



# Promoting Equal Opportunities for Women in the Labour Market through Business Environment Reforms

Business Environment Reforms for Women's Economic Empowerment series

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## ...before we start

➤ Please mute your microphones.



➤ This session is recorded.



➤ Do you have a questions? Please write it into the chatbox 😊!



# What is the Investment Climate Reform Facility?



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# Investment Climate Reform (ICR) Facility

**Objective** Support the countries and regional institutions in Africa, the Caribbean and the Pacific in their public-private dialogue process to create a more conducive and sustainable investment climate.

## 1) Technical Assistance

- Are you a public and private stakeholders in an African, Caribbean or Pacific country? Do you conduct a business environment reform initiative?
- The ICR Facility offers **technical assistance** of up to 90 expert days for your business environment reform initiative.
- Interested? Check your eligibility and send a request via [www.icr-facility.eu](http://www.icr-facility.eu)

## 2) DFIs

Strengthening national and sub-regional DFIs countries with tailor-build capacity building

## 3) Sharing and compiling knowledge

Dissemination and Mainstreaming of best practices and lessons learnt ([www.icr-facility.eu](http://www.icr-facility.eu))

ICR Knowledge Hub

ICR Blog

Online Events

## More information

Website: [www.icr-facility.eu](http://www.icr-facility.eu)

Linkedin: Investment Climate Reform Facility

Youtube: ICR Facility



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# ICR Series on Women's Economic Empowerment

ICReport	Online Event
<p>1) Women's Economic Empowerment and Business Environment Reform</p>	<p>July 2021 Recording of the webinar and the report are available on the ICR Facility website</p>
<p>2) Women's Economic Empowerment and Employment</p> 	<p>30<sup>th</sup> September 2021, 4 – 5.30 (CET)</p> 
<p>3) Women's Economic Empowerment and Public-Private Dialogue</p>	<p>November 2021</p>

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AGENDA	
Introduction ICR Facility	Karl Belizaire
I) Welcome Address	Escipión Oliveira-Gomez, Assistant Secretary-General, Organisation of African Caribbean and Pacific States (OACPS) Miguel Campo-Llopis, Policy Officer, DG INTPA / European Commission
II) Key takeaways from ‘Business Environment Reforms to Promote Equal Opportunities for Women in the Labour Market: Evidence from ACP countries’	Dr. Susana Martinez-Restrepo Senior International Expert (Gender and Development)
III) Comments and Reactions	Richard Ssewakiryanga, Senior Research Fellow and Adviser for Policy Research and Strategic Partnership, Center for Basic Research  Sally Kahiu, Head of Corporate Communications and Marketing, Kenya Association of Manufacturers (KAM); the Lead Coordinator for the Women In Manufacturing (WIM) Programme  Virginia Rose-Losada, Global Coordinator, Women's Entrepreneurship Development, International Labour Organisation
IV) Q&A Session with Panellists	
V) Support by the ICR Facility	



