# United Nations Secretary-General's High-Level Panel on Women's Economic Empowerment

30 April 2016





### Overview

Gender equality is fundamental to whether and how societies thrive. Although the United Nations Decade for Women was established in 1975 progress in women's economic empowerment has been slow and sometimes stagnant.

In January 2016 the United Nations Secretary-General announced the establishment of a High-Level Panel of leaders from business, government, civil society and academia to lead the charge to close the economic gender gap and place the economic empowerment of women at the top of the global agenda.

The objectives of the High-Level Panel are to:

- Demonstrate high-level leadership and commitment;
- Set clear action-oriented priorities to empower women economically; and,
- Show how government, business and civil society can work together for results.

The High-Level Panel will inform and inspire action to address the most critical constraints to women's economic empowerment. Its report to the Secretary-General will be informed by rigorous evidence and broad consultation of citizens across the world. It will also be complemented by case studies providing examples that can be replicated and scaled up by businesses, governments and communities around the world.

This paper provides an overview of the current economic gender gap and outlines how the High-Level Panel plans to address the challenge. It has been informed by the discussions of the first meeting of the Panel which took place in March 2016.

## 1. Context and motivation: Where do we stand?

Today, there is unprecedented recognition of gender gaps in economic opportunities and outcomes, and growing commitments to combat these, from governments, multilateral agencies and the corporate world. The ambitious goals laid out in the 2030 Agenda for Sustainable Development capture the intrinsic importance of gender equality and women's economic empowerment (Box 1).

The United Nations Decade for Women was launched in 1975, which has been followed by key governmental commitments bringing women's rights to centre stage – including the 1979 Convention for the Elimination of All Forms of Discrimination Against Women and the 1995 Beijing Platform for Action. More than 1,100 business leaders have signed the Women's Empowerment Principles to promote gender equality, and, to date, over \$300 million has been committed by companies to promote economic empowerment. The international community has therefore been making promises for decades, yet clearly international goals, in themselves, will not suffice.

Throughout the world, we know that progress has been too slow. There are large and persistent gender gaps in economic opportunities and outcomes in almost all countries. Women are less likely to participate in the paid and formal economy, they are largely concentrated in vulnerable and low-paying jobs and sectors, they are more likely to work part-time, they generally earn less than men for the same jobs and skill levels, they have fewer assets and property rights, they hold fewer top management and leadership positions, they often face outright discrimination and implicit biases that favour men, and they disproportionately bear the burden of unpaid household (family) work and care.

"A woman is economically empowered when she has both the ability to succeed and advance economically and the power to make and act on economic decisions".

- Definition provided by the International Center for Research on Women

Box 1: What is women's economic empowerment?



These gender gaps in the world of work are large, pervasive and persistent:

- Participation: Contrary to conventional wisdom, global rates of female labour force participation have stagnated in recent decades, falling from 57 to 55 percent since 1990 (Figure 1). The only regional exception is Latin America, where rates rose, albeit from a low base, and significantly contributed to reductions in income inequality and poverty over the period.
- Types of jobs: There are significant differences between women and men in types of work, sectors, occupations and types of firms. Although a few women have moved into management and professional occupations in what has been termed a 'quiet revolution' the concentration of women in the informal economy where jobs are low-paying, vulnerable and lack formal social and legal protection, and in low-paying jobs and sectors in the formal economy continues around the world. Occupational segregation contributes to pay gaps women continue to be disproportionately employed in less well-paid occupations, despite the fact that the gender gap in education has narrowed or closed in many countries.
- **Earnings**: Women consistently earn less than men, largely as a result of the significant and persistent gender differences in employment in different occupations and sectors. Even in comparable jobs in the same sectors, women continue to earn much less than men. At the current pace of progress, the ILO estimates that the gender pay gap would not be eliminated until 2086, at best.
- Informal sector work. Gender inequality intersects with other inequalities -- such as poverty, geography, ethnicity and race or caste -- in shaping economic opportunities. At the global level women remain overrepresented in more vulnerable and informal types of work, as own-account and contributing family workers, especially in developing countries where the informal sector tends to be much larger. A significant but growing share of informal workers are domestic workers in households, estimated by <a href="the ILO">the ILO</a> to number some 44 million women.
- **Unpaid work**. In all regions, women spend more time engaged in unpaid work, including household chores, caring for children and for elderly family members. On average in the OECD, for example, women do two-thirds of such work. Changing demographics flag that elderly care will become increasingly important in the future (Figure 2).

