



## The Association Agreement between the European Union and Central America: its potential impact on women's lives in Central America

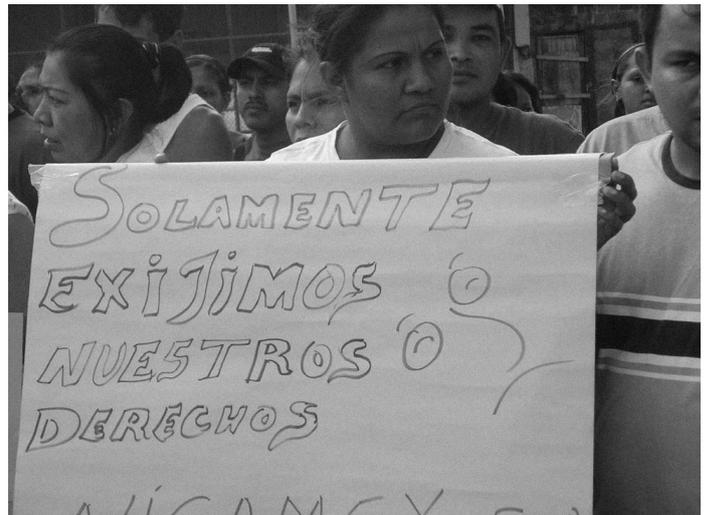
### Introduction

Since the Europe – Central America Guadalajara Summit in May 1994, the two regions have been working towards bi-regional negotiation of an Association Agreement that includes the establishment of free trade zones and Central American economic integration. The first of the ten rounds of negotiations took place in November 2007 and a Sustainability Impact Assessment will be conducted in the region in 2008 as part of the negotiation process.

According to the EU, the Agreement aims to promote sustainable development and reduce poverty and inequality in Central America, to promote decent work and more equitable access to social services, and to ensure an appropriate balance between economic, social and environmental components. The mandate for a European Union – Central American Association Agreement applies to three complementary areas: political dialogue, cooperation and trade. However, commentators consider that the political dialogue and cooperation aspects are little more than rhetoric, effectively reducing the Agreement to a free trade agreement, and that this explains the lack of transparency surrounding it.

Whatever shape the Association Agreement takes, it will have very different impacts on women and men because of their different gender roles and unequal power relationships. Although women make up the majority of Central America's poor, the negotiation process to date has lacked the gender analysis necessary to ensure that the agreement will benefit both women and men and address inequality and exclusion.

This Briefing Paper is based on research undertaken for CAWN by Nicaraguan feminists Martha Yllescas Altamirano and Guadalupe Salinas Valle. Their research<sup>1</sup> was based on available information about the impacts of the Dominican Republic–Central America Free Trade Agreement (DR-CAFTA) with the USA since it came into force, which was a fundamental precedent to the Association Agreement. DR-CAFTA was ratified in 2005 by all countries except for Costa Rica, where it became a very controversial issue, and in October 2007 a public referendum only narrowly approved its ratification. Based on the experience of DR-CAFTA, the authors argue that an Association Agreement with a strong trade liberalisation agenda will deepen existing gender inequities, undermine women's economic independence and



weaken their ability to promote and defend their rights.

We conclude the Briefing with recommendations to the EU to strengthen the voice and participation of women in Central America in the negotiation process and to ensure that their rights to equality and non-discrimination are promoted within the Association Agreement.

### Women's rights in Central America

Governments in Central America have signed up to a number of international conventions protecting and promoting women's rights. However, numerous studies show that women have not experienced many positive changes in their lives as a result of these commitments.<sup>2</sup> A decade after the UN Beijing Platform for Action, few of the Platform's goals have been achieved in the region. Although government machineries for the advancement of women have been set up, they are insufficient and under-resourced. Controversial decisions relating to sexual and reproductive rights have been consistently postponed or ignored in face of challenges from conservative groups that include religious groups. Despite the increasing presence of women in the workforce, government proposals and policies for development in the region do not view women as economic agents, mentioning them only as reproducers and as a vulnerable group. Entrenched social prejudices about gender roles and behaviour reinforce a

culture of gender subordination and inequality, resulting in widespread violations of Central American women's human rights, committed with impunity.

**Women's work and labour rights:** Many thousands of women have entered the labour in low-skilled factory jobs in export processing zones, a key element of the globalised free market. Studies conducted in Central America by the International Labour Organization and by women's organisations in the region show that even though the development of export processing zones has expanded women's job opportunities, the jobs are often insecure and short-term.<sup>3</sup> Workers' rights are violated as they are forced to work long hours for low pay in conditions that often infringe occupational health and safety standards, with little social security or legal protection. Many women are employed as domestic workers, where extremely long hours for poor pay, often without contracts or social protection, are the norm. Many more support themselves and their families by working in services and small business enterprises in the informal sector.

