

Tracking the money for women's economic empowerment: still a drop in the ocean

This brief, produced by the OECD-DAC Network on Gender Equality (GENDERNET) and the DAC Working Party on Development Finance Statistics (WP-STAT), provides an overview of official development assistance (ODA) going to women's economic empowerment. It identifies key trends, financing gaps and priority areas for improving donor support in this area.¹

KEY FINDINGS

- Aid committed by DAC members to women's economic empowerment reached **USD 8.8 billion on average per year in 2013-14** – a rise from USD 5.2 billion in 2007-08. This is the first upward trend in aid to gender equality in the economic and productive sectors since 2007.
- However, **less than a quarter (24%)** of DAC members' aid to the economic and productive sectors **targeted gender equality** as either a primary or secondary objective in 2013-14. This is much lower than the average of 35% across all sectors.
- Aid targeting women's economic empowerment as the **principal objective** remains especially low, at USD 861 million in 2013-14. This is **just 2%** of the aid going to the economic and productive sectors – a mere drop in the ocean.
- While gender equality is fairly well integrated into donor support to agriculture, and employment, the proportion of aid to other economic and productive sectors remains very small. The **gender focus is weakest in the infrastructure sectors** such as energy and transport. This is despite strong evidence that women's access to quality infrastructure is essential for expanding their economic opportunities, reducing unpaid work burdens, and advancing gender equality.

Women's ability to enjoy their rights, make strategic choices, and exercise agency in key areas of their lives is closely linked to being able to generate regular, adequate and independent income.² Women's economic independence can increase their autonomy, enhance their economic and social status, and shift power relations between women and men, including within the household. New opportunities associated with employment can also be empowering, such as the freedom to engage in activities outside the home, develop skills and confidence, build social networks, and raise aspirations.³ Women's economic empowerment – defined as women's capacity to contribute to and benefit from economic activities on terms which recognise the value of their contribution, respect their dignity and make it possible for them to negotiate a fairer distribution of returns⁴ – is a prerequisite for achieving gender equality and building inclusive and prosperous societies.



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1. Statistics contained in this brief are based on reporting by OECD Development Assistance Committee (DAC) members using the DAC gender equality policy marker. They exclude non-sector allocable aid since several members do not apply the gender equality marker on these forms of aid. The brief is based on the latest available data (2013-14). Aid to women's economic empowerment is calculated as aid to the economic and productive sectors that targets gender equality as a principal or significant objective.

2. Pathways of Women's Empowerment Research Programme Consortium (2011), *Empowerment: A journey not a destination, final synthesis report*, Brighton: Pathways of Women's Empowerment RPC.

3. Ibid.

4. Eyben, R. (2011), *Supporting Pathways of Women's Empowerment: A Brief Guide for International Development Organisations*, Pathways Policy Paper, October 2011, Brighton: Pathways of Women's Empowerment RPC.

Despite this, persistent underinvestment in women's economic empowerment means that improvements in girls' education have not translated into reduced gender gaps in the labour market or equal access to and control over economic resources. While legal reforms have expanded women's economic rights and opportunities, women still face gender-based job restrictions in 100 economies around the world, and in 18 economies husbands can legally prevent their wives from working.⁵ Women's labour force participation globally has stagnated over the past 30 years.⁶ Women remain concentrated in gender segregated occupations at the lower end of the employment hierarchy,⁷ leading to gender pay gaps which persist both in developing and OECD countries.⁸ Globally, women earn on average 24% less than men.⁹ Women continue to make up the largest share of workers in informal forms of employment that are typically precarious, poorly paid and which lack basic social protections, such as unpaid family workers, subsistence farmers, homeworkers, and domestic workers.¹⁰ This makes women disproportionately vulnerable to poverty and can render their economic contributions invisible.

