

# Mainstreaming Gender in the Extractive Industries: Lessons for Cambodia

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## POLICY BRIEF

“Advancing gender equality is essential to achieve internationally agreed goals for development and sustainability and improve the quality of life for women, men, families and communities” UNIFEM



*A female gem seller at Banlung Market in Ratanakiri displays gems mined in the province. (UNDP Photo/Arantxa Cedillo)*

## 1. Introduction

The Beijing Declaration and Platform for Action sets out as a fundamental objective the promotion of gender equality in socio-economic development and environmental protection. Gender equality is deemed essential to improve the conditions of human development as part of the fight against poverty. Within this, it is vital to ensure that women are not left out of opportunities to participate.

Cambodia is currently in the early stages of developing its EI sector- oil & gas and mining and the expected benefits could potentially speed up the country's economic and social growth. Thus, it is timely to focus on ensuring that the benefits are shared equally among citizens including women, children and vulnerable populations, and that risks are minimized.

**The policy brief attempts to shed light on the potential social, economic and environmental ramifications on gender when developing the EI sector.** It draws on international best practices to identify general recommendations to support and mainstream gender equality when developing a strategy for Cambodia's EI sector.

## 2. Gender Equality in Cambodia

*"Gender equality is not only a goal in its own rights, but also an important means for realizing all the other Millennium Development Goals"*<sup>1</sup>

The Millennium Development Goals (MDGs), the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) and the Beijing Platform

for Action all spell out the need to ensure gender equality and the empowerment of women across all sectors and levels.

It has been widely accepted that in the absence of gender equality the rest of the MDGs are unlikely to be accomplished.<sup>2</sup> Advancing gender equality "is essential [...] to achieve internationally agreed goals for development and sustainability and improve the quality of life for women, men, families and communities."<sup>3</sup>

Achieving gender equality is seen as key in achieving all MDGs. For instance, giving women the same opportunities as men to be involved in the formal labor force will eventually contribute to the achievement of MDG 2 (Universal Primary Education), MDG 4 (Reduce Child Mortality), and MDG5 (Improve maternal health). For example, it has been seen that there is a direct co-relation with working-women and higher investments in family health and education, as well as better family planning.

In Cambodia, achieving MDG 3 remains a challenge, despite some progress in recent years in relation to women's employment, education and public participation. According to Neary Rattanak II the Five-Year Strategic Plan 2004–2008 of the Ministry of Women's Affairs (MoWA), improving women's values in public and private spheres is a difficult task because of the traditional beliefs are still deeply entrenched within the society. There are still wide gaps between males and females. People have strong perceptions as to what is appropriate for women, such as with regard to employment and decision-making. For example, men have been perceived as breadwinners and gain all power and decision making. Women have been seen as primary

caregivers and have less authorities or rights to be part of the decision making process

The Royal Government of Cambodia (RGC) National Strategic Development Plan Update 2009–2013 places emphasis on policies that support women, such as increased women's participation in decision-making and enrolment of girls in formal education. Building on the achievements as well as the challenges under Neary Rattanak II, MoWA has developed Neary Rattanak III 2009–2013. The focus is on five components: economic empowerment of women; education of women and girls; legal protection of women and girls; promotion of health of women and girls; and promotion of women in public decision-making and politics.

In order to ensure equal benefits for all in Cambodia's development, Neary Rattanak III should consider gender mainstreaming in EI as a priority. The social, economic and environmental benefits and risks associated with the EI sector are well-documented, but little attention has so far been given to the impact it has on women, especially in oil & gas.



*A group of women worker in mining sector-Lao.  
(Earth System Lao)*

<sup>1</sup> UNDP Gender Equality Strategy 2008-2011

<sup>2</sup> UNDP, *Towards Empowerment and Equality: Implementation of UNDP Gender Equality Strategy 2011–2013*, 2009 Annual Report, New York, UNDP, 2010.

<sup>3</sup> See [www.unifem.org/partnerships/womens\\_empowerment\\_principles/](http://www.unifem.org/partnerships/womens_empowerment_principles/).

## INTERNATIONAL BEST PRACTICE CASE STUDIES

### The case of Papua New Guinea<sup>4</sup>

The Papua New Guinean government believes that women should be engaged in all stages of policy development and in decision-making processes, in order to ensure that their needs and issues of equality are properly taken into consideration at all levels of implementation.