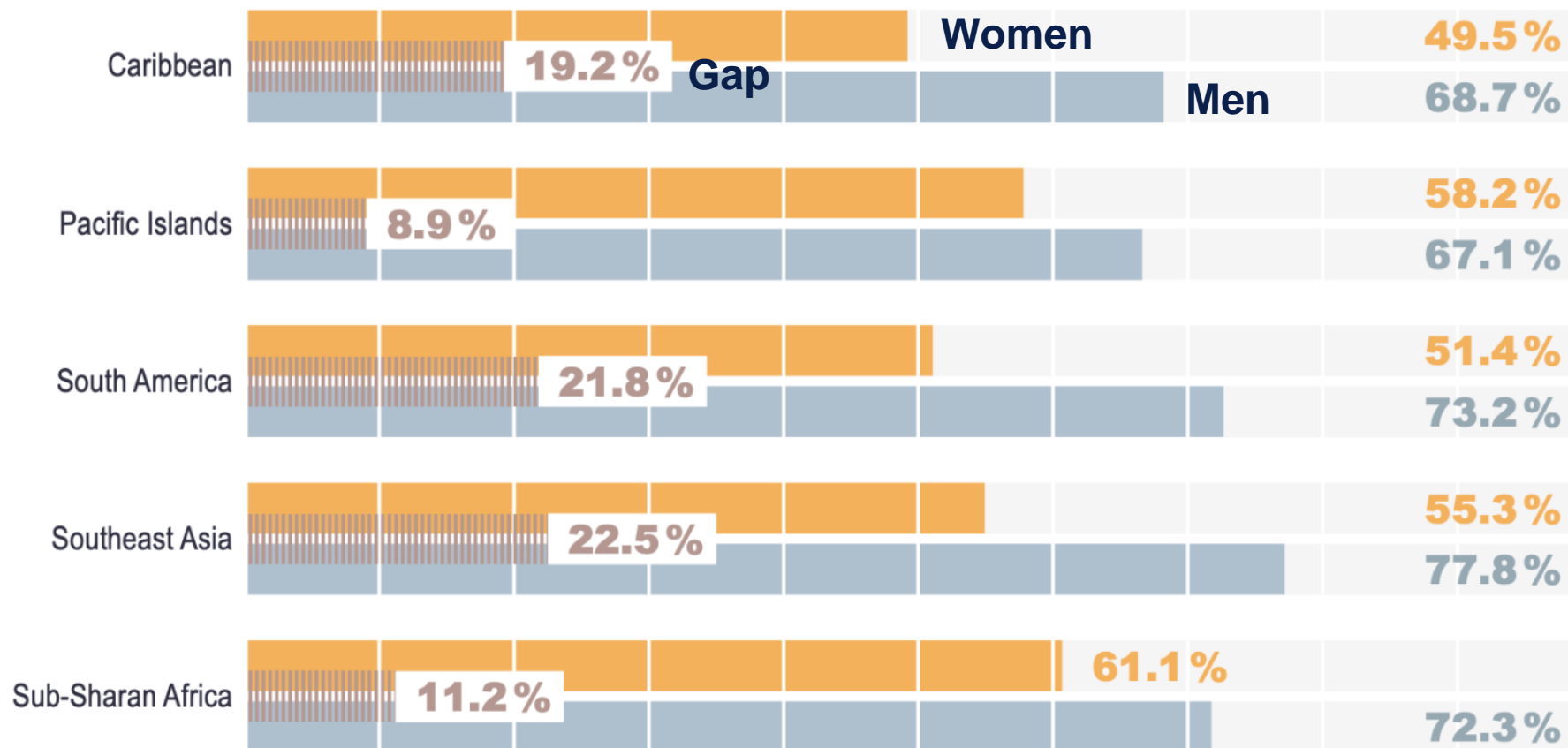
# BUSINESS ENVIRONMENT REFORMS TO PROMOTE EQUAL OPPORTUNITIES FOR WOMEN IN THE LABOUR MARKET

Susana Martinez-Restrepo, PhD.

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**Figure 1: Labour market participation by gender by regions, 2021**



Source: ILOSTAT – ILO Modelled Estimates, 2021.  
Note: labour market participation. This includes non-paid jobs

