



PACIFIC ISLANDS FORUM SECRETARIAT

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FORUM ECONOMIC OFFICIALS MEETING

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FORUM ECONOMIC MINISTERS MEETING

9 – 10 August 2023

Suva, Fiji

INFORMATION PAPER 3: ECONOMIC EMPOWERMENT OF WOMEN

Purpose and Recommendations

Purpose

This paper provides an update on Women's Economic Empowerment, as a thematic area under the Pacific Leaders Gender Equality Declaration (PLGED).

Summary

Women's economic empowerment is a powerful lever for change. It can drive gender equality and intergenerational benefits for women, their families, communities, and countries. Transformative change, from economic participation to economic power, can only happen if our countries shift the way policies are designed and implemented to ensure that women's role in the economy is recognised and supported and that policies and plans respond to the challenges that women face.

Pacific women have a key role to play in sustainable and inclusive economic development – and therefore in the achievement in the vision and levels of ambition set out in the 2050 Strategy for the Blue Pacific Continent. This is reaffirmed in the approach to the revitalisation of the *Pacific Leaders Gender Equality Declaration (PLGED)* to support the vision of the *2050 Strategy* recognising the critical role that women and girls, in all their diversity, play in our region and the need for effective coordination and collaboration to support and strengthen gender equality. This is also captured through the *Pacific Platform for Action on Gender Equality and Women's Human Rights 2018-2030* and through the implementation of the outcomes of the 2021 Pacific Women's Triennial.

A. Overview/Summary

Women play a central role in Pacific economies and contribute to both the formal and informal sectors yet continue to face a myriad of obstacles including limited access to finance, lack of a supportive business enabling environment, and limited access to digital technology.

2. Women's economic empowerment is vital to realising women's rights, reducing poverty, and achieving gender equality across the globe. When more women undertake paid work, economies

expand through enhanced productivity, economic diversification, and income equality. Increased and more stable earnings for women mean that other areas of their lives also improve including being able to afford health care and education costs for their children and they are more likely to play a leadership role in their communities.

3. Women-owned businesses make up the majority of MSMEs. Women create new Micro-Small-Medium Enterprises (MSMEs) in urban and rural areas, contributing to increasing labour market participation; and ensure constant innovation with new perspectives, skills, and experiences in increasing business productivity and innovation.

B. Discussion

2050 Strategy for the Blue Pacific Continent

4. The [2050 Strategy for the Blue Pacific Continent](#) through the thematic area of Resources and Economic Development highlights the importance of increasing opportunities for all Pacific peoples, including women and girls to engage in economic activity including in the management of their resources and creating and further developing employment and entrepreneurial activity in the micro, small and medium-sized enterprises (MSMEs).¹

5. The development of the Pacific Roadmap for Economic Development (PRED) also presents opportunities to support and strengthen women's engagement in business, and the labour market, and in playing a leading part in building resilience and ensuring sustained economic development and growth.

6. Despite the push to support women's economic empowerment, women still face a multitude of challenges. These will be the basis for the *2023 Women Rejuvenating Pacific Economies Conference* that will be held in late 2023. The Conference is a gathering initiated by the Pacific Islands Forum in partnership with the Pacific Community (SPC) and in collaboration with the Asian Development Bank's Pacific Private Sector Development Initiative (PSDI), the Centre for International Private Enterprise (CIPE), and the Pacific Islands Private Sector Organisation (PIPSO). The Conference will consider regional policy developments important to the private sector following Leaders' endorsement of the 2050 Strategy for the Blue Pacific Continent, and the critical need, therefore, to position women entrepreneurs' voices at the forefront of the development of the resultant implementation plans. A number of the topics that will be discussed at the conference are highlighted in this paper.

Access to Finance

7. Women's access to finance in the Pacific is both a challenge and an opportunity. For many women throughout the Pacific region, access to finance is heavily influenced by customary laws and institutional practice. Women are rarely able to inherit land and are therefore unable to use land as security for loans.²

¹ 2050 Strategy for the Blue Pacific Continent, 2022.

² <https://about.businesslinkpacific.com/womens-access-to-finance-in-the-pacific-a-challenge-and-an-opportunity/>

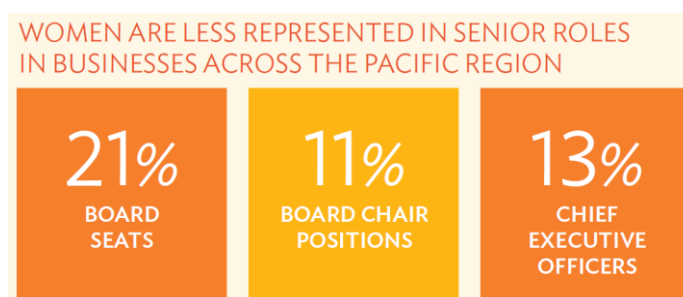
8. Even though progress has been made through an increase in the number of institutions and the use of technology which has made accessing credit easier, women still have not always automatically benefited. In Tonga, 90% of women have mobile phone access and over 80% of women in Fiji have access, compared to around 30% of women in Kiribati. However, even though women may have access, this does not necessarily mean they can use the phone to access financial services since regional digital services uptake is still new. Currently, 44 million women throughout Asia and the Pacific region remain unconnected to the internet and as such, digital financial services.³

