

# Country Gender and Economic Profiles

October 2016



United Nations Entity for Gender Equality  
and the Empowerment of Women



## Spring Forward for Women Programme

*European Commission and UN Women joint regional programme for the Southern Mediterranean region  
"The Spring Forward for Women", programme implemented with funding by the European Union*



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This report was prepared by: Euromonitor International

Publication Date: October 2016



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## 1. Introduction

This report, commissioned by the EU-UN Women Programme “Spring Forward for Women”, funded by the European Union, seeks to elucidate the main barriers - structural, institutional, and normative - to women’s enhanced economic participation and employment in Arab countries with a focus on the period 2000-2015. It examines the relationship between development and growth, on the one hand, and women’s employment on the other and identifies obstacles to the recruitment of women into ‘leading sectors’.<sup>1</sup> It suggests measures to overcome those obstacles and promote more ‘female-inclusive growth’ throughout the region. Moreover, it argues that the success of new leading sectors will depend on their ability to employ the best talent available, which necessarily involves a willingness to look to women, as well as men, as the source.

The report also describes how the determinants of low female labour force participation in the region have been discussed in scholarly literature, prepares economic and gender profiles of 17 Arab countries and puts forward a synthesis of policy recommendations for female-inclusive growth in the future. The work is based on a review of official international and national statistical sources, national economic plans and regional observers’ assessments, and on information gathered from key informants in each country.

The special value of the report lies in the fact that it rebalances the focus away from supply-side aspects of women’s economic participation, as thoroughly discussed in the literature, and pays new attention to the labour demand side. The key objectives of the report, driven by the need to absorb the ever-increasing population of young men and women seeking paid employment throughout the region, are as follows:

1. Identify the sectors with potential for economic growth of countries in the region, and the extent of women’s participation in these sectors, which will inform policy formulation and women’s economic empowerment programme design in the respective countries.
2. Provide information on the skills needed in the labour market, the sectors that women should enter, the types of products that women and men should be trained to produce and market, and the policies that should be developed and implemented to ensure equal economic opportunities for men and women.

## 2. Regional Comparison and Overview

Women of the Arab region have a very low rate of engagement in the economy, in terms of employment and involvement in businesses large and small. It is a striking and distinctive feature, which many analysts have attempted to explain. Policymakers are beginning to understand that women’s low economic participation is an impediment to the region’s future development. New measures are being introduced to address the issue, but the challenges are many and multi-faceted.

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1. According to the ILO, employment comprises all persons above a specified age who during a specified brief period, either one week or one day, were engaged in either paid employment or self-employment.

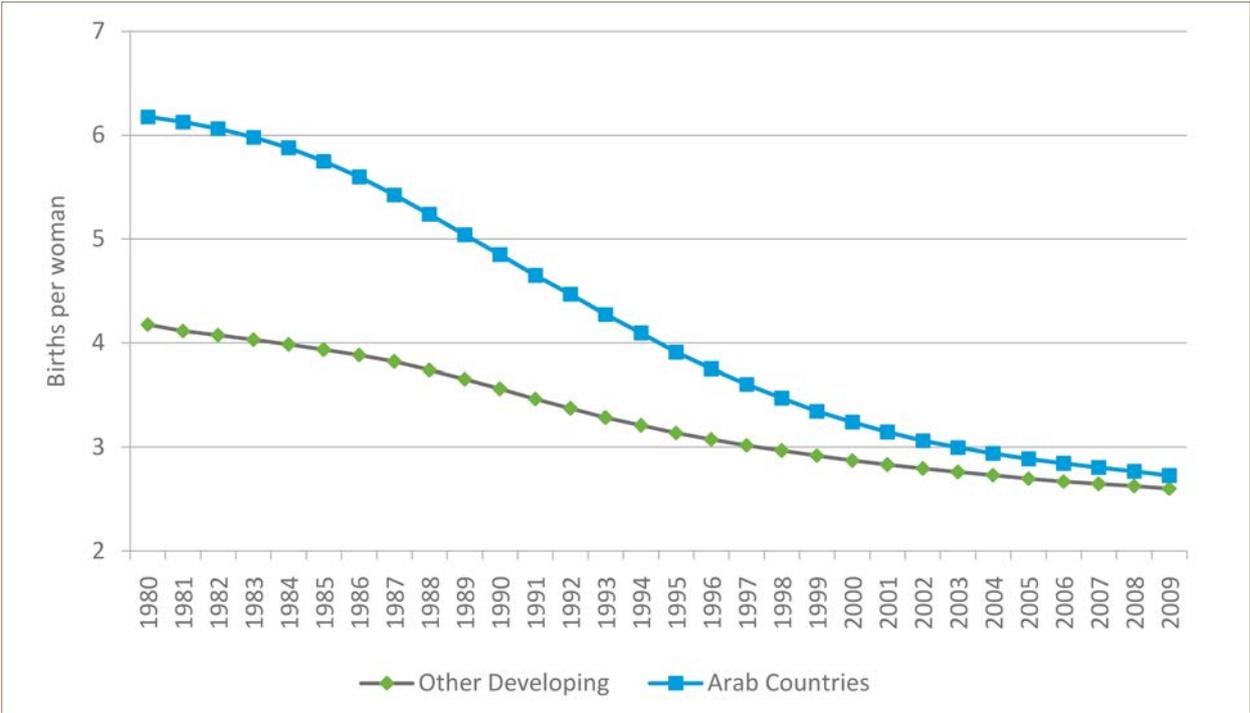
It is important to note that Arab countries vary in terms of wealth, natural resources, economic structures, and women’s legal status. In more recent years, stability has become a distinguishing feature as well. Thus differences between the oil-rich Gulf Cooperation Council (GCC) countries, the countries in conflict, and the Arab countries with larger populations and an extensive hinterland should be borne in mind.

### 2.1 Women’s Participation in the Economy

Women in the Arab region (West Asia and North Africa) have been making impressive strides in educational attainment, fertility control and health. The past three decades have seen steady educational catch-up compared with other regions at similar levels of development, the closing of the gender gap in education, and female tertiary enrolment exceeding that of men in many countries.

Along with female educational attainment, fertility rates have been declining, as have maternal and child mortality rates.<sup>2</sup>

**Figure 1.** Arab States - Fertility Rates (1980 - 2009)



Source: World Development Indicators 2016

The participation of women in the region in public life has increased significantly, with a presence across various domains, including civil society, and in Algeria and Tunisia, for example, a high level of representation in parliament (above 30 per cent).

The impressive increase in women’s educational levels, and in a number of countries, a respect-

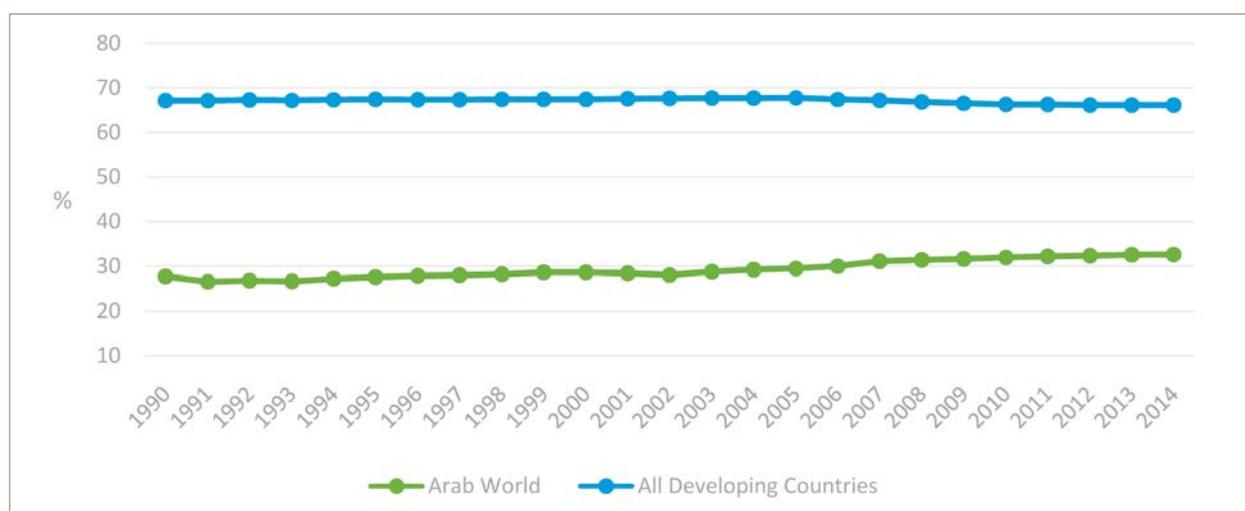
2. Karshenas, Massoud and others (2016), Introduction and Overview, in Nadereh Chamlou and Massoud Karshenas (eds.), Women, work and welfare in the Middle East and North Africa. World Bank (2009) MENA Development Report 2009: From privilege to competition: Unlocking private-led growth in the Middle East and North Africa.

able level of women’s enrolments in technical fields, have made them ever better prepared for work in the productive economy. However, women have not increased their presence in the economic sphere. In international terms, there is a very low rate of female labour force participation and a concomitant small female share of the total labour force.

The global average is 50.0% female labour force participation, but Arab women participate at much lower levels, roughly 25.0 %.<sup>3</sup> The national rates in the Arab countries covered in this report fall in the range 14-26 %, except for the GCC where the range is 39-52 %. How accurately these data measure the economic position of women in those countries is explored in the country profiles.

Over the past 20-30 years there have been very small trend increases in female labour force participation in some Arab countries. In several cases, however, the trends have recently flattened out or been reversed.<sup>4</sup> As a consequence, the gender gap in labour force participation is wider in the Arab region than in any other world region. Extrapolating the trend growth rates during the period 2000-2014 suggests that it will take 145 years for Arab countries to catch up with the average gender gap in female labour force participation in other developing countries. This highlights the critical importance of policy interventions to accelerate female participation in market activities in the Arab world.

**Figure 2.** Arab States - Ratio of Female to Male LFPR %, 1990-2014



Source: International Labour Organization 2016

Participation rates among women vary by educational attainment, with the highest rates found among university-educated women and those with the least educational attainment. The lowest participation rates are among those with intermediate levels of schooling.

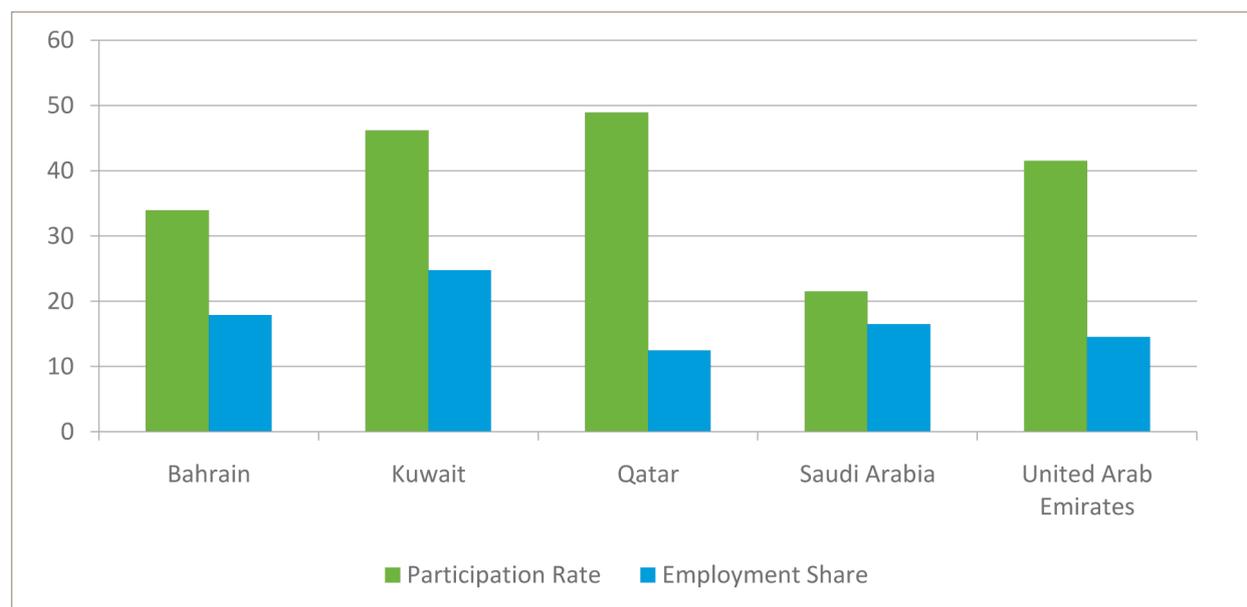
Globally, women constitute about half of the total labour force, but in Arab countries

3. Assaad, Ragui and Caroline Krafft (2016). “Labour market dynamics and youth unemployment in the Middle East and North Africa: Evidence from Egypt, Jordan and Tunisia.” ERF Working Paper 993 (April). ILO (2011,2012) Global Employment Trends for Women. Karshenas, Massoud and others (2016). “Introduction and Overview”, in Nadereh Chamlou and Massoud Karshenas (eds.), Women, work and welfare in the Middle East and North Africa. Moghadam, Valentine M. (2013), Modernizing women: Gender and social change in the Middle East. World Bank, World Development Report 2012: Gender equality and development.
4. Assaad, Ragui and others (2012) Gender and the Jordanian labour market. ERF Working Paper 701 (July). Joekes, Susan (2014), Statistical review on women’s labour force participation and entrepreneurship, in OECD, Women in business 2014: Accelerating entrepreneurship in the Middle East and North Africa Region.

women's share of the labour force is much less, about 25 per cent.

There is a paradoxical situation in this respect in the GCC nations. The high rates of female labour force participation are not matched by a proportionate share of the total labour force.