A wide range of issues affecting women were brought up at the Women in Mining Conferences in 2003 and 2005 at Madang. After this, the Papua New Guinean government developed the Women in Mining National Action Plan for 2007 to 2012, supported by the World Bank. The purpose of the plan is to address issues affecting women by setting out implementable strategies to assist them in mining-impacted areas. The plan also articulates the international conventions and obligations that the government has committed to in order to improve the status of women.

There are eight key goals, with specific objectives, strategies and targets:

- Raise the level of general education and literacy to improve the status of women
- Ensure the accessibility and affordability of reproductive health care services, including family planning, consistent with community values and norms
- Prevent or control incidence of tuberculosis/sexually transmitted diseases, particularly HIV, and minimize their social and economic effects on families and communities
- Increase opportunities for women and girls to participate and benefit in the economy, politics, culture and social life of their communities
- Strengthen the capacity of women's associations to operate beyond mine closure
- Ensure that communities are able to sustain their livelihoods
- Mitigate and avoid environmental degradation that reduces quality of life
- Promote and maintain safety, security and peace in communities

The plan opens up opportunities for partnership between all relevant stakeholders, as it requires close collaboration between women's associations, mining companies, government, NGOs, churches, donors and individuals in order to achieve its goals. To make the plan achievable, Self-Reliance Programmes for Women in Remote Mining and Petroleum Communities have been set up, funded by the Japanese Social Development Fund<sup>5</sup>.

The plan was designed to add value to the continued long-term development of women and to assist in promoting harmony and productive activities to foster long-term sustainability. It seeks to provide skills and training that empower women to cope with new developments and changes brought about by EI operations.

Porgera Gold Mine is located in the highlands of Papua New Guinea. Porgera implements the Women in Mining National Action Plan by providing support to Porgera Women's Association through activities such as:

- Training in health (HIV), family planning, baby care, prevention of diseases, sewing, mending, screen printing, business (bookkeeping and project management), nutrition and agriculture
- Adult literacy programming in 20 schools
- Establishment of small business
- Legal training for village court magistrates/peace officers (to date 16 women have graduated from this programme)
- A child care centre for female employees
- Maintenance for deserted wives and children
- Counselling services for victims of sexual abuse and domestic violence
- Awareness raising on issues such as violence against women, alcohol abuse and inappropriate behaviour

<sup>4</sup> Ministry of Mining (2007), *Women in Mining National Action Plan: 2007-2012*, viewed 5-January- 2010, <http://www.trupela.com/wp-content/uploads/2010/01/Women-in-MiningNational-Action-Plan-2007-2012.pdf>

<sup>5</sup> Earth Systems Lao and Grontmij/Carl Bro, 2009.





*Cambodia exploratory drilling operations. (Graham Moir)*

### 3. Impacts of the Extractive Industries Sector: A Gender Focus

The following subsections explore the potential impacts of the EI sector on women through the social, economic and environmental lens.

#### 3.1 Social Impacts

The presence of natural resources and the potential wealth that they can be generated does not guarantee social progress, and in fact can work against it. Poorly managed non-renewable resources can undermine a country's social development, with women most often paying the heaviest price.

The influx of migrant workers and poverty are key factors contributing to increased levels of prostitution in areas where EI activities are taking place. The inflow of foreign workers in search of employment, especially single men, and the division of the labour markets generate opportunities for commercial sex and human trafficking.

Meanwhile, economic hardship may push women into the sex trade as a means of earning an income. According to one Burmese sex worker living in Hugawng Valley mining area: "I could not bear the pain of poverty and came here to find any way to earn money... [Finally] I came to this profession as sex work."<sup>6</sup> Proliferation of unregulated sex work can exacerbate the spread of sexually transmitted diseases such as HIV.

For example, women living around the Baku-Tbilisi-Ceyhan project in Azerbaijan are vulnerable to prostitution and human trafficking.<sup>7</sup> A majority of people are unemployed and living in poverty, so they sell sex to male construction workers as the only way they can support their families. Businesses have opened to offer local women to foreign migrant workers. As a consequence, HIV prevalence has increased in this area.

The fact that workers may spend their wages on prostitution and/or alcohol also causes disruptions to family life, particularly when the household

depends on men's income for survival. There is evidence of violence against women in relation to natural resource extraction, mainly because of increased male alcohol consumption, paid for from their salaries. For example, alcohol has become a social problem in Papua New Guinea, and some women have faced abuse as a consequence.<sup>8</sup>

#### 3.2 Economic Impacts

Although EI can improve a country's economic development, it can also have less positive impacts, which are often referred to as the "resource curse."<sup>9</sup> The latter often results in increased inequality and poverty.

