

Women's Economic Empowerment in the Pacific: Presentation of Key Findings

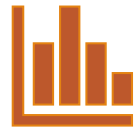
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Pacific Department
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Presentation overview



Research
Questions



Methodology



Key Findings



Research Gaps



Recommendations



Research Questions

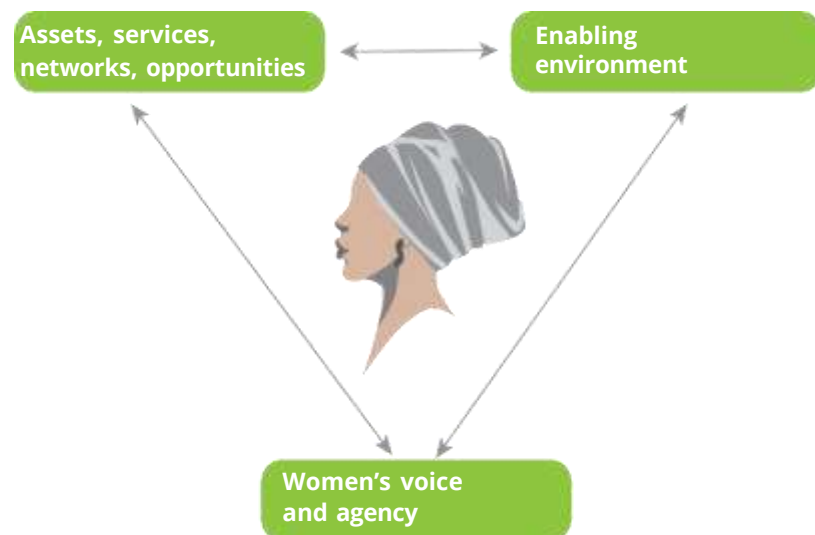
Review of the state of knowledge on women's economic empowerment in the Pacific, focusing on women entrepreneurs and women-owned MSMEs in the formal and informal economies

- Status and trends in women's economic empowerment in the Pacific
- How women are owning, formalizing, and expanding their businesses
- The association between women's economic empowerment and violence against women and girls
- Impact of the COVID-19 pandemic on women's economic empowerment
- Key evidence gaps on women's economic empowerment in the Pacific



Methodology

Women's Economic Empowerment: Conceptual Framework



Source: Calder (2019) cited in Hearle et al. (2020).

Methodological approach

Stage 1: Scan

200+
publications

11 quantitative
databases

- Literature covered from 2010, in English language, peer-reviewed and grey literature.

Stage 2: Evidence Mapping

- Literature coded into an Excel matrix template, with columns correlated to research questions.

Stage 3: Report Writing

- Evidence synthesized under each research question.

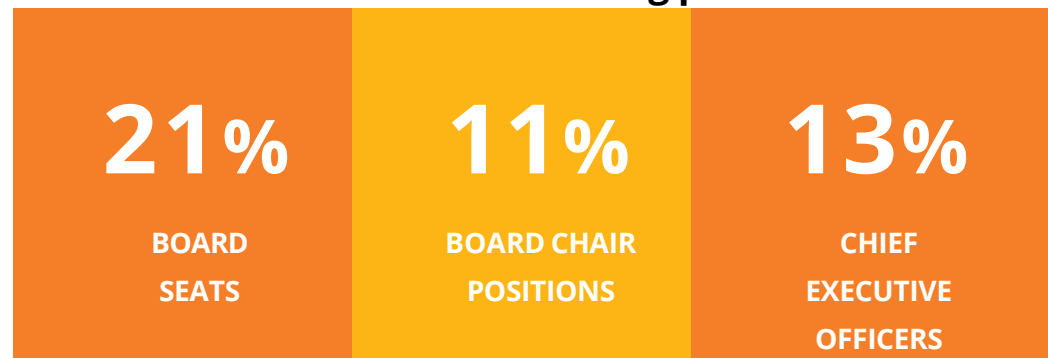


Key findings



Current status and trends in women's economic empowerment

- Women's **labor force participation** remains low, varying from 84% in Solomon Islands to 34% in Samoa.
- Women face poor working conditions, risks of sexual harassment and abuse, and limited collective bargaining voice. Women are **more likely to live in poverty** as a result.
- Women have **less decision-making power** than men.