**Figure 3. Arab States - Female Labour Force Participation vs. Employment Rates in the GCC (2010)**



Source: International Labour Organization 2016

Indeed, judged by the share of women in the workforce, the GCC countries, with the possible exception of Kuwait, have the lowest level of women's labour market engagement amongst the Arab countries. They also suffer the same high gender-specific levels of unemployment as found throughout the region. In Bahrain, Kingdom of Saudi Arabia, Qatar and United Arab Emirates (data is not available for the other countries), the female rate of unemployment among nationals is at least three times as large as the male rate.<sup>5</sup>

There is generally a higher share of women in the public sector workforce. Employed women are still largely concentrated in the public sector (health, education, social services and public administration, where they make up about a third of the total workforce) and by extension, they appear in many private sector service activities although there are exceptions, notably a relatively low share in tourism. Women employed in the industrial sector are either in office support occupations or in low paid jobs in relatively labour-intensive manufacturing subsectors such as food products and textiles and clothing.<sup>6</sup> A recent study confirmed the greater likelihood of women workers' involvement in manufacturing in non-oil economies compared with oil economies, mostly in low-wage production.<sup>7</sup>

5. Karshenas, Massoud and others (2016). Introduction and Overview, in Nadereh Chamlou and Massoud Karshenas (eds.), *Women, work and welfare in the Middle East and North Africa*.

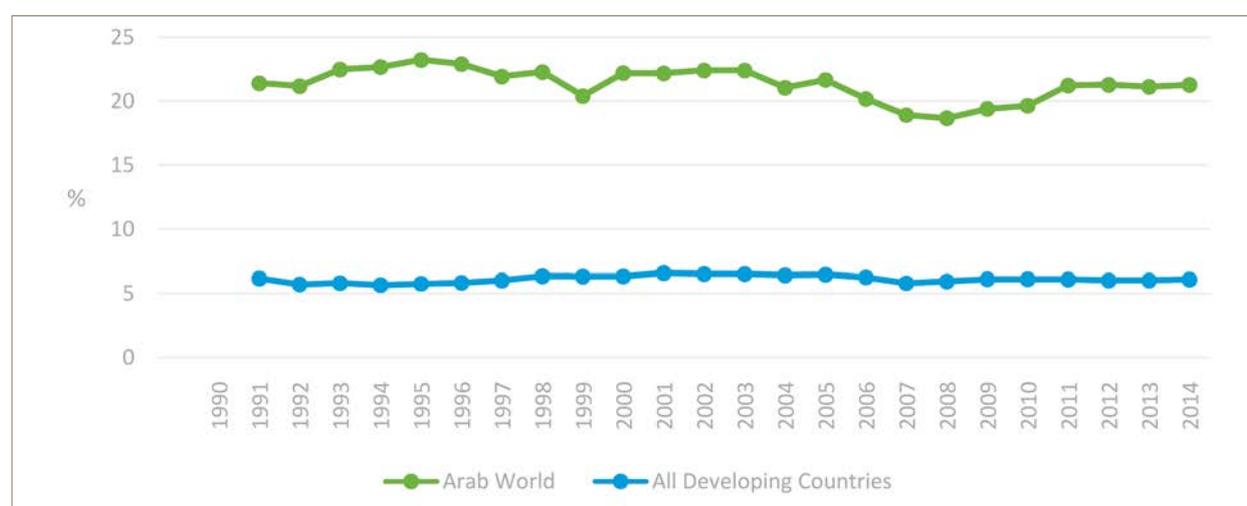
6. Cairoli, M. Laetia (1999), *Garment factory workers in the City of Fez*. *Middle East Journal* 35, no. 1 (Winter): 28–43, (2010), *Girls of the Factory: A Year with the garment workers of Morocco*. Joeke, Susan (2014), *Statistical Review on Women's Labour Force Participation and Entrepreneurship*, in *Women in business 2014: Accelerating entrepreneurship in the Middle East and North Africa Region*, OECD.

7. Fakih, Ali and Pascal L. Ghazalian (2015), *Female employment in MENA's manufacturing sector: Implication of firm-related and national factors*, ERF Working Paper 917 (May).

Although the statistics are incomplete, Arab countries that record the share of women in “vulnerable employment” display a higher level (38 per cent) than other middle income countries. Vulnerable employment in the International Labour Organization (ILO) definition includes “own-account work” and “contributing family labour.” Women workers are also often found in the low productivity informal sector (including home-based subcontracting work), and in various forms of “precarious work” in private sector services, without benefits or long-term work contracts.<sup>8</sup> One consequence of such low employment levels is that very few adult women are recipients of pensions and social security, only 8.0% in Egypt, for example.<sup>9</sup> Educated young women, as well as that “missing middle” of women with secondary schooling, appear to avoid such employment.

A related issue is that data on female labour force participation does not include women’s work in the “care economy” or what some feminist economists refer to as women’s contribution to “social reproduction.” Both of these terms denote women’s unpaid involvement in household activities, the care and upbringing of children, and the care of elderly relatives. Clearly, Arab women’s time use is heavily concentrated on care work in this sense. By extension, there may be some under-reporting for social reasons of some of women’s economic activity in Arab countries, notably work done by unacknowledged but de facto female household heads.<sup>10</sup>

**Figure 4.** Arab States - Unemployment, Female (% of Female Labour Force)



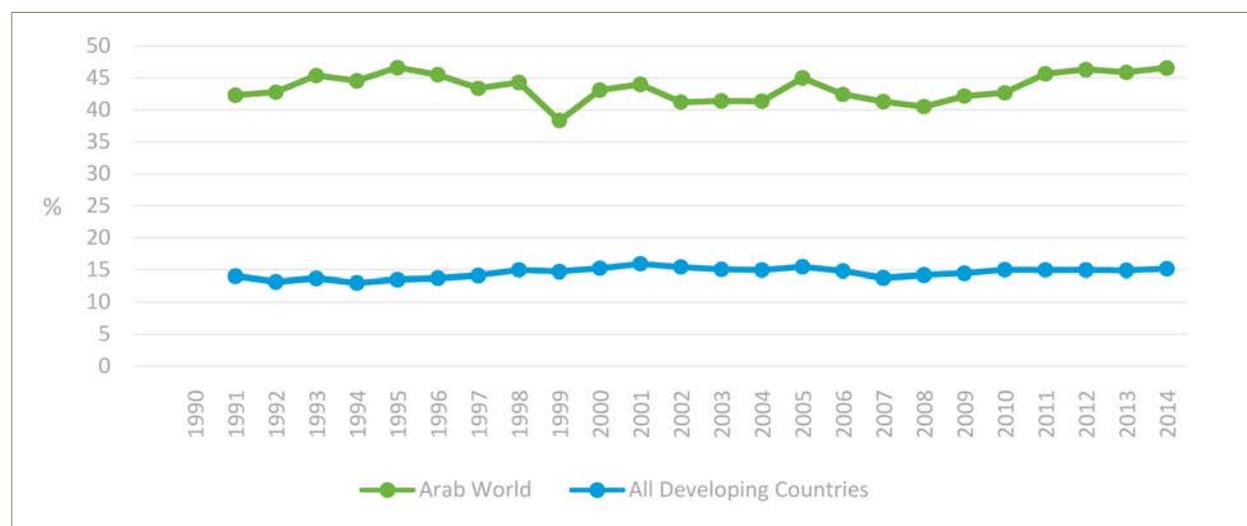
Source: International Labour Organization 2016

The final, extremely important fact about women’s economic engagement in the Arab region is that even within the very small female labour force, they face extremely high rates of unemployment. Unemployment rates in the Arab region are the highest of any region in the world. Women’s unemployment rate in the region is on average about 21.3 per cent, compared with world average of 6.1 per cent in 2014.<sup>11</sup> Paradoxically, unemployment is

8. ILO, Global Employment Trends for Women 2012. Marotta, Daniela and others (2016) Gender inequality, structural transformation and growth: The Case of Morocco, World Bank. World Bank Group (2015), Women, business and the law 2016: Getting to equal.  
 9. UN Women (2015), Progress in the state of the world’s women.  
 10. Belarbi, Aicha and others (2013) Comment aller vers l’égalité économique hommes-femmes? Beirut: Carnegie Middle East Center and CESEM (March).  
 11. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm>.

concentrated among young women, who are the most qualified to take on the most productive employment positions in the economy. More educated women's determination to engage economically in the face of this barrier strongly contrasts with the non-engagement of women in the "missing middle."

**Figure 5.** Arab States - Unemployment, Youth Female (% of Female Labour Force Aged 15-24)



Source: International Labour Organization 2016

The rapid growth of labour supply, both male and female, due to the late demographic transition, created a "youth bulge" (much in evidence during the Arab Spring protests of 2011). However, labour markets in the region have been unable to provide sufficient new jobs for them. In the past, educated women almost automatically found formal employment in the public sector. However, with the contraction of the public sector in most countries since the 1990s, unemployment rates of young women have been rising again.<sup>12</sup>

The majority of the unemployed population consists of new entrants to the labour force, i.e. young people, many of whom have relatively high levels of education. Across Arab countries, youth unemployment rates are generally much higher than, and oftendouble, the total average rate.<sup>13</sup> In Tunisia, for example, unemployment among university-educated youth increased from 34% in 2005 to 62% in 2012. The problem is especially acute in Egypt, where the unemployment rate for young women is more than double that of men, reaching 64.8% in 2014<sup>14</sup>; young women constitute two thirds of the total unemployed.<sup>15</sup> High female unemployment rates suggest that young educated women are looking for jobs but not finding them.

12. Moghadam, Valentine M. (1995), Gender Aspects of Employment and Unemployment in a Global Perspective, pp. 111-139, in Global employment: An international investigation into the future of work, ed. Mihaly Simai and others. Ibid, (2005), Women's economic participation in the Middle East: What difference has the neoliberal policy turn made? Journal of Middle East Women's Studies vol. 1, no. 1 (Winter): pp. 110-146. Assaad, Ragui and Caroline Krafft (2016). Labour market dynamics and youth unemployment in the Middle East and North Africa: Evidence from Egypt, Jordan and Tunisia. ERF Working Paper 993 (April). Shaban, Radwan A. and others (1995), The challenge of unemployment in the Arab Region. International Labour Review 134, no. 1: 65-81.

13. ILO (2011, 2012) Global Employment Trends for Women 2011, 2012. ILO (2011), Labour market policies and institutions: a Synthesis Report. The cases of Algeria, Jordan, Morocco, Syria and Turkey.

14. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm>.

Economic participation is not limited to wage labour and employment working for others. Employers are people who have either started a market-oriented business venture on their own behalf, or who hold positions at the top level of companies, managing business operations. In Arab countries, women's participation in the business world is low in both respects.

One measure of women in business is how entrepreneurially active women are in business creation, i.e. the proportion of women actively trying to start a business (nascent entrepreneurs) or who own a business that is less than 42 months old. In Arab countries, in 2009, an average of 8.1% of adult women were in one or the other of the two groups (collectively known as early stage entrepreneurial activity); this was half the rate among men (16.1%). The proportion of women varies from 18% in Yemen to 3.1% in Syria.<sup>16</sup> Nevertheless, the female share of early entrepreneurial activity in Arab countries is, in many cases, higher than their share in the employed workforce.

These data reflect the entrepreneurial dynamism of a society. Enterprise creation and development levels in Arab countries are lower than most other emerging economies. With few exceptions, Arab countries fall below the average in the level of entrepreneurial activity expected, on the basis of world averages, for the economy's income level and economic structure.<sup>17</sup> Among lower income countries, only sub-Saharan Africa has a lower prevalence rate of mature enterprises.<sup>18</sup> The only exceptions, in 2009, were Algeria (only now offering individuals the possibility of own account activity, with the emergence of the private sector after decades of state domination of the economy), Lebanon (famed for the entrepreneurial dynamism of its population) and Yemen (which has by far the largest share of the population in rural areas, and where entrepreneurship relates largely to trading and the marketing of small farms' agricultural produce).

The gender gap in early stage entrepreneurial activity has consequences beyond the economic status of women. It pulls down national total entrepreneurial rates and hampers the growth and evolution of the economy, which is driven in large part by the innovations that come from young enterprises.<sup>19</sup>

Turning to ownership of established ventures by individuals, meaning ventures in operation for more than 42 months, the gender gap is even wider in most cases.

Table 1 below shows the share of the total number of ventures in each category owned by a woman.

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15. Barsoum, Ghada (2016), Job opportunities for the youth: Competing and overlapping discourses on youth unemployment and work informality in Egypt.

16. Global Entrepreneurship Monitor (GEM). Global Reports. Available from <http://gemconsortium.org/report>.

17. Ibid.

18. Thévenon, Olivier (2013), Drivers of Female Labour Force Participation in the OECD. OECD Social, Employment, and Migration Working Papers, No. 145.

19. Ibid.

**Table 1:** Arab States - Female Share of Entrepreneurial Activity, 2009

Country	Early stage (%)	Established businesses (%)
Yemen	38.7	46.6
Algeria	39.8	31.2
Morocco	38.1	22.1
Lebanon	35.6	22.9
Egypt	20.0	N/A
Tunisia	27.0	N/A
Jordan	21.7	12.5
Palestine	19.0	18.4
Syria	18.1	9.8

Source: GEM-IDRC 2010

The widening gender gap in entrepreneurial activity by age of the venture can be interpreted as showing that women are beginning to be more entrepreneurial than they were previously, but another possibility is that the attrition rate among women's ventures is higher than among men's. That interpretation is more consistent with what is known of the specific obstacles that face women attempting to operate and expand a business of their own.<sup>20</sup>

Another measure of women's presence in the business world relies on data collected from established manufacturing firms with five or more employees. Among these enterprises, gender balance is assessed in terms of ownership (minority or majority) and management. By this measure, the Arab region has the lowest share of majority ownership and management control by women, surpassed only by South Asia, in terms of the weak measure of 'the presence of at least one woman' among the company owners.<sup>21</sup>

The under-utilization of women's labour power in employment and in business has substantial costs for the macro-economy. The force of the arguments to this effect is gradually being absorbed and acted on by policymakers worldwide, including in the Arab region.