Moreover, oil & gas and mining have always been viewed as a male-dominated industry. The nature of the job has traditionally been perceived as dirty, dangerous and heavy, and therefore masculine. This stereotyping creates an unfriendly environment and discourages women from participating in the sector.<sup>10</sup>

Women lag far behind men in EI in terms of employment, income, compensation, consultation and participation in decision-making processes. This is especially the case in developing countries, where women's roles are often set by men and reinforced by social norms. Even though women are exposed to formal labour markets, including in EI, their opportunities are minimal or limited. One main factor in this is "occupational segregation," defined as the division of the labour markets based on sex, which limits women's employment opportunities regardless of their experience or educational qualifications.<sup>11</sup>

<sup>6</sup> Kachin Development Networking Group, *Valley of Darkness: Gold Mining and Militarization in Burma's Hugawng Valley*, 2007.

<sup>7</sup> CEE Bankwatch Network and Gender Action, *Boom Time Blues: Big Oil's Gender Impacts in Azerbaijan, Georgia and Sakhalin*, 2006.

<sup>8</sup> I. Macdonald and C. Rowland, *Tunnel Vision: Women, Mining and Communities*, Oxfam Community Aid Abroad, 2002, [www.oxfam.org.au/campaigns/mining/news/index.html](http://www.oxfam.org.au/campaigns/mining/news/index.html).

<sup>9</sup> See UNDP, *Meeting the Challenge of the "Resource Curse": International Experiences in Managing the Risks and Realizing the Opportunities of Non-Renewable Natural Resource Revenues*, Discussion Paper 3, New York, UNDP, 2006.

<sup>10</sup> K. Lahiri-Dutt, *Roles and Status of Women in Extractive Industries in India: Making a Place for a Gender-Sensitive Mining Development*, Canberra, Research School of Pacific and Asian Studies, Australian National University, 2007.

<sup>11</sup> R. Anker, *Theories of Occupational Segregation by Sex: An Overview*, *International Labour Review* 138(3): 135–339, 1997.

As such, women represent only a small percentage of total employment within EI, due to an organizational culture that is controlled for the most part by men. For example, the proportion of female workers in EI in Indonesia declined from 18.14 percent in 2000 to 12.32 percent in 2008 (compared with 87.68 percent male workers in 2008)<sup>12</sup>. Women are sometimes hired only when a company considers a job description to match the “nature of women.”<sup>13</sup> As a result, they tend to be employed only in informal services or in any sector where it is considered hard for men to fulfil the requirements. Women also are hired to fill low-ranking positions, such as secretarial or administration roles.

Companies may consider including women in the EI sector a burden, in that they have to invest resources in order to support women to carry out different jobs. Women are often the first to be retrenched, although there are cases of women being able to break the so-called glass ceiling to become operators or engineers in the sector. In Indonesia, companies tend not to employ young women as operators because “after they have trained they are bound to marry and have children and stop working.”<sup>14</sup> Some men think that women need taking care of and therefore their presence in the field is a disadvantage.<sup>15</sup>

On top of the economic challenges is the risk of losing property. There is evidence to suggest that, when resource extraction takes place, especially mining,

surrounding communities may end up losing their agricultural lands and houses.<sup>16</sup> Women who have previously contributed to household incomes by farming now must rely solely on their husbands’ income from EI to support their families. Some fall into deep poverty as a result of losing land. And for those who the husband does not provide financial support, after getting a job in the sector, are likely end up carrying more burden as the workload increases during the absence of the husband<sup>17</sup>.

Furthermore, according to a number of studies on mineral extraction-affected areas, compensation is often paid to the head of the household, which often means directly to men.<sup>18</sup> Many companies exclude women from the compensation process, because including them can go against social norms, in particular in patriarchal societies.<sup>19</sup> In such cases, it is considered right to consult men on the process of compensation, and consequently women have no knowledge of the benefits that they are entitled to receive.

### 3.3 Environmental Impacts

Mining and oil & gas operations have too often resulted in adverse environmental impacts, especially in the absence of proper environmental impact assessments. Oil spills, pollution and water contamination have affected many countries around the world, with serious consequences for human and economic activities, for instance in fisheries and agriculture. This

can lead to a reduction in production, jeopardizing local economic activity and also community nutrition and health.

