

Promoting gender equality and women's economic empowerment on the road to sustainable development: good practices from the UNECE region



Promoting gender equality and women's economic empowerment on the road to sustainable development: good practices from the UNECE region



# Acknowledgements

This booklet has been prepared by Gender and Economy at UNECE. It comprises examples of strategies and policies to promote gender equality and empower women on the road to sustainable development in the UNECE region, some of which have been presented at a Roundtable on Empowering Women to Sustainable Development at the sixty-fourth Session of the United Nations Economic Commission for Europe on 30 March 2011 in Geneva. The booklet also reflects the discussions, programmes and measures in East Europe, the Caucasus and Central Asia presented at the Policy Seminar on Women's Entrepreneurship Development on 19 September 2011 in Geneva.



## **Executive summary**

n order to facilitate women's economic empowerment and sustainable progress towards gender equality in its member states, UNECE provides this booklet as a summary of good practices. Achieving gender equality requires measures to compensate for existing disadvantages that prevent equal opportunities from being presented to both men and women. UNECE has identified several key areas where disadvantages for women currently exist in the region and has identified policy and programmatic strategies that are currently being implemented in many of its member States to target them. These key areas include: access to resources, equality in the workplace, entrepreneurship development, decision-making power, and the reconciliation of work and family responsibilities.

#### This booklet reviews:

- The need for providing equal access to and equal treatment of women and men when using economic and financial resources, information, in education and training. The policies highlighted in this booklet focus on the elimination of barriers that women face to accessing, for example, the rights to own their own land in Kyrgyzstan, microcredit loans in Albania, and information regarding financial management and the basics of market economics in Uzbekistan.
- The central role that promoting equal pay, a gender-sensitive work environment, and equitable opportunities for advancement play in eliminating the gender pay gap. Strategies highlighted to reduce gender inequalities in the workplace target the wage differentials that remain a persistent challenge in the UNECE region. For example, countries such as Denmark and Germany have offered positive incentives for private companies to identify gender differences in their wage structures and take actions to close

- the gender pay gap, whereas countries such as Portugal have enacted new Labour Codes that enforce equal pay guidelines with monetary fines.
- The ways in which micro and small enterprises are supported, many of which are run by women, are an important tool to create new opportunities for women to generate income and new sustainable patterns of production of goods and services. Programmatic responses to address ubiquitous issues in the region such as the need for networking opportunities and support systems for women entrepreneurs, as well as the need for specialized knowledge and skills trainings are highlighted.
- The importance of increasing the proportion of women that are included in top-down administrative decision-making positions in the region as a key pathway to women's empowerment. This booklet gives an overview of several gender quota schemes implemented in both the public (Poland, Norway) and private (Netherlands, Denmark) sectors as well as an example of an international coalition to increase women's decision-making power at the community level in the area of climate change.
- The need for facilitating a balance between work and family life as a means to overcome women's persistently disadvantaged position in the labour market as a result of having to choose between full paid employment and caregiving responsibilities. This booklet gives an overview of strategies to reduce the "competition" between the two spheres of life.

## **Contents**

Acknowledgements
Executive summary
Introduction 9
AREA 1: Equal access to resources: economic and financial resources, information, education and training
AREA 2: Gender equality in the workplace: equal pay, gender-sensitive work environment, and equal opportunities for advancement
AREA 3: Entrepreneurship
AREA 4: Women in decision-making
AREA 5: Reconciliation of work and family responsibilities 39
Conclusions : Looking forward
References



### Introduction

UNECE is committed to the goal of gender equality and assists its 56 member countries in implementing equal rights and opportunities for women and men. In line with our mandate to focus on gender equality in the economic domain, improving women's economic opportunities is at the centre of our work.

At UNECE we pursue a three-fold approach to supporting women's economic empowerment:

• First, we work to improve awareness of the situation of women and men in the economies in the region and on the need for a gender-sensitive policy environment. This is done through research, data collection and policy dialogue.

## What is women's empowerment?

Empowerment is defined as a "multi-dimensional social process that helps people gain control over their own lives. It is a process that fosters power (that is, the capacity to implement) in people, for use in their own lives. their communities, and in their society, by acting on issues that they define as important" (Page and Czuba, 1999). Empowerment in this context means women gaining more power and control over their own lives.

- Second, we work to build capacity on closing the gender entrepreneurship gap. We support women's business associations, entrepreneurs, and economic policy makers through training programmes, policy seminars, and entrepreneurship forums which provide the opportunity for dialogue between entrepreneurs and policy makers as well as networking opportunities for women entrepreneurs.
- Third, we encourage gender-sensitive economic policy making through the exchange of good practice, research, and evidence-based policy recommendations to governments in our member States.

The current booklet contributes to all of the aforementioned areas of work, while focusing specifically on the exchange of good practices to promote gender equality and by that improve women's economic opportunity in the countries of UNECE region. It provides policy examples implemented in the member States of UNECE that address key dimensions of women's economic empowerment on the road to sustainable development. The main areas are: women and decision-making, gender equality in the workplace, gender equitable access to resources, women's entrepreneurship, and reconciliation of work and family responsibilities.

## What is sustainable development?

In the Objectives and Themes of the United Nations Conference on Sustainable Development Report of the Secretary-General: "the goal, and indeed the ultimate test, of sustainable development is the convergence among the three trajectories of economic growth, social development and environmental protection" (A/CONF.216/PC/2, para. 22).

We look at fostering greater equality between women and men not only as a goal in and of itself, but as a key factor to sustain economic growth, social development, and environmental sustainability. Economic, social, cultural and environmental concerns need to be approached in an integrated and holistic manner. This involves taking into account women and men's different needs, roles, and opportunities to ensure that they can equally participate in and benefit from the transition to a greener economy and, more broadly, sustainable development.

