maintain a database with the curriculum vitae of the women/ girls and men/boys who seek jobs, which is linked to the platform of job offers of the Ministry of Employment. Furthermore, the MSOs identify the youth who wish to be micro-entrepreneurs, guide them in training provided by the Programme, and finally, monitor their enterprises. The Programme is linked with the Mayors' Offices for the creation of MSOs within the municipalities, which is a key element for sustainability. As part of the Programme, four MSOs were created, whose operations were entirely assumed by the Mayors' Offices.

#### FINANCIAL ASSISTANCE

The Programme provided financial assistance to young men and women who wished to initiate an enterprise and who had a viable Business Plan. This assistance adopted two methods:

- A Credit Fund, operated through credit cooperatives and rural savings; and
- A Seed Capital Fund operated through the local administrations in coordination with the MSOs.

Furthermore, youth participating in the Programme received technical capacity building and assistance to develop their Business Plan, which was subsequently revised and approved by the credit cooperatives, rural savings or the MSOs, as a pre-requisite for being granted credit.

#### **Credit fund**

The Programme created a youth-friendly Revolving Fund, i.e. without the requirements normally requested by financial institutions. In urban areas,

this fund was channeled through credit cooperatives, while in the rural areas it was channeled through rural savings.

In urban areas, the fund was managed by four credit cooperatives: COMUPPL, COACFIL and COMIRGUA). Two of these cooperatives, COMIXMUL and COMUPPL, are founded by and for women. However, within the Programme, they also provided loans to mixed entrepreneurial associations (i.e. consisting of men and women).

In total, 246 youth accessed credit to initiate their own business: 129 women individually, 106 men individually, and 11 mixed entrepreneur associations. The total amount granted was approximately HNL5.5 million: HNL3 million for women and HNL2.5 million for men. The following table shows the number of young men and women beneficiaries by cooperative.

	No. of entrepreneurs			Total nor
Cooperative	Women	Men	Mixed associa- tions	Total per coopera- tive
COMIXMUL	43	0	8	51
COACFIL	13	18	2	33
COMIRGUAL	20	16	1	37
COMUPPL	53	72	0	125
Total	129	106	11	246

In rural areas, support for entrepreneurism was provided through the project Emprende Joven Rural (Rural Youth Entrepreneurship), implemented by FUNDER. Rural savings were in charge of funds allocation. Forty-five rural savings were selected, and a revolving fund was allocated for a total of HNL7 million. This fund benefitted 505 youth (220 female and 285 male).

#### **Seed Capital Fund**

The Mayors' Offices of Marcala, Comayagua and La Esperanza, in coordination with the respective MSOs, were responsible for the management the Programme's Seed Capital Fund, amounting to a HNL3.5 million. This non-refundable fund was aimed at supporting businesses that had already

been established but that needed improvements to continue operating. The MSO was responsible for assessing the businesses. Participants included 320 youth, of whom 167 were men and 153 were women.

#### **GENDER AWARENESS PROGRAMME**

In its original design, the Programme did not consider gender equality as a cross-cutting theme, but rather, this theme was confined to an Output focused on "awareness-raising to promote the sustainable participation of young women in the labour market within the framework of the Programme and to combat gender stereotypes."

With this aim, a manual on Gender, Employment and the Prevention of Violence was developed, which served as a basis for conducting a series of five workshops on the following themes:

- Gender, the promotion of peace and job placement;
- Promotion of employment with a gender approach;
- Participation, organization, planning, motivation by achievement and effective communication;
- Training of trainers on the culture of peace, gender-based violence and interculturalism; and
- Training of trainers on culture, migration and local development.

At first, training was provided to a very limited number of youth, who were not involved in other components of the Programme. Later, this strategy was revised in order to provide a wider coverage and greater impact to the training. In this way, the training was expanded to male and female community leaders, youth participants in other components of the Programme, male and female trainers and decision-makers and local leaders. At the end of the process, a total of 521 women/girls and 660 men/boys had participated in the workshops.

# 6. Progress and Results

#### **MULTI-SERVICES OFFICES (MSOs)**

The respective Mayors' Offices were completely responsible for the four MSOs created within the Programme. All of them operated with a budget

from their own municipalities, and three were integrated within the physical and administrative structures of the municipality. Furthermore, the MSOs began to assume tasks previously developed by the Programme, such as: training for employability and for entrepreneurial development; assistance in the revision of business plans of the young men and women; facilitation of credit management with the credit cooperatives and rural banks; support in the set-up and operation of entrepreneurship; and coordination with the State institutions for technical assistance to the enterprises. At present, four women in the area, who were trained by the Programme, are responsible for the coordination of these four MSOs.