For example, since the inception of the oil & gas industry in the country, Nigerian people have faced hardships in feeding their families because EI operations have destroyed most of their natural resources, such as fish stocks.<sup>20</sup> Studies in the Philippines, Papua New Guinea, India, and Indonesia show that mining extraction can affect natural resources and the availability of quality water.<sup>21</sup> Many communities living around mineral extraction-affected areas face water shortages, as populations grow as a result of migration and industrial water use also increases. Another major concern is toxic materials seeping into rivers and affecting water quality, which makes it difficult for local people to find clean water for cooking and drinking.



Gold maker at the Banlung Market Ratanakiri.  
(UNDP Photo/Arantxa Cedillo)

<sup>12</sup> ILO, *Employment – Total Employment*, by Economic Activity, 2008, <http://laborsta.ilo.org/STP/guest>.

<sup>13</sup> T. Caraway, *The Political Economy of Feminization: From “Cheap Labour” to Gendered Discourses of Work*, *Politics & Gender* 1(3): 339–429, 2006.

<sup>14</sup> K. Lahiri-Dutt and P. Mahy, *Impacts of Mining on Women and Youth in Indonesia: Two Mining Locations*, Canberra, Australian National University, 2007.

<sup>15</sup> E.S. Sprunt, *Retaining Women in the Oil and Gas Industry*, Society of Petroleum Engineers, 2006.

<sup>16</sup> Earth Systems Lao and Grontmij/Carl Bro, *Task 1 Desk Study of Employment, Livelihood and Service Impacts in Lao PDR & International Experience*, 2009.

<sup>17</sup> E.g. *Friends of the Earth Europe, Extractive Industries – Blessing or Curse? The Impacts of Extractive Industries on Gender Issues*, 2007, [www.foeeurope.org/corporates/Extractives/gender.pdf](http://www.foeeurope.org/corporates/Extractives/gender.pdf).

<sup>18</sup> E.g. Earth Systems Lao and Grontmij/ Carl Bro, 2009.

<sup>19</sup> Oxfam Australia, *Women, Communities and Mining: The Gender Impacts of Mining and the Role of Gender Impact Assessment*, 2009, [www.oxfam.org.au/explore/mining](http://www.oxfam.org.au/explore/mining).

<sup>20</sup> La'o Hautuk, *The East Timor–Nigeria Exchange to Study the Environmental and Social effects of Petroleum Development*, East Timor Institute for Reconstruction Monitoring and Analysis, Final Report, 2004.

<sup>21</sup> E.g. Macdonald and Rowland, 2002.

Evidence from various sources shows that a fragile environment presents greater risks for women than for men, since women are often responsible for raising the family.<sup>22</sup> In particular, the destruction of the local environment increases women's workloads. For example, women have to walk longer distances in search of water, food and other utilities for domestic purposes which can put their security at risk.

#### 4. Gender Mainstreaming in the Extractive Industries: Ensuring Benefits for All

*"... gender inequality is bad for business, as well as bad for women."*<sup>23</sup>

Significant efforts should be made to ensure that women's voices and needs are included in EI operations from the outset. EI sector development should not only minimize negative impacts but also promote gender equality and women's empowerment.

Companies are increasingly acknowledging and working towards gender inclusiveness. Some oil & gas companies are promoting gender equality and fighting inequality in the workplace. Initiatives include child care facilities and "diversity-sensitive hiring and selection processes."<sup>24</sup> OZ Minerals has demonstrated strong commitment by adopting a strategy to increase the number of female employees in the workplace in all its areas of operation.<sup>25</sup> The company also provides special consideration to families with newborn babies, including three months' parental leave. OZ Minerals also indicates that "all operations have a

policy of preferential employment from local communities."