Figure 1: Stagnating women's labour force participation, and LAC exceptionalism



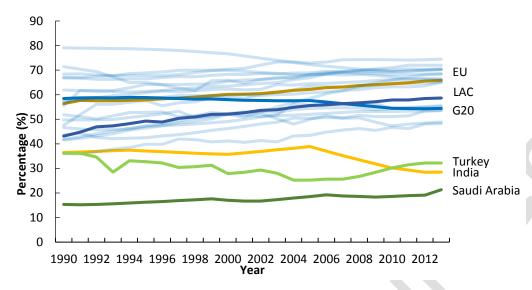
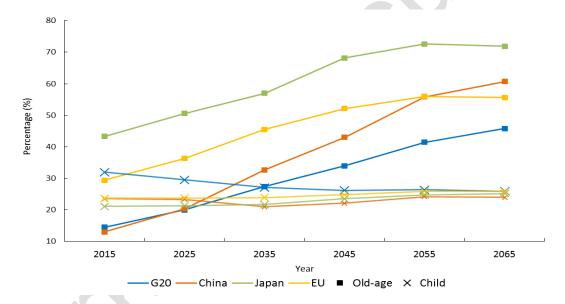


Figure 2: A growing burden of elderly care, selected countries and groups



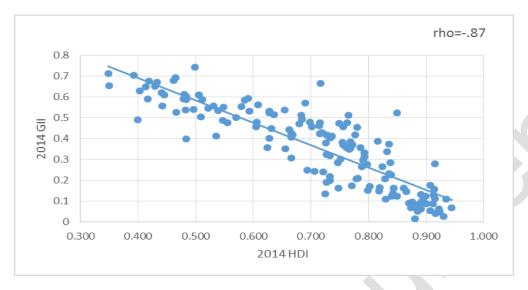
Source: Klugman 2015 based on UN World Population Prospects data

Note: Ratio of children (<age 15) and elderly (>age 64) per 100 persons aged 14-64.

Recent investigations, most notably the <u>McKinsey Global Institute</u>, have shown how economic development supports gender equality in society but is not sufficient to achieving parity. Figure 3 illustrates this point by showing the close correlation between levels of gender equality in a society, as measured by the Gender Inequality Index, and the Human Development Index, a broad composite measure of development capturing education, health and income. <u>McKinsey</u> finds that, broadly speaking, an increase in gender equality in society is linked with an increase in gender equality in work, and that virtually no country has high gender equality in society and low equality in work.



Figure 3: Correlation between national levels of human development (HDI) and gender inequality (GII)



Note: Higher values of the GII indicate larger gender gaps.

Why do gender disparities matter? It is not only a matter of basic human rights. As underlined by the <u>World Economic Forum</u>, <u>Citi</u> and others, women's economic empowerment and gender parity has a vast bearing on how competitive a country may become or how efficient a company may be. Ultimately, gender equality is fundamental to whether and how societies thrive.

# 2. Women's Economic Empowerment and the Sustainable Development Goals

The SDGs provide a catalyst, with unprecedented global commitment to accelerate progress on major sustainable development challenges including women's economic empowerment.

On 25 September 2015 the General Assembly adopted "<u>Transforming Our World: the 2030 Agenda for Sustainable Development</u>". All states "commit(ed) to fully engage in conducting regular and inclusive reviews of progress... (and a) robust, voluntary, effective, participatory, transparent and integrated follow-up and review framework ... (that) will be people-centered, gender-sensitive, respect human rights and have a particular focus on those furthest behind." Institutional arrangements for monitoring and follow-up will be agreed in 2016.

The High-Level Panel takes its lead from the explicit narrative of gender equality and women's empowerment outlined in the Declaration, namely:

We resolve, between now and 2030 ....to protect human rights and promote gender equality and the empowerment of women and girls....