The **2030 Agenda for Sustainable Development** provides an ambitious roadmap to eradicate poverty and achieve sustainable development for all. Women's economic empowerment cuts across the Sustainable Development Goals (SDGs), with targets on recognising and valuing unpaid care and domestic work, women's equal rights to economic resources, full and productive employment and decent work, and equal pay for work of equal value.¹¹ The **Addis Ababa Action Agenda** of the Third International Conference on Financing for Development further commits to ensure women's equal rights, access and opportunities for participation and leadership in the economy, recognising this as essential to achieve sustainable development.¹² Other recent international commitments include the target adopted by G20 leaders in 2014 to reduce the gender gap in labour force participation in G20 countries by 25% by 2025.¹³ The OECD and ILO are working together to monitor progress in meeting this **"25 by 25" target**.¹⁴ These newer commitments build on longer-standing ones, such as those enshrined in the **Beijing Platform for Action** on women's roles in and contribution to the economy. Adequate financing from all sources will be required for the full and accelerated implementation of both new and long-established commitments to empower women economically and shape economies that work for women.

Methodology

The OECD-DAC gender equality policy marker

The OECD uses the DAC gender equality policy marker to track aid activities that target gender equality as a policy objective. Aid activities can be classified as targeting gender equality as a "principal" or "significant" objective, or as "not targeted".

- *Principal* means that gender equality is a primary objective of the activity and refers to stand-alone projects targeting gender equality.
- *Significant* means that gender equality is an important but secondary objective and refers to projects that mainstream gender equality.
- *Not targeted* means that the activity has been screened using the policy marker but was found not to be targeting gender equality.

The marker contributes to strengthening transparency and accountability in donor financing for gender equality and women's rights. For more information about the gender equality policy marker, see:

<http://www.oecd.org/dac/gender-development/>

5. International Bank for Reconstruction and Development/The World Bank Group (2015), *Women, Business and the Law 2016: Getting to Equal*, Washington, DC.

6. The World Bank Group (2013), *Gender at Work: A Companion to the World Development Report on Jobs*.

7. UN Women (2015), *Progress of the World's Women 2015-16: Transforming Economies, Realising Rights*.

8. OECD (2012), *Closing the Gender Gap: Act Now*, pp. 166-167 and OECD, International Labour Office, International Monetary Fund and World Bank Group (2014), *Achieving Stronger Growth by Promoting a More Gender-Balanced Economy*. Report prepared for the G20 Labour and Employment Ministerial Meeting, Melbourne, Australia, 10-11 September 2014.

9. UN Women (2015), *Progress of the World's Women 2015-16: Transforming Economies, Realising Rights*.

10. International Labour Office (2016), *Women at Work: Trends 2016*, ILO, Geneva.

11. SDGs targets on women's economic empowerment include: equal rights to economic resources (SDG1 and SDG5), women small scale food producers (SDG2), equal access to technical and vocational education (SDG 4), unpaid care and domestic work (SDG5), women's participation and equal opportunities, including in economic life (SDG5), full and productive employment for all women and men (SDG8).

12. Addis Ababa Action Agenda of the Third International Conference on Financing for Development, para. 6.

13. G20 Leaders' Communiqué, Brisbane Summit, 15-16 November 2014.

14. OECD and ILO (2015), *Monitoring progress in reducing the gender gap in labour force participation*. Report prepared for the meeting of the G20 Employment Working Group, Istanbul, Turkey, 7-8 May 2015.