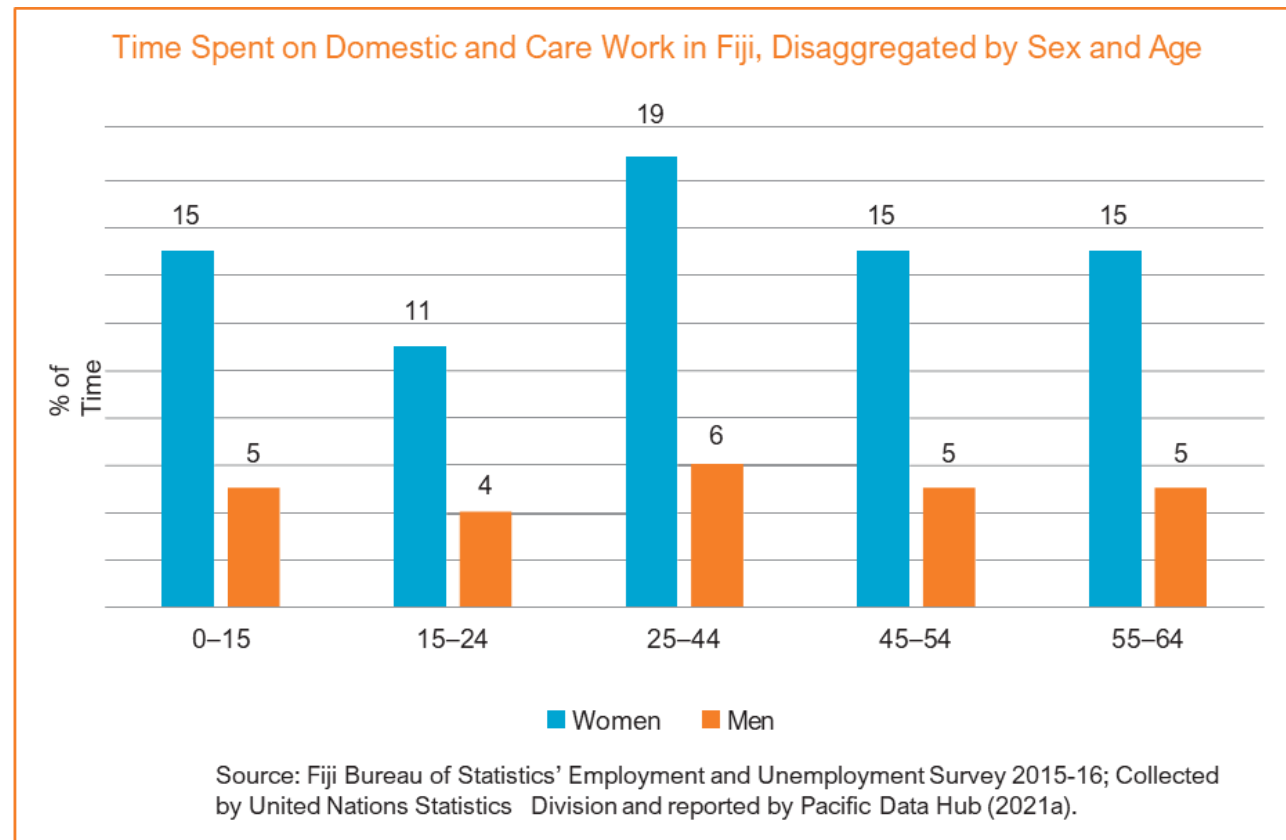


- Many Pacific Island countries have laws protecting women's rights, **but legal and policy gaps and barriers persist**.
 - Many women are excluded from **inheritance rights to customary lands**.
 - Laws mandating equal pay and prohibiting sexual harassment at work **the least enacted**.