#### **EMPLOYABILITY AND ENTREPRENEURSHIP SKILLS**

A total of 871 youth, of whom 40 per cent were women/girls, improved their skills to access the labour market. In turn, 825 youth (52 per cent female) have more tools to create and manage their own business. As a final outcome of the training processes, a total of 438 business plans were created.

# CREATION OF RURAL YOUTH MICRO-ENTERPRISES

A total of 544 rural youth (45 per cent female) accessed microcredit managed by FUNDER and received training and technical assistance to start their own business. As a result, 371 new enterprises were launched, of which 326 were carried out individually and 45 in associations.

#### **CREDIT-WORTHY YOUTH**

Traditional banks consider the youth population to be high-risk, especially young women and youth from rural areas, because they do not own assets and they are prone to migrate. Consequently, it is difficult for them to access formal financial services. For example, prior to the Programme, FUNDER worked only with adults, mainly men. However, now, young men and woman make up part of its target population. In the same way, the credit cooperatives partners of the Programme have observed that most youth pay back their loan and that the credit default index within the Programme was very low, which served as an incentive to integrate this segment of the population in its portfolio of possible clients.

#### **EMPOWERMENT**

As shown, the Programme did not have in its design a strategy for mainstreaming gender. Despite this initial gap, the Programme managed to correct its focus and thus reach a high percentage of women and girls through its training, technical assistance and credit. At the end of the process, approximately 45 per cent of the entrepreneurial activities driven by the Programme were run by women/girls.

The Programme has not undertaken a rigorous analysis on its impact on gender equality and women's empowerment. However, various quantitative data demonstrate that the Programme triggered personal, familiar and social empowerment processes of the participating women. Therefore, and as was shown by various women involved in the training and entrepreneurship activities, the fact of having set up their own business and having generated their own income has significantly contributed to improving their self-esteem and their position within the household.

### 7. Lessons Learned and Challenges

#### PARTICIPATION OF YOUNG WOMEN

Even without an initial gender mainstreaming strategy, the participation of women/girls in the Programme activities practically equaled that of men/boys. This shows that, despite the numerous barriers facing young women, they have a strong desire and motivation to access paid work and to become economically independent. To respond to these demands, any youth employment programme must, above all, re-examine the preconceived notions on the interest and availability for employment of women and, subsequently, set out measures aimed at eliminating the barriers or imbalances that limit their access in terms of family responsibilities, less economic and social capital and gender stereotypes, among others.

#### **EMPOWERMENT**

Gender equality issues must be integrated as a part of an overall holistic programmatic approach. The

lack of a gender strategy initially undermined the potential of the Programme to promote gender equality and women's empowerment. At first, the awareness-raising workshops on gender, employment and the prevention of violence were disconnected from other components of the Programme. The subsequent targeting of a much wider public, including men/boys and women/girls beneficiaries of the financial assistance and capacity-building programmes for entrepreneurship, strengthened the comprehensiveness of the empowerment processes promoted by the Programme. The experience also demonstrates that it is possible to adjust programmatic approaches during implementation to accommodate changes, as well as to deliver stronger results.

#### FINANCIAL SERVICES FOR YOUTH

The programme showed that with due supervision and support, young women and men can be creditworthy. The credit cooperatives and rural banks participating in the Programme have shifted their initial orientation, focused almost exclusively on adults, to opening their credit portfolio to youth. Nevertheless, particularly in the case of the rural banks, it was observed that there was a need to develop management handover strategies, which would give more weight to the youth and women.

# 8. Sustainability and Potential Application

The MSOs have already been absorbed by the Mayor's Offices, which constitutes a strong guarantee of sustainability of the Programme's activities. An example of this is the agreement reached by the MSOs and the ACCESO Program of the U.S. Agency for International Development (USAID), through which the latter is committed to monitor the young men and women micro-entrepreneurs initially supported by the Programme.

Currently, the Ministry of Labour is replicating the experience in other areas of the country, with funds provided by the Government of Taiwan.

2009. In addition, each household is managing their finances better by monitoring the cash flow and regularly allocating some money for saving to prepare for emergencies or future expenditures.

# INCREASED INCOME FROM MULBERRY CULTIVATION

Increased income was also achieved by reducing the expenditures for raw materials, as the weavers were able to produce silk yarns using the mulberry leaves and silkworms grown locally. The availability of local raw material was particularly important for the Hoa Tien Cooperative, which is located far away from the nearest city (200 km) and not easily accessible. While the local production is not yet able to secure sufficient silk for the whole production, the Hoa Tien Textile Cooperative sources 40 per cent of the required silk yarn locally at present, and they hope to increase to 50 per cent in the future.