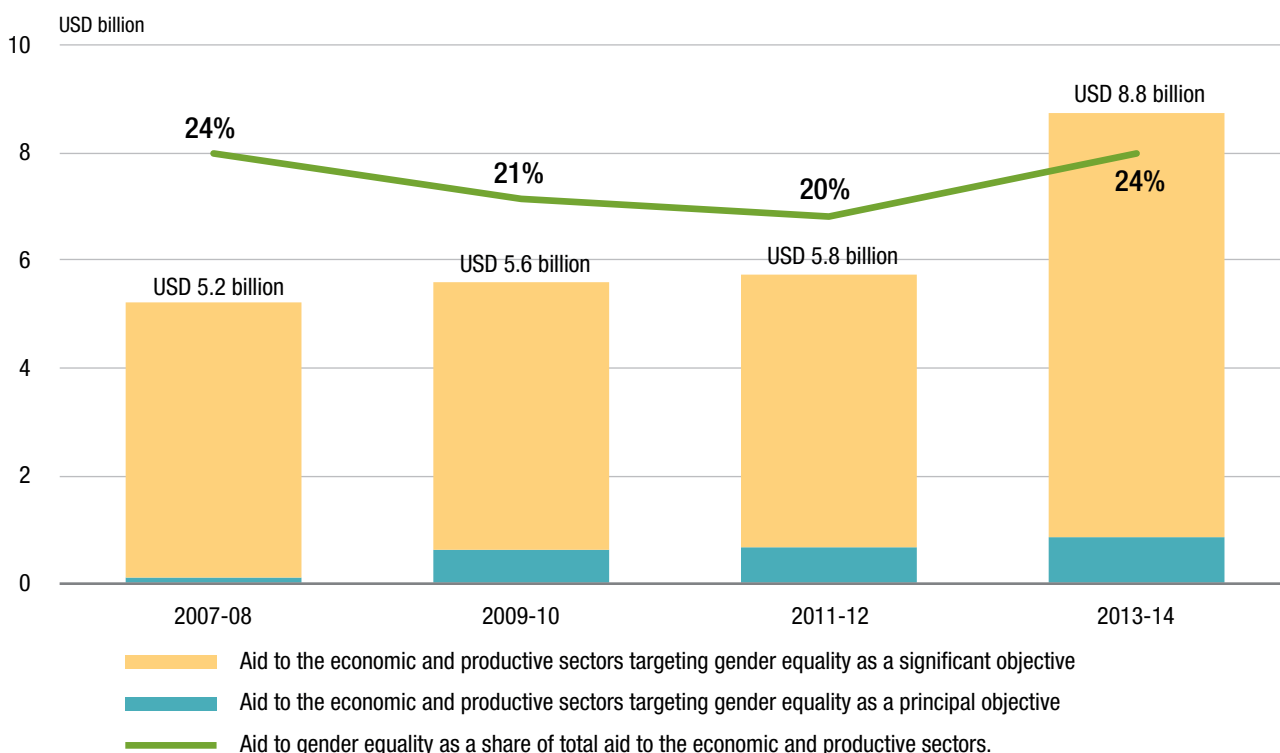
This brief examines how much bilateral aid was marked as targeting gender equality using the OECD-DAC gender equality policy marker in a selected number of economic and productive sectors and sub-sectors that are particularly relevant for women’s economic empowerment. They have been grouped into 11 categories, which form the basis of the analysis presented in this brief: agriculture and rural development; industry; mining, construction and tourism; transport; energy; communication; banking and business services; trade; public finance management; employment policy; urban development.

These 11 categories cover key employment sectors (such as agriculture and rural development, industry, mining, construction and tourism), infrastructure and services which contribute to reducing women’s unpaid work and enabling them to access new economic opportunities (for example, transport, energy, communication, and banking and financial services), as well as policies at the local, national and global level which have a significant impact on women’s equal participation and well-being in labour markets (public finance management, employment policy, trade and urban development).

Overview of donor support to women’s economic empowerment

Women’s economic empowerment is a policy priority for the majority of DAC agencies, but until recently investments in this area remained flat. The latest figures reveal a notable increase in aid to women’s economic empowerment for the first time since 2007 – from USD 5.2 billion in 2007-08 to **USD 8.8 billion on average per year in 2013-14** (Chart 1).

Chart 1: **Aid in support of women’s economic empowerment, 2007-2014**
Commitments, USD billion, 2014 prices