9. There is a strong positive linkage between legislation mandating equal access to credit, equalizing business registration, improving women's mobility, and expanding women's business ownership and access to finance. With women currently earning only two-thirds of men's expected lifetime income, more discriminatory legal environments are linked to a higher probability that businesses led by women will commence operations in the informal sector. Reducing inequalities in economic opportunity through advocacy efforts to reform legal and policy frameworks poses a transformative potential for Pacific economies.

Women's leadership

10. Women's representation in leadership roles encourages more women to enter and remain in the workforce contributing to improved company performance and economic growth. Pacific women are faced with the same challenges and limitations found globally, including lower workforce participation rates, fewer training and promotion opportunities, substantial caring responsibilities, and limited protections against discrimination and harassment in the workplace.

11. Including women in public and private spaces as well as regional policy-making spaces, has short-, medium-, and long-term benefits. The 2021 report by ADB's Private Sector Development Initiative *Leadership Matters* noted the regional average for women as directors on boards as 21%; as board chairs 11%, and as chief executive officers 13%.



Source: PPSDI (2021)

12. While women are underrepresented in senior leadership, the Pacific averages compare favourably with global data. The *Leadership Matters* data was drawn from almost 300 organizations across the Pacific, including industry associations, publicly listed companies in Fiji and PNG, SOEs, regional/multi-country organizations, and other private sector organizations such as central banks, provident funds and non-listed companies).

³ Ibid.

13. The report further found that industry associations, such as chambers of commerce, are the organization type with the highest representation of women across all leadership levels. The report notes that factors determining whether businesses have more women in leadership include broader social norms/culture; proportion of women at all levels of the workplace; inclusive workplace culture and policies; and quotas and targets.

Business enabling environment

14. The Qtr 4, 2021 edition of the Pacific Trade Invest (PTI) Network Pacific Business Monitor Report noted that 49% of female-led businesses reported barriers that prevented them from actioning initiatives to support their business, compared to 34% of male-led businesses.⁴ It highlighted that women-led businesses experienced more barriers than male-led businesses in lack of finance/cashflow; closed borders/lockdown effects; business operations; temporary closure and/or permanent closure; and a higher percentage in the decline of sales and revenue.

15. Women-owned businesses make up the majority of MSMEs. Women create new Micro-Small-Medium Enterprises (MSMEs) in urban and rural areas, contributing to increasing labour market participation; and ensure constant innovation with new perspectives, skills, and experiences in increasing business productivity and innovation.

16. At the macro-level, transforming policy and regulatory frameworks that support women as business entrepreneurs can allow greater economic empowerment of women by lowering barriers to start and grow their businesses. Such efforts can result in higher levels of female entrepreneurship, smaller gender-wage gaps, and greater numbers of women in corporate leadership positions.⁵

17. There is a strong positive linkage between legislation mandating equal access to credit, equalizing business registration, improving women's mobility, and expanding women's business ownership and access to finance. With women currently earning only two-thirds of men's expected lifetime income, more discriminatory legal environments are linked to a higher probability that businesses led by women will commence operations in the informal sector. Reducing inequalities in economic opportunity through advocacy efforts to reform legal and policy frameworks poses a transformative potential for Pacific economies.

18. The availability and accessibility of business support services such as training, mentoring, and networking opportunities are often limited in the Pacific. Lack of support and guidance hinders women's ability to develop their entrepreneurial skills, expand their networks, and access markets.

19. Traditional gender roles and societal expectations can create additional challenges for women in the business sector. Social and cultural norms may discourage women from pursuing entrepreneurial ventures or limit their ability to engage in certain industries or occupations.

20. Infrastructure and Connectivity: Limited infrastructure, including inadequate transportation and unreliable internet access, can be barriers to women's business activities in the Pacific. These challenges hinder their ability to reach markets, access information, and connect with potential customers and suppliers.

⁴ [PTI pacific-business-monitor-report-17.pdf](#)

⁵ World Bank. 2022. *Women, Business and the Law 2022*.