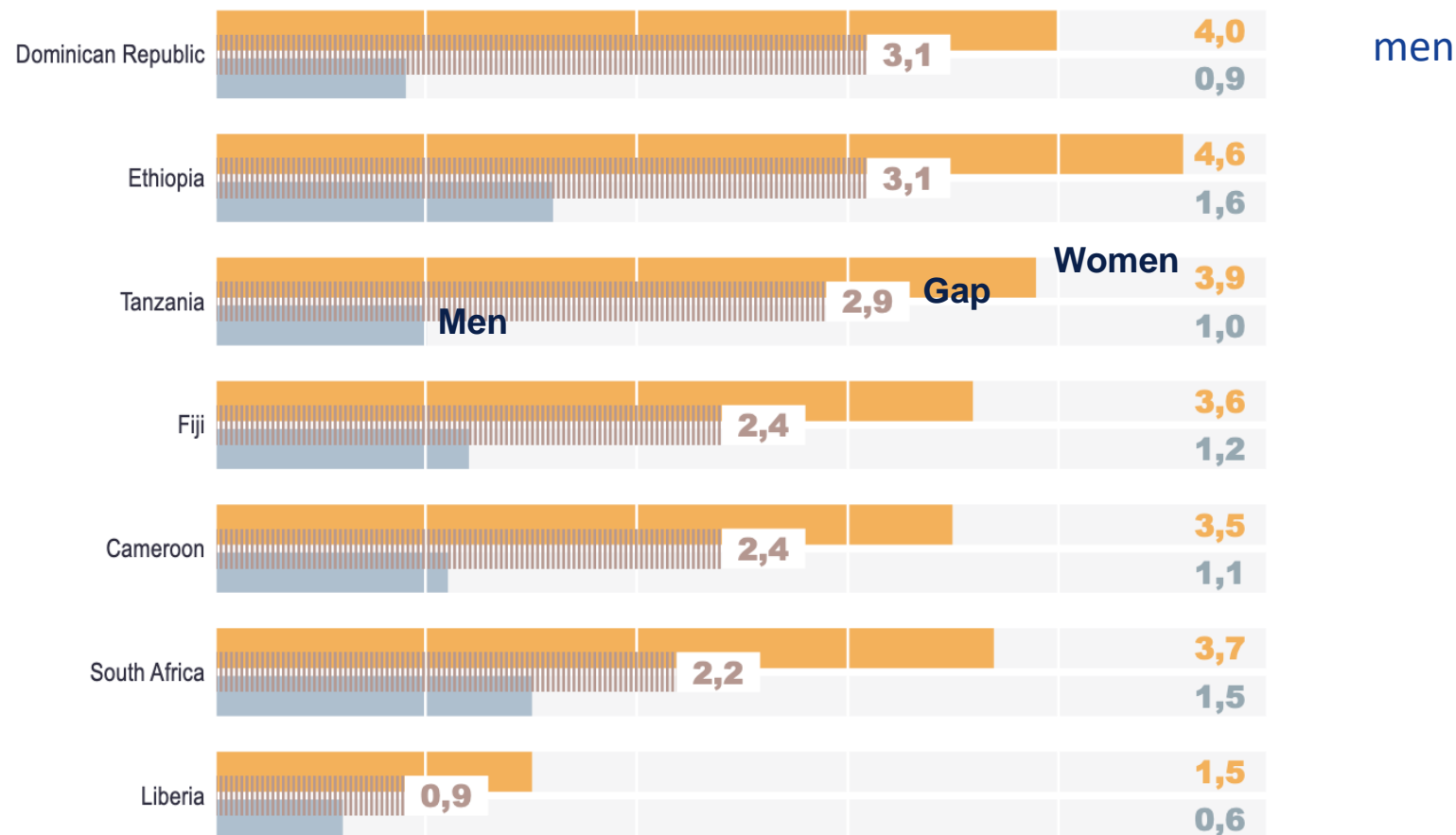
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## HOW TO EXPLAIN THESE GAPS?

- Legal barriers (implicit or explicit).
- Regulations limit the sectors where women can work
- Social and cultural norms.
- Time dedicated to domestic chores and care activities
- Lack of affordable care.
- Lack of access, cost, distances of transportation limit women's mobility.
- Low-education attainment among women limit women's employment opportunities particularly in the formal sector (not true for the Caribbean).
- Covid-19 worsened these trends for women in many ACP countries.

**Figure 3: Daily hours spent on unpaid domestic and care work in selected ACP countries\***



Source: World Bank Open Data, 2021.

Note: The data of the last year available for each country was used. Countries selected based on those available with the most recent data.

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## WHY IS IT ESSENTIAL TO ADDRESS THE LABOUR MARKET GAPS

- The total Gross Domestic Product (GDP) loss due to gender inequality per year in earnings was 11.4 per cent in Sub-Saharan Africa, 16.6 per cent in East Asia and the Pacific, and 7.9 per cent in Latin America and the Caribbean
- Discriminatory laws and social norms and practices are the cause of an 8 per cent loss in global investment and a 12 per cent decrease in labour force participation for women, which resulted in a 7.5 per cent loss of the global GDP (OECD, 2019).
- Individual tax filing could increase women's labour force participation by 15.5 per cent.
- Improving women's labour market participation and the quality of the work they perform has positive benefits for them, their families, and society overall.





# 1. INCREASING WOMEN'S LABOUR MARKET PARTICIPATION THROUGH LEGAL REFORMS

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**TABLE 1:**

**LAWS THAT AFFECT WOMEN'S EMPLOYMENT IN ACP COUNTRIES**

	Countries with laws restricting women from getting a job in the same way as men <sup>35</sup>	Countries where the law does not prohibit discrimination in employment based on gender <sup>36</sup>
Barbados		x
Botswana		x
Brunei Darussalam		x
Cameroon	x	
Chad	x	
Comoros	x	
Congo, Rep.		x
Dominica		x
Equatorial Guinea	x	
Eswatini	x	
Gabon	x	
Guinea-Bissau	x	
Jamaica		x
Mauritania	x	
Micronesia, Fed. Sts.		x

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Source: Author's own elaboration based on World Bank, 2021, Women, Business and the Law, 2021.