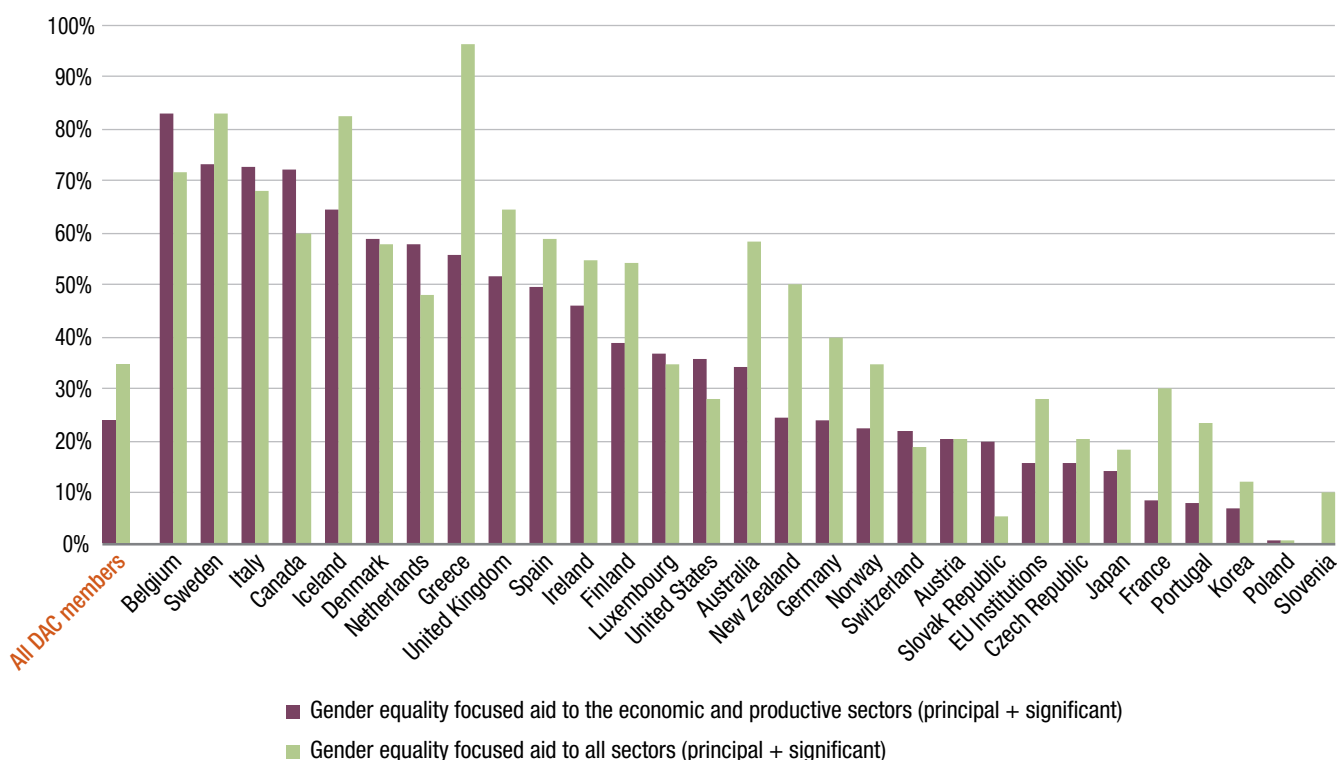


However, **less than a quarter (24%)** of DAC members' aid to the economic and productive sectors screened with the DAC gender marker was **found to be targeting gender equality** in 2013-14 (Chart 1 and 2). This proportion is as low as it was in 2007-8. This means that more than three-quarters of the aid to the economic and productive sectors is still not responsive to women's gender-specific constraints and interests.

Most alarmingly, **only 2%** of the aid to the economic and productive sectors targeted gender equality as the **principal objective** – just **USD 861 million**¹⁵ (Chart 1). This percentage has remained exactly the same for the past six years, revealing a chronic underinvestment in dedicated programmes to advance women's economic empowerment. The reasons for this may include data gaps in key dimensions of women's economic empowerment such as entrepreneurship, assets and unpaid work; weaknesses in the evidence and knowledge base on what works to advance women's economic empowerment; and a persistent perception that economic sectors are gender neutral.