A strong correlation between women's market activities and economic growth rates has long been noted in the United States<sup>22</sup>, East Asia<sup>23</sup>, Latin America<sup>24</sup> and Europe<sup>25</sup>.

The direction of causality in this relationship is not, however, self-evident. One influential analyst has argued that, while the engagement of women in the economy drives growth, and growth is accelerated by increases in the level of women's engagement, the latter

20. Marotta, Daniela and others (2016), Gender inequality, structural transformation and growth: The case of Morocco: World Bank.

21. World Bank Group (WBG). (2016). Enterprise Surveys. Available from <http://www.enterprisesurveys.org/>.

22. Goldin, Claudia (1986) The Female Labour Force and American Economic Growth, in Stanley Engerman and Robert Gallman (eds.), Long-Term Factors in American Economic Growth.

23. Joeques, Susan (1987), Women in the global economy: An INSTRAW Study.

24. Blumberg, Rae Lesser and others (eds.) (1994), Engendering wealth and wellbeing.

25. Ibid. (1989) Making the Case for the Gender Variable, Office of Women in Development, USAID. Duflo, Esther (2012), Women Empowerment and Economic Development. Journal of Economic Literature, vol. 50, no. 4 (Dec.): pp. 1051-1079.

effect is highly variable and discretionary, that is to say that it depends considerably on public policies and the actions of governments.<sup>26</sup>

Governments and international agencies are increasingly convinced that the absence of women from the labour force has a negative effect on national income. The World Bank, the International Monetary Fund and various UN regional agencies are now drawing attention to productivity and growth losses due to women's exclusion from paid labour. In a 2012 report, the United Nations Economic and Social Commission for Asia and the Pacific estimated that the Asia-Pacific region lost US\$42 - US\$47 billion annually due to women's limited access to employment, compared to just US\$16 - US\$30 billion lost per year due to inequality in education.<sup>27</sup> World Bank president Jim Yong Kim has been quoted as saying that women's low economic participation created income losses of 27% in the Middle East and North Africa and has urged governments to treat it as a public policy challenge to be overcome.<sup>28</sup> An analysis of the strongest factors promoting global GDP growth from 1985-2005, concluded that: "The increase in female employment in the rich world has been the main driving force of growth for the last couple of decades. Those women have contributed more to global GDP growth than has either new technology or the new giants, China and India."<sup>29</sup> Similarly, the International Trade Union Confederation (ITUC) identified women's marginal position in the labour force as a barrier to national development and women's empowerment alike, and launched the 'Count Us In' campaign to increase women's union membership and leadership to 30% by 2018.<sup>30</sup>

## 2.2 Determinants of the Low Level of Women's Engagement in the Economy

Women's economic status and social position in the Arab region have been examined by scholars in terms of institutional, normative and structural factors.<sup>31</sup> It is striking that public policy and the actions of national governments play an important part in shaping outcomes in all three domains.

*Institutional* features pertain primarily to legal, policy and regulatory frameworks, along with the operations of state enforcement and oversight agencies tasked with implementing those rules, the civil society organizations that hold governments to account in this respect and the multilateral organizations and international NGOs that may exercise a supplementary monitoring function. International conventions and treaty ratification and compliance are also aspects of the institutional framework, for example relating to workers' rights, (in recent years, the ILO has sought to diffuse the norm of "decent work") human rights or environmental protection. Such norms may find resonance locally in accordance with their intrinsic merit or they may be contested by certain local players even if enacted into law.<sup>32</sup>

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26. Kabeer, N., and L. Natal (2013), Gender equality and economic growth: is there a win-win? Institute of Development Studies Working Papers No. 417.

27. International Labour Organization, UN Women. (2012). Decent work and women's economic empowerment: Good policy and practice. Available from: [http://www.ilo.org/wcmsp5/groups/public/---ed\\_emp/---emp\\_ent/---ifp\\_seed/documents/genericdocument/wcms\\_184878.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_emp/---emp_ent/---ifp_seed/documents/genericdocument/wcms_184878.pdf).

28. The World Bank President is quoted in Cuberes and Teignier (2012). See also World Bank (2012).

29. The Economist (2006, April 12), The importance of sex. Available from: <http://www.economist.com/node/6800723>

30. International Trade Union Confederation, Women in leadership. Available from <http://www.ituc-csi.org/count-us-in>

31. Henderson, Sarah L. and Alana S. Jeydel (2014), Women and politics in a global world. Moghadam, Valentine M. (2013), Modernizing women: Gender and social change in the Middle East. Paxton, Pamela and Melanie Hughes (2014), Women, politics and power.

32. Bush, Sarah and A. Jamal (2014), Does Western pressure for gender equality help? Washington Post, July 30, 2014. Available from <https://www.washingtonpost.com/news/monkey-cage/wp/2014/07/30/does-western-pressure-for-gender-equality-help/>

National Constitutions and family and labour laws shape individuals' freedom of movement, ownership of assets and decision making capability. International organizations such as the OECD and the World Bank Group have adopted the view that certain institutions inhibit women's advancement; they thus compile data on women's access to land ownership, employment, inheritance and the like as part of their assessment of women's empowerment and gender equality. Eighteen of the 30 countries with the largest number of legal restrictions on women's employment and entrepreneurship based on gender-based legal differences are in the Middle East and North Africa.<sup>33</sup>

*Normative* features pertain to values, attitudes and ideas, sometimes known as "social norms" or "cultural scripts." These may be codified in specific laws and policies, but they are intrinsic to individuals and serve to express their personal world view. They tend to differ across social classes, ethnic groups, generations or gender.

Large surveys such as the World Values Survey, Pew Global Research and the Arab Barometer are good measures of public attitudes and values, including those pertaining to women's participation and rights. Regarding gender norms, values are assessed by responses to such statements (in the World Values Survey) as "being a housewife is as fulfilling as working for pay," "pre-school children suffer if their mothers work," "when jobs are scarce, men should have more right to a job than women."

Two main findings emerge from these assessments.<sup>34</sup> First, citizens of Arab countries display more traditional (patriarchal) values than other regions; they place relatively high value on women's role in the home and as mothers and on men's as the household breadwinner and source of authority within the family. By extension, it is believed that male employment should be prioritized over women's, especially for mothers. More than in other regions, having a job is not seen in Arab countries as the best way for a woman to be an independent person. These attitudes are not determined by religion. Other Muslim countries, such as Malaysia, do not share the same views in this respect.<sup>35</sup>

The second main finding is that views vary considerably between and within countries in the Arab region. Between countries, for example, Jordanians' views are significantly more traditional than Moroccans.<sup>36</sup> Within countries, there is a marked correlation between individuals' educational attainment and their gender-related views. Variation across social groups in this and other ways suggests that individuals' social values are not fixed, but influenced by their life experience. This is evident also from the fact that socio-economic and political shocks, such as the Arab Spring, have affected individuals' and aggregate views. Attitudes became markedly more traditional in Egypt between 2009 and 2014 for this reason.<sup>37</sup>

Norms may very well influence institutional processes as well as household behaviour, but

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33. World Bank Group (2015), Women, business and the Law 2016: Getting to equal.

34. Alexander, Amy C. and Christian Welzel (2011), Islam and patriarchy: How robust is Muslim support for patriarchal values? World Values Research, vol. 4, no. 2.

35. Morikawa, Yukio (2015), The opportunities and challenges for female labour force participation in Morocco, Brookings Global Economy and Development, Working Paper 86, July.

36. Ibid.

37. Roushdy, Rania and Maia Sieverding (2015), Panel survey of young people in Egypt 2014: Generating evidence for policy, programs, and research.

norms are themselves malleable in response to context and adapt to structural conditions, power relations, and state policies. Thus, while conservative social norms might explain the absence of an adequate social infrastructure for working mothers in Arab countries, those norms might change in reaction to specific public policy interventions.

Finally, *structural* factors relate to economic forces and the ways in which women's economic engagement is shaped by incentives at the micro (household) level and by opportunities at the macro (sector and economy-wide) level.

A large body of research has sought to examine and explain the Arab region's low female labour force participation in terms of micro-level or supply-side determinants operating primarily within the household, such as schooling, marital status, fertility, spouse's occupation and income.<sup>38</sup> Valuable past contributions to such determinants exist.<sup>39</sup> Sometimes subjective factors, such as individual attitudes or cultural habits, are included into household-level models. Even so, the gender gap in female employment remains only partially explained by this analytical approach.<sup>40</sup>

Such analyses have certainly elucidated the role of household dynamics and individual decision-making in female labour incorporation, but they cannot explain the anomaly that has been identified, namely low economic participation in a context of favourable educational attainment and declining fertility. In particular, women graduates in many Arab countries have the requisite educational training for decent jobs; they are strongly represented not only in science and technology courses, but also in languages, so necessary for international or domestic firms doing business abroad.

The oft-cited education-labour market mismatch therefore deserves more scrutiny than it usually receives. While the burden of adjustment is put on the education (labour supply) side, the demand side is clearly failing to adapt to the economic potential of a new type of labour. Indeed, a recent study finds that "over-education is common in diverse low- and middle-level country contexts [...] and over-educated tertiary workers do not use all of their skills, potentially wasting valuable human capital and educational resources."<sup>41</sup>

There has also been little attempt so far to examine the effects of another category of micro framework conditions, namely the fiscal and monetary incentives and constraints affecting household and individual decision making that are in force at any time. There is a complex set of such factors resulting from government directives and revenue-raising and expenditure priorities, ranging from the individual and corporate tax structure, to the level and composition of welfare and social support payments. The factors are country-specific, complex and change over time. Their specificity generally

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38. An array of studies published by the Economic Research Forum for the Arab Countries, Iran, and Turkey (ERF) focuses on household factors; see various working papers at [www.erf.org](http://www.erf.org). A number of contributions in Chamlou and Karshenas (2016) similarly take a micro approach that focuses on household dynamics to explain patterns of women's economic participation.

39. Assaad, R. and others (2001), The determinants of employment status in Egypt. International Food Policy Research Institute. Assaad, R. and S. Zouari (2002, October), The timing of marriage, fertility, and female labour force participation in Morocco. In Ninth Annual Conference of the Economic Research Forum.

40. Karshenas, Massoud and others (2016), Introduction and Overview, in Nadereh Chamlou and Massoud Karshenas (eds.), Women, work and welfare in the Middle East and North Africa.

41. Handel, Michael and others (2016), Accounting for mismatch in low- and middle-income countries: Measurement, magnitudes, and explanations. World Bank Group.

requires national level scrutiny.

However, there is one powerful, region-wide finding in this respect that is highly relevant to women's economic position. The Arab region has the second lowest level of any region in the world of public funding of maternity leave. The lowest level of public support for maternity leave exists in South Asia, which is the next lowest to the Arab region in the level of women's economic engagement.<sup>42</sup> The presence or absence of paid maternity leave and quality childcare is a major institutional determinant of women's economic engagement in the European Union<sup>43</sup>.

Broader, macro-level economic structural factors include a country's system of production, resource endowments, economic growth strategies and its functional location within the global economy. Systems of social stratification are also a structural feature insofar as they influence individuals' access to resources and market opportunities. With regard to many of these features, Arab countries exhibit considerable diversity. This approach puts the spotlight on the demand side, examining women's economic opportunities in relation to the market and productive structure and evolution of national economies.

### 2.3 Regional Economic Characteristics

Arab countries vary widely in terms of their size, economic structure and per capita income levels. An important distinction is between oil exporters and net fuel importing countries. Even within these two categories, there are wide variations in economic structures and income levels. For example, one of the least developed countries, Yemen, is grouped with the far wealthier nations in the Gulf Cooperation Council as an oil exporter.<sup>44</sup>

Net oil importers, in general, have much more diversified economies, and, with the exception of Syria, manufacturing exports form the major share of their exports of goods. They are also, with the exception of Morocco, heavily dependent on other Arab countries as important destinations for those exports. Through such linkages, and higher value linkages such as labour remittances, transit trade and capital flows, net fuel importing economies in the region are also significantly affected by hydrocarbon revenues flowing to oil exporting countries. Economic activity in the Arab world as a whole is thus significantly influenced by hydrocarbon revenues. This applies to both net fuel importers and fuel exporters.<sup>45</sup>

As a consequence, the sharp drop in hydrocarbon prices in international markets since 2014 has led to a slowdown in economic growth in all the Arab countries. The slowdown has been exacerbated by political upheavals and armed conflict in the region.

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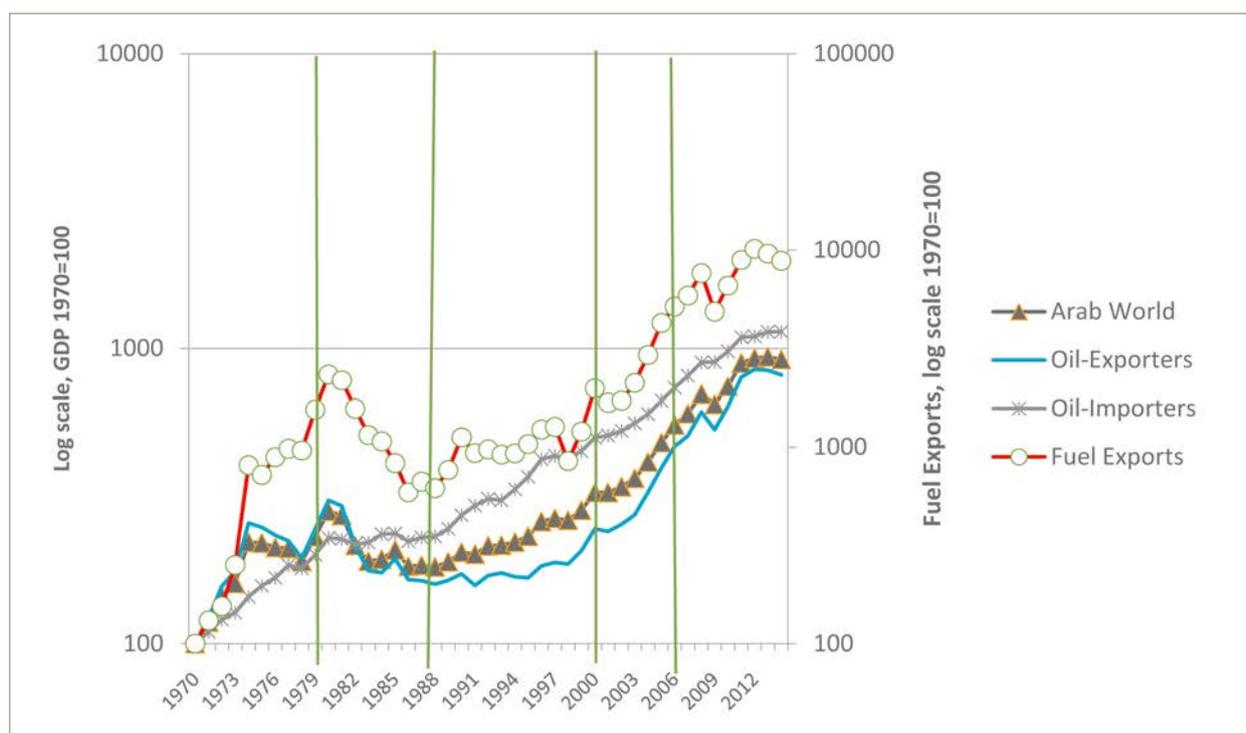
42. World Bank and IFC (2011), *Women, business and the law 2012, Removing barriers to economic inclusion*.