Current status and trends in women's economic empowerment

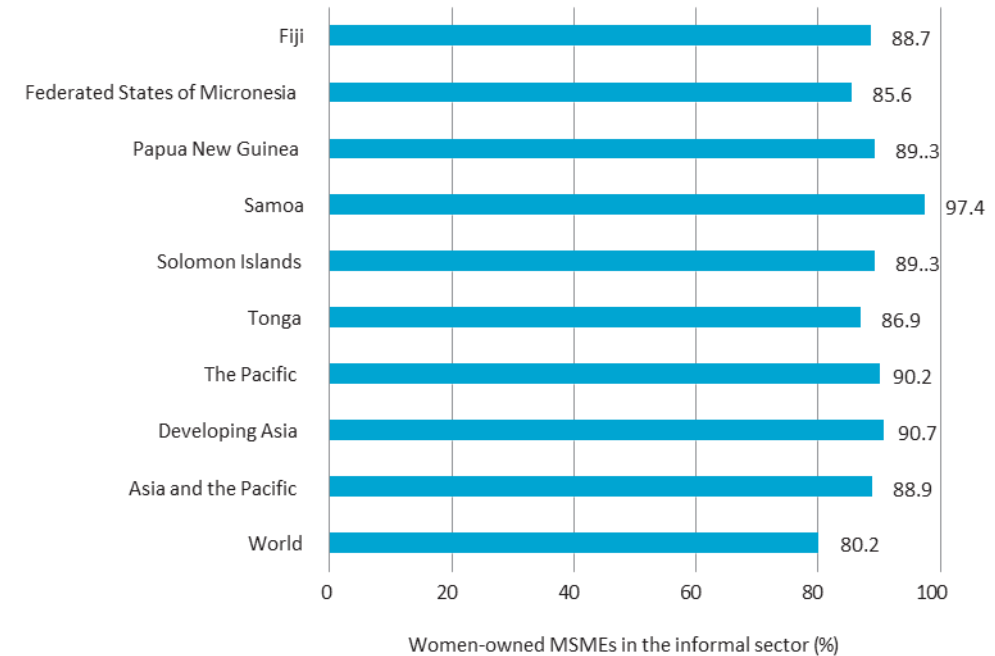
- Women carry an **unequal burden** of unpaid domestic and care work. Access to **affordable and quality childcare** is a key barrier for women and working parents.
- **Unequal access** to training, job opportunities and finance. Access to assets, finance and services is **limited by sociocultural norms**.
- Productivity is lowered by **poor infrastructure coverage and maintenance**, particularly for women in remote areas.
- Pacific women, especially those in remote areas, have **lower levels of access to digital technology** than men despite strong evidence of its potential to improve business outcomes.
- Pacific women are more likely to experience the **negative effects of climate change** and less likely to have access to resources and information to adapt and respond.



How women are owning, formalizing, and expanding their businesses

- Women predominate in the **informal economy**, in low productivity jobs, and in the lower segments of the informal work hierarchy, as **unpaid domestic and care workers**.
- Women's entrepreneurship is common in the Pacific region. Female ownership remains most prevalent in **family-run, smaller, and informal firms**.
- Women's businesses are disproportionately represented in **informal and MSME sectors**. 90.2% of Pacific women-owned MSMEs are in the **informal sector**.
- The percentage of **women-owned micro-firms** ranges from 9% in Fiji to 66.3% in Tonga. Most Pacific island countries have between **40% and 49%** of micro-sized firms owned by women.
- Women-owned businesses are concentrated in industries that **experience intense competition and generate lower returns**, in agriculture and in the services sector in retail, restaurants, hospitality and tourism, and handicrafts.

Percentage of Women-Owned MSMEs in the Informal Sector



MSME = micro, small, and medium-sized enterprise.

Note: Statistics do not include the Marshall Islands; Myanmar; Nauru; Palau; Taipei, China; Tuvalu; and Vanuatu.

Source: International Finance Corporation Enterprise Finance Gap Database (accessed April 2019) cited in ADB (2019).