Chart 2: Share of aid targeting gender equality in the economic and productive sectors versus all sectors combined, by donor

% of total bilateral aid commitments, 2013-14, constant 2014 prices



DAC members' aid to the economic and productive sectors is generally less gender focused than their aid to all sectors combined (24% versus 35% for all sectors)(Chart 2). There are a few exceptions, such as Belgium, Italy, Canada, and the Netherlands which report a greater focus on gender equality in their aid to economic and productive sectors than to all sectors.¹⁶ This reaffirms the finding from previous analysis by the GENDERNET that aid in support of gender equality remains concentrated in the social sectors of health and education, with significant underinvestment in the economic and productive sectors.¹⁷

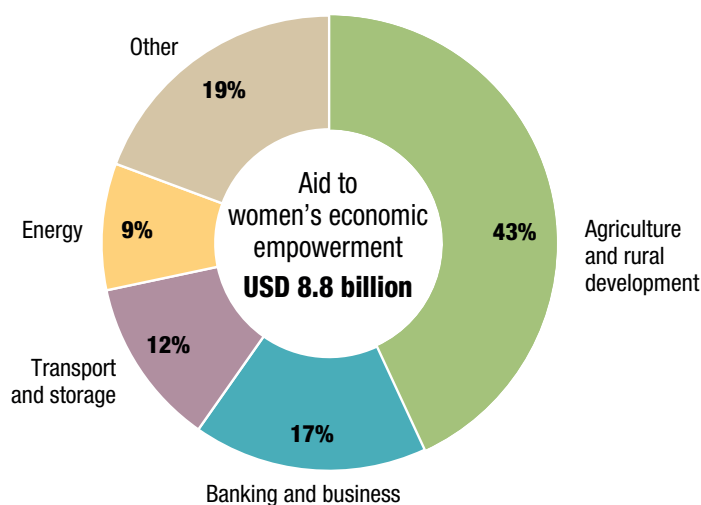
15. The remaining 22% targeted gender as a significant but secondary objective.

16. Belgium (83% of aid to the economic and productive sectors focused on gender equality versus 72% for all sectors), Italy (73% versus 68%), Canada (72% versus 60%), and the Netherlands (58% versus 48%).

17. See for example: OECD (2015), *From commitment to action: Financing gender equality in the implementation of the Sustainable Development Goals*, OECD: Paris, France

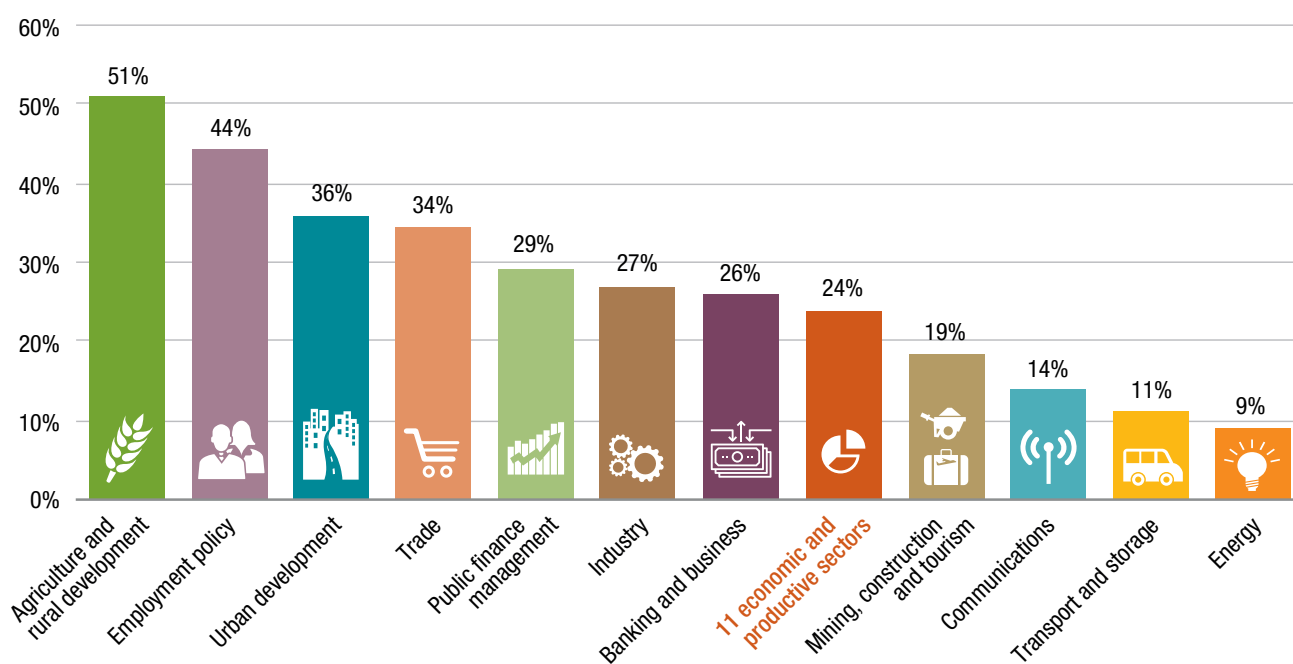
Distribution of aid to women's economic empowerment by sector