On the occasion of the 64th Session of the Economic Commission for Europe, UNECE organized a Roundtable on women in sustainable development on 30 March 2011<sup>1</sup>. The discussions focused on the question of how women can be empowered to fully participate in identifying solutions, developing strategies, and enacting policies to

Warth L. and Koparanova, M., Empowering Women for Sustainable Development. UNECE Discussion Paper No 2012.1, Geneva 2012.

achieve sustainable development. Invited speakers tackled the question from the perspectives of

international and regional organizations, academia. and civil society. The included: the need to messages implement equality principles and standards to ensure positive and lasting changes in the lives of women and men in order to bridge the gap between de jure and de facto equality; the important role of civil society organizations in encouraging and effecting gender mainstreaming into environmental and sustainable development policies and strategies; the

key role of women in senior positions to foster economic stability and growth; and the importance of education in ensuring that all citizens, both women and men, have the knowledge, attitudes, and skills to allow them to make informed choices and responsible decisions in order to empower women to reach the highest echelons in all domains of life.



### AREA 1

# Equal access to resources: economic and financial resources, information, education and training

hy is gender equitable access to resources, including land, water, financial resources, business information, education, and skills training, important for women's economic empowerment?

Sustainable development cannot be achieved without a more equitable distribution of resources and the eradication of poverty. Empowering women means giving the opportunity to thousands of women to get out of the poverty trap. Women not only constitute the vast majority of the world's poor but they are at a higher risk of poverty compared to men². Poverty does not only refer to material resources such as money, food, or housing but also to social resources such as access to education, healthcare, or meaningful relations with other people.

Given that the nature of poverty varies substantially across regions and countries, as it does in the UNECE region, it is important to monitor and identify the vulnerable population groups living in extreme poverty. UNECE publishes annual reports on the performance of the Millennium Development Goals in Europe and Central Asia identifying the challenges to overcoming extreme poverty in the countries of the region<sup>3</sup>.

United Nations Division for the Advancement of Women (2009). World Survey on the Role of Women in Development. New York: Division for the Advancement of Women, Department of Economic and Social Affairs.

See UNECE (2010), The MDGs in Europe and Central Asia: Achievements, Challenges and the Way Forward New York and Geneva. An update for 2011 is forthcoming.

#### Why are actions needed?

Restrictions on women's access to economic resources, business information, finance, education, and training can lead to:

- weak or no labour market access leading to the economic isolation of women:
- lack of assets or property ownership, leading to reduced or zero chances for credits to set up or develop businesses and/or the denial of basic means of survival;
- less time and fewer resources to gather and process information for acquiring managerial and ICT skills;
- and weak or no traditional business networks.

#### What policies serve as good practice examples?

- In the European Union (EU), Gender-Sensitive National Action Plans address women's poverty within the framework of gendersensitive national action plans for social inclusion. For example in Ireland, women considered at risk of poverty are specifically targeted within the social welfare providing them with access to a number of payments including child benefit and pension entitlement for time spent caring for children or other family members. In addition, the Department of Social and Family Affairs operates a number of initiatives with the aim of assisting individuals to become economically independent. Among these initiatives are a Back to Education Allowance to facilitate retraining and education of lone parents and the longterm unemployed.
- In Eastern Europe, the Caucasus, and Central Asia (EECCA), and South Eastern Europe (SEE), poverty reduction strategies and policies increasingly acknowledge the specific vulnerability

of women to poverty. For example in Moldova, gender mainstreaming of the Social Assistance Law (2008) has resulted in a policy focus on vulnerable families, including Female Headed Households<sup>4</sup>. As such, child benefits have been increased a number of times since 2000 in recognition of the

particular vulnerabilities of low-income and lone-parent families. In Azerbaijan, a gender expert has been recruited to the staff of the Poverty Reduction and Sustainable Development Secretariat.

In Eastern Europe, the Caucasus, and Central Asia (EECCA), Women in Europe for a Common Future (WECF) and its partners focus on capacity-building of local NGOs and stakeholders with the main objectives of providing people with access to sustainable energy solutions in rural areas and to contribute to empowering women and supporting their access to and participation in labour markets<sup>5</sup>. The organization tries to build on the existing skills of women and to decrease their time and work load. For example, projects have included: training rural women in Kyrgyzstan to produce traditional insulation materials in order to have a share of the new and upcoming energy market; the distribution of fruit solar dryers in Armenia and Georgia to give women the possibility to generate additional income; and the installation of hot water boilers to improve the quality of everyday life for women in general. In building the capacity for women's independence from imported energy, WECF provides an opportunity for women to escape from energy poverty and save money otherwise spent on energy for more income and other needs - thereby improving living, working, and health conditions for rural women.

<sup>4</sup> The Women's Organization of Moldova: www.civilsoc.org/nisorgs/moldova

Dankelman, Irene. Gender and Climate Change: An Introduction. Case Study 9.1 pp 241-243. (2010). Earthscan Publishing.

- In Uzbekistan, the "SABR" Socio-Economic Development Center was established in Samarkand to support women living in difficult social and economic conditions through providing them with education regarding the basics of market economics; financial management; and individualized psychological, social, legal, and medical counseling in addition to microfinance services. The combined approach of providing social and financial services has contributed to increase the legal and psychological literacy of rural women, reduced poverty, and promoted healthy lifestyles thus improving the socio-economic status of the rural population. Since 2003, the Center has delivered training and education to more than 550 young women, and of them, 37 went on to receive beneficiary loans and started their own businesses.
- In Kyrgyzstan, the Women Entrepreneur's Support Association "Women's Right to Land" (WESA) spearheaded an initiative supported by women's organizations and gender activists drawing attention to the specific problems faced by rural women in the context of land and agrarian reform in the country. Since 2002, a broad range of activities have been undertaken by the "Women's Right to Land" program that serve as a successful model of facilitating cooperation between government agencies and private sector organizations to ensure that women are guaranteed their rights to property and inheritance<sup>6</sup>. At the policy level, the program has promoted gender mainstreaming in parliamentary policymaking which has resulted in the adoption of a number of laws that target the gender discrimination that prevents women entrepreneurs from entering the official SME sector. At the institutional level, the program has strengthened the capacities of local authorities in the area of gender-sensitive governance and has monitored the implementation of legislation that provides for women's equitable

Presentation by Ms. Gulnara Baimambetova, Chair of the Board, Women Entrepreneurs Support Association, Kyrgyzstan at the 2011 UNECE Policy Seminar on Women's Entrepreneurship Development in Central Asia, Session 2 http://www.unece.org/gender/policyseminar.

access to economic resources to ensure its effectiveness. At the community level, the program has supported the joint initiatives of women's groups and local authorities to ensure the economic security of rural women and the observance of the legal rights of women to property and inheritance.