How women are owning, formalizing, and expanding their businesses

Reasons for Remaining in the Informal Sector

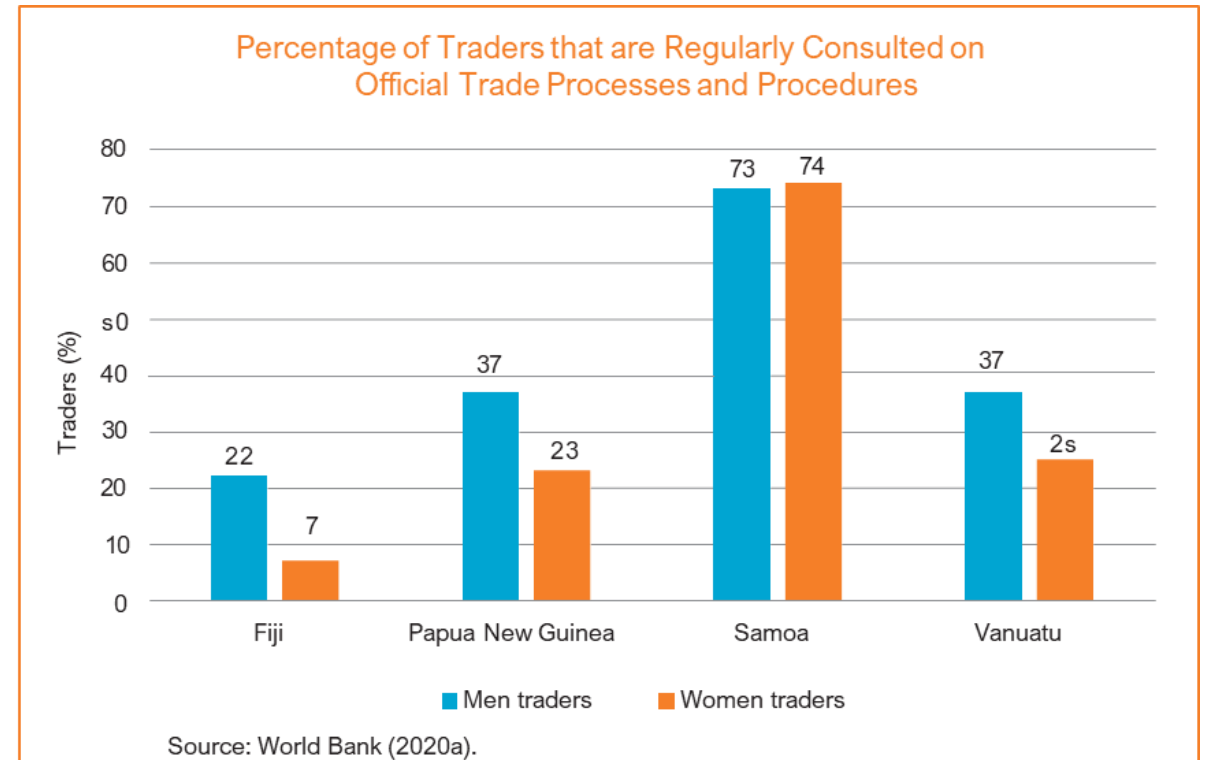
- Flexibility in managing multiple responsibilities, including **unpaid care work**.
- **Compliance costs** associated with labour regulations, taxes, and license fees.
- Lack of awareness of **the formalization process**.
- Limited access to **regulatory authorities** in remote areas.
- Difficulties in accessing opportunities and markets due to **geographical remoteness and lack of infrastructure**.
- Demands from **family and community** for money when in paid work.
- **Formal business structures** may not suit women currently operating in the informal economy.