Chart 3: **Sectoral distribution of gender equality focused aid to the economic and productive sectors**
% of total bilateral aid commitments, 2013-14, constant 2014 prices



When looking at the breakdown of gender equality focused aid to the economic and productive sectors, it is striking that by far the **largest proportion goes to agriculture and rural development** (43%) (Chart 3). This is followed by banking and business (17%). Sectors such as transport, energy and others¹⁸ receive a small share of the gender focused aid to the economic and productive sectors. This pattern has stayed largely the same since 2007-08. The remainder of this paper explores each sector in turn.

Chart 4: **Integration of gender equality in the 11 economic and productive sectors**
Commitments, USD dollars, 2013-14



Agriculture and rural development

Gender equality is strongly mainstreamed in donor support to agriculture and rural development, with **51% of aid to this sector being marked as gender focused in 2013-14** (Chart 4). This is welcome given that women comprise around 43% of the agricultural labour force in developing countries, reaching as high as 80% in some countries in sub-Saharan Africa.¹⁹

18. The "other" category in this chart includes: urban development, trade, industry, employment policy, public finance management, mining and construction, and communication.

19. FAO (2011), *State of Food and Agriculture Report 2010-11. Women in Agriculture: Closing the Gender Gap*, Food and Agriculture Organization, Rome.

Despite this, women do not enjoy equal ownership and decision-making power over land and property and have less access to agricultural inputs, services, and markets. In the 2014 edition of the OECD's Social Institutions and Gender Index (SIGI),²⁰ close to two-thirds of the 160 countries covered were found to have discriminatory laws or practices preventing women from fully enjoying their land and property rights. According to the FAO, only 5% of women across 97 countries have access to agricultural and other training activities, and only 15% of agricultural extension agents are women.²¹ Redressing gender imbalances in women's access to and control over productive resources such as land, and to agricultural extension services and markets, is critical to reduce women's poverty, enhance their food security, improve rural livelihoods and contribute to gender equality.²²

Banking and business

Micro, small, and medium enterprises make up 90% of all jobs in developing countries.²³ However, gender disparities in access to and ownership of productive inputs mean that women-owned firms are typically smaller, less profitable and less likely to expand than those owned by men.²⁴ Female owners of small and medium-sized businesses face a credit gap of around USD 300 billion.²⁵ The results of the SIGI show that 2% of countries still have legal barriers which discriminate against women's access to financial services in formal institutions, while another 40% have some customary, traditional or religious discriminatory practices that hinder women's secure access.

Women need access to the full range of credit, banking, financial and other business services to develop strong and viable enterprises, yet DAC members' support has remained mostly focused on microcredit. For example, while 56% of aid to informal/semi-formal financial intermediaries (including micro-credits) targets gender equality, the gender equality focus of aid to financial intermediaries, which includes credits and insurance, remains limited and has even declined in recent years – from 30% in 2007-08 to 10% in 2013-14. Overall, **just over a quarter (26%) of all aid to the banking and business sector** was reported as targeting gender equality in 2013-14.

Given the importance of this sector for women's economic empowerment, there is a need for more comprehensive support for women business owners and entrepreneurs. This should include efforts to strengthen women's land, property and inheritance rights, extend financial services and credit, enhance women's financial literacy and business skills, and link financial services to health, education and social services.