Shell is also working towards a more diverse and inclusive working environment. Shell puts its employees at the core of business and provides a wide range of training. The company's target is to increase the number of women in senior management to at least 20 percent in the long term. By the end of 2008, 13.6 percent of senior leadership positions were filled by women.<sup>26</sup>

EI companies need to improve their practice of gender inclusion and equality, including by improving access to direct employment opportunities and providing equal pay for equal work, as well as a secure and friendly environment for women. No real development can go ahead if women are not included: **"Improving gains from extractive industries for women stakeholders will not only leverage their untapped potential in increasing growth, reducing poverty, and fostering positive conditions for sustainable development, but also improve the development effectiveness of oil & gas and mining operations for communities and countries as a whole."**<sup>27</sup>

Responsible business practice should ensure a gender balance in its policies, educate women workers on health and safety at work and conduct cultural awareness training and a gender impact assessment prior to project implementation. Mainstreaming gender throughout the EI project lifecycle also includes improving access to direct employment opportunities, compensation and decision-

making processes. Other essential prerequisites include creating anti-harassment and discrimination laws, setting up child care facilities for women workers and building infrastructure such as schools, hospitals and roads. Responsible businesses should also embrace the practice of raising awareness and educating the community on high-risk diseases such as HIV, allocate more money for education and health, promote women's safety by educating about, and addressing, violence against women and prostitution, and conducting monitoring and evaluation.

To provide support to EI companies, governments and international financial institutions should uphold the tenets of CEDAW and ensure that there are strong social and environmental legal frameworks in place. On the part of governments, gender needs to be incorporated into EI industry policies and regulations. In Latin America, for example, to ensure effective control of the EI sector, "legal frameworks in line with international human rights and environmental standards must be put in place at national level."<sup>28</sup> In addition, prior to the development of EI projects, governments should maximize the benefits and minimize harm to its citizens, especially to women. This means that policies need to acknowledge and recognize women's concerns as well as their interests. The onus is on the government to ensure that proper Environmental Impact Assessments (EIAs) are carried out. Long-term monitoring and evaluation mechanisms are needed to ensure that companies abide by national and international standards.

<sup>22</sup> E.g. Earth Systems Lao and Grontmij/Carl Bro, 2009.

<sup>23</sup> Anglo American, *Women in Mining: Promoting Human Rights and Economic Development through Gender Equality*, Responsible Mining Brief, 2008, [http://www.angloamericacan.co.uk/aa/development/performance/miningbriefs/mb\\_women/mb\\_women.pdf](http://www.angloamericacan.co.uk/aa/development/performance/miningbriefs/mb_women/mb_women.pdf).

<sup>24</sup> S. Sherk, *Women in Canada's Oil and Gas Sector*, 1997, <http://www.mun.ca/cwse/Sherk,Susan.pdf>.

<sup>25</sup> OZ Minerals, *OZ Minerals Sustainability Report*, 2008, [www.ozminerals.com/2008-sustainability-report/](http://www.ozminerals.com/2008-sustainability-report/).

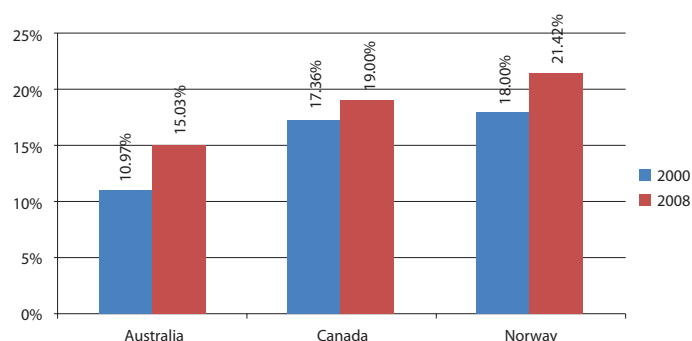
<sup>26</sup> Shell, *Responsible Energy: Sustainability Report*, 2008, [http://sustainabilityreport.shell.com/2008/servicepages/downloads/files/entire\\_shell\\_ssr\\_08.pdf](http://sustainabilityreport.shell.com/2008/servicepages/downloads/files/entire_shell_ssr_08.pdf).

<sup>27</sup> World Bank, *Mainstreaming Gender into Extractive Industries Projects: Proposed Guidelines*, 2007, <http://commdev.org/content/document/detail/1910/>.

<sup>28</sup> CIDSE, *Impacts of Extractive Industries in Latin America: Analysis and Guidelines for Future Work*, 2009, [www.cidse.org/uploadedFiles/Publications/Publication\\_repository/EPLA%20analysis%20final%20ENG%281%29.pdf?n=5508](http://www.cidse.org/uploadedFiles/Publications/Publication_repository/EPLA%20analysis%20final%20ENG%281%29.pdf?n=5508).