**Women's economic & social reproductive roles:** Despite their increasing importance in the wage economy, women continue to bear almost exclusive responsibility for childcare and domestic chores, as well as playing a central role in maintaining community cohesion. For many women, the burden of their combined responsibilities has reached levels that are detrimental to their health and well-being. The social reproductive role is increasingly played by other females in the household, which very often has a negative impact on the education and health of girls and on family cohesion. In addition, the number of female-headed households is increasing across the region. Single mothers, many of them young adolescents, make up the majority of the unskilled and illiterate workforce.

**Sexual and reproductive rights:** Lack of access to education, contraceptives and affordable reproductive health services are reflected both in high maternal mortality rates, especially among rural women, and in high levels of adolescent pregnancy. For example, in Nicaragua nearly a quarter of all births are to young women under the age of 19. Therapeutic abortion – when the pregnancy is the product of a rape, or where the mother's or child's life is in danger if the pregnancy is carried to term – is illegal in both El Salvador and Nicaragua. In other countries access to abortion is severely restricted.

**Violence against women:** Violence against women is endemic throughout the region. For example, according to the 1998 National Health Survey in Nicaragua, more than 30% of adolescent girls had been sexually abused by a member of the family or a family acquaintance. In El Salvador, sexual violence is one of the most common reasons for imprisonment. Femicide – gender-related murder – is recognised as a serious problem in Guatemala and Honduras, but state institutions have a poor track record as regards investigating and prosecuting these killings. In Honduras there was an increase of 194% in female homicide between 2003 and 2005.<sup>4</sup> In June 2007, the UN Committee on the Elimination of Discrimination against Women expressed concern at the disappearances, rape, torture and murders of women in Guatemala and the engrained culture of impunity for such crimes.

**Women's political participation:** Despite the important role of women in the region's armed conflicts and subsequent peace building and democratisation processes, women's political representation remains low. An average of 24.1% of local

councillors and just 4.8% of mayors are women.<sup>5</sup> The proportion of women in parliament varies: in Guatemala it is only 12% and just over 20% in Honduras and Costa Rica.<sup>6</sup> There is a strong women's movement across Central America, which has been successful in generating public debate to raise awareness about women's rights and their violation. Nevertheless, gender equity has not been effectively included on government agendas and women's organisations face resistance from state institutions. Women are under-represented in the trade union movement and unions are weak in sectors where the majority of the workforce is female, however women's organisations have played an important role in supporting workers in export processing factories to organise in defence of their labour rights.

## Potential impact on Central American women of EU – CA Association Agreement

**W**ithout special and differentiated treatment in trade, accompanied by measures to generate dignified employment and strengthen the capacity of the weakest sectors in the economy, the Association Agreement between Europe and Central America will perpetuate and deepen existing inequities between women and men in the region in the following key areas:

**Increased unemployment of women:** Women are over-represented in both the small business and public sectors. Public-sector workers may face losing their jobs as the emphasis shifts further towards privatisation of services and lack of government revenue from tariffs impacts on public-sector budgets. DR-CAFTA is already having a negative impact on small businesses that are no longer able to compete in open markets. This indicates that further trade liberalisation under the Association Agreement will lead to the collapse of many smaller local or national businesses. As overall unemployment rises, women are likely to be forced out of the formal labour market. This trend can already be seen in the increasing numbers of men employed in export processing zone factories.

**Reduced opportunities for women to access decent work:** Because the small businesses likely to suffer from further trade liberalisation are important employers of women and are often women-led, the impact of their collapse will be to seriously undermine women's economic independence and agency. With increased competition from a global market, the already poor labour conditions in export processing zone factories are likely to worsen. Increased production targets for workers, compulsory overtime, lower salaries and more violations of labour rights can be expected. Now that men are more frequently employed in the export processing zone factories, they tend to fill positions of more responsibility while women remain in unskilled work. The need to work long hours to cover their own and their families' basic needs leaves women with less time to study or train for skilled work.

**Women in agriculture:** Early indications of the impacts of DR-CAFTA are that agricultural communities are being hard hit. Further trade liberalisation will worsen these impacts, especially given the very high level of subsidies and internal support that the EU gives to its agricultural sector, and the strict sanitary standards

for imports that will continue to exclude Central American products from the European market. Women who are smallholders will not be able to compete in an increasingly open market and their livelihoods will be threatened.