Barriers to Expansion and Formalization of Women-Owned Businesses



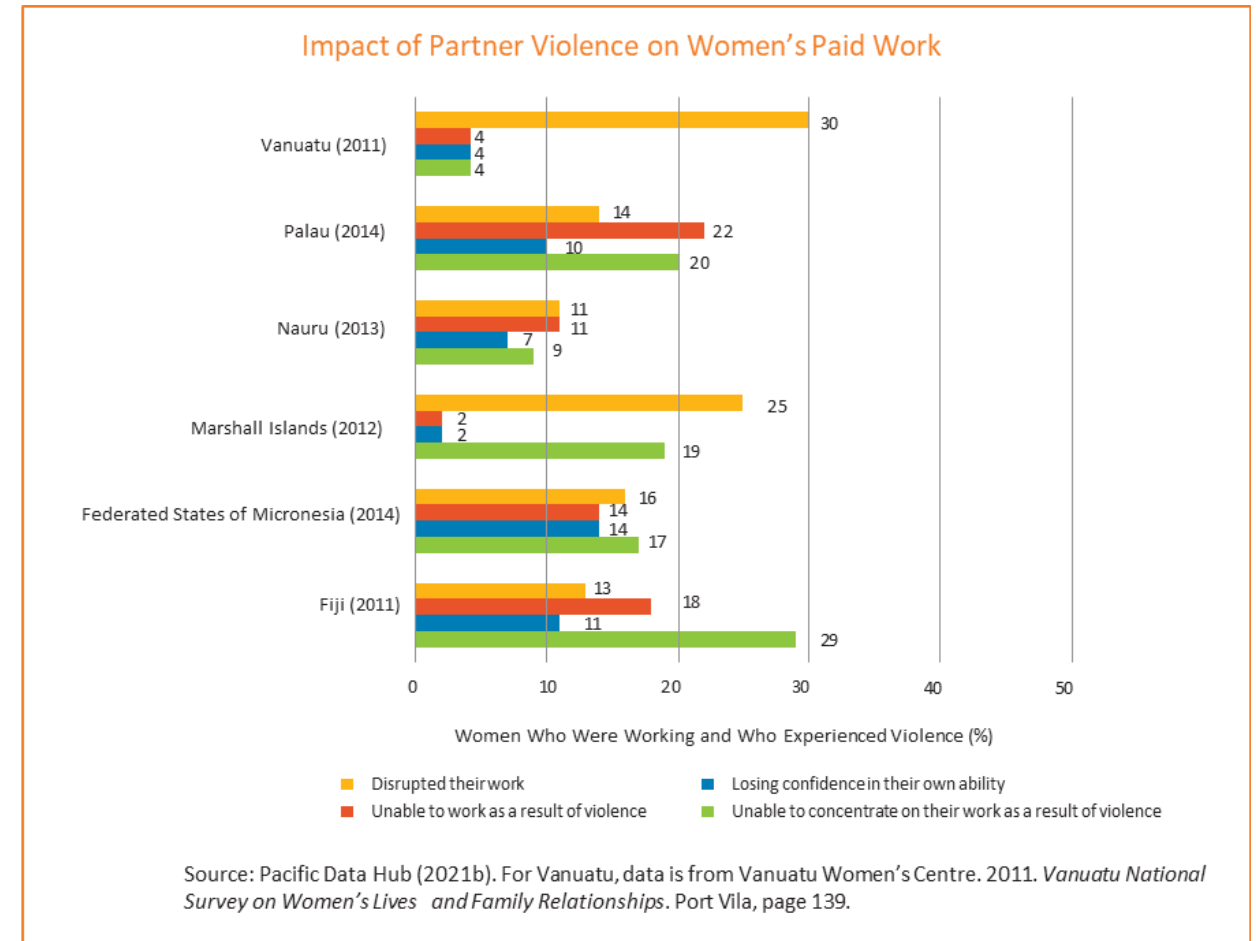
How women are owning, formalizing, and expanding their businesses

- **A weak enabling environment** for promoting business and entrepreneurship disproportionately impacts women.
- Women in business are **less likely to be consulted** for their views in legislative and reform processes.
- **Information on the impact** of access to finance, digital technology and other resources on women's businesses is limited, but **access to finance initiatives** have brought positive outcomes.
- **Digital processes** are the most widely cited positive change in the enabling environment. For example, women can **apply for a business license** via traditional paper-based forms or through an online system.
- Emerging evidence of potential benefit of **gender-responsive procurement** but few countries have policy or legislative frameworks that explicitly support or actively promote it.
- There are a wide variety of **women's business networks** in the Pacific. Due to **capacity and funding gaps** their remit is mainly around building assets, capabilities, and opportunities for women.



The association between women's economic empowerment and violence against women and girls

- Rates of VAWG across the Pacific region are among **the highest in the world**, though prevalence differs widely between countries.
- Economic abuse is prevalent in the Pacific region, negatively impacting women's economic empowerment by **impeding their control over economic assets** and ability to make business decisions.
- Partner violence **impacts women's income generation**. In Fiji, almost half of women who experienced violence said their work was **disrupted in some way**.
- Economic empowerment can be **a risk factor for intimate partner violence** but can also enable women to **leave an abusive relationship**.
 - There is some evidence that **women's increasing income** is correlated with increased intimate partner violence.
 - Economic empowerment can also **enable women to leave a violent relationship**, requiring careful design of interventions to **mitigate the risk** of increased partner violence or retaliation.