21. Addressing these challenges requires a multi-faceted approach involving various stakeholders, including governments, civil society organizations, and development partners. Some potential strategies to promote a more business-enabling environment for women in the Pacific include:

- i. **Policy and Legal Reforms:** Governments can review and revise existing laws and regulations to remove discriminatory provisions and ensure equal opportunities for women in business. They can also implement policies that promote gender equality and support women's economic empowerment.
- ii. **Access to Finance:** Financial institutions can develop innovative financial products specifically designed for women entrepreneurs. This can include offering microfinance loans, reducing collateral requirements, and providing financial literacy and management training.⁶
- iii. **Business Support Services:** Governments and organizations can establish and strengthen business development centres that offer training, mentoring, and networking opportunities for women entrepreneurs. Providing access to relevant information, skills development, and support networks is crucial for women's business success.
- iv. **Gender-Sensitive Infrastructure Development:** Governments and development partners can invest in improving infrastructure, such as transportation and internet connectivity, to enhance women's access to markets and information.
- v. **Changing Social and Cultural Norms:** Community awareness campaigns and educational programs can challenge gender stereotypes and promote a more supportive environment for women in business. In the Pacific, women's roles can sometimes hinder their engagement in business and the labour force. Engaging with community leaders, men, and youth is essential to foster a more inclusive and gender-equal society.

22. By addressing these challenges and implementing targeted interventions, the region can create a more favourable business enabling environment for women, thereby unlocking their entrepreneurial potential and contributing to economic growth and development.

Harnessing digital technology

23. The economic case for improving women's access to technology is compelling; harnessing digital technology has immense potential for supporting women's economic empowerment in the Pacific region. Digital technology can contribute to women's economic empowerment through:

- i. **Access to Information and Education:** Digital technology enables women to access information and educational resources that can enhance their skills and knowledge. Online platforms and e-learning opportunities can provide women with training in various fields, including entrepreneurship, financial literacy, and business management.⁷
- ii. **Online Marketplaces and E-commerce:** Digital platforms can provide women with opportunities to start and grow their businesses by connecting them to larger markets. Online marketplaces and e-commerce platforms allow women entrepreneurs to showcase and sell their products and services to a global audience, overcoming geographical limitations and

⁶ ADB. 2018. *Women and Business in the Pacific*.

⁷ <https://unctad.org/news/how-unlock-womens-potential-digital-economy>

- increasing their customer base.
- iii. **Financial Inclusion:** Digital financial services, such as mobile banking and digital payment systems, can empower women by providing them with access to formal financial services. These services allow women to save, transfer money, and access credit, which are essential for starting and expanding businesses.
- iv. **Networking and Mentorship:** Digital platforms and social media can facilitate networking opportunities for women, connecting them to peers, mentors, and role models. Online communities and forums can offer support, advice, and valuable connections, enabling women to access resources and opportunities that were previously limited.⁸
- v. **Access to Government Services:** Digital technology can streamline access to government services, such as business registration, licensing, and taxation. Online platforms can simplify administrative processes, reducing barriers for women who want to start and operate businesses.
- vi. **Digital Skills Development:** Initiatives focused on building digital literacy and skills among women can enhance their employability and entrepreneurial capabilities. Training programs and workshops can equip women with the necessary skills to leverage digital tools and platforms effectively.⁹

24. To fully harness the potential of digital technology for women's economic empowerment in the Pacific, it is crucial to address the digital gender divide by promoting digital literacy and connectivity, ensuring affordable and reliable internet access, and creating an inclusive digital ecosystem that addresses the specific needs and challenges faced by women in the region. Collaboration among governments, private sector organizations, civil society, and international partners is essential to drive meaningful change and create an enabling environment for women to leverage digital technology for economic empowerment.

Update on PLGED revitalisation and Triennial implementation plan

Process to revitalise the Pacific Leaders Gender Equality Declaration

25. Consultations on the revitalisation of the Pacific Leaders Gender Equality Declaration (PLGED) were completed in April 2023 with all 18 Member countries. The PLGED consultation findings are currently undergoing a validation and socialisation process with Members, CROP, and Donor and Development partners. CROP agencies are key partners in the implementation of the PLGED and are working to strengthen partnerships within CROP and support national gender equality actions and initiatives. A draft of the revitalised PLGED and an approach to implementation and M & E will be shared via circular for Members feedback in late July 2023. The revitalised PLGED will be presented to PIFWLM in August and then presented to Leaders in November for their endorsement.

Triennial outcomes implementation update

26. The Secretariat of the Pacific Community has developed an implementation plan and Monitoring framework for the implementation of the outcomes of the Triennial Conference of Pacific

⁸ <https://techforgoodinstitute.org/research/ecosystem-resources/how-women-owned-businesses-transform-in-the-digital-era/>

⁹ <https://blogs.worldbank.org/youth-transforming-africa/women-are-starting-digital-businesses-deserve-more-help->

Women. Women's economic empowerment is a key area of implementation. The implementation plan and monitoring framework are intended to support gender equality actions and progress in Member countries and will be highlighted at the 15th Triennial that will be held in the Republic of Marshall Islands in 2024.

C. Next Steps

- i. PIF Women Leaders Meeting will be held in Suva on 31 August – 1 September 2023
- ii. *Women Rejuvenating Pacific Economies* Conference is tentatively scheduled for November 2023 in Fiji

Pacific Islands Forum Secretariat
19 July 2023