- In Albania, The Albanian Savings and Credit Union (ASC Union) is a voluntary union of individual Savings and Credit Associations (ASCs), which are village financial institutions that are created and managed by their members and administrated by its memberelected Board of Directors. The aim of the Union is to provide financial services to clients living mainly in rural areas and practically excluded from the conventional financial institutions such as women who are not able to overcome the significant social and legal barriers to their obtaining loans from such institutions. The Union addresses the unique needs of its rural clients by providing: means of funding for agriculture mechanization in order to improve the productivity in the agriculture sector; access to delivery systems so that clients can sell their agricultural and  $live stock \, products; and \, other \, financial \, services \, such \, as \, remittances$ from abroad, utility payments, and other types of loans (housing, small and medium enterprise loans, etc). 72 per cent of SCA Union clients are reached through service points in locations where there are no other banking services or MFIs, and the SCA Union covers 830 out of 1226 villages in the 16 districts where it works (or 61 per cent of them) $^{7}$ .
- In Azerbaijan, Parabank (one of the oldest commercial banks in the country) is currently scaling down in order to also reach a low-income population where women constitute the majority. It initiated its microfinance component in 2004 with a venture in unsecured

<sup>7</sup> www.ascunion.org.

loans for cattle breeding in rural villages. The bank now supports businesses in any scale, from micro to large enterprises, and it has made a shift from lending not only to individuals but also to solidarity groups – which women's business associations in the region can make use of. In 2010, Parabank included Credit Life Insurance in their programming in

Credit Life Insurance in their programming in order to protect the unsecured group loans (which are only 3 per cent of the loan portfolio). This covers the full amount of the loan in cases where the client is unable to repay the loan due to serious health conditions or death. Though initiated for the purpose of reducing the risk of overindebtedness for its low-income microloan clients, Credit Life Insurance will soon be applied to all types of loans, which demonstrates an increased focus on client protection which occurred simultaneously with a shift towards microfinance. Parabank also has a unique youth outreach component, offering savings accounts for youth and children in order to encourage a savings culture from a young age<sup>8</sup>.

<sup>&</sup>lt;sup>8</sup> www.parabank.az.

### AREA 2

Gender equality in the workplace: equal pay, gender-sensitive work environment, and equal opportunities for advancement

hy is gender equality in the workplace important for women's economic empowerment?

Women experience discrimination in almost every aspect of the labor exchange. This ranges from whether women have paid work at all; the type of work they obtain or are excluded from; the availability of supports such as their pay, benefits, and conditions of work; their

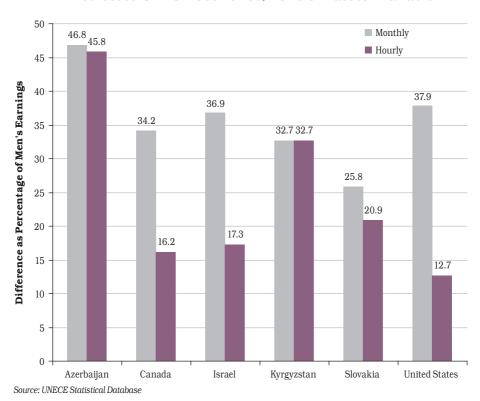
access to higher paying "male" work; the insecurity

of their jobs or enterprises; their lack of any or equitable pension entitlements; and not having the time, resources, or information to enforce

the time, resources, or information to enforce their rights.

The gender pay gap in the UNECE region, which refers to the difference between men's and women's earnings from employment, ranges from less than 10 per cent in some South-East European countries to over 40 per cent in some countries of Central Asia and the Caucasus (Figure 1).

Figure 1: Gender Pay Gap in Monthly and Hourly Earnings, selected UNECE Countries, 2010 or Latest Available



#### Why are actions needed?

Due to the discrepancy in earnings, women accumulate less income than men over their lifetime. Women's lower earnings increase their vulnerability to poverty, not only during their working lives but also in old age, and increase their economic dependence on a male breadwinner or state welfare. The income gap has implications for women who are less likely to obtain financial loans from banks, which reduces their opportunities to set up their own businesses to gain economic independence. The undervaluation of women's work is fundamental to

women's low socio-economic status and therefore pay equity strategies are an essential way to establish the overall conditions for women's equality.

Despite widespread legislation against wage discrimination, women across the UNECE region continue to earn considerably less than men holding similar positions. Some countries report a narrowing of the gender pay gap, but wage differentials remain a persistent challenge to equality in the region. Frequently women earn less than men for work of equal value. One reason for women's lower remuneration may be gender-biased job and competence evaluations. In all countries there are important variations by sector (the gap tends to be higher in the private than the public sector), and by occupation and educational level (the gap is generally larger for people with higher education).

#### What policies serve as good practices examples?

In Denmark, an evidence-based policy on equal pay was developed through dialogue and building on partnerships with the private sector. Since January 2007, all major enterprises in Denmark are required to draw up gender-segregated pay statistics. The knowledge on the existing gaps between women pay and men is intended to inform collective agreements and workplace practices. The Danish Government's policy initiatives on equal pay are pursued in dialogue with companies and the social partners in recognition of the fact that the promotion of equal pay takes place at the workplace and through collective bargaining. One of the Danish initiatives is an Equal Pay Guide to promote the work on gender equality and equal pay in the workplace. The guide offers insight as to why women and men do not earn the same, and provides practical advice on how enterprises, union representatives, and employees can promote equal pay. In 2008, a Corporate Guide on the Gendersegregated Labour Market was published to complement the equal pay guide, which aims to guide enterprises in the use of women's and men's talents in as many different work functions as possible<sup>9</sup>.