The vision is that women and girls must enjoy equal access to quality education, economic resources and political participation as well as equal opportunities with men and boys for employment, leadership and decision-making at all levels. Goal 5, to achieve gender equality and empower all women and girls, and the associated targets, captures significant global consensus around an ambitious agenda. The concrete targets for women and girls listed in Box 1. The need to address women's economic empowerment is recognized across the other goals – including the achievement of "full and productive employment and decent work for all women and men... and equal pay for work of equal value" (Target 8.5).



The SDGs provide orientation and common goals to be pursued but the SDGs will only be achieved if the public sector, private sector and civil society all demonstrate real leadership and work together.

In this context, the practical objective of the High-Level Panel is to accelerate women's economic empowerment, by identifying and securing concrete commitments and action toward the 2030 Agenda for Sustainable Development.

## Box 1: The Sustainable Development Agenda and Gender Equality

The post-2015 development agenda was led by Member States, with broad participation from a range of stakeholders. In September 2015, the United Nations General Assembly formally adopted the 2030 Agenda for Sustainable Development, with a set of 17 Sustainable Development Goals and 169 associated targets (see graphic). The fifth goal is to achieve gender equality and empower all women and girls, and there are nine associated targets, which all have links to economic empowerment.

## **TARGETS**

- 5.1. End all forms of discrimination against all women and girls everywhere
- 5.2. Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation
- 5.3. Eliminate all harmful practices, such as child, early and forced marriage and female genital mutilation
- 5.4. Recognize and value unpaid care and domestic work through the provision of public services, infrastructure and social protection policies and the promotion of shared responsibility within the household and the family as nationally appropriate
- 5.5. Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life
- 5.6. Ensure universal access to sexual and reproductive health and reproductive rights ...
- 5.a. Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws
- 5.b. Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women
- 5.c. Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels

The need to address gender disparities is recognized across the other goals – including the achievement of "full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value" (<u>Target 8.5</u>) and ensuring "equal opportunity and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard" (10.3).



# 3. The High-Level Panel

The High-Level Panel has been created to:

First, demonstrate high-level leadership and commitment. The Secretary General has brought together influential leaders from a diversity of regions and backgrounds to drive change and create momentum.

Second, to highlight priorities for accelerating women's economic empowerment, and identify how these priorities can and, in some cases, are being realised.

Third, to show how government, business, civil society and development partners can work together to achieve the vision of women's economic empowerment.

The Panel will produce two reports to the UN Secretary-General, drawing on rigorous analysis of the evidence, and views from broad-based consultations, and highlighting effective practices. Panel members will bring insights and commitment to actions to implement the agenda.

## 4. The Report

The High-Level Panel will report its findings to the UN Secretary General in September 2016 and March 2017, The target audience extends to decision-makers around the world, in the public and private sectors, as well as to civil society and the media.

The HLP report will inform and inspire action to address the most critical constraints to women's economic empowerment, and to demonstrate that progress is possible now. It will outline a strategic agenda focused on major issues where the panelists, individually and together, from member states, civil society and the private sector, can bring about change in the short term. The HLP will lay out commitments to specific actions and interventions to drive change. The types of actions will range from innovative programs, to the scaling up of existing initiatives, to governmental action, like treaty ratification and legislative reforms.

The report will be succinct and accessible, with persuasive data visualizations and human stories. It will draw on and build upon recent global reports on women's economic empowerment (see Box 2).

Transforming Economies: Realising Rights (Progress of the World's Women, UN Women)

Building Effective Women's Economic Empowerment Strategies (ICRW and BSR, 2016

The Power of Parity (McKinsey Global Institute, 2015)

The Global Gender Gap Report 2015 (World Economic Forum)

Gender at Work (World Bank 2014)

Global Wage Report ILO, December 2014

Closing the Gap (OECD 2012)

Women at Work (ILO 2016)

Box 2: Some recent major global reports on Women's Economic Empowerment

A core theme is expected to be that gender equality in the economy is impossible without gender equality in society, and that important relations run both ways. This underlines the importance of gender equality in society, attitudes and beliefs about the role of women. This is not a radical view, as recent analysis by <a href="McKinsey">McKinsey</a> and others underscore. The analysis will also highlight recent findings, including those from the <a href="IMF">IMF</a>, documenting the links between gender inequality and income inequality.



