

PAKISTAN



AKF's Women-only Markets: A Promising Model

Research has shown that women's active participation in the economy is important for overall economic growth and for women's economic empowerment. According to Naila Kabeer, Professor of Gender and Development at the London School of Economics and Political Science, "The evidence that gender equality, particularly in education and employment, contributes to economic growth is far more consistent and robust than the relationship that economic growth contributes to gender equality in terms of health, well-being and rights." Such evidence reinforces the Aga Khan Foundation's (AKF) long-standing commitment to improving gender equality and women's economic empowerment. The women-only markets introduced and supported by the Aga Khan Rural Support Programme (AKRSP), AKF's local implementing partner in Pakistan, represent a

particularly promising model for promoting women's active participation in the economy while contributing to their empowerment.

Women in Northern Pakistan

AKF's programming in Pakistan spans across multiple regions and sectors. Its market-oriented work is implemented by the Aga Khan Rural Support Programme (AKRSP) and concentrated in the northern-most part of Pakistan: Gilgit-Baltistan and Chitral (GBC). This rural mountainous region bordering Kashmir, western China and Afghanistan is an ethnically diverse area with a complex set of political, socioeconomic and geographic challenges.

Women in GBC face constraints in relation to poverty, mobility, geographic isolation and discriminatory gender practices. However, amongst communities and

even neighbouring households, women's situations vary greatly, affecting their ability to engage in market activities as business owners, employees and consumers. For example, in some communities, women are confined to the home by traditional customs of Purdah – a practice of seclusion and veiling of women. However, in other nearby communities, women are able to move more freely, enjoying access to education and public spaces. Although situations are changing, many women remain dependent on their male family members for approval to travel or require accompaniment if moving outside their local area.

Women-only Markets in GBC

Over the past three decades, AKRSP in Pakistan has promoted women's empowerment through leadership development and improved access to social and economic services. Despite

The majority of women in northern Pakistan face poverty, mobility constraints and geographic isolation. Approaches that seek to economically empower women in the long term must address key inhibiting factors for women entrepreneurs such as immobility.



“When women do better, economies do better.”

-- Christine Lagarde, International Monetary Fund.

advances, internal market and gender assessments conducted in 2006 identified cultural restrictions on women’s mobility in public spaces and gender stereotypes about women business owners as key inhibiting factors to women’s entrepreneurship development in GBC. Moreover, AKRSP’s market-based programmes concluded that increasing incomes is important, but not enough to economically empower women in the long term. Approaches that seek to economically empower women must also address key inhibiting factors for women entrepreneurs such as immobility and gender stereotypes.

AKRSP realised a catalytic intervention was needed to support women’s access to public spaces, demonstrating that women can run businesses. Through separate dialogues with community leaders and hundreds of local women in GBC, the concept of women-only markets was developed. In January 2007, the first women-only markets were opened as part of a wider women’s poverty reduction initiative. A total of 29 markets were launched over the next three years.

What are women-only markets?

Women-only markets are run collectively by women entrepreneurs who sell only to other women. Often located near a main market – on a nearby side street or in a protected zone – the space only admits women. At the markets, women offer a variety of products and services, from beauty suppliers and salons to retail shops and food stands. Some women participate as entrepreneurs, others visit as consumers and some simply use the markets as a safe meeting space.

How did the intervention work?

The intervention took place between 2007 and 2010. To start, AKRSP selected communities based on discussions with local women and decision makers that assessed the risk and readiness of the community for women-only markets. Where agreement existed, AKRSP worked with local women’s groups to identify potential entrepreneurs and link them to others with whom they could collaborate. Market research was completed with the women and communities to determine the best location and products for the market. AKRSP also facilitated discussions amongst the women entrepreneurs, local decision makers and family members to build support and help negotiate terms for renting the space.

Once the location and women were identified, the market participants were typically allotted a rent subsidy for six months, a small infrastructure grant to build display shelving, and linkages to market actors such as wholesalers and financial institutions.

How was the intervention assessed?

In 2012, two years after the closure of the project, AKRSP commissioned an impact assessment to be carried out by an independent researcher. The assessment confirmed that in conservative contexts these markets provided an important space for women, brought respect to women business owners and helped foster a group of women role models in the GBC region.

This brief highlights the key findings of the 2012 impact assessment. It also offers a set of lessons learnt to further build upon

Cover Photo: *Women-only markets provide an important space for women, bring respect to women business owners and help foster a group of women role models in northern Pakistan.*

this promising approach for economically empowering women over the long term in comparable socio-economic contexts.

Results

Overall, 500 shops opened within the 29 project-supported markets. Importantly, the markets were widely replicated, independent of project support, by other women entrepreneurs. Within two years of the opening of the first market, over 100 non-project markets opened with an estimated 350 new shops. In addition to the 2012 impact assessment, several evaluations – including one conducted by the World Bank in 2010 – highlighted increased income and investment, enhanced decision-making and confidence for those directly involved, as well as positive spill-over effects for women in the wider community. On average, women entrepreneurs are now generating US\$ 50-60 in income per day at the market, whereas women selling from their homes are typically earning around US\$ 2-9.