- In Germany, overcoming a gender pay gap of 23 percent reported in 2008 is a central concern of the overall gender equality policy by the German Government, whose aim is to reduce the gender pay gap to 10 per cent by 2020. One of the measures implemented to reach this goal was the introduction of a self-test for companies, *Logib-D*, which is based on the Swiss *Logib* tool and provides companies with an easy-to-use instrument to identify gender differences in their wage structures. It further enables businesses to analyse their payroll accounting data in order to reveal the main reason for existing wage discrepancies between their male and female employees. Through the voluntary self-test, the German Government aims to persuade companies to take positive action to overcome the reasons for the gender pay gap at the company level and to start initiatives in favour of gender equality in the absence of a system of controls and sanctions<sup>10</sup>.
- In Portugal, the Commission for Equality in Labour and Employment developed and implemented the Revalue Work to Promote Gender Equality Initiative between 2005 and 2008 in partnership with other entities. The project's aim was to develop and test a job evaluation method free from gender bias, centred on the value of work, which could be applied to various activity sectors. A Training Handbook on equal pay for men and women was developed in 2008. The Portuguese Government further enacted a new Labour Code in 2009 to reinforce the rule of equal pay for equal work or work of equal

Danish National Report for the UNECE Beijing +15 Regional Review; see also the Danish Report presented at the 7th Council of Europe Conference of Ministers responsible for equality between women and men (MEG 7 (2010) 7).

German Report presented at the 7th Council of Europe Conference of Ministers responsible for equality between women and men (MEG 7 (2010) 7).

value for women and men through specific regulations on the question of gender-based equality and non-discrimination. The Authority for Working Conditions has been working on disseminating information and monitoring equality and non discrimination at work and in employment. In 2008, 376 inspections

were conducted and, as a result, 120 written notices were issued and fines were imposed. The Commission for Equality in Labour and Employment, which is the Government body dealing with complaints and issues legal opinions concerning equality and non-discrimination in labour and employment, had only received 3 complaints related to the gender pay gap in the period between 2006 and 2009<sup>11</sup>.

In Switzerland, a Dialogue on Equal Pay was begun to address the issue that although the labour force participation of women has increased, the gender pay gap in Switzerland still persists (19.5 per cent as of 2008). An evaluation of the Swiss Gender Equality Act has shown that measures taken in the past were insufficient to meet the constitutional requirement of equal pay for work of equal value. To address this problem, the umbrella organisations of employers and trade unions, together with the Federal Office of Justice, the State Secretariat for Economic Affairs, and the Federal Office for Gender Equality have started a Dialogue on Equal Pay. Their goal is to accelerate the implementation of the wage equality by encouraging as many companies as possible to conduct a voluntary self-test of their wage policy and to eliminate discriminatory wage policies and practices. If wage differentials are below 5 per cent, and an onsite audit finds the company in accordance with equitable salary policy, the company can be certified with an "Equal Salary" label for a period of three years<sup>12</sup>.

Portugal Report presented at the 7th Council of Europe Conference of Ministers responsible for equality between women and men (MEG 7 (2010) 12).

<sup>&</sup>lt;sup>12</sup> Swiss Office for Gender Equality Dialogue on Equal Pay: www.dialogue-egalite-salaires.ch



### AREA 3

## Entrepreneurship

# hy is entrepreneurship important for women's economic empowerment?

We consider women's entrepreneurship development to be an important channel to women's economic empowerment and a pillar on the road to sustainable development. Through setting up their own businesses, women can transform their opportunity to gain economic

independence, overcome poverty, and improve their well-

being. Through this process women can also become drivers of change and take a long-term perspective accounting for the consequences of our actions for our children, and their children and grand children in order to secure better future.

#### Why are actions needed?

Women entrepreneurs face a range of obstacles in setting up and running their own enterprises due to lack of or restrictions regarding access to resources (see

area 1), which coupled with gender-neutral policies, put women at a disadvantage in this field. An enabling and supportive environment is crucial to remove the obstacles and barriers to equal participation across the different stages of entrepreneurship development.

#### What policies serve as good practices examples?

Creating an enabling environment includes actions at all levels - regional, country, and municipality - by governments, the private sector, civil society, various networks and the family.

In Central Asia, UNECE conducted research to assess the business environment for women entrepreneurs. These studies focus on both regulatory and policy frameworks for the business in two countries of the region, namely Kazakhstan and Tajikistan. Using surveys as methodology, these assessments reveal the perceptions of women and men entrepreneurs of the environment in which they operate. In September 2011 UNECE organized a Policy Seminar on women's entrepreneurship development in Central Asia in Geneva to discuss the key findings of the country studies and the challenges and opportunities women entrepreneurs face in this region. At this seminar, the policy implications for the region were discussed and concrete policy recommendations on how to promote women's entrepreneurship in this region were made<sup>13</sup>.

At UNECE we attach great importance to training women in entrepreneurial skills, including new technologies, to increase their opportunities to become agents of change in their countries. To this end, UNECE has collaborated with the Golda Meir Mount Carmel International Training Center and Israel's Agency for International Development Cooperation since 2006 to provide biannual training workshops for professional women from Eastern Europe, South Caucasus, and Central Asia. The workshops cover support systems for women entrepreneurs and information and communication technologies (ICTs). Since the first jointly organized workshop in 2006 on Microcredit and other Support Systems for Women Entrepreneurs, 230 women entrepreneurs from government institutions and SME support agencies, NGOs dealing with small business support and development, women's business associations, and academia have received training on ICTs and Support Systems for Women Entrepreneurs.

UNECE Policy Seminar on Women's Entrepreneurship Development in Central Asia: www.unece.org/gender/policyseminar

The training workshops are an excellent opportunity for women entrepreneurs from Eastern Europe,

South Caucasus, and Central Asia to exchange knowledge and views on how their businesses are functioning and to initiate the development of new networks across the countries in this region. We further develop these opportunities by organizing forums to bring together policy makers and the business community. An example to this end is the first forum for women entrepreneurs in South-East Europe organized in September 2010 in

Istanbul under the auspice of the Turkish Chairman in Office of the South-East European Cooperation Process by the Small and Medium-Sized Enterprise Development Administration of Turkey (KOSGEB), the Regional Cooperation Council (RCC), and UNECE. 59 women entrepreneurs, policy makers, representatives from Chambers of Commerce and regional organizations discussed what support is needed for women entrepreneurs in South-East Europe, including improved access to training, finance, role models, and networking opportunities.