Employment

Access to quality paid work outside the home is arguably the most important factor in women's economic empowerment.²⁶ It is therefore encouraging that support for gender equality is generally relatively strong in the employment sector. In 2013-14, **44% of aid to employment policy** – which includes inter alia employment creation, income generation programmes and support programmes for the unemployed – **targeted gender equality**. This is a sharp increase from 25% in 2007-08. It will be critical to sustain and scale-up gender-responsive investments in this sector in order to systematically address the barriers that women face in securing decent employment, including discriminatory labour laws, gender norms and stereotypes in labour markets, and the unequal distribution of unpaid care and domestic work. Strong evidence that women's collective action is vital in securing better terms and conditions at work suggests this must be a central element of efforts to improve the quality of women's work and their position in the economy.²⁷

20. OECD Social Institutions and Gender Index: www.genderindex.org

21. FAO (2014), *The State of Food Insecurity in the World 2014. Strengthening the Enabling Environment for Food Security and Nutrition*, Food and Agriculture Organization, Rome.

22. BRIDGE (2014), *Gender and Food Security: Overview Report*, Institute of Development Studies.

23. The World Bank Group (2013), *Gender at Work: A Companion to the World Development Report on Jobs*.

24. The International Bank for Reconstruction and Development/the World Bank (2011), *World Development Report 2012: Gender Equality and Development*, Washington, DC.

25. International Finance Corporation and Global Partnership for Financial Inclusion (2011), *Strengthening access to finance for women-owned SMEs in developing countries*. Washington, DC.

26. UN Women (2015), *Progress of the World's Women 2015-16: Transforming Economies, Realising Rights*.

27. Kaber, N. (2011), *Contextualising the Economic Pathways of Women's Empowerment: Findings from a Multi-Country Research Programme*, Brighton: Pathways of Women's Empowerment RPC.

28. United Nations (2013), Report of the UN Special Rapporteur on extreme poverty and human rights, Magdalena Sepúlveda Carmona on the links between unpaid care work, poverty and women's rights.

29. The category "multisector aid for basic social services" includes: basic education, basic health, basic nutrition, population/reproductive health and basic drinking water and basic sanitation.

Social infrastructure and services

The unequal distribution of unpaid care work between women and men – such as looking after children, caring for the elderly and the sick, cooking, cleaning and collecting water and fuel – represents a major barrier to women’s equal enjoyment of human rights and impedes their economic opportunities.²⁸ As recognised in SDG 5.4, the provision of public services, infrastructure and social protection policies is critical to recognise, value and redistribute unpaid care work within the household and within society. Donors can support these efforts by investing in the development of accessible and affordable social infrastructure and services, including early childhood education facilities, as well as economic infrastructure such as energy and transport (see below). In 2013-14, 68% of aid to early childhood education, 44% of aid to basic social services,²⁹ and 37% of aid to social/welfare services³⁰ targeted gender equality as a primary or secondary objective. The amount of aid committed by donors to the development of early childhood education facilities in 2013-14 was very small (USD 51 million).

Energy and transport/storage

The gender dimensions of infrastructure programmes such as energy and transport are often overlooked despite their importance in reducing women’s poverty, including time poverty, and enabling women to enjoy their basic human rights. Improving transportation facilities can increase women’s mobility and access to markets, decent work, and services.³¹ Similarly, improving women’s access to reliable and affordable modern energy can reduce women’s unpaid workloads, free up more time for paid work activities, and improve their health and well-being. For example, electrification in rural South Africa increased women’s labour force participation by about 9%; in Bangladesh, it led to more leisure time for women; while in Pakistan, putting water sources closer to the home was associated with increased time allocated to market work.³² Access to energy is also correlated with higher incomes for women: studies show that the income of self-employed rural women who have access to energy is over twice that of their counterparts without access to energy; and for rural female salary workers, access to energy is correlated with 59% higher wages.³³ The SDGs recognise the critical importance of access to infrastructure for sustainable development through targets on universal access to energy services (target 7.1) and sustainable transport systems that give special attention to the needs of women and vulnerable groups (target 11.2).