43. Thévenon, Olivier (2013), *Drivers of female labour force participation in the OECD.* OECD Social, employment, and migration working papers, No. 145.

44. World Bank Economic Indicators 2016.

45. Ibid.

**Figure 6.** Arab States - Growth Cycles of Fuel Exports and GDP in Arab Countries, 1970-2014



Source: World Bank World Development Indicators, June 2016

All countries in the region are also affected to a greater or lesser degree by the fundamental distortions in the economy typical of resource-based economies. Oil rents directly or indirectly sustain a concentrated welfare state and the relatively high wage levels associated with it. Palestine and Jordan, for example, are heavily dependent on international aid flows rather than on intra-regional oil-based transfers (either inter-governmental, or by way of remittances) but their level of aid inflows serves to bring per capita incomes close to the standard of living in neighbouring countries. Thus, few countries in the region have developed an international orientation to markets outside the Arab region, and labour-intensive manufacturing capacity is uncommon.<sup>46</sup> Where it does occur, however, such industries have a higher propensity to employ women workers, despite prevailing traditional social values.<sup>47</sup>

A related feature is that production structures are little diversified, especially within manufacturing, and have seen low, and in some cases even declining, levels of productivity. Over the decades, rates of private investment have been low in international terms. Foreign direct investment is comparatively low overall. It has not compensated for poor levels of domestic investment and has largely been focused on oil and non-tradable sectors such as construction. Industrial subsectors are characterized by the presence of a few large firms, which are older on average than in comparator regions and have relatively high mark-ups. In most cases, exports are not diversified and have relatively low

46. Moghadam, Valentine M. (2002), Enhancing women's participation in the Middle East and North Africa, in Heba Handoussa and Zafiriz Tzanatos, eds., *Employment creation and social protection*. World Bank and American University in Cairo Press. Ibid. (2013), *A political economy of women's employment in the Arab Region*, in N. Khoury and V.M. Moghadam, eds., *Gender and national development*, pp. 6-34. Ross, Michael (2008), *Oil, Islam, and Women*, *American Political Science Review* 102: 107-123.

47. Joeke, Susan (2014), *Statistical Review on Women's Labour Force Participation and Entrepreneurship*, in OECD, *Women in Business 2014: Accelerating Entrepreneurship in the Middle East and North Africa Region*.

technological content.<sup>48</sup> These features are indicative of low levels of competition and innovation.

The sluggish growth performance in the region since the world recession of 2008, exacerbated by the onset of the Arab Spring in 2011 onset and its continuing repercussions and subsequent drop in oil prices, provide the context in which the recent trends in female employment and economic participation are investigated in the country profiles. As has been noted, women's level of economic engagement has been stagnant or worse in most cases and women's share of employment has been falling. This highlights the inadequacy of past institutions and policies in encouraging effective use of female labour, given that women entering the labour market are increasingly well qualified, both absolutely and relative to men. The situation also, however, presents an opportunity for new public policy directions.

## 2.4 Looking Forward

Economic growth in Arab countries, both oil-exporting and oil-importing, has been closely correlated with commodity price cycles, particularly oil. Contemporary conditions in international oil markets indicate that, similar to the period in the mid-1980s and the 1990s, the Arab countries will now have to deal with a long period of relatively low and volatile oil prices. Governments, such as the Kingdom of Saudi Arabia, are reappraising their development strategy in the face of greatly reduced oil revenue expectations. Future growth therefore needs to be established on the basis of new productive sectors. Given relatively high per capita incomes and hence wage demand, many of these are likely to be more skill-based than average. With their fast rising levels of education, women's employment in these sectors will be necessary for national skill requirements to be met and vital for the success of such a strategy. More generally, worldwide evidence that gender equality, particularly in education and employment, contributes to economic growth is consistent and robust. One way to capitalize on this potential is for growth strategies to be reformulated to make their impacts more inclusive.<sup>49</sup>

Moreover, Arab countries must grow much faster than they have done in the past if they are to absorb their large and continually growing unemployed labour pool. Labour scarce economies will need to reassess their resource base to take account of the investment made in women's education at higher levels, and the actual and potential skills that women now embody. Institutional and policy shortcomings will need to be adjusted in order to pave the way for sustained, inclusive growth propelled by new leading industries. The country profiles investigate how this can be done in each case.

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48. Sekkat, Khalid (ed.) (2008), *Competition and efficiency in the Arab World*.

49. Kabeer, N. and L. Natali (2013), *Gender equality and economic growth: is there a win-win?* Institute of Development Studies Working Papers No.417, February.

## 3. Conclusions and Recommendations

### 3.1 Conclusions

The detailed country profiles in this report all confirm the paradox of female employment in Arab countries identified in the introductory chapter, and substantiate the significance of demand side factors in explaining this paradox. The country profiles help elucidate vital policy measures that need to be taken to pave the way for more competitive economies in Arab countries through the development of more inclusive labour markets.

Despite impressive improvements in women's educational attainments and remarkable declines in fertility rates, women's labour market engagement throughout the Arab world remains paradoxically very low. One of the findings of this report is that, despite apparently high female labour force participation figures in the GCC countries, the paradox applies to these economies as well. Female participation rates in GCC countries are artificially inflated in reporting to the ILO by the inclusion of migrant workers. The female shares of employment are in fact lower in these countries than in other Arab countries. Female unemployment rates for national female labour in GCC countries are three to six times higher than male nationals' unemployment rates, similar to the experiences of women throughout the region.

The country profiles in this report indicate that governments in the region have recognized this as an important underutilization of human resources and a hindrance to attaining competitiveness. Active measures are being introduced to fully utilize the economic potential of young, educated female labour in these countries. In the case of the GCC countries, labour nationalization policies form part of the drive to provide sources of productive employment for nationals, including the increasingly well-educated female population, but the country profiles in this report indicate that such policies are more focused on the national male population than female.

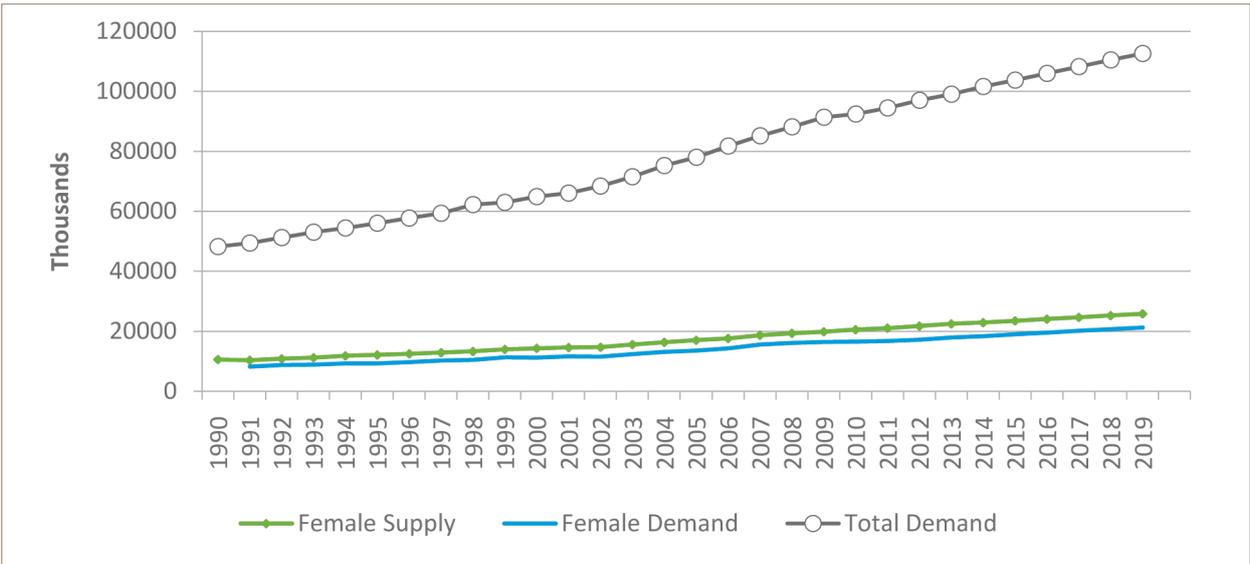
Over the past four decades, the majority of the new educated female labour force in Arab countries has been absorbed by the public sector. It has been recognized for more than a decade, however, that this is not a viable strategy and attempts have been made to create jobs in the private sector. The creation of a competitive private sector as the main engine of growth and job creation has become particularly vital during the current phase of global development, when hydrocarbon exports can no longer be relied upon as the engine of growth for Arab economies. The country profiles in this report highlight the new strategies adopted by most Arab countries, through the study of government plans and interviews with leading policymakers and civil society organizations, and identify the leading sectors that are to be the engines of growth in the new era. It is shown how female employment can change as a result of new strategies, but also, and perhaps more importantly, how the success of the new strategies is critically dependent on the ability to effectively utilize female labour that constitutes a significant part of the stock of human capital in these economies.

Another important contribution of this report is to demonstrate that effective utilization of female labour does not automatically follow from general inducements to enhance growth in the leading sectors. Measures need to be combined with specific policies to actively

encourage the removal of discriminatory practices that hinder female employment. This is particularly important in view of the fact that some of the leading sectors, from highly mechanized manufacturing to tourism services, have a much lower share of female labour than the old leading sectors of the 1980s and 1990s. In this regard, the report emphasizes the significant role that the government has to play in the success of new development strategies, by ending the discriminatory practices that set up barriers against women’s entry to the labour force, entrepreneurship and world of business.

International commentators have sometimes argued that low female labour force participation in Arab countries is, by and large, a supply side phenomenon resulting from cultural norms. What the country profiles in this report highlight is that, in all the countries in the region, a high proportion of the females who are willing to work and well qualified to do so, compared with their male counterparts, remain unemployed. Unemployment rates are high, particularly amongst the most educated youth in all the Arab countries. Figure 7 below shows the long-run supply and demand for female labour in the Arab world as a whole, highlighting the persistent deficiency of demand for female labour. Projections by the ILO for the period up to 2019 indicate that with the continuation of current trends, this oversupply of female labour is likely to increase. The country profiles in this report, for the first time, help to understand the sources of that demand deficiency.

**Figure 7. Female Supply and Demand against Total Employment Demand**



Source: International Labour Organization 2016

Other observers sometimes note that this demand deficiency is solely due to the overall lack of employment opportunities in Arab countries and that it equally affects male labour. The country profiles in this report highlight the fallacy of this argument by highlighting discriminatory practices in the labour markets and legal systems of the Arab countries that affect female labour’s access to work. The deficiency of demand for female labour, though significant in relation to female labour supply, is insignificant viewed in the context of the total demand for labour. It is not clear why such persistently high rates of female unemployment remain when they could have been easily absorbed within the large absolute increases in demand for labour as a whole. The country profiles in this report address this

question by focusing on factors that discriminate against female employment.

Among the factors highlighted, perhaps the most important, which appears time and again in the country profiles, is the burden of childcare. The cost of reproduction (childcare and family provisioning) falls almost entirely on women in Arab countries. In Arab countries where statutory measures are introduced for the provision of maternity leave and childcare, the cost is shifted to employers and clearly discourages them from employing women. In other Arab countries, where such statutory measures are weaker, if they exist at all, women are still discriminated against because employers envisage that sooner or later they will have to leave their job due to childcare responsibilities. While, in that case, female labour may still be cheaper to employ in the short term, employers are not prepared to invest in training women in the face of uncertainties regarding their job attachment. This is a clear situation where the cost of reproduction needs to be borne by public funds. The social and macro benefits that arise from higher female labour force participation make the provision of childcare a public good. The issue needs to be seen in this light, and the need for childcare must be recognized, not as social nuisance, but as a barrier to women's entry to the labour market, and the realization of the strategic objective of increasing women's economic engagement. The provision of childcare facilities on a national scale will offer economies of scale in the care industry, likely to be an important source of employment for female labour and to present a potentially large market to be supplied by female businesswomen.

Another common concern relates to education and skills. Employers throughout the region tend to lament workers' lack of preparedness for employment. Two observations emerge here.