Three out of four women shop owners travel on their own to major cities for purchasing stock, although the majority of these women had never traveled outside their local area prior to the intervention. Local women also use the space for socialising and purchasing, which exposes women shoppers to new networks and female business owners. Moreover, the cultural appropriateness of the women-only markets created strong buy-in from many local male authorities and community leaders. These men have become champions of the markets and the women-run businesses.

Lessons Learnt

Along with these significant results, the assessment also uncovered several operational issues that contributed to approximately half of the 29 markets closing after the end of the project. The 2012 impact assessment identified ways to address these concerns and ensure even higher rates of sustainability and empowerment in the future. These lessons include:

Lesson 1: Retail as a Sector

Implementation strategies should aim to improve the overall retail sector, and not only develop specific enterprises within a market. By incorporating gender concerns into market research, projects can ensure a strong understanding of the retail market, and gender norms and relationships that impact development of the sector. This information can identify if a women-only market is appropriate and under what conditions it can flourish. Effective market linkages to the wider retail sector can support financial sustainability and through exposure or access to information help women become better shopkeepers. This can be done, for example, by linking the markets or individual women entrepreneurs to wholesalers or intermediaries such as women sales agents.

Lesson 2: Networking

Business alliances with trade and commerce associations or Women's Chamber of Commerce result in additional empowerment for women as they participate in networks and take on wider decision-making responsibilities. Facilitating networking can also contribute

“Women shopkeepers are earning the respect of their families, but also of their communities as they run their businesses, contribute to household expenditures, educate their children, and develop in confidence. This results in greater mobility, control over assets, and involvement in business networks.”

-- Linda Jones, 2012 Impact Assessment Leader



In Gilgit-Baltistan and Chitral (GBC), 95 percent of businesses – formal and informal – are owned by men. Yet the majority of young women aspire to be economically active. (Source: AKF GBC Labour Market Assessment, 2012)

The cultural appropriateness of the women-only markets created strong buy-in from local male authorities and community leaders. These men have now become champions of the markets and the women-run businesses.



Programme Development Partners

Government of Gilgit Baltistan
 Department of Foreign Affairs, Trade and
 Development Canada (DFATD)
 Belgian Development Agency (BTC)

For additional information about the project or the 2012 post-project impact assessment on which this brief was based, please contact:

Mike Bowles, Programme Officer, Market
 Development
 Aga Khan Foundation (AKF)
 1-3 Avenue de la Paix
 1202 Geneva
 Switzerland
 Tel: +41 22 909 7328
 Fax: +41 22 909 7291
 E-mail: mike.bowles@akdn.org
 Website: www.akdn.org

to a collective voice for local women to influence wider business.

Lesson 3: Paying the Rent

In the intervention, markets that required all women to pool their money to jointly pay the rent were at greater risk of default and closure. Promoting markets where women pay rent separately creates financial independence for women, promotes individual commitment and helps to enhance women's economic agency, thereby ensuring the entire market's sustainability.

Lesson 4: Smart Subsidies

Providing an upfront rent subsidy can mask the true costs of operations and encourage the establishment of businesses that would not survive if entrepreneurs were paying market rates. Lowering or eliminating the rent subsidy will attract entrepreneurs who will be more likely to afford the rent over the long term. Promoting access to appropriate finance will help women smooth their cash flows and enhance their ability to grow their businesses. Financial services could include community-based savings groups in the same area as the markets; or for more advanced entrepreneurs, linkages to local microfinance institutions.

Lesson 5: Security

Certain markets need additional security measures for women to feel safe and know that men will not enter the markets. It is important to support participating women to brainstorm ways to enhance their security in a cost-effective and sustainable manner.

Lesson 6: Location

Easily accessible locations where women are able to arrive alone or be escorted by a family member is critical to the markets' success. Identifying a location should be part of market research. In choosing the location of the market, aim for an area that is central, or close to a school or another location that will attract customers.

Conclusion

It is critical to recognise that gender norms and relationships are not static. As communities evolve, so should development interventions. Women-only markets are a promising model for addressing underlying constraints for women entrepreneurs in conservative contexts. If well structured, these markets can provide an extra step-up for women, which in turn can effect positive change in their quality of life and that of their community.

The Aga Khan Development Network (AKDN) is a group of private development agencies working to empower communities and individuals, often in disadvantaged circumstances, to improve living conditions and opportunities, especially in Africa and Asia. Its agencies work in over 30 countries for the common good of all citizens, regardless of their gender, origin or religion. Its underlying impulse is the ethic of compassion for the vulnerable in society.

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