## REFORMING THE LAW TO PROMOTE WOMEN'S EMPLOYMENT

In 2000, **Ethiopia** reformed its family law, extending married women's access to marital property and removing restrictions that did not allow them to work outside their homes. As a result:

- Women were more likely to be employed in jobs that could only be performed outside their homes.
- More women to access skilled and full-time paid jobs that could only be performed outside their homes
- More women accessing skilled and full-time paid jobs
- The policy had more significant benefits on younger and single women



## REFORMING THE LAW TO PROMOTE WOMEN'S EMPLOYMENT (2)

- Countries such as the Marshall Islands, Senegal, Sierra Leone, and Ethiopia have developed strategies to change laws and regulations that impede women's equal labour market opportunities.
- In 2020, for example, the Marshall Islands prohibited gender-based discrimination in the workplace, and the law began to mandate equal pay for equal work
- Sierra Leone adopted legislation on sexual harassment in the workplace





It is essential to consider that even when countries adopt such legal reforms, social norms and customary laws can continue to affect women's labour market opportunities.

Promoting business environment reforms to allow more women-owned businesses to formalise also creates employment opportunities for women. Indeed, women face greater barriers than men to register and manage a business and access credits. Evidence also suggests that women are more likely to employ other women.

ACP countries willing to increase women's labour market participation, earnings, and quality of their jobs need to identify and tackle the legal barriers that can affect women's economic empowerment both within the law and customary practices.



## 2. PROMOTING WOMEN'S PARTICIPATION IN TRADITIONALLY MALE-DOMINATED INDUSTRIES

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# LAWS THAT LIMIT WOMEN'S OPPORTUNITIES IN CERTAIN SECTORS

The OECD suggests that there are still 88 countries world-wide that prohibit women from entering certain occupations.

This is particularly worrisome since the pandemic has spurred a job boom in traditionally male dominated sectors such as construction, infrastructure.

	Countries where women cannot <b>work at night</b> in the same way as men	Countries where women cannot work in a <b>job deemed dangerous</b> in the same way as men	Countries where women cannot get an <b>industrial job</b> in the same way as men
<b>Mauritania</b>		✗	✗
<b>Mozambique</b>		✗	✗
<b>Niger</b>		✗	✗
<b>Nigeria</b>			✗
<b>Papua New Guinea</b>		✗	✗
<b>Senegal</b>		✗	✗
<b>Sierra Leone</b>			✗
<b>Solomon Islands</b>	✗		
<b>Somalia</b>	✗		
<b>St. Kitts and Nevis</b>			✗
<b>St. Vincent and the Grenadines</b>			✗
<b>Sudan</b>	✗	✗	✗
<b>Vanuatu</b>	✗		

## BUSINESS ENVIRONMENT REFORMS TO PROMOTE WOMEN IN TRADITIONALLY MALE- DOMINATED INDUSTRIES



- In 2018, the Democratic Republic of the Congo lifted a ban on women working in industrial business (Darussalam in 2011 and in Kiribati in 2016).
- In 2020, São Tomé and Príncipe lifted restrictions on women's ability to work at night in mining and in jobs deemed dangerous.
- Mining companies in Ghana have a skill-development programme for females that are linked to Women in Mining Initiatives at the corporate level.

## PUBLIC PROCUREMENT POINT-SYSTEM TO PROMOTE JOB CREATION FOR WOMEN

- Creating quotas for women through public procurement can also be an important tool to promote job creation for women in traditionally male-dominated industries.
- In developing countries, public procurement can equate to 30 per cent of GDP.
- For example, a 2020 decree in Bogota, Colombia, mandates that all contracts awarded by the city must include a quota to increase female participation in traditionally male-dominated sectors. As of 2021, all construction projects should include at least 6.8 per cent of women among its employees or contractors.