First, the poor quality of education in the region is not primarily a gender issue. Education is not gender segregated in respect of curriculums, nor are women prohibited or discouraged from attending particular courses or fields of study any more than they are in other regions. The country profiles elaborate the fact that one of the Arab region's most notable social achievements has been the rapid and universal closing of the gender gap in education at all levels. In several countries, women now outnumber men at tertiary level. Second, despite the common belief, women and girls are not absent from the more 'technical' fields of study. They are under-represented in some but not all branches, and the degree of under-representation is not severe. There is little merit therefore in employers' allegations that women are unavailable to take jobs that require scientific training. Nor do traditional beliefs that technical jobs are more suited to male workers stand up to scrutiny in the context of modern factories, where the work no longer depends on physical strength but rather on IT skills and precision handling of intricate machinery. Moreover, in the services sector, 'soft' organizational and personal communication skills are frequently key attributes needed in the workforce, as well as knowledge of market processes, business operations and management for higher level positions. In the educational fields that cultivate these skills, women tend to be over-represented.

The third main area of agreement on remedies in the country profiles is the weak culture of enforcement of statutory provisions of labour and family laws. There is a need for gender targeting, and in some cases strategic quotas, to give urgency and focus to government initiatives to improve gender equality. The lack of attention to systematic reporting, monitoring and evaluation of interventions helps explain the pervasive lack of detailed data on the gender dimension of economic participation that have been uncovered in most of the profiles.

External agencies are driving data collection and analysis in some areas. Local authorities need to take ownership of this effort and local civil society organizations should make more extensive use of the data to hold the authorities to account on the effectiveness of their many declarations in favour of reducing gender inequalities in economic status in recent years.

Finally, the symbiotic relationship between laws and social attitudes and the role of government in influencing attitudes through legislative changes needs to be better appreciated. Many of the 'social' obstacles to women taking up work, as perceived by women themselves and by employers, are enshrined in discriminatory legislation. Authority figures within the family and household (brothers, fathers and community leaders) seeking to uphold their authority by, for example, limiting women's physical mobility, find their legitimacy in law through the 'guardianship' principle. Some countries in the region have abolished this article, and, as in Morocco, installed constitutional guarantees of gender equality. There is nothing to prevent other farsighted governments from doing the same. When such improvements are enacted, governments need to follow through to facilitate their implementation and ensure that social institutions are alerted to the changes. Adequate protections need to be in place to protect women from gender-based violence, all too often the basis on which male authority is expressed, and to enable them to exercise new prerogatives in the face of likely social resistance by strengthening policing and ensuring the law is upheld in court. They also need to welcome the important role that both the relevant public agencies and social associations (women's organizations and others) can play in monitoring the social observance of gender equalizing measures.

## 3.2 Recommendations

The country profiles each list many recommendations for policymakers, employers, education establishments and civil society organizations. Many recommendations are similar across the region. They fall into four main groups.

### 1. Removing Gender Specific Barriers to Access to the Labour Market

Women's preference for employment in public rather than the private sector demonstrates the significance of these entry barriers. They are addressed and accommodated to a much greater degree in the public than the private sector.

- Transport to work or improved public transportation
- Working hours and conditions (including workplace security, telecommuting)
- Maternity leave (length, funding) and rights to return to the job
- Childcare (rebalancing the cost three ways as between male and female workers, employers and government)

### 2. Improving Incentives for Women and their Families in their Ability to Become Economically Active

This is one of the least examined policy areas that impinge on women's economic engagement. The report suggests that governments have considerable scope to review elements of the policy framework affecting individual and household decision making, with a view to improving their impact on gender equality in employment and entrepreneurship. These ele-

ments include:

- Personal income tax laws
- Social security provisions
- Property laws, as they affect women's potential for asset accumulation within marriage and as a source of entrepreneurial collateral and capital funding
- Legal provisions on physical mobility as they affect employment and entrepreneurial options, access to training and enterprise management support programmes and so on.

### **3. Improving Recruitment and Retention Within the Private Sector**

In this area, recommendations include a range of measures designed to reduce discrimination, overt or unintentional, in the recruitment of workers and their retention in the workforce. Human resource management in the public sector shows the way, insofar as in some areas (e.g. offers of university teaching posts) admission is meritocratic and based solely on educational qualifications. A range of practical interventions can be suggested and required of private sector employers. There is a wide menu of options that have been trialled in other regions:

- Vocational training (best done in close collaboration with the private sector), with subsidies conditional on gender balance among the beneficiaries
- Gender equality in employment and promotion
- Mentoring
- Collaborative projects between government and employers' organizations, especially those whose membership includes international companies, which are more likely to be familiar with international initiatives.

### **4. Enhancing Policy Targeting, Reporting and Enforcement**

Many of the country profiles note the need for mechanisms for monitoring outcomes and assessing performance against strategic goals and objectives. This applies to all areas of policymaking. The need to find ways of ensuring, and demonstrating, the effectiveness of government policy is particularly important with regard to women's economic engagement because it is relatively underdeveloped and required by economic need, which cuts across traditional government functions. Success against declared objectives will be dependent on an agile, experimental approach, which requires:

- Reviewing the hidden economic and social costs of low rates of women's economic engagement, noting that the subsidies that sustain that situation currently can be rebalanced.
- Introducing more targeting of objectives. Quantifying aspirations cements policy objectives and is helpful where a step-change in attitudes is needed.
- Requiring frequent, systematic targeting and reporting on gender equality outcomes by employers, players supporting women entrepreneurs (e.g. banks), and labour organizations.
- Allocating resources for the enforcement of new and existing gender equality measures, especially in cases where there may be negative effects on women (e.g. push back through coercion) as a consequence in the short term.

## 4. Country Profiles

### 4.1 Algeria

#### 4.1.1 Economic Background



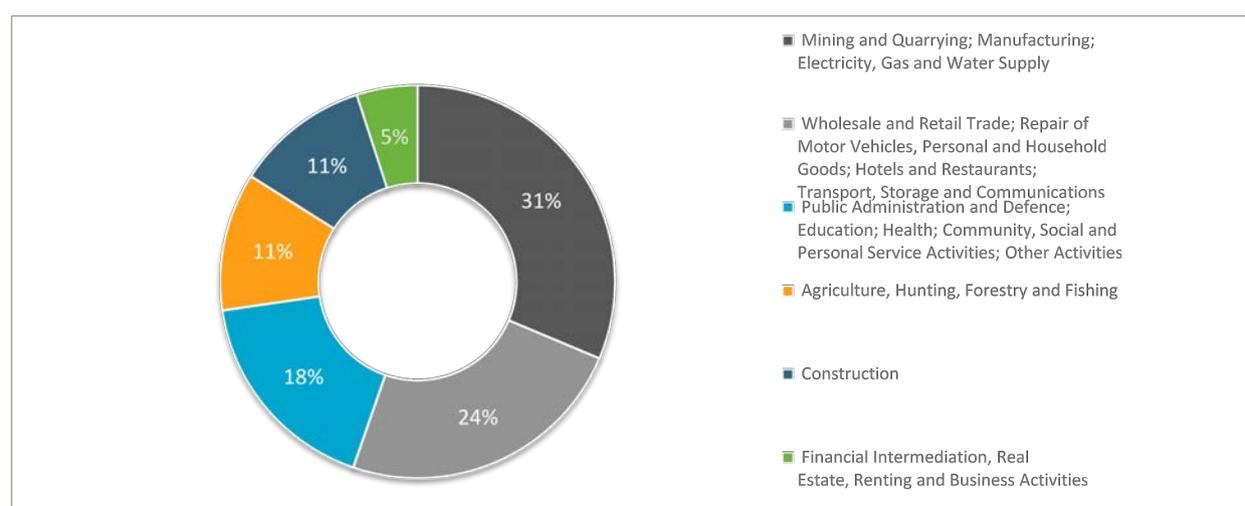
**Table 2:** Algeria – Key Indicators

Indicator	Value
Population (thousand) 2016	40,376.0
Female population (thousand) 2016	20,065.5
GDP (US\$ Current, million) 2015	145,502.2
Real GDP growth (%) 2014-2015	3.7%
Inflation (%) 2015	4.8%
Female unemployment (%) 2014	16.8%
Ease of doing business (Rank) 2015	161
Population under 30 (%) 2015	54.6%

**Source:** Euromonitor International 2016

Algeria has one of the least diversified economies in the world, with a heavy reliance on oil and gas exports. Hydrocarbons accounted for roughly 30% of GDP, 60% of public budget revenues and more than 95% of export earnings in 2015. However, the dominance of the oil and gas sector in the economy, which accounts for 31.0% of GDP by GVA, (Figure 8 below), has not translated into a sizeable labour force.<sup>50</sup> In fact, over 90% of all employment remains outside the oil sector. For a while, the country capitalized on gas exports and public spending with solid gains in real GDP growth. However, the global slowdown and falling oil prices affected the Government's ability to compensate for the slower growth in GDP. The economy has been underperforming in recent years as a result, with the situation further complicated by inefficient public investments.

**Figure 8.** Algeria - GDP by Gross Value Added (GVA) 2015 (% Share)



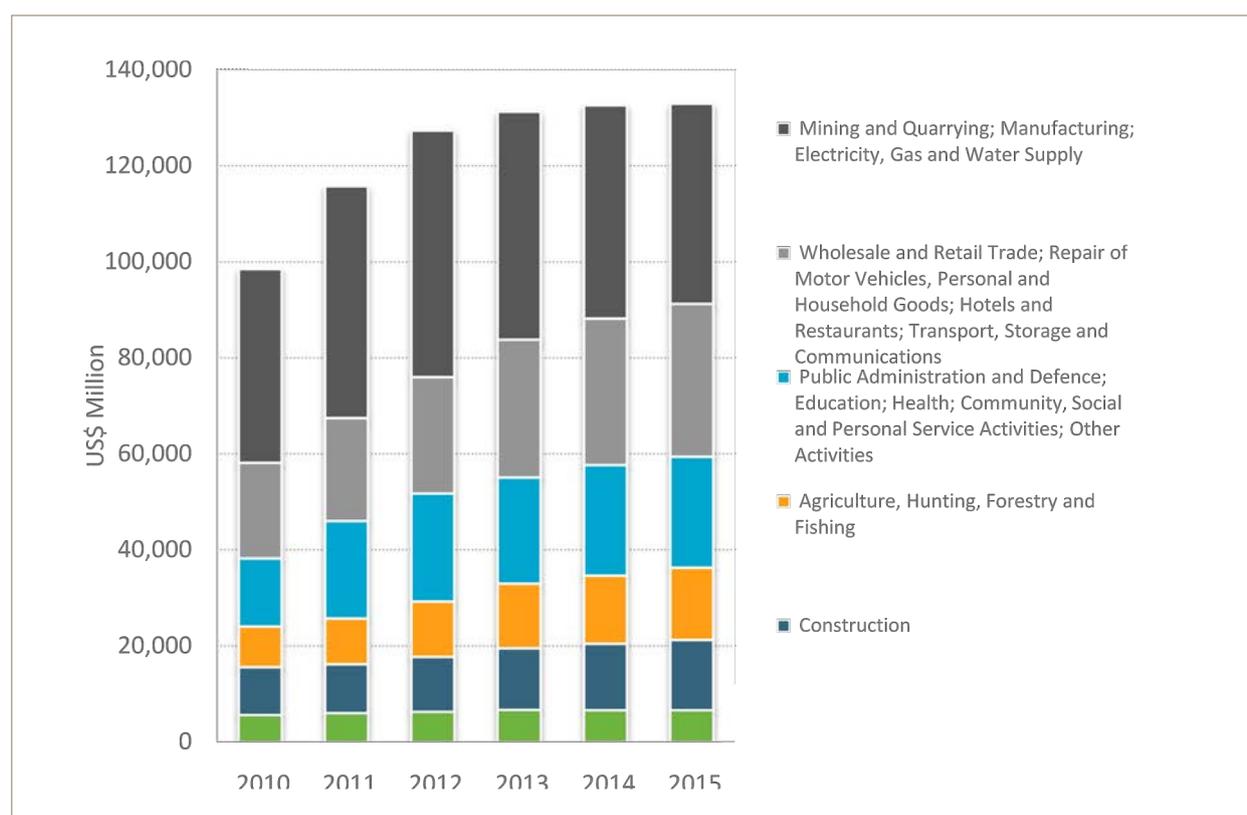
**Source:** Euromonitor International 2016

50. The World Bank (2016), Algeria's Economic Outlook, Spring 2016. Available from <http://www.worldbank.org/en/country/algeria/publication/economic-outlook-spring-2016> European Training Foundation (2014), Employment policies and active labour market programmes in Algeria. Available from [http://www.etf.europa.eu/webatt.nsf/0/3F6D27A7987C47FEC1257CE60024C937/\\$file/Employment%20policies\\_Algeria.pdf](http://www.etf.europa.eu/webatt.nsf/0/3F6D27A7987C47FEC1257CE60024C937/$file/Employment%20policies_Algeria.pdf)

The economy in 2016 is expected to maintain a moderate growth rate with some activity in the hydrocarbon and non-hydrocarbon sectors.<sup>51</sup> Although Algeria did not witness any of the social upheavals that emerged across the region, those in neighbouring countries brought unemployment to the forefront of the public agenda with the creation of specialized agencies and the allocation of a budget of US\$4.7 billion for the creation of three million jobs as part of the 5-year plan (2010-2014).<sup>52</sup> Along with the National Employment Agency (ANEM), four new agencies were created: the Social Development Agency (ADS), the National Unemployment Insurance Fund (CNAC), the National Agency for Management of Microcredit (ANGEM) and the National Youth Employment Support Agency (ANSEJ).

While the State still employs 80% of the formal work force, large imbalances exist between the scale of budget revenues and the proportion of labour employed by the main economic sectors in the country. The agricultural sector, accounting for 11% of value added GDP, employs roughly 20.6% of the workforce and manufacturing, with 4.2% of GDP, employs 11.2%. The oil and gas sector accounts for the bulk of budget revenues but employs only 5.0% of the workforce.