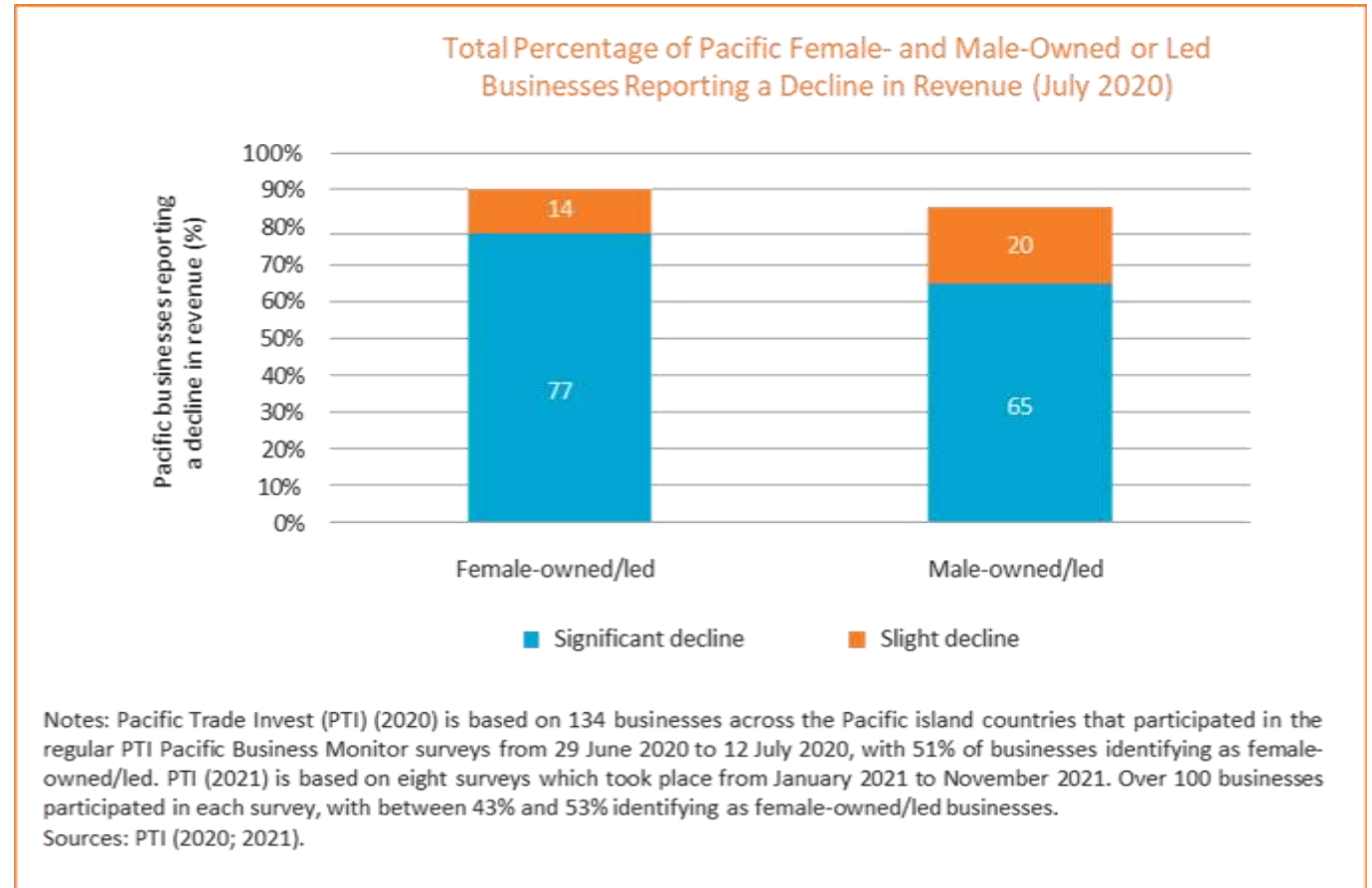
The association between women's economic empowerment and violence against women and girls

- Women workers and entrepreneurs face violence and harassment which can **restrict their income-generating activities**.
- Marketplaces can be unsafe, especially **open markets in urban areas**.
- When employees experience violence at home, there is a **high cost to businesses**.
- There is an absence of comprehensive legislation on gender-based violence, particularly **sexual harassment in the workplace**, across the region.
- Businesses and women's business networks play a key role in **awareness and support** to address violence against women and girls.
- **Effective interventions** promote women's economic empowerment and address gender-based violence simultaneously.
- Interventions **partnering with the private sector** are effective in addressing violence experienced by women workers.
- Development partners are increasingly focused on the **unintended risks** of gender-based violence and sexual exploitation, abuse, and harassment in their projects