Fund was created by the National Institute for Development of Kazakhstan in 1997. The Entrepreneurship Development Fund "DAMU" promotes quality development of SMEs in the country by integrating small business support, providing a wide range of financial and non-financial support instruments for SMEs, and fostering institutional support of the business environment in the country. Examples of programs initiated by the fund under its working plans for 2010-2020 include capacity building in the area of SME support institution networking and creating a call-center to support SMEs with analytical and informational materials. The Women's Entrepreneurship Microcredit Fund focuses on supporting women's initiatives by providing working capital for up

to 36 months, subsidizing interest rates, and partially guaranteeing loans. The Fund also focuses on reducing the currency risk for current women entrepreneurs by subsidizing the interest rates on existing loans. As of 2010, over 15 million (US Dollars) in loans has been provided to 547 women entrepreneurs in the country to promote their business activities.

- In Greece, the "Reinforcement of Female Entrepreneurship" Programme was implemented by the Hellenic Organization of Small and Medium-Sized Enterprises and Handicraft S.A. The programme supports women in creating modern and viable enterprises particularly in the sectors of manufacturing, e-trade, services, and tourism with special focus on local and regional development. Funding is provided for up to 50 per cent of the integrated entrepreneurial plans (including expenses for purchasing the manufacturing equipment, research and consulting services, training and marketing services, etc) submitted by the woman applicant to the programme. The first round of the programme started in September 2001 and to date, 945 proposals from women entrepreneurs in the country have been reviewed with over 150 enterprises established by women who have participated in the programme<sup>14</sup>.
- In Israel, twenty four 'Centres for the Promotion of Entrepreneurship' receive funding from the Israeli Ministry of Industry, Trade and Labour to provide entrepreneurship and small business training courses for interested women who wish to set up their own business but have no access to training due to economic, geographical or cultural obstacles. The training courses improve their prospect

<sup>14 &</sup>quot;Good Practices in the Promotion of Female Entrepreneurship: Examples from Europe and other OECD Countries." (2006). Austrian Institute for Small Business Research (IfGH). www.ifgh.ac.at.

of establishing and running viable businesses and improving their economic status. In addition, these Centres provide women with assistance and advice in the process of setting up their small businesses<sup>15</sup>.

- In Cyprus, a Grant Scheme to Strengthen Women's Entrepreneurship was implemented by the Industrial Development Service of the Ministry of Commerce within the framework of the country's Strategic Development Plan 2007-2013. The aim of the scheme is to provide support for women who wish to set up their own business through financial aid as well as training seminars. Particular emphasis is placed on the development of new technologies, the use of innovative methods of production and promotion of products and services, and the development of entrepreneurship in the area of environment. The scheme which runs from 2008-2013 has a total budget of 5 million Euros. Successful candidates are provided with grants covering 50 per cent of their approved budget up to a maximum of 70.000 euros for equipment, space configuration, promotion, training and working capital expenses 16.
- In Finland, the Women's Enterprise Agency provides individual advice, information, training, mentoring and networking events for women who are starting or have recently started their own business<sup>17</sup>. Both the advisers and trainers are themselves entrepreneurs. The Agency is part of the Jobs & Society Group and is financed by the Ministry of Employment and the Economy. The mentoring models are customised to different groups of new or potential entrepreneurs, such as start-up entrepreneurs, students and immigrant women.

UN 5th Periodic Report Concerning the Implementation of the International Convention on the Elimination of all Forms of Discrimination against Women (CEDAW). Report submitted by Israel, 2009.

National Response of Cyprus to the UNECE Beijing +15 Regional Review; Annual Activity Report 2008 of the European Network to Promote Women's Entrepreneurship.

<sup>&</sup>lt;sup>17</sup> Annual Activity Report 2008 of the European Network to Promote Women's Entrepreneurship.

In Romania, the Romanian National Agency for Small and Medium-sized Enterprises and Cooperatives has promoted an entrepreneurial culture among women managers through a national multi-annual programme (2006-2008) which includes awareness raising activities (Women Entrepreneur Days), workshops and seminars, training courses, and the preparation and dissemination of relevant guidebooks and training materials<sup>18</sup>. In 2006, free training courses were offered across seven counties covering diverse topics including business plan elaboration, business financing, marketing, business transfers, franchising and public procurement. 180 women graduated from the courses out of which 20 started their own businesses, 10 signed partnerships and more than 50 were promoted in their jobs to decision-making and managerial positions. In 2007, training courses were expanded to 10 counties with 181 women graduates. Priority for the training courses was given to women from rural areas, ethnic minorities and socially disadvantaged women.

<sup>&</sup>lt;sup>18</sup> The European Network to Promote Women's Entrepreneurship Activity Reports 2006, 2007.

### AREA 4

# Women in decision-making

# Why is decision-making important for women's economic empowerment?

Women's "decision-making power" is defined as how much influence women have over external actions that matter to their welfare. In the empowerment context it refers to the process whereby women become able to organize themselves to increase their own self-reliance, to assert their independent right to make choices, and to control resources which will assist in challenging and eliminating their relatively disadvantaged status when compared to men. The increased inclusion of women in institutions is a key pathway to women's empowerment, as it enhances women's assets and capabilities to engage, influence, and

hold accountable the institutions which affect them. Removing the barriers to the inclusion

of women in institutions (i.e. by removing legal barriers for women to vote and stand for elections) is necessary but insufficient in terms of its ability to promote gender-equitable decision making on the macro-level. For women's decision-making power to be fully realized, a greater proportion of women must be included in "top-down" administrative decision-making positions such as ministers in national government and other higher

managerial and executive level positions in

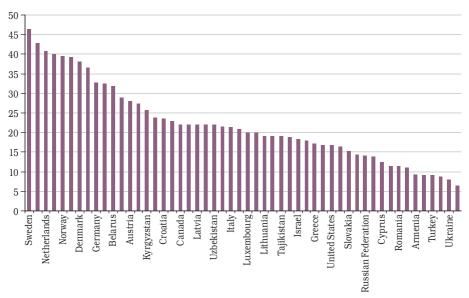
private sector companies.