**Figure 9.** Algeria – GDP by GVA Sectors 2010 - 2015 (Current Price, Fixed 2015 Exchange Rates)



Source: Euromonitor International 2016

Falling oil prices were not met with fiscal consolidation, on the assumption that the situation would be short-term, resulting in a consequent doubling of the budget deficit to 15.9%

51. The World Bank (2016), Algeria's Economic Outlook, Spring 2016. Available from <http://www.worldbank.org/en/country/algeria/publication/economic-outlook-spring-2016>

52. European Training Foundation (2014), Employment policies and active labour market programmes in Algeria. Available from [http://www.etf.europa.eu/webatt.nsf/0/3F6D27A7987C47FEC1257CE60024C937/\\$file/Employment%20policies\\_Algeria.pdf](http://www.etf.europa.eu/webatt.nsf/0/3F6D27A7987C47FEC1257CE60024C937/$file/Employment%20policies_Algeria.pdf)

of GDP in 2015 and a tripling of the current account deficit (15.2% of GDP).<sup>53</sup> Growth subsequently stagnated in the years leading up to 2015, after a significant expansion between 2010 and 2012. Austerity policies were put in place by the Government in December 2015; these included a substantial cut in expenditure, directly affecting employment, given the large proportion of employment in the public sector and the heavy reliance of employment programmes and agencies on government spending. The 2015 response was followed by stricter budget reductions in 2016, with additional reforms of the subsidy system and the financial sector's prudential framework. These responses took their toll on employment, directly affecting all government employment initiatives that had been in place since early 2011. The 2016 decrease of 9% in public spending and a 14% cut in 2017,<sup>54</sup> along with a money-saving freeze in public sector recruitment since 2015, is expected to exacerbate an already volatile labour market, notably for youths and women.

The Algerian Government has expressed a commitment towards improving its business environment. In November 2014, an agreement was signed with the World Bank on assistance to improve the investment climate. Later, in 2015, a EUR17 million project was launched by the European Union aimed at industrial diversification and a better business environment. A Complementary Finance Act in 2015, and later a new Finance Act adopted in 2016, delivered some improvements to the business environment in the country. For example, it allowed case-specific financing from abroad for foreign investment projects and allowed state-backed companies to make private investments. It did not, however, lift the 49% limit on foreign investor partnerships.

#### **4.1.2 Women in the Economy**

##### **Legislative Framework**

The state of gender equality in Algeria has been steadily improving over the past decade. Algeria has amended its laws to allow women to transfer their nationality to their children. In 2016, Algeria passed a law to ban domestic violence, punishable by up to 20 years in prison.

In terms of employment, the legal framework for incorporating women into the economy seems to be improving. Algeria is one of the first Arab countries to have ratified the ILO's Maternity Protection Conventions that grant women 14-week maternity leave on full pay. Despite this development, women still largely find this benefit insufficient and employers continue to find it a hindrance in terms of productivity. Furthermore, paternity leave is still missing from current regulations.

Additional legislation arose from the efforts of several agencies and initiatives that culminated in the development of the "Working Woman's Charter" that was adopted towards the end of 2015. The Charter constitutes an express commitment to a stronger role for women in professional fields and a jobs market that invests better in their capacities. Specifically, Article 36 of the amended Constitution encourages the advancement of

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53. The World Bank (2016), Algeria. Available from <http://www.worldbank.org/en/country/algeria/overview>

54. Reuters, Algerian cabinet okays 14-pct 2017 spending cut, sees 8-pct deficit, (2016). Available from <http://www.reuters.com/article/algeria-economy-idUSL5N1CA5I6>

women with responsibilities in institutions and government and at enterprise level; this, however, is yet to be translated into more tangible practices.<sup>55</sup>

On the other hand, the Family Code continues to put women under the legal guardianship of male kin, mainly fathers, in issues related to divorce and marriage. Although the Code has been amended in recent years in favour of women, they still, in practice, have fewer privileges than males, with control over matrimonial decisions left in their fathers' hands. While this is not directly related to the status of women's employment, paternal pressures do bear on women's decisions related to educational attainment and work.

### **Education and Vocational Training Overview**

While literacy and participation rates of girls in education are illustrative of a success story in gender equality, with females constituting nearly 60% of students in tertiary education, these gains are not being translated into success in the jobs market. Women with more education seemed to face higher risks of unemployment. Correspondingly, national statistics show that a large proportion of the unemployed female population is made up of those who attained higher education.

**Table 3:** Algeria - Unemployment According to Level of Education, Degree and Sex 2015 (%)

	Male (%)	Female (%)	Total (%)
Level of Education			
No Education	3.9	1.4	3.6
Primary	7.9	5.5	7.7
Middle	12.9	17.8	13.4
Secondary	8.8	14.8	10.1
Higher Education	8.5	20.5	14.1
Degree			
No Degree	9.6	11.7	9.8
Professional Training	12.3	16.9	13.4
Higher Education	8.2	20.2	14.1
<b>Total</b>	<b>9.9</b>	<b>16.6</b>	<b>11.2</b>

*Source:* National Statistics Office, Algeria, 2016

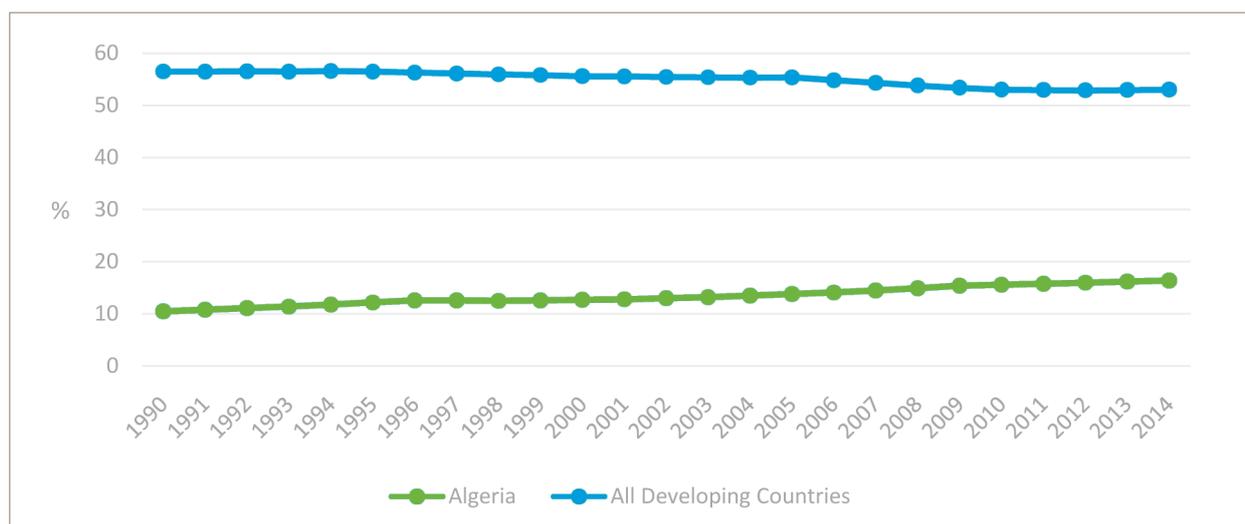
These trends can be partly attributed to social pressures that orient young women towards degrees that fulfil prescribed gender roles and which do not necessarily have a corresponding share of labour opportunities. The data show that female students constitute the largest proportion of students in education programmes as well as humanities and the arts: most females in tertiary education enrol in the social sciences and humanities and the arts. A fundamental dimension to the question of women's employability is its strong link to the power structures within the household and the dynamics involved in decision making

55. Constitution de la République Algérienne Démocratique et Populaire (2016). Available from <http://www.joradp.dz/TRV/Fcons.pdf>

between men and women. In other words, one cannot look into the choices that define the supply side of women’s economic participation in isolation from the socially established gender power dynamics.

### Economic Participation

**Figure 10.** Algeria – Labour Force Participation Rate, Female (% of Female Population Aged 15-64)



**Source:**International Labour Organization (ILO) 2016

Research shows that female participation in oil-dominated economies is low, including in non-oil sectors<sup>56</sup> and the Algerian economy is no exception; its reliance on oil exports consistently subdues the active economic participation of women. Furthermore, government economic plans are headed towards diversifying the economy with additional emphasis on manufacturing, a sector that has not traditionally favoured women.<sup>57</sup>

Algeria ranks 128th out of 145 countries in the 2015 Gender Gap Index, or 6<sup>th</sup> out of the 15 participating Arab states. Similarly, in the sub-index for Economic Participation and Opportunity, the country retained 137<sup>th</sup> spot globally and 9<sup>th</sup> regionally. Other indicators in the ILO’s Women in Business and Management reported an improvement in the percentage of women in managerial posts between 2001 and 2013, with proportions increasing from 5.2% to 10.6%. A similar trend was witnessed in women’s access to finance between 2010 and 2012 from a score of 6.3 to 20.9.<sup>58</sup>

For the past fifteen years, the Algerian unemployment rate has been in consistent decline. This trend culminated in an effective halving in 2004 for female unemployment and a six percentage point drop for males during the same time period. This may well be correlated with relatively good education rates for women and low female labour force participation rates. The female unemployment rate, however, remained high at 16.6% in 2015, more than double that of males.

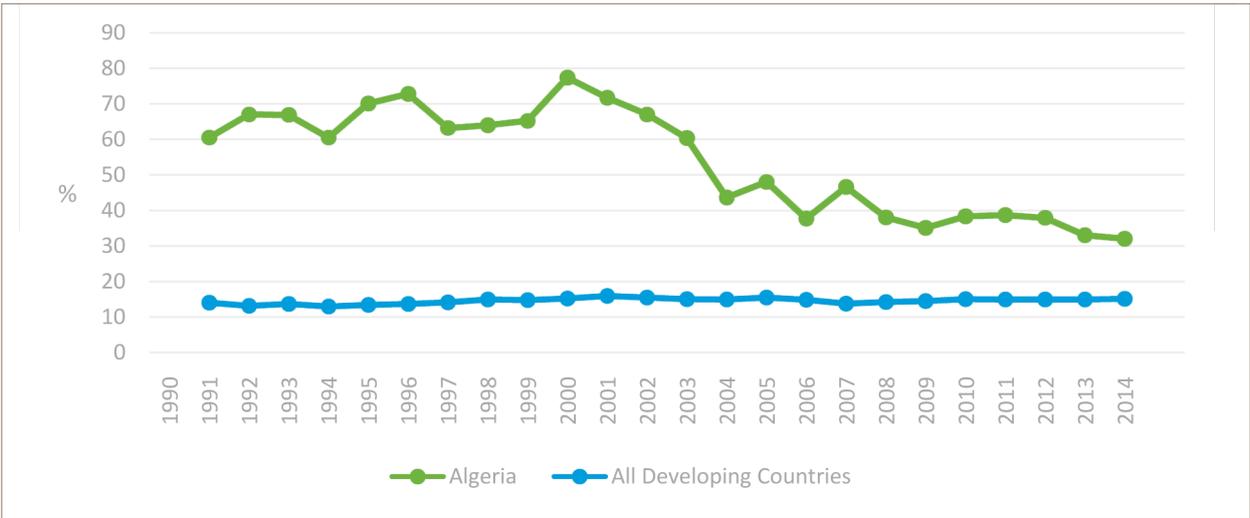
56 Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang-en/index.htm>

57. Prospects for economic diversification point towards manufacturing, agro-business, and pharmaceuticals. The real value of gross manufacturing output had already risen by 5.4% in 2015.

58. Ibid.

Generally speaking, women’s unemployment in Algeria shares some common trends with that of men: both are more severe among the youth population and both unemployment rates shrank notably between 2000 and 2006. However, the gap seems to persist over time. In 2014, as noted above, the unemployment rate for women was more than double that of men, approximately 16.8% for women and 8% for men in 2014. The disparity is even starker amongst the youth, an alarming rate of 32% among young women (Figure 11) against 17.6% for young men.

**Figure 11.** Algeria – Unemployment, Youth Female (% of Female Labour Force Aged 15-24)

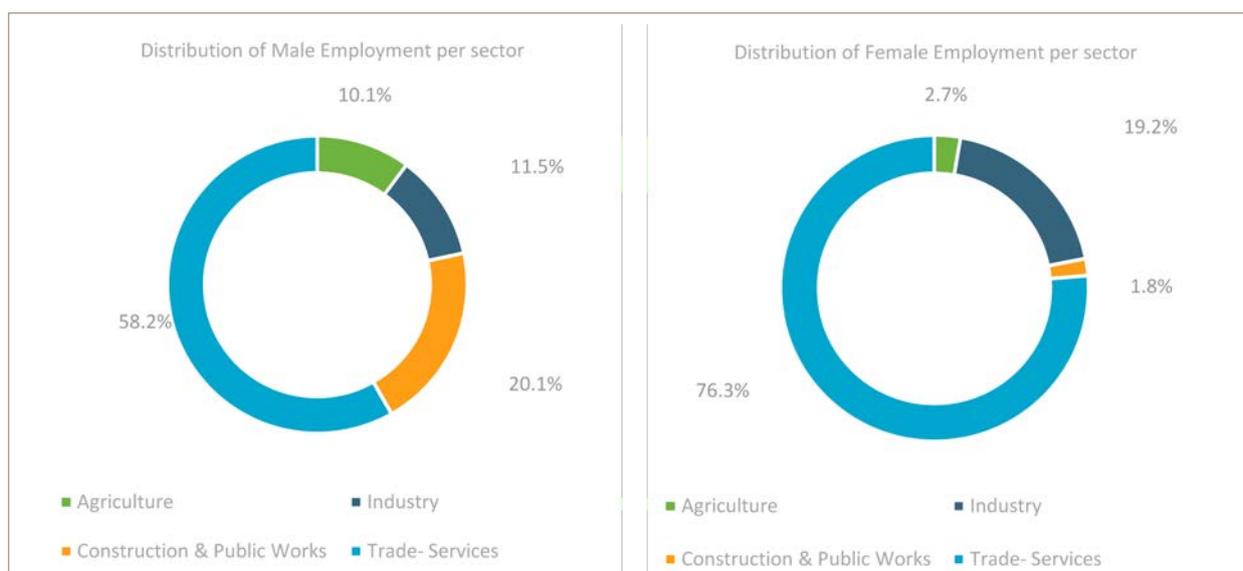


Source: International Labour Organization (ILO) 2016

Age-specific data reveals that the biggest population of both the male and female unemployed is among those aged 20-29 years who account for more than half of the unemployed. This suggests a need to tailor efforts to the needs and characteristics of a young unemployed population.