# 3. DISCRIMINATORY FISCAL SYSTEMS AND THE ROLE OF TAX INCENTIVES TO PROMOTE A MORE INCLUSIVE JOB MARKET FOR WOMEN





## HOW TAXATION SYSTEMS CAN AFFECT WOMEN IN LABOUR MARKETS

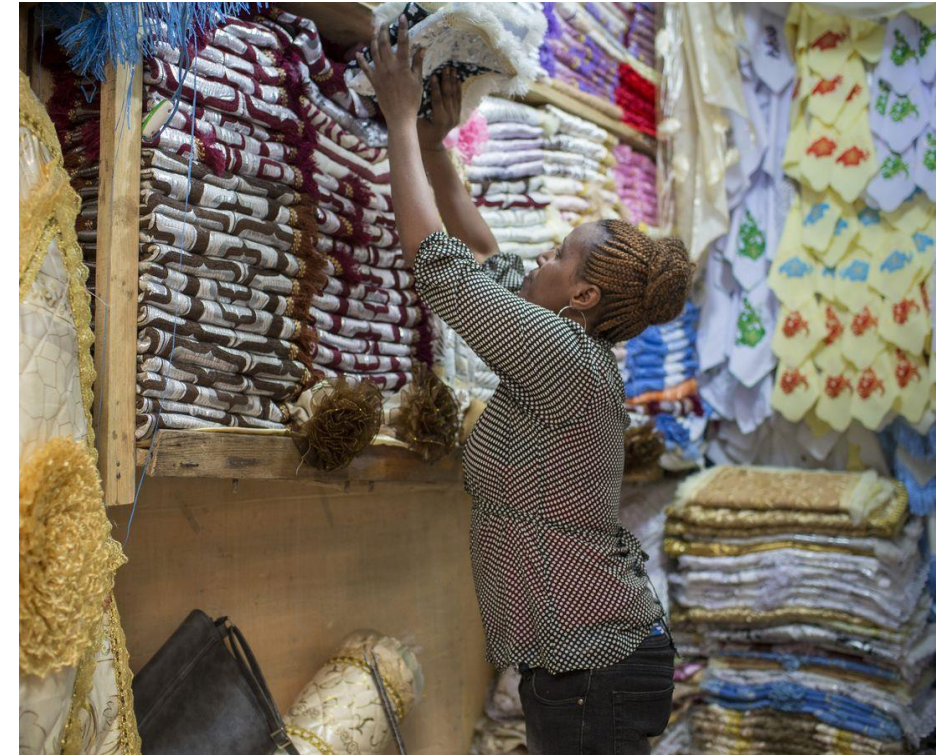
Individual tax filing could increase women's labour force participation by 15.5 per cent, from a current base of 17.9 per cent for females with a high school diploma. In addition, it could increase female income by 19.3 per cent, reducing the gender income gap by 15.3 per cent.

- In Ghana, by 2010 single-parent households could not claim tax relief for financially dependent people. This severely penalised women, who head the majority of single-parent households.
- By 2014, this regulation was been modified and now every person with a dependent spouse or two (and more) dependent children can apply to the Marriage/Responsibility tax relief.



## CREATING TAX INCENTIVES TO PROMOTE GENDER-INCLUSIVE JOBS

- Tax incentives can incentivize women to re-enter the workforce after a prolonged maternity leave.
- The Malaysian government introduced a tax incentive program that encourages employers to train women who re-entered the labour force after taking a career break (due to motherhood).
- Tax incentives and deductions for companies can also play a major role in increasing job opportunities for women and the quality of their jobs. (removable energy).





# 4. CONCLUSIONS AND POLICY RECOMMENDATIONS

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1

Promote legal reforms: equal opportunity starts with equal treatment under the law. Legal frameworks must be reformed so that women can get jobs in the same way as men and must penalize discrimination against women during recruitment processes and in the workplace.

2

Create public procurement incentives: creating a point-based system or quotas through government contracting can create new opportunities for women to access the labour market, particularly in traditionally male-dominated sectors. These initiatives need to be complemented with training to strengthen women's skills in high demand areas (e.g. transformation, construction, technology) as well as robust hiring efforts.

3

Promote fiscal reforms: due to explicit and implicit bias, tax systems can penalise women's earnings (given that they are second income earners, for the most part), and disincentivise their labour market participation or their access to the formal job market.

In addition to reforming tax systems, it is necessary to simplify tax filing procedures since women are more likely to be disadvantaged than men, for not knowing how much tax to pay, and what procedures to follow.