**Migration:** In the face of increased unemployment and economic pressures, migration both within and between Central American countries is likely to increase. When men migrate, pressures increase on women to provide for their families and family cohesion is threatened. When women migrate, they suffer discrimination and abuse as migrant workers and the social reproductive duties they leave behind fall to other women and girls in the household, often jeopardising their own education and health. There is increasing concern in the region about trafficking of girls and women for sexual exploitation.

**Women's social reproductive role:** Decreasing economic opportunities will increase the pressure on women to work ever longer hours outside of the home on top of their domestic duties. One of the EU's priority negotiation areas is market access in investment and services. Privatisation of services is likely to result in a transfer of the costs and labour of essential services such as health, education, water and electricity to the domestic economy, making women's responsibilities increasingly difficult to fulfil. The cost of essential medicines will rise as intellectual property laws introduced under the agreement prohibit the production or import of generic drugs. Economic insecurity and rising unemployment will contribute to family and social breakdown and to the endemic problem of male violence against women.

**Women's political participation:** The increasing burden of women's economic and social reproductive responsibilities will mean they are less able to organise and participate in public life in order to defend their rights and raise their concerns. Women's labour organisation will be further limited at the same time as organising in the export processing zone factories is likely to become more difficult due pressure of increased competition from the global market driving down labour standards.

## Women's participation in the EU-CA Association Agreement process

Given the current importance of the female workforce in Central America, it is surprising that there has so far been no gender perspective incorporated into the Association Agreement. By failing to take a gender perspective into account, Europe is perpetuating the creation by the region's governments of public policies that do not consider their differentiated impact on men and women.

The negotiation and implementation of the Agreement will remain blind to the reality of Central American women's lives unless women's activism is strengthened and their participation in the process prioritised so as to address women's rights and realities. So far, there has been a lack of transparency in the negotiations and little priority given to the participation of civil society, including women's representation, by either the EU or the Central American governments. Sustainability Impact Assessments carried out by the EU prior to and during trade negotiations in other regions have lacked clarity on the issue of gender, and this trend seems likely to be repeated in the case of the EU–Central

America Association Agreement.

The renewed impetus towards regional integration generated by the Association Agreement negotiations provides an opportunity for promoting women's full social, cultural, political and economic inclusion across Central America. This will only be realised if women's organisations fully participate in the process, if there is a broad social agenda that goes beyond the economic priorities arising from trade negotiations, and if the EU maintains the conditionality of not initiating implementation of the Association Agreement until substantial progress has been made in the regional integration process. The importance of including women's economic agenda is underlined by the fact that most regional trade flow is carried out by small and medium sized businesses where women are over represented.

## Recommendations

The negotiations and resulting Association Agreement between Europe and Central America must avoid deepening existing gender inequities and must include women fully as economic, political, social and cultural subjects. In order to help ensure this outcome, we put forward the following key recommendations:

- **Participation of women's organisations**

Clear mechanisms must be established for strengthened civil society participation in the negotiations and their implementation, with a particular focus on the full participation of women's organisations and alliances in relation to all areas of the Agreement. Women's organisations should be recognised as valid and equal partners in the discussion and in the development of strategies.

- **Strengthening women's organisations**

European civil society and the European Commission should prioritise cooperation programmes aimed at strengthening democracy and supporting Central American women's organisations to participate in political debate and decision-making at local, national, regional and international levels. In particular, they should support the formation of regional alliances of women's organisations to participate in the regional integration process and the negotiation and implementation of the Association Agreement. Cooperation between Europe and Central American civil society should be direct and not channelled through governments in the region.

- **Inclusion of a gender perspective**

A clear gender perspective should inform all areas of the Association Agreement negotiations, as well as the agreement's implementation and administration, in order to ensure that it does not perpetuate and deepen existing inequity between women and men. The use of sex-disaggregated data and gender indicators should be encouraged in all the trade policy, development and trade negotiations.

- **Sustainability Impact Assessment**

A clear gender perspective, including the use of sex-disaggregated data and gender indicators, should be included in the design, execution and analysis of the Sustainability Impact Assessment

(SIA) with respect to all areas of the agreement, including changes to investment protection, competition policy, transparency in government procurement and trade facilitation. The SIA should be a participatory process that prioritizes the inclusion of Central American women's organisations. Negotiations must not advance significantly until the assessment has been completed so that its findings can meaningfully be taken into account.

#### • Women's rights

The Association Agreement should include clauses and institutional mechanisms to promote women's rights and ensure equality of opportunity. It should require the ratification and provide for the implementation and monitoring of key conventions and instruments protecting and promoting women's rights, including the UN Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW) and its Optional Protocol and the OAS Inter-American Convention on the Prevention, Punishment and Eradication of Violence against Women ("Convention of Belém do Pará").