## The proposed structure of the September report is below:

The Time is Now / Executive Summary

One / Why Now?

Two/ Where Do We Stand

Three/ The Time is Now

Four/ Measuring Success

The six major issue areas that Panel members have agreed should be the focus of the report are the following, which also have important inter-relations:

- 1. Eliminating legal barriers to women's economic empowerment
- 2. Addressing the care economy
- 3. Reducing gender pay gaps
- 4. Expanding opportunities for women who work informally
- 5. Promoting financial and digital inclusion for women
- 6. Fostering female entrepreneurship and enhancing the productivity of women-owned enterprises

A central theme of the report is expected to be around changing discriminatory norms and stereotypes that constrain the choices and opportunities of women and girls While recognizing that changing norms takes time, the report will seek to include concrete ways to address adverse norms and discrimination as part of the action agenda, as for example through legal reform.

The report will emphasize that leadership is critical. It will highlight the potential for change in corporate practices and public policies in the short term, while underlining that the expansion of opportunities for women and girls is a long term and broader agenda that will not be comprehensively addressed in the present report. The HLP can recognize and encourage mutually supporting initiatives that are being undertaken elsewhere.

Where appropriate, case studies will be used to illustrate what can be done. Governments that commit to act on HLP recommendations – for example, to ratify the <u>convention on domestic workers</u> or take action on equal pay and zero tolerance of violence – could be featured in the final report.

The Panel will make reference to existing international agreements, in order to build on the decisions already taken at international fora rather than repeating old debates.

To demonstrate the urgency of the agenda, the report will complement human stories with analysis modelling rates of progress towards gender equality under business-as-usual versus more ambitious scenarios. It will also undertake analysis to show how countries with low gender equality in society can reap the highest potential economic gains from bridging the gender gap, as was done in the recent McKinsey publication, The Power of Parity.



#### The Proposed Narrative Outline for the report:

Why Now is the Time for Women's Economic Empowerment—a call to action and the costs of inaction. This section will link the report to the SDG goals of women's economic empowerment. (3-4 pages)

Where We Stand Today: A review of persistent and major economic gender gaps and their economic costs, with an emphasis on the areas of focus. (7-8 pages)

The Proven and the Possible: A roadmap of what needs to be done to address each of the (six) gaps and evidence of interventions that work by government, business and non-profits, with due attention to differences in country circumstances. This section will provide a selective menu of actions in each issue area, organized around a country typology. (22 pages or 2-3 pp per issue area)

Measuring and Sharing Success: A dashboard of potential indicators of success in each of the (six) areas and a website for sharing ideas. (6 pages)

## 5. Consultations, advocacy strategy and outreach

The work of the High-Level Panel will be informed by the perceptions and experience of citizens around the world through consultations with key stakeholders on the focus areas of the HLP report.

A series of consultation events will take advantage of existing fora – like the Bank-Fund spring meetings and *Women Deliver* –to identify practical examples of what works for women's economic empowerment and what are the barriers. These targeted consultations will be complemented by virtual consultations through a dedicated online platform, a "MY World" survey on women's economic empowerment to be rolled out to thousands of citizens in multiple languages globally and social media campaigns as described in Figure 3 below.

Figure 3: Three Pronged Approach to Consultations



Consultations provide an opportunity to include countries, stakeholders and private sector partners that have expressed an interest to contribute to the work of the Panel. Ideas and options will be explored to find appropriate entry points for their interest. The results of the stakeholder engagement efforts will influence the second HLP



report to be presented in March 2017.

The September 2016 report will be accompanied by broad outreach efforts using social media and other avenues, especially targeting youth and millennials. Outreach will extend through the subsequent twelve months to inspire change and demonstrate how action is possible. This period will be used to ensure various intergovernmental bodies, corporations and civil society organisations move ahead to give life to the Panel's recommendations.

The advocacy strategy will seek to optimise the UN's existing partnerships as well as relationships that can be built through Panel members. A dedicated page about the High-Level Panel will be set up by the end of April while the <a href="mailto:empowerwomen.org">empowerwomen.org</a> will provide a platform for e-consultations. Views and inputs of the panel will be sought to extend and deepen outreach through the panelists' own sites and networks.

## Timeline