## III) Comments and Reactions

### **Richard Ssewakiryanga**

Senior Research Fellow and Adviser for Policy Research and Strategic Partnership,  
Center for Basic Research

### **Sally Kahiu**

Head of Corporate Communications and Marketing, Kenya Association of  
Manufacturers (KAM); the Lead Coordinator for the Women In Manufacturing (WIM)  
Programme

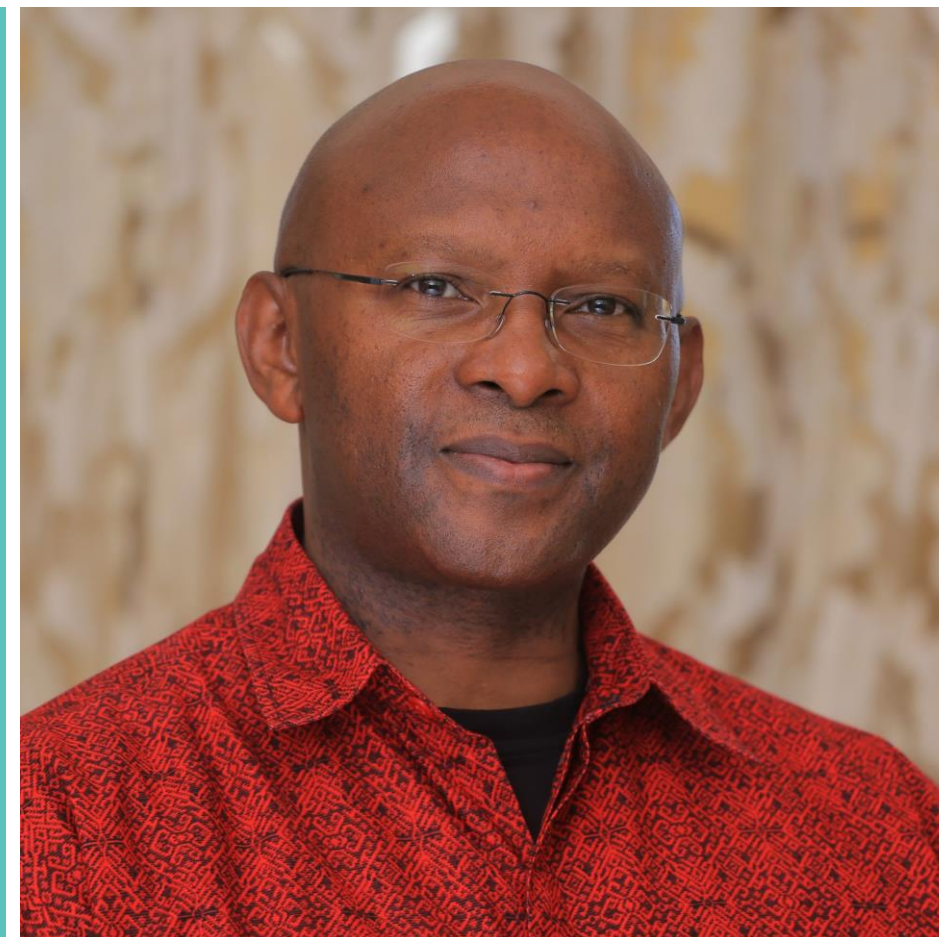
### **Virginia Rose-Losada**

Global Coordinator, Women's Entrepreneurship Development, International Labour  
Organisation



# Richard Ssewakiryanga

*Senior Research Fellow and Adviser  
for Policy Research and Strategic  
Partnership  
Center for Basic Research*





# Sally Kahiu

*Head of Corporate Communications  
and Marketing  
Kenya Association of Manufacturers  
(KAM);  
the Lead Coordinator for the Women  
In Manufacturing (WIM) Programme*



# Virginia Rose-Losada

*Global Coordinator  
Women's Entrepreneurship  
Development  
International Labour Organisation*





# IV) Q&A Session

Do you have a question to our panellists?

Please write your question into the chat box!



- Are you a public or private stakeholder in an ACP country?
- Do you want to improve your business environment for supporting women's economic empowerment?

The ICR Facility can support you with technical assistance of up to 90 expert days.

Check the eligibility criteria on our website and send us a request via the online request form.

[www.icr-facility.eu](http://www.icr-facility.eu)



# Thank you for your feedback!



[info@icr-facility.eu](mailto:info@icr-facility.eu)



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