#### • Equality in employment

European civil society and the European Commission should support the creation of a regional centre for equality in employment, which would contribute to the eradication of discrimination in the workplace, including sexual harassment, discrimination because of sex or pregnancy and salary inequity. European companies linked through their supply chains to the region should be accountable to the centre.

#### • Public services

Health and education services and national resources such as water must be excluded from trade liberalisation and the European Commission and European Civil Society should support the development of effective public-managed services in these sectors. Special and differentiated treatment should be established for energy and communications.

## Further information

#### Central American women & advocacy:

- The Association Agreement between the European Union and Central America: its potential impact on women's lives in Central America. Final Research Report. CAWN (October 2007) [www.cawn.org](http://www.cawn.org)
- "Perfil de Género de la Economía del Istmo Centroamericano" y las Agendas de Género correspondientes a los distintos países de la región, elaboradas en el marco del Proyecto Regional del Fondo de Desarrollo de las Naciones Unidas para la Mujer (UNIFEM) <http://www.unifem.org.mx/cms/> y el Programa de las Naciones Unidas para el Desarrollo (PNUD) "Las mujeres en la agenda económica y la apertura comercial" (2004-2005) <http://www.undp.org/latinamerica/index.shtml>
- Las Agendas de Género desarrolladas en el Encuentro Regional de Mujeres líderes pensando Centroamérica: los desafíos del desarrollo y la integración del istmo desde la perspectiva de las mujeres, realizado en abril del 2006 en Costa Rica
- Las iniciativas en marcha generadas por el Foro de Mujeres, como parte del Consejo Consultivo del Sistema de Integración Centroamericana (CC-SICA)

#### Resources on Gender & trade:

- BRIDGE Cutting Edge Packs: "Gender & Trade" and "Gender & Indicators" <http://www.bridge.ids.ac.uk>
- WIDE resources including Briefing paper "Gender Indicators for Monitoring Trade Agreements" (February 2007) <http://www.wide-network.org>
- International Gender and Trade Network <http://www.igtn.org/>
- Siyanda resources database <http://www.siyanda.org/>

#### General information & advocacy on the Association Agreement:

- The Copenhagen Initiative for Central America and Mexico (CIFCA) [www.cifca.org](http://www.cifca.org)
- Acuerdo de Asociación entre la Unión Europea y Centroamérica. Un nuevo Tratado de Libre Comercio para la región. Popular education publication. Equipo Maíz, El Salvador, March 2007
- European Commission – External Relations [http://ec.europa.eu/external\\_relations/ca/index.htm](http://ec.europa.eu/external_relations/ca/index.htm)
- Asociación Latinoamericana de Organizaciones de Promoción (ALOP) [www.alop.or.cr](http://www.alop.or.cr)
- Coopération Internationale pour le Développement et la Solidarité (CIDSE) [www.cidse.org](http://www.cidse.org)
- Grupo Sur [www.eurosur.org/gsur/#marca](http://www.eurosur.org/gsur/#marca)
- APRODEV, Programa de Incidencia en la Unión Europea para América Central [www.aprodev.net/pica/index.htm](http://www.aprodev.net/pica/index.htm)

#### Footnotes

1 Martha Yllescas Altamirano y Guadalupe Salinas Valle; The Association Agreement between the European Union and Central America: Its potential impact on women's lives in Central America. Final Research Report. CAWN, October 2007 is available from [www.cawn.org](http://www.cawn.org)

2 See for example: "Indicadores para monitorear la aplicación de la Convención para la eliminación de todas las formas de discriminación contra la mujer", CEPAL, Santiago, 2007. Available from División de Asuntos de Género, [www.eclac.org](http://www.eclac.org)

Valdés, T., Muñoz, A.M., and Donoso, A. 1995–2003: Have Women Progressed? Latin American Index of fulfilled commitment, FLACSO/UNIFEM, 2005. Available from [www.flacso.cl](http://www.flacso.cl) See also [www.mujereshoy.com](http://www.mujereshoy.com)

3 For example: Las Repúblicas Maquiladoras: Las zonas francas en El Salvador, Honduras y Nicaragua. MEC, Nicaragua. [www.mec.org.ni](http://www.mec.org.ni)

4 Centro de Estudios de la Mujer – Honduras, Femicidios en Honduras, Tegucigalpa, 2006.

5 United Cities and Local Governments, [www.cities-localgovernments.org](http://www.cities-localgovernments.org), Gender statistics, Central America.

6 Inter-Parliamentary Union, Women in National Parliaments, November 2007. [www.ipu.org/wmn-e/classif.htm](http://www.ipu.org/wmn-e/classif.htm)

**The Central America Women's Network (CAWN) is a London based organisation that supports, publicises and learns from the struggles of women in Central America in the defence of their rights**

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