#### Why are actions needed?

Women's low political representation is reflective of women's relatively weak position in many societies. While women's participation in economic and political decision-making has been increasing over the past five years in many countries across the UNECE region, improvements in women's access to power have generally been rather slow and uneven and women continue to be strongly underrepresented in all areas of decision-making in most countries. Although there are no legal barriers for women to vote and stand for elections in the UNECE region, their significant under-representation in power and decision-making across the region implies that significant challenges to women's empowerment persist.

- In most countries (e.g. Luxembourg, Canada, Croatia, Poland, United States, Turkmenistan), between 15 and 25 per cent of members of parliament (MPs) are female (Figure 2). Just a few, including Belgium and Denmark, report a share higher than 35 per cent. Only in Sweden has full parity practically been achieved with 46.4 per cent female MPs.
- In all of the UNECE countries except for Finland and Spain, men outnumber women as ministers in national government. Although governments are a large employer of women, women tend to be less represented in the higher administrative posts, especially in Western Europe where the share of female senior civil servants often does not exceed 30 per cent.





Source: UNECE Statistical Database

- In the 27 member States of the European Union there were no women among governors of the Central Banks in 2009 and the proportion of women among members of the decision-making bodies of the Central Banks was less than one in five.
- Women form the minority representation on European corporate boards. In 2009, women constituted only three per cent of presidents/chairpersons of the highest decision-making bodies of the largest publicly quoted firms on the national stock exchange of the EU 27, and only one in ten members of the highest decision-making bodies of these firms were women<sup>19</sup>.
- In the UNECE region, women further form the minority among business owners and top managers. (Figure 3).

<sup>19</sup> www.unece.org/stats

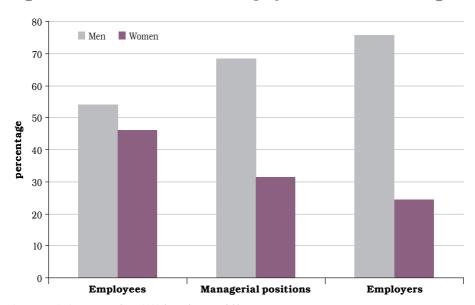


Figure 3: Gender Differences in Employment in the UNECE Region

Source: UNECE Statistics Database, 2008 data or latest available

Note: <u>Employees</u> are all the workers who hold paid employment jobs; <u>Managerial positions</u> refer to Legislators, Senior Officials and Managers; <u>Employers</u> are workers who hold self-employment jobs and have engaged, on a continuous basis, one or more persons to work for them in their business as employees.

#### What policies serve as best practices examples?

To increase the proportion of women appointed to top positions in national governments, some UNECE member states have instituted quotas for the percentage of high ranking officials and civil servants that must be female. In addition, in the private sector, there have been efforts towards increasing the proportion of women holding executive-level decision-making positions supported by laws that institute gender quotas on corporate boards.

 In the United Kingdom, the National Federation of Women's Institutes (NFWI) and the UK's Stop Climate Chaos Coalition work together to promote women's participation in decision-making for broader economic and energy policy. The NFWI has identified climate change as an area where women are uniquely placed to make decisions that will positively impact their homes and communities. Through 2009, the NWFI ran a campaign which focused on increasing awareness amongst its members and their communities as well as amongst politicians and other NGOs on the issue of Women and Climate Change- empowering women to participate in the national policy dialogue on the issue. The NWFI trains women to go out into their communities and achieve tangible savings in energy usage, waste, and transport (for example, as in the "Carbon Challenge" project in which 20,000 participating members saved 20 per cent of their baselines emissions over the course of the project). Taking strong action within communities has meant that the NFWI is one of the UK Government's valued stakeholders, particularly for the Department of Energy and Climate Change, and allows for women to play a strong role in top-down decision-making regarding the broader economic and energy policy in the UK<sup>20</sup>.

• In the Netherlands, the public and private sector have collaborated to participate in the 'Talent to the Top: Women in Decision-Making' Charter. The Dutch Government has set itself the goal to increase the proportion of women appointed to top positions in central government and public sector organisations from 25 to 30 per cent by 2011. To reach this goal, a range of tools such as networks, the use of recruitment agencies and action programmes are used to motivate, recruit, develop, and commit female candidates. By August 2010, 115 organizations and businesses had signed up. By joining the Charter, organizations commit themselves to develop a strategy or continue to pursue a clear strategy for the influx and trough flow of women in management positions. The signatory companies determine quantitative goals for their own organization, review their achievements and report about them to a Monitoring Commission, which will report annually to the Minister of Economic

<sup>&</sup>lt;sup>20</sup> Dankelman, Irene. Gender and Climate Change: An Introduction. Case Study 9.2 pp 244-246. (2010). Earthscan Publishing.

Affairs and announce the results of the signatories in the media, referring to the names of the organizations and companies concerned. The Government wants to be an exemplary employer - therefore in governmental advisory bodies it is now compulsory to ensure a proportional representation of men and women and all new appointments must be made accordingly<sup>21</sup>.

- In Poland, a Parliament Gender Quota Bill was approved in early 2010 with the aim of promoting greater gender equality in the country's political life. According to the new legislation, at least 35 percent of all candidates on the lists of all parties running for seats in the 460-seat lower house must be women. The rule will not apply to elections to the 100-seat upper house (Senate). Prime Minister Donald Tusk welcomed the new regulations but suggested that there be a goal to increase the quota to 50 percent in the future to fully ensure equal representation of men and women. At present, women account for some 20 percent of deputies in the lower house and for only 8 percent of Senators<sup>22</sup>.
- In Denmark, a policy strategy undertaken to promote women in management has been based on cooperation, dialogue and knowledge sharing with the cooperation partners in the private sector, promoting the message that it is a good business strategy to recruit from the entire pool of talent (composed of both women and men) and that more women in management mean better executive teams and better opportunities to address all customer segments of a given firm. Since 2004, a broad range of activities have been undertaken, including economic analysis showing a positive

<sup>21</sup> MEG 7 (2010) 11.