Data on labour force distribution from the National Office of Statistics reveals a relatively undiversified female workforce, concentrated in the public sector in both urban and rural settings (64.1% in 2015). With current fluctuations in public finances and recent austerity measures, the female workforce is facing a fragile job market, with over 76.0% of female employment based on trade services. Given the fragility of the current economic environment, combined with a lack of diversification in the female job market, this will weigh heavily on women’s economic prospects.

**Figure 12.** Algeria – Distribution of Employment by Sector, 2016 (%)



Source: National Statistics Office, Algeria 2016

Employment in Algeria is largely dictated by the structure of the Algerian economy, both its substantial reliance on the oil and gas sector as well as its expansion into manufacturing. Women’s education and employment, however, has historically been focused on trade services and other fields. This creates a mismatch between employment needs and female labour supply.

Additionally, despite legislative efforts, gender-related behavioural norms remain one of the primary determinants of Algerian women’s economic participation; career choices both at the beginning of their academic career and later on in the jobs market clearly reflect a social dimension that severely restricts them to their ascribed gender roles. The engagement of women in some sectors, and notably in public sector jobs, can be explained by their preference for a sense of security in line with social norms for a woman’s role outside the household.<sup>59</sup> According to a 2014 study by the National Office for Statistics, around 21.5% of women leave their jobs for ‘family reasons’.<sup>60</sup>

### **Entrepreneurship**

Entrepreneurship in Algeria is relatively low compared to other countries in the region, which can be explained by the low rate of nascent entrepreneurship and a low survival rate for business ventures.<sup>61</sup> This modest entrepreneurial scene is still dominated by males living in inland areas, mostly providing services for the private sector and primarily funded from family resources. Women’s entrepreneurial activity is more widely spread geographically and, despite some progress, still much more limited than men’s. Women’s Total Early Stage Entrepreneurial Activity (TEA)<sup>62</sup> index in 2011 was 5.7 compared to 12.3 for men. This gap grows bigger in the later stages of the projects. A follow up study also reveals that only one in three women achieve ‘maturity’ of their entrepreneurial activity.<sup>63</sup>

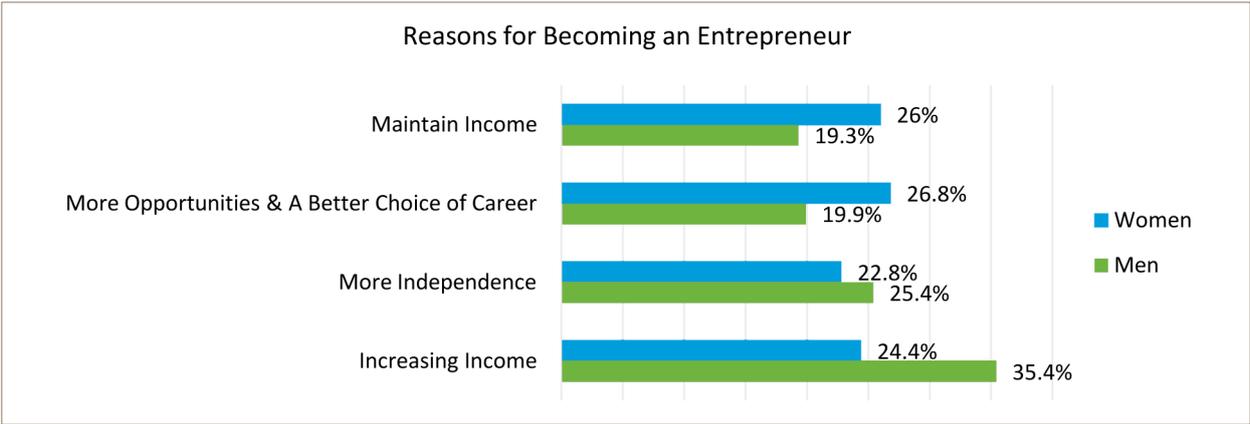
59. Interview with, l’Association des Algériennes Managers et chefs d’Entreprises, 2016.

60. Ibid.

61. Global Entrepreneurship Monitor, Algeria Profile (2013). Available from <http://www.gemconsortium.org/country-profile/34>

62. Total early-stage Entrepreneurial Activity: percentage of 18-64 years population who are either nascent entrepreneurs or owner-managers of a new business.

**Figure 13.** Algeria – Reasons for Becoming an Entrepreneur (2011)

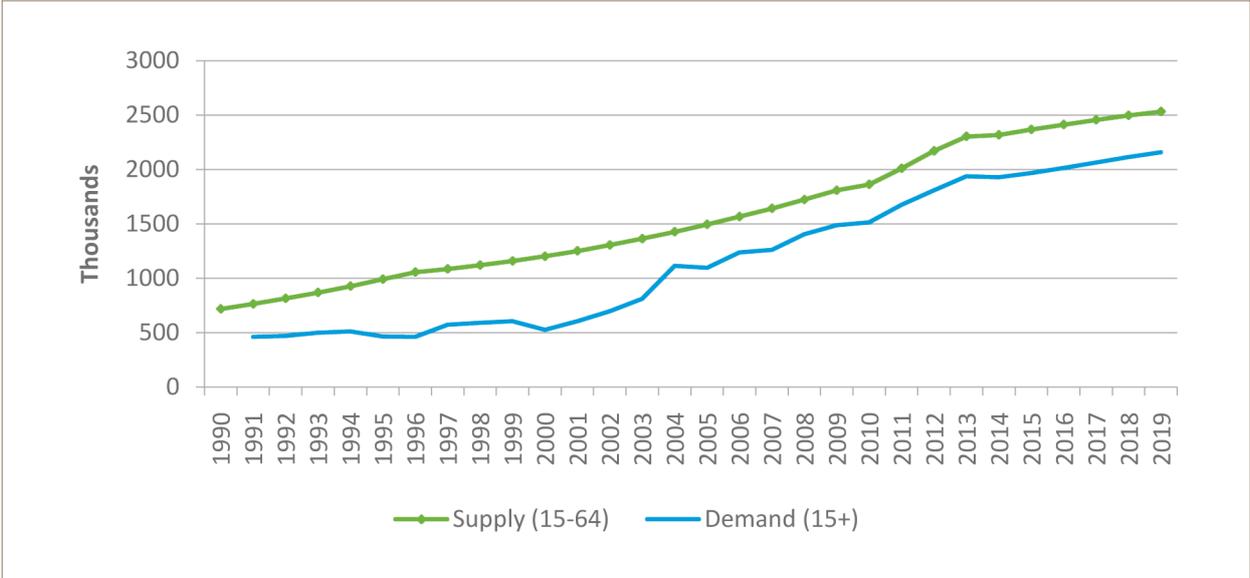


Source: Global Entrepreneurship Monitor 2011

The above survey conducted by GEM outlines the primary reasons why individuals of both sexes in Algeria choose to become entrepreneurs. The disparities in motivation between men and women are indicative of both the nature of the entrepreneurial scene in Algeria as well as the drivers in women participating in the economy. For example, while 35.4% of the responses for men’s motivation to become an entrepreneur were to increase their income, only 25.4% of women gave this as the primary motivator. On the other hand, women expressed more of a desire than men for additional opportunities and better career choices: the aspirations are there but, as previously discussed, a facilitating environment is still only at the development stage.

**4.1.3 Future Prospects**

**Figure 14.** Algeria – Supply and Demand for Female Labour 1990-2019



Source: International Labour Organization (ILO) 2016

63. Global Entrepreneurship Monitor, Algeria Profile (2013). Available from <http://www.gemconsortium.org/country-profile/34>

## **Outlook**

According to data projections, the gap between demand and supply for female labour will likely persist. Bridging the gap will require concerted efforts both on the demand and supply sides. Gender equality employment policies need to be implemented to target the diversification of the female workforce across the different levels of demand creation: career orientation, skills development and job placement.

The prospects for women's economic participation in the country require specific investment in the gender gains in education, which means not only boosting the supply side of labour but also restructuring gender dynamics within the household and delivering changes within Algerian society.

Recent improvements in the legal framework, notably the Working Woman's Charter, will require more specific implementation schemes, but also wider buy-in among the various stakeholders. Intermittent scepticism about this Charter, particularly doubts as to whether it was built on a good understanding of good practices and inclusiveness, reflects the lack of confidence in it. The Charter should be seen as a first step in a much-needed focused effort to enhance women's economic participation, beyond current ad hoc initiatives. Such efforts should also target the country's policymaking processes, more gender-sensitive budgeting and participatory governance.

Furthermore, any work on expanding women's economic participation in Algeria needs to deal with the gender dimension beyond job opportunities and tackle gender power dynamics within the household and the community.

## **Recommendations**

Algerian women today face a similar challenge to their national policymakers, re-inventing themselves to fit into the economic diversification necessary to move forward. There is always a need for evidence, in the form of data and qualitative research, to draw a more explicit yet nuanced image of women's economic participation, particularly given the omnipresent importance of the informal economy. In fact, interviews revealed a gloomier picture of women's economic participation; some improvements are discredited, as nominal rather than tangible changes, such as the increase in the percentage of female managers and access to financing. Additional research and data on these indicators will help to bridge the gap between reaching a milestone in theory and delivering on-the-ground results.

At a societal level, there needs to be more awareness of the importance of women's economic participation, both at the macro and micro levels. Promoting the importance of women's economic participation as a means of self-realization in society and beyond has been highlighted as critical; more broadly, their participation as an avenue to realizing their wellbeing and that of their families is also a key desired outcome.

Despite the lack of quantitative evidence, a significant share of women's economic activity in Algeria seems to stem from short-term contracts, which is fertile ground for vulnerable employment and volatility. Concerted efforts, via legislation or less invasive measures, to migrate these contracts towards full and formal employment are another medium-term goal for policymakers.

## 4.2 Bahrain

### 4.2.1 Economic Background



**Table 4:** Bahrain's Economic Indicators

Indicator	Value
Population (thousand) 2016	1,248.3
Female population (thousand) 2016	485.3
GDP (US\$ Current, million) 2015	30,417.6
Real GDP growth (%) 2014-2015	3.2%
Inflation (%) 2015	1.8%
Female unemployment (%) 2014	16.8%
Ease of doing business (Rank) 2015	61
Population under 30 (%) 2015	41.3%

**Source:** Euromonitor International 2016

The Kingdom of Bahrain is the smallest Arab country and is made up of a series of islands that are connected to the Kingdom of Saudi Arabia. The country adopted a system of constitutional monarchy in 2002 with a government appointed by the King, a bicameral legislature with an elected Chamber of Deputies and a Shura Council also appointed by the King. The political scene in Bahrain has been unstable since 2011, as protests against the royal family continue, with fears of a prolonged and costly political stalemate.

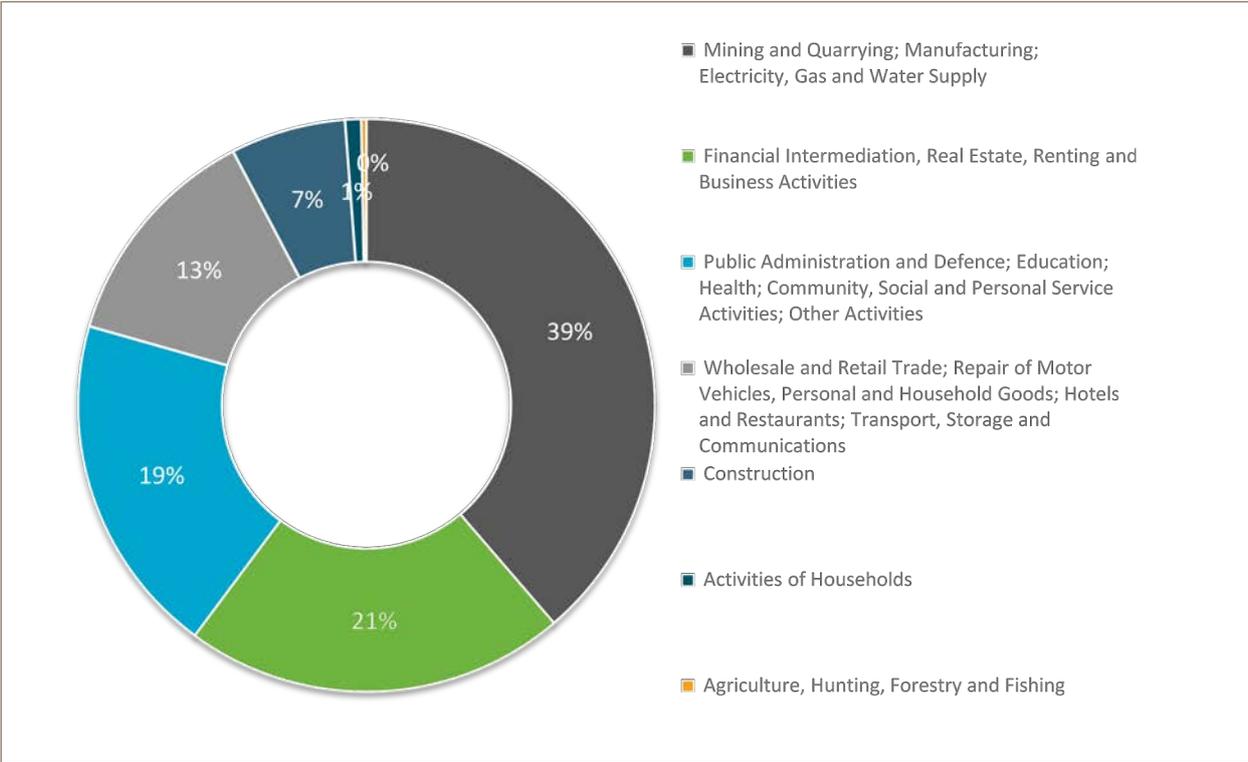
Bahrain has the first post-oil economy in the Gulf. It has managed to establish itself as a destination for tourism, notably from within the Gulf, but more importantly as a hub for financial institutions and Islamic banking. It is the most economically free Arab economy and the 18th in the world according to the 2016 Index of Economic Freedom.<sup>64</sup> With only meagre oil resources, the country adopted a policy of openness and diversification, becoming one of the most advanced economies in the region, with liberal exchange rates, trade and investment regimes. Bahrain's rapid economic gains<sup>65</sup> suffered from the 2011 Euro area crisis and its own political unrest, to recover later with the rebound of manufacturing services and output in the energy sector. In 2014-2015, real GDP grew by 3.2%, despite the price-driven decrease in oil production, led by non-oil sector gains; the non-oil sector expanded by a healthy 3.9% in 2015.<sup>66</sup> It is worth noting that mining and quarrying, manufacturing, electricity, gas and water supply are the sectors that contribute most to the country's GDP, sectors considered to be relatively more male-dominated, followed by financial services, which has lately seen increased participation of women.