Impact of the COVID-19 pandemic on women's economic empowerment

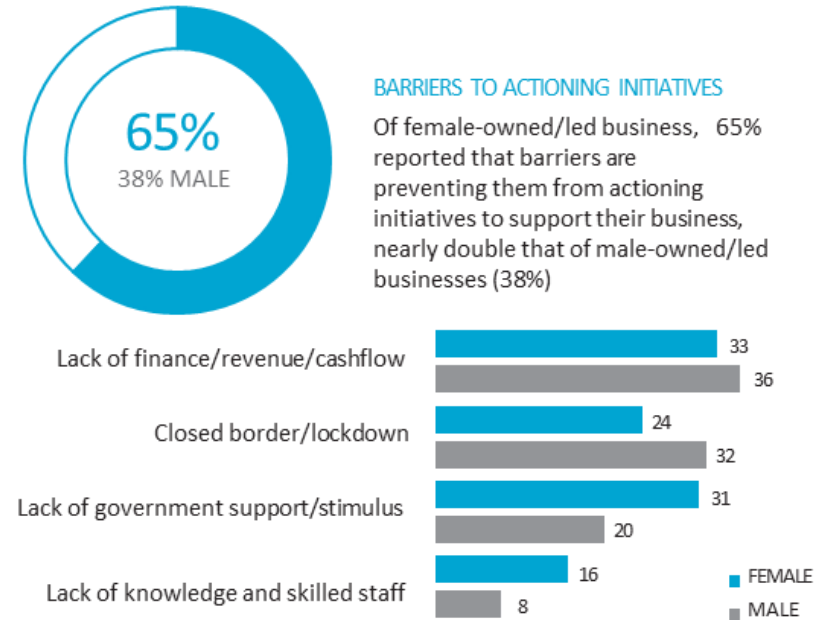
- Women-owned MSMEs have been **worse affected by the pandemic** than male-owned businesses, especially those which are newer and have more than 5 employees.
- There is mixed evidence on the effects of COVID-19 on women entrepreneurs and workers **in the informal economy**.
- Women entrepreneurs experienced increases in **unpaid care work**.
- COVID-19 worsened **pre-existing gendered barriers in access to finance** for women entrepreneurs. During the pandemic, women owned businesses were more likely to **need financial support**.



Impact of the COVID-19 pandemic on women's economic empowerment

- Women-owned MSMEs struggled to access COVID-19 **government support packages**.
- There were promising examples of COVID-19 support for women entrepreneurs e.g. through **one-off payments**, though these were often insufficient to meet their needs and **evidence is not available** on their impact.
- Government stimulus packages for women-owned MSMEs focused on credit, thereby excluding many **women-owned businesses in the informal economy**.

Barriers to Accessing Initiatives to Support Businesses (July 2020)



Source: PTI (2020).



Lessons learned from development partner programs

Development Partner Programs

- DFAT's Pacific Women Shaping Pacific Development (2012–2021)
- DFAT's Market Development Facility (2011–2022)
- ADB's Pacific Private Sector Development Initiative (2007–present)
- DFAT's Pacific Readiness for Investment in Social Enterprise (RISE) (2016–2021)
- DFAT-funded, UN Women and UNDP implemented Markets for Change (2014–2020)

Lessons Learned

- **Strategic public-private partnerships** can lead to improvements in women's working conditions and can be effective in scaling up provision of financial services and women-targeted products.
- Disrupting **harmful social norms** is important for women's economic empowerment. Promising approaches have emphasized the need for **local groups to lead the change**.
- The **"family teams" approach**, which encourages male and female family members to work together, can lead to more gender-equitable outcomes.
- Integrating women's leadership development in financial inclusion initiatives can increase **women's confidence and skills** resulting in greater community support.
- It is important to **engage with male leaders** to build support for women's financial inclusion initiatives such as women's savings clubs.
- **Mobile banking services** can increase women's independence, privacy, control, and decision-making.