Siemienska, Renata. "Gender Party Quotas in Poland." The Implementation of Quotas: European Experiences Quota Report Series. International Institute for Democracy and Electoral Assistance, 2005. pp 80-85.

correlation between the proportion of women in management and financial results; the creation

of a network for private enterprises to raise the proportion of women in management; the organization of a Senior Executive Camp (TopLederCamp) for opinion makers and senior executives from leading firms; the appointment of ten senior executives as ambassadors to promote bringing more women into management and onto corporate boards; a mentoring programme for women managers and a Charter for more women

in management for public and private enterprises.

Companies signing the charter commit themselves to setting goals for getting more women into management. In 2010 more than 100 private and public companies and organizations have signed the Charter for More Women in Management<sup>23</sup>.

• In Norway, the Norwegian Parliament passed an amendment to the Public Limited Companies Act in 2003 making it mandatory by law for all state-owned companies, inter-municipal companies and Public Limited Companies to have at least 40 per cent of each gender on company boards. An agreement with the private sector first stipulated that the legislation would not come into force if businesses voluntarily increased women's representation on corporate boards to the required level of 40 per cent by July 2005. The legislation came into force in January 2006 and set companies a two-year deadline to comply with the rules with the threat of being dissolved by order of the court in case of non-compliance. As a result of this legislation, the percentage of women on corporate boards increased from 16 per cent in 2005 to 40.1 per cent in

<sup>&</sup>lt;sup>23</sup> The Danish Report presented at the 7th Council of Europe Conference of Ministers responsible for equality between women and men (MEG 7 (2010) 7).

2009. Today women have taken more than 40 per cent of the boardroom positions in the companies covered by this regulation. In June 2009 the Municipal Act was amended to cover companies owned by municipalities and other corporations in which municipalities or counties own at least two-thirds of the shares. These companies are now also required to have 40 per cent gender balance on their boards. The act entered into force in January 2010 and has a transitional period of two years<sup>24</sup>.

National report of Norway on gender equality and the empowerment of women for the Annual Ministerial Review of the Economic and Social Council (2010) E/2010/66; ECE/AC.28/2009/6.

### AREA 5

# Reconciliation of work and family responsibilities

hy is reconciling work and family responsibilities important for women's economic empowerment?

Reconciling paid work and family responsibilities affect parents all over the world, requiring constant negotiation within as well as between the household and the workplace, as a means of ensuring a manageable and equitable balance between the two. Such challenges have different implications for men and women owing to entrenched perceptions of paid employment and

market.

unpaid domestic work and the value that society attributes to them. The gendered

division of labour continues to reflect traditional gender roles perceiving women as caregivers and men as breadwinners. Despite increasing female labour force participation around the world, women continue to shoulder a disproportionate share of family responsibilities resulting in a double burden. This coupled with a lack of child care institutions, contributes to women's persistently disadvantageous position in the labour

#### Why are actions needed?

Facilitating a balance between work and family through the provision of affordable and qualitative child minding and family-friendly policies<sup>25</sup> would establish a win-win situation for women and men with considerable gains for society and the economy.

- For employers, incorporating family friendly policies brings financial benefits that outweigh the costs through: enhancing their capacity to attract the highest qualified and skilled employees; by reducing absenteeism and staff turnover; and by increasing productivity, motivation and satisfaction among employees.
- For employees, family friendly policies would increase life satisfaction and enable them to achieve both career and family aspirations.
- At a global level and particularly within the UNECE region, the incorporation of family friendly polices is crucial given demographic changes. A better use of human resources and an increase of labour supply are essential to maintain economic growth and ensure sustainable pensions and security systems

#### What policies serve as best practices examples?

• In Ukraine the "Best Family-Friendly Enterprise" Contest and Practical Guidebook Publication increases public awareness about reconciling paid work and family responsibilities. Co-organized by the Centre for Corporate Social Responsibility (CSR); the Ministry for Social Policy and Labour; the Ministry for Family, Youth, and Sports; and the State Committee for Regulatory Policy and Entrepreneurship Development – the "Best Family-Friendly"

<sup>&</sup>lt;sup>25</sup> Family friendly policies which recognize the family responsibilities of men and women employees and accept that such responsibilities can have an impact on employees working lives.

Enterprise" Contest was launched with the goals of improving public awareness on the issues of

finding a balance between family and working life, motivating employers to implement family-oriented working conditions. identifying best work-life balances practices among Ukrainian companies, and supporting gender equality in the workplace. From the information obtained during the implementation of the Contest, the Centre for Corporate Social Responsibility developed the practical guidebook: Work-life balance in Ukraine: new competitive advantage

for companies and employees to serve as a good practices guide for companies to develop more family-friendly working conditions  $^{26}$ .

• In Canada, the Child Tax Benefit System provides incentives for women to continue to work while raising children. Women constitute a disproportionate percentage of those living with low-incomes in Canada, are over-represented in low-paid and non-standard jobs, and there is a persistent gender pay gap in the country. As such, Canada has introduced the Child Tax Benefit System as a means of addressing these gaps in women's economic prosperity and continues to be updated to assist women in reconciling work and family life. The most notable example is the inclusion of the National Benefit Supplement for low-income families with children, which includes both income and other forms of support. The most recent National Benefits Progress Report highlights the value of these benefits- in 2006 noting that there has been a 9.5 per cent reduction in the number of lone parent families living in low income as a result of the National Child Benefit System. In addition, the

<sup>&</sup>lt;sup>26</sup> Saprykina, Maryna. Presentation on the NGO "Centre for CSR Development" at the UNECE Gender Roundtable Discussion on Empowering Women for Sustainable Development, 30 March 2011.

new Working Income Tax Benefit provides a financial incentive for low-income taxpayers to enter and/or remain part of the workforce. This initiative has contributed to a significant reduction in the number of children living in families with low-income parents from 18.6 per cent in 1996 to 11.3 per cent in  $2006^{27}$ .