Countries with strong equal opportunity laws and advancement in women's empowerment have shown progress in getting women on board. For example, the numbers of women working in resource extraction in Australia, Canada and Norway have gradually increased in the past decade. Between 2000 and 2008, percentages of women working in these countries went from 10.97 to 15.03 percent; 17.36 to 19.00 percent; and 18.00 to 21.42 percent, respectively (see figure).

**Change in the number of women in EI, Australia, Canada and Norway, 2000–2008<sup>29</sup>**



## INTERNATIONAL BEST PRACTICE CASE STUDIES

### The Case Study of BHP Billiton<sup>30</sup>

BHP Billiton has made a commitment to support achievement of the MDGs through its Community Contributions project. This involves support to women's capacity building and to non-governmental organizations (NGOs) to address (non-health-related) gender issues, as well as assistance to women in leadership. The company has spent one-third of its total community investment, US\$ 40.7 million, on programmes to help reach its MDG targets.

BHP Billiton is also working to diversify its workforce, especially through graduate recruitment, because "people are the foundation on which all activities rely." All employees are treated equally and "employment decisions based on attributes other than a person's qualification to perform a job – e.g. race, color, gender... are prohibited."

From 2007 to 2008, the company managed to increase the proportion of women working at operation sites from 14 to 17 percent, and the proportion of women in management positions went from 8 to 12 percent. Women have been appointed as general managers and in the office of the chief executive. Some have received awards from the Queensland Resource Council.

In addition, BHP Billiton is working towards sustainable development by ensuring that employees and local communities benefit from its operations. In order to achieve this, the company focuses on a "zero harm environment; ensuring effective governance and risk management; recognizing the need to contribute to sustainable community development; and ensuring broader economic contributions in the regions." For example, during the exploration phase in Cambodia, the company invested in the local community in Mondulkiri province by reducing risks from explosive remnants, strengthening local health care services and providing employment and skills training for local people.

BHP Billiton is committed to assisting local communities to tackle diseases such as HIV and malaria. The company conducts training courses, provides medical support and contributes towards sourcing anti-malaria drugs. It helped South Africa on HIV by providing clinical trial treatments as well as assisting Mozambique and Pakistan on malaria.

BHP Billiton supports and abides by the UN Global Compact. This means it is accountable for activities that affect stakeholders' rights, especially the rights of local people. The company is responsible for ensuring that the local community has access to basic health services, clean water and a clean environment and that it is unaffected by the company's operations.<sup>31</sup>

BHP Billiton received awards in 2007 and 2008 and is recognized for its excellence in operations at the local and regional level.

<sup>29</sup> ILO, *Employment – Total Employment, by Economic Activity*, 2008, <http://laborsta.ilo.org/STP/guest>.

<sup>30</sup> BHP Billiton, *Sustainability Reports*, 2006, 2008, [www.bhpbilliton.com](http://www.bhpbilliton.com).

<sup>31</sup> *Earth Systems Lao and Grontmij/Carl Bro*, 2009.



## 6. Conclusion

EI will play an important role in the future of Cambodia. If managed well, the sector will help the country meet its development challenges, including the Cambodian MDGs. It could help lift citizens out of poverty, including women and children, through its direct and indirect benefits. Such benefits could include employment opportunities, improvement of social services such as hospitals, education and infrastructure near extraction sites, as well as increased business opportunities serving the EI sector.

In order to attain these objectives, the RGC is encouraged to consider how benefits from the sector can be distributed more equally, especially between men and women. Petroleum and mining policies should serve the interest of all Cambodians, including women, and should be particularly responsive to women's needs and interests. Gender should be included in the planning and implementation of EI projects, which means that gender impact assessments and EIAs are necessary before EI operations commence. Relevant ministries are also encouraged to set up a monitoring and evaluation system to ensure that operations are carried out in accordance with the agreements and laws of Cambodia. By complying with such a system, companies can show their commitment to empowering women and further demonstrating responsible business practices (Corporate Social Responsibility).

Women can experience adverse effects from EI operations if they are not managed well. The regional and international best practices in mainstreaming gender in EI presented in this brief may be valuable for the RGC to mitigate any potential threats to local communities, especially women. The RGC should be able to use these experiences to give opportunities to women to attain equal benefits and ensure that women's voices and needs are included throughout the EI project cycle.

For more information or UNDP's work on Extractive Industries please visit [www.un.org.kh/undp/Extractive-Industries](http://www.un.org.kh/undp/Extractive-Industries)