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Despite this, only a **very small proportion of aid to the sectors of energy and transport/storage targets gender equality** (9% and 11% respectively). Improving the gender-responsiveness of infrastructure projects such as roads, telecommunications and energy should be a priority given their potential to enable or impede women’s economic rights and opportunities, and progress towards gender equality more broadly.

The green economy also offers promising avenues for women’s economic participation and empowerment. Projections show that green jobs could generate significant new employment opportunities in the next few years, but currently only 20-24% of jobs in the renewable energy sector are held by women.³⁴ Donors should ensure that the benefits of transitioning to a green economy are equally shared by women, for example through the introduction of quotas in renewable energy projects, gender analysis and audits of projects, and by boosting women’s skills in these science and environment-related fields.

30. The category “social/welfare services” includes: social legislation and administration; institution capacity-building and advice; social security and other social schemes; special programmes for the elderly, orphans, the disabled, street children, social dimensions of structural adjustment; unspecific social infrastructure and services, including consumer protection.

31. Asian Development Bank (2013), Gender tool kit: Transport—Maximizing the benefits of improved mobility for all. Mandaluyong City, Philippines.

32. The International Bank for Reconstruction and Development/the World Bank (2011), World Development Report 2012: Gender Equality and Development, Washington, DC.

33. Deloitte (2014), *Women, energy, and economic empowerment. Applying a gender lens to amplify the impact of energy access.*

34. ILO, *Green jobs: improving the climate for gender equality too!*

Bringing gender equality to the centre of economic development

Aid to women's economic empowerment remains a **mere drop in the ocean** of total aid to the economic and productive sectors: only 2% of the aid to these sectors targets gender equality as a principal objective. Despite growing international recognition of the transformative potential of women's economic empowerment for achieving gender equality and sustainable development, the findings in this paper show there is **no greater financial priority being placed on this today than in 2007**. The share of gender focused aid to the economic and productive sectors is still stuck at 24% - exactly the same proportion as in 2007. Significant underinvestment persists in key areas, such as infrastructure, where programming remains largely gender blind.

The promises of the 2030 Agenda – eradicating poverty, fostering inclusive and equitable growth, promoting full and productive employment and decent work for all, achieving gender equality – cannot be realised without **bringing gender equality to the centre of economic development**. This will require a **major step-change in political will as well as targeted actions and resources** to improve women's economic status, recognise and value their roles in and contributions to the economy, and shape economies that work for women. Priorities for the years to 2030 include gender-responsive investments in basic social services, infrastructure and social protection, as well as addressing persistent gender inequalities in control over and ownership of productive resources and access to decent jobs.

SDGs targets relating to women's economic empowerment



SDG 1: End poverty in all its forms everywhere

- Social protection systems for all, including floors.
- Equal rights to economic resources, basic services, ownership and control over land and other forms of property, inheritance, natural resources, new technology and financial services.



SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture

- Double the agricultural productivity and incomes of small-scale food producers, in particular women.



SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

- Equal access for all women and men to technical, vocational and tertiary education.
- Access to quality early childhood development, care and pre-primary education.
- Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training.



SDG 5: Achieve gender equality and empower all women and girls

- Recognize and value unpaid care and domestic work.
- Ensure women's full and effective participation and equal opportunities for leadership including in economic life.
- Give women equal rights to economic resources, including land, property, financial services, inheritance.



SDG 8: Economic growth, full and productive employment and decent work for all

- Full and productive employment and decent work for all women and men, and equal pay for work of equal value.
- Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.



SDG 10: Reduce inequality within and among countries

- Fiscal, wage and social protection policies that progressively achieve greater equality.



SDG 11: Inclusive, safe, resilient and sustainable cities

- Access to safe, affordable, accessible and sustainable transport systems for all, with special attention to the needs of those in vulnerable situations including women.

Visit the **GENDERNET** website: www.oecd.org/dac/gender-development/

OECD DAC NETWORK ON GENDER EQUALITY (GENDERNET)

TRACKING THE MONEY FOR WOMEN'S ECONOMIC EMPOWERMENT: STILL A DROP IN THE OCEAN