- In Austria the "Right to Flexible Working" for Austrian Parents in the private sector gets governmental support in the form of legislative mandates that give parents the right to flexible working hours. In July 2004 parents with children under seven received the right to reduce their working hours or have flexible schedules. The legal right applies to companies with more than 20 employees. Small companies with fewer than 20 employees who voluntarily grant working time flexibility to parents can request financial support from the government to alleviate the costs associated with the reorganization of working time. The reform was evaluated in 2008 and received a positive evaluation by the majority of affected businesses (64 per cent). 80 per cent of parents who made use of the entitlement reduced their working hours compared to 20 per cent who only varied their work schedules, while only 14 per cent of parents making use of the legal right were fathers<sup>28</sup>.
- In Germany, Earnings-Related Parental Allowance contributes to an increase in the proportion of fathers taking parental leave. In Germany, two years after the introduction of an earnings-related parental allowance for 14 months in 2007, two of which are non-transferable between parents, the proportion of fathers taking up parental leave has increased from 3.5 per cent in 2006 to 16 per cent in 2009. Over one third of fathers on parental leave take up more than the two months of parental leave reserved for them<sup>29</sup>.

<sup>&</sup>lt;sup>27</sup> The 9th National Child Benefit Progress Report of Canada, 2007.

Warth L. and Koparanova, M., Empowering Women for Sustainable Development. UNECE Discussion Paper No 2012.1, Geneva 2012.

Warth L. and Koparanova, M., Empowering Women for Sustainable Development. UNECE Discussion Paper No 2012.1, Geneva 2012.

# **Conclusions**Looking forward

The good practice programme and policy examples presented here highlight the numerous ways

that the key dimensions of women's economic empowerment are being addressed in the UNECE member states on the road to sustainable development. While each example represents a step forward towards greater gender equality in its own country context and area, it is important to note that successful and constructive policymaking and programme implementation should be executed in a needs-responsive manner. Given the areas of priorities and the specific environment

of various sub-regions of the UNECE region there is no "one size fits all" policy solution for all countries and all dimensions of women's economic empowerment. Context-specific tailoring of programmes and policies is the only way to ensure that the focus areas of women and decision-making, gender equality in the workplace, gender equitable access to resources, women's entrepreneurship, and reconciliation of work and family responsibilities are each addressed appropriately and effectively.

Promoting gender equality and women's economic empowerment has to target lasting and long-term improvements in the policy environment in order to ensure sustainable development for all. Exchanging good practices on how to build step by step the road to patterns of sustainable

development that care for equitable allocation of resources both intraand intergeneration can have multiple effects: in the countries where these practices are designed and implemented and in those regions where they can be redesigned to match specificities.

At UNECE we will continue to support our member states by providing a platform for exchange of gender-sensitive economic policies and facilitate the sharing of good practices between governments in the region both at regular review meetings of the implementation of the Beijing Platform for Action, ad hoc expert group meetings and various activities to monitor the progress and challenges women face on the road to sustainable development.

## References

Dankelman, I. (ed.) (2010), Gender and Climate Change: An Introduction (Earthscan).

Page, N. and C. E. Czuba (1999), "Empowerment: What is it?" *Journal of Extension*, Vol. 37, No. 5.

Siemienska, R. (2005), "Gender Party Quotas in Poland." The Implementation of Quotas:

European Experiences *Quota Report Series*. International Institute for Democracy and Electoral Assistance, 2005. pp 80-85.

Warth L. and Koparanova, M., *Empowering Women for Sustainable Development*. UNECE Discussion Paper No 2012.1, Geneva 2012.

Austrian Institute for Small Business Research (IfGH) (2006). Good Practices in the Promotion of Female Entrepreneurship: Examples from Europe and other OECD Countries."

European Commission (2008). European Network to Promote Women's Entrepreneurship (WES) Activity Report. Brussels: Enterprise and Industry Directorate-General.

The 7th Council of Europe Conference Ministers Responsible for Equality between Men and Women (2010). *Positive Action and Gender mainstreaming to Achieve De Facto Gender Equality*.

Report: Strasbourg, 7 May 2010.

- Report presented by the National Delegation Denmark. MEG-7(2010)7.
- Report presented by the National Delegation Germany. MEG-7(2010)9.
- Report presented by the National Delegation Netherlands. MEG-7(2010)11.
- Report presented by the National Delegation Norway. MEG-7(2010)6.
- $\bullet\,$  Report presented by the National Delegation Portugal. MEG-7(2010)12.

The National Child Benefit (2010). *The 9th National Child Benefit Progress Report of Canada for 2007*. Published May 2010. Catalogue No. HS1-3/2007-EPDF. ISBN: 978-1-100-12672-2.

United Nations Convention on the Elimination of All Forms of Discrimination Against Women (UNCEDAW) (2009). *Consideration of reports submitted by States parties under article 18 of the Convention on the Elimination of All Forms of Discrimination against Women: Fifth periodic report of States parties.* Distributed: 21 October 2009.

United Nations Economic Commission for Europe (UNECE) (2010). *The MDGs in Europe and Central Asia: Achievements, Challenges and the Way Forward.* Geneva.

United Nations Development Fund for Women (UNWOMEN) (2000). *Progress of the World's Women*, Biennial Report, Chapter 4, New York.

United Nations Division for the Advancement of Women (2009). *World Survey on the Role of Women in Development*. New York: Division for the Advancement of Women, Department of Economic and Social Affairs.

United Nations Preparatory Committee for the Conference on Sustainable Development (2010). "Progress to date and remaining gaps in the implementation of the outcomes of the major summits in the area of sustainable development, as well as an analysis of the themes of the Conference." Report of the Secretary General, distr: 1 April 2010. A/CONF.216/PC/2.

### For further information please contact:

Information Service
United Nations Economic Commission for Europe (UNECE)
Palais des nations
CH - 1211 Geneva 10
Switzerland

Tel: +41 (0)22 917 44 44

Fax: +41 (0)22 917 05 05

E-mail: info.ece@unece.org

Website: http://www.unece.org