Research Gaps & Recommendations



Research Gaps

- Status and trends of women-owned MSMEs and women entrepreneurs **in islands with smaller populations** (Cook Islands, Niue, RMI, Palau, Tuvalu)
- Women's economic empowerment status and trends for women from groups that have **historically been marginalized**, such as people with disabilities.
- Forms of support to women-owned businesses to become more **resilient to climate change**
- Effectiveness of **government stimulus and support packages** aimed at women-owned businesses and women entrepreneurs
- Incentives for **business formalization** and the entry points and mechanisms for expansion of formal businesses
- Interconnections between women's economic empowerment and **violence against women and girls**.
- Strategies to **influence social norms** on women's roles in business.
- Social protection for **workers in the informal economy**, including women-owned informal micro, small, and medium-sized enterprises



Recommendations - Policy



- Ratify ILO Convention No. 190 on **violence and harassment in the world of work** and adopt and enforce sexual harassment legislation and policies in employment.
- Reform tax, finance, and licensing policies and systems to remove barriers and disincentives for **women-owned businesses to formalize**.
- Enact **parental leave policies** to contribute to changing social norms.
- **Introduce childcare policies** to help women who manage their own businesses, or those who want to return to, or stay at work after having children.
- **Incentivize gender-responsive procurement processes** in the public and private sector.
- Regulators, such as central banks or banking authorities, to require **sex-disaggregated data** to be collected, publicly released and reported.



Recommendations - Program

- Encourage financial institutions to accept **non-land assets as collateral** and increase uptake of secured transaction frameworks.
- Develop and implement targeted measures to help self-employed women **restart their businesses** that collapsed or are in “survival mode” because of challenges associated with the COVID-19 pandemic and other crises and shocks.
- Invest in evidence-based programming to **shift harmful social norms that sustain violence** against women and girls in the world of work, focusing on women entrepreneurs and women-owned micro, small, and medium-sized enterprises.
- Building on good practice and experience in the Pacific, work with banks to **adjust risk assessment criteria and models** in favor of micro, small, and medium-sized enterprises and informal businesses and ensure that financial products and services are adapted to women clients.
- Support in-country stakeholders to **disrupt social norms** that act as barriers to women’s business and work with men and boys to support women’s economic empowerment.



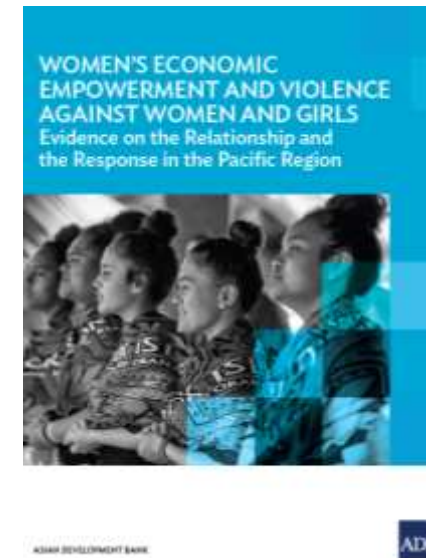
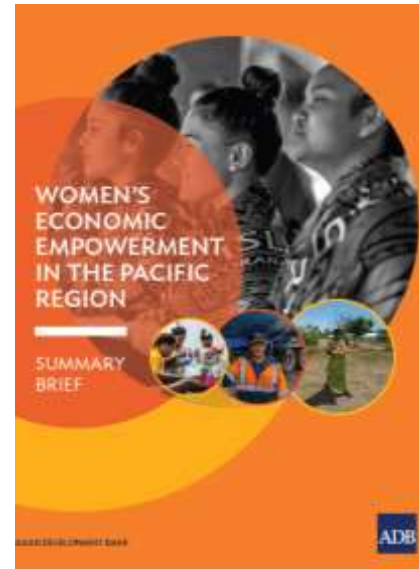
Recommendations - Program



- Develop the **unpaid and paid care provider economy and infrastructure**, to support quality and affordable care services.
- Fund **women's business networks** in the region and increase their capacity to engage in more diverse activities.
- Leverage **digital access and increase access to mobile phones** for women, accompanied with skills building on digital literacy and scale up promising initiatives.
- Partner with the private sector to address violence experienced by **women workers in the formal sector**.
- Mobilize capital for **women-owned businesses** by encouraging financial intermediaries to increase the % of loans meeting 2X Challenge criteria
- Work with technical and vocational education and training and other educational institutions to increase availability and accessibility of **business and entrepreneurship courses** for women and increase their capacity to be adequately equipped for work



Thank you!



<https://www.adb.org/publications/women-economic-empowerment-pacific-region>