An interesting type of barter trade has also emerged in the community. Those without mulberry trees trade their silk worms to receive the mulberry leaves necessary for raising silk worms, while women with mulberry farms trade leaves for silk worms.

# Mrs. Lang Thi Kieu

Mrs. Lang Thi Kieu is a widow from a poor household who lives with her two sons and daughter-in-law in Chau Hanh commune. Building on previous experience, and supported by the Programme, Mrs. Kieu is growing mulberry trees in a small plot of land of 600 m² along the riverbank. The trees produce sufficient leaves to feed one round of yellow silk worms, producing 11 kilograms of cocoons, which, in turn, generate about 1.1 kilograms of silk yarn worth about VND715,000 (equivalent to USD34).

# INCREASED SUPPORT TO WOMEN BY MEN IN BROCADE PRODUCTION AND HOUSEHOLD RESPONSIBILITIES

While the community has had a tradition of men and women sharing workload, decision-making and income to support each other, men's involvement in the brocade production had been limited, as it was traditionally considered to be the domain of women only. However, with the increased realization of the importance of the brocade production for income generation and improved livelihoods, men are now more actively supporting women in sericulture and brocade production as well as household responsibilities.

Although the Programme focused on women craft producers, its support has been useful for me as well. My wife shares with me new knowledge and skills to improve our livelihood. For example, with new knowledge on household finance, we are managing our household finance better, and we are able to allocate VND 1 million per month for saving. Sericulture is an important source of income. When my wife is busy with the brocade production, I take care of preparing meals and cleaning. I even help with some of the finishing process of the brocade products.

MR. LU TRUNG HUY, HUSBAND OF THE COOPERATIVE'S ACCOUNTANT

# INCREASED CAPACITY OF LOCAL SERVICE PROVIDERS AND LINKAGES ESTABLISHED

Local institutions have been strengthened to provide support to local women and men to improve local enterprises and promote gender equality. Provincial officials are now able to identify and address gender-specific constraints in their work. Additionally, by having the officials train rural women entrepreneurs, a strong linkage between the local service providers and the Hoa

Tien Textile Cooperative has been established. As a result, for instance, the Cooperative Alliance regularly supports the Cooperative by sharing information on trade fairs and subsidizing the fee for trade fair participation.

# 7. Lessons Learned and Challenges

- The handicrafts sector as a driver for local development. Policy makers tend to give priority to the development of heavy industries and to overlook the handicrafts sector and rural small-scale enterprises. However, the Programme has proven that supporting the traditional handicrafts sector that has high cultural values can contribute to create jobs and promote local economic development in rural areas that are lagging behind in terms of social and economic development.
- Women's economic empowerment is good business. The handicrafts sector employs mostly women. Supporting rural women's enterprises at different stages of the value chain is particularly meaningful and effective in empowering women and, thus, increasing family income and well-being and promoting local economic development.
- that value chain upgrading activities contribute to gender equality and women's empowerment, gender analysis should be conducted at the beginning of the Programme, so that inequalities in terms of opportunities, decision-making, workload and income can be properly addressed during the implementation. The Programme did not carry out such a gender analysis.

  Lack of information on gender relations did not cause much difficulty in the case of the Hoa Tien Textile Cooperative, since the Chau Tien community is relatively more advanced than the average Vietnamese community in terms

- of gender equality due to the tradition of the Thai ethnic group. Nevertheless, this situation should not be taken for granted. When gender inequality is prevalent, there are high risks that women are unable to fully benefit from support interventions. Men may restrict women's participation in training or market activities, or women may be faced with increased workload or may not be able to exercise control over the additional income generated from their businesses.
- Men's involvement. In this Programme, capacity building interventions targeted only women. However, for future interventions it is recommended to target both women and men, conducting gender awareness training for all the actors involved in the value chain and ensuring men's involvement in promoting gender equality.
- Working as a group contributes to increased productivity and profitability. By organizing female producers to form a cooperative and strengthening this cooperative, the women managed to improve their business by lowering their production costs through collectively purchasing raw materials and reducing transportation costs through organizing collectively a trip to sell products at trade fairs and markets. Hoa Tien Textile Cooperative members contributed to create jobs locally, and they actively transferred new knowledge on business and weaving skills to women in other villages as well as fellow villagers interested in joining the Cooperative. Transfer of new knowledge and skills to women in rural areas by women from within their community is particularly useful in ethnic minority villages as they speak the same language and can communicate smoothly. It also contributes to boost women's self-confidence and to increase women's respect within their communities.