64. The Heritage Foundation, Bahrain (2016). Available from <http://www.heritage.org/index/country/bahrain>

65. ESCWA named Bahrain as the fastest growing economy in 2006.

66. Euromonitor International, Passport, Economies and Consumers (2016)

**Figure 15.** Bahrain - GDP by Gross Value Added (GVA) 2015 (% Share)



Source: Euromonitor International 2016

The country’s Economic Vision 2030 has three guiding principles: sustainability, fairness and competitiveness. The vision focuses on reducing economic dependence on oil and diversifying, with bigger shares for tourism, business services, logistics and manufacturing. The vision also aims to boost job creation by encouraging Foreign Direct Investment (FDI) to make employment less dependent on oil extraction revenues. The vision expresses the Government’s intention to cede many of its activities to the private sector and to encourage innovation and entrepreneurship by creating an environment conducive to business. The financial sector will remain central to Bahrain’s economy while the vision identifies other important sectors, including the logistics, manufacturing, business services and tourism. The vision also focuses on improving the quality of education to produce a qualified local labour force. The successful translation of this vision into results will certainly constitute a historic opportunity for a wider integration of Bahraini women into the private sector.

A strategy adopted by the Government is Bahrainization. This focuses on both improving the quality of the Bahraini labour force as well as expanding employment opportunities for nationals on the demand side. There is no written legislation that sets quota requirements in general, but companies are required to refer to the Ministry of Labour regarding sector-specific Bahrainization rules in an attempt to make the requirements responsive to the specific needs of the sectors concerned.

## 4.2.2 Women in the Economy

### Legislative Framework

Although the country's Economic Vision 2030 makes no specific mention of women, the Government has taken important steps towards more gender equal opportunities. The National Development Strategy 2015-2018 includes clear provisions targeting women and sets the enhancement of women's social and economic contributions as one of its priorities (Bahrain Economic Development Board, 2015). In 2012, the Labour Law for the Private Sector (Law 36, 2012) stressed equal provision and work conditions with no gender discrimination. Other regulations that favour equal opportunities include the 2013 amendment (Resolution 77, 2013) of the social allowance policy to grant married female employees benefits similar to their male counterparts. Despite many advances, some regulations still limit the realization of women's potential in the economy, notably those that still require them to get their husband's permission to obtain employment.

While, under the labour law, women are entitled to maternity leave, employers consider this a disadvantage, so women often face discrimination in employment. Nevertheless, the Government is implementing laws to further empower women in society. These laws are enforced by the National Action Charter and the Constitution. Articles 1e and 5b of the Constitution focus on equality between men and women in terms of civil, political and education rights, as well as facilitating the reconciliation of women's duties at home and other aspects of life such as education and employment.<sup>67</sup>

### Education and Vocational Training Overview

The latest UNESCO data suggest high levels of gender parity for participation in education in Bahrain. The country scores one of the highest Gender Parity Indices in the region for gross enrolment in tertiary education, 2.3 in 2014. More than 60% of tertiary education graduates are female, although this proportion is still much lower in engineering and science and technology programmes (see Table 5).

**Table 5.** Bahrain - Educational Attainment of Female Graduates

Humanities and arts programmes	82.1
Social sciences, business and law programmes	62.0
Science programmes	66.3
Engineering, manufacturing and construction programmes	27.6
Agriculture programmes	..
Health and welfare programmes	74.0
Services programmes	67.8
Science and technology programmes	42.6
Other fields	65.0

Source: UNESCO Institute of Statistics 2016.

67. Bahrain's Constitution, Shura Council. Available from <http://www.shura.bh/LegislativeResource/Pages/Constitution.aspx>

The latest data (2010) for educational attainment in the country reveal a lower GPI for higher levels of education. The relatively low proportion of the female population with a Master's degree or a PhD can be attributed to social pressures on women to get married and form a family rather than pursue a higher degree. As a result of these pressures, as well as the lower percentage of women than men with tertiary education, senior positions in the private and public sectors are still likely to be filled by men. Data on graduates in 2014 show little prospect of bridging this gap; the positive performance shown in the percentages of graduates who are women at Bachelor degree level is less evident at master's degree level and falls to some 30% for PhD level (as shown in the table below).

**Table 6:** Bahrain - Educational Attainment of Female Graduates

Percentage of graduates who are Female (%)	2014	Educational attainment– GPI (%population 25+ years)	2010
Tertiary education	60.8	At least bachelor or equivalent (ISCED 6 or higher)	1.23
Bachelor's (Tertiary ISCED 6)	62.6	At least master's or equivalent (ISCED 7 or higher)	0.8
Master's (Tertiary ISCED 7)	54.1	Doctorate (PhD.) or equivalent (ISCED 8)	0.59
Doctorate (PhD.) or equivalent (Tertiary ISCED 8)	30.8		

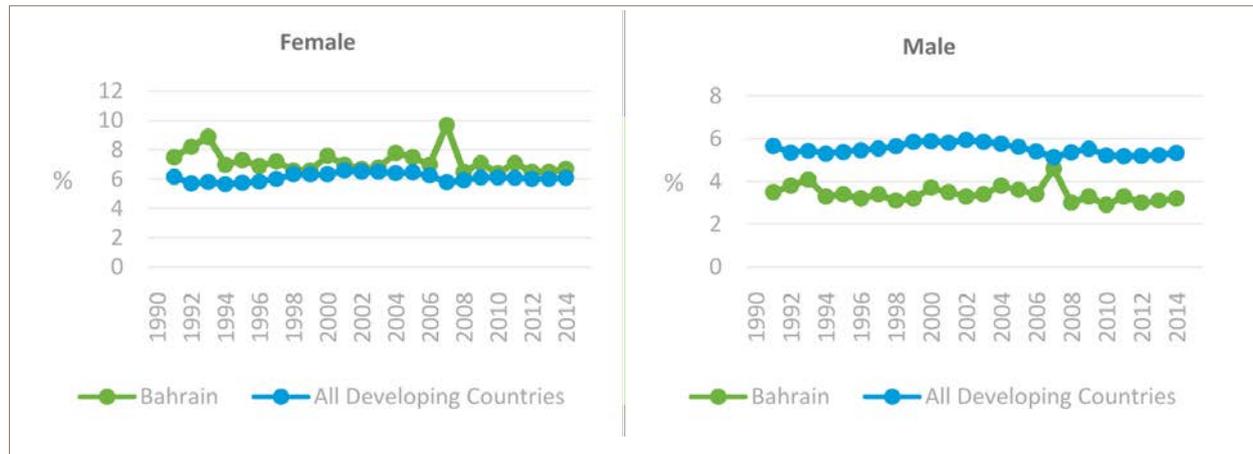
Source: UNESCO Institute for Statistics 2016

Official records show that Bahraini women are being increasingly, yet not sufficiently, integrated into training programmes and initiatives aimed at enhancing the skills of the local labour force. In 2010, the ratio of female to male trainees at the Bahrain Training Institute reached 50% (UN Women, 2014). For example, the Supreme Council for Women (SCW) provides training programmes to teach women professional skills pertaining to their industry of interest.<sup>68</sup> Moreover, women have an increased presence on governing bodies such as the Board of Directors of the Bahrain Chamber of Commerce and Industry with 22% of membership in 2014, as well as other senior positions in the private sector, including banks and telecommunication companies.

68. Euromonitor International from trade interviews (2016)

## Economic Participation

**Figure 16.** Bahrain - Unemployment, Female and Male (% of Labour Force)



Source: International Labour Organization, 2016

Women have experienced a similar trend to men regarding unemployment, despite being slightly above the level of all developing countries. Women in Bahrain are considered to be in a better position, when involved in recognisable positions, such as ministers and judges, not to mention their contribution in various sectors, including education and healthcare (BCCI, 2015)<sup>69</sup>. According to the SCW, women’s representation on the Council of Representatives is 8% (2006-2014) and 22.5% in the Shura Council (2014). There are also four female ministers (18% of all ministers). Moreover, out of all women working in the public sector in Bahrain, 45% hold senior management positions.<sup>70</sup>

The SCW focuses generally on enhancing the situation of women in the country and oversees the implementation of the provisions of the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), within the limits of Sharia law. It is also responsible for carrying out the National Strategy for the Advancement of Bahraini Women, which includes many provisions for enhancing the economic participation of women. The Government, in collaboration with the SCW, is undertaking sectoral reforms. Every year, it targets a specific sector, amending the rules and regulations, setting requirements and standards to ensure that women perform well in their jobs, grow and develop in the sector concerned. The Government has also taken initiatives such as forming an equal opportunity committee, which aims at ensuring equal opportunities and rights for both sexes in the workforce. The main factor triggering such initiatives is the leadership in Bahrain. The King’s wife, Her Royal Highness Princess Sabeeka Bint Ibrahim Al Khalifa, had the vision of empowering women. Since the inauguration of the SCW, there has been a strong emphasis on supporting and empowering women. For example, many ceremonies and events have been held to celebrate women, such as the Women’s Entrepreneurship Award and Bahraini Women’s Day. Organizations such as the SCW are powerful in Bahrain, and can influence other entities, particularly on issues related to female employment policies, as evidenced by their involvement in sectoral reforms.

69. BCCI, available from: <https://www.bcci.bh/sites/default/files/researchandstudy/Women%20in%20Bahrain%20in%20the%20field%20of%20Business.pdf>

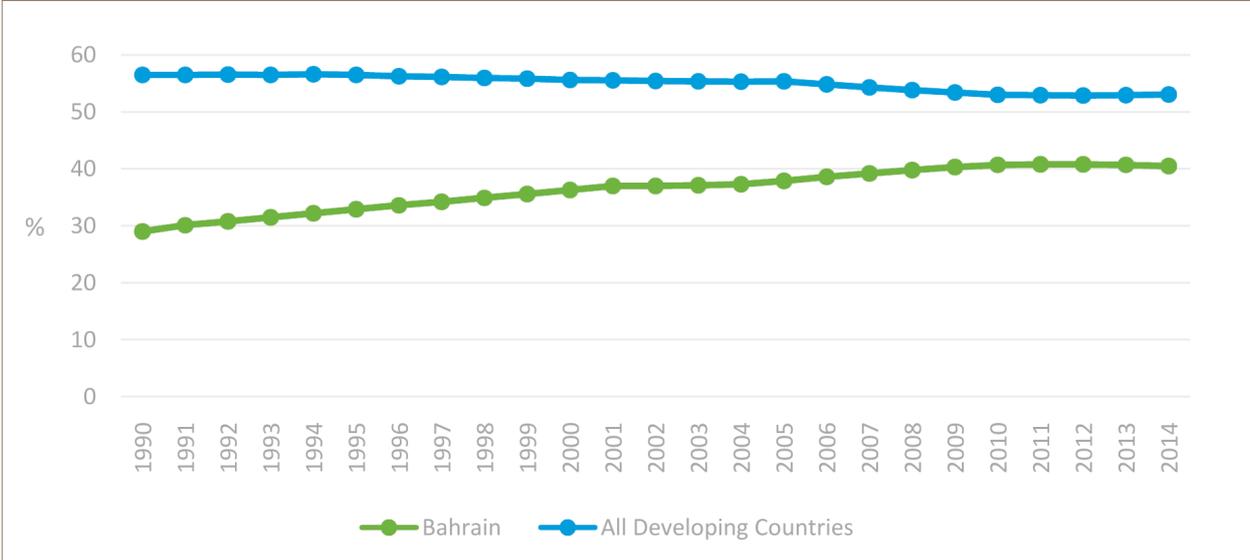
70. Supreme Council for Women (2014). Available from: <http://www.scw.bh/en/SupportCenter/Databases/Statistics/Pages/default.aspx>

According to the Global Gender Gap Index 2015, Bahrain is the fastest climber in the world on the Economic Participation and Opportunity sub-index and the second-most improved on the overall Index in the region since 2006.<sup>71</sup> However, the Kingdom witnessed the least improvement since 2006 on the two sub-indexes for Educational Attainment and Political Empowerment. Bahrain has slightly improved its score (out of 100) on Women’s Access to Finance from 41.9 in 2010 to 50.3 in 2012 (ILO, 2015).<sup>72</sup>

In Bahrain, women’s career choices are driven by their interests. They are mainly present in the telecommunication and banking sectors, but also increasingly in the ICT sector and architecture. Nowadays, Bahraini women hold down managerial positions in these sectors because they are well equipped and have relevant backgrounds in these fields. Employers are increasingly tending to empower women and utilize their skills. Some companies in Bahrain’s leading sectors, such as banks and aluminium manufacturers, are taking the initiative to build childcare corners into their offices to help women maintain their work-life balance.<sup>73</sup>

Women’s share of the total labour force has seen a slight rise in the past 14 years, following a trend that is consistent with that of males (see Figure 17). The reason behind the slow-down in improvement, and even the decrease in rates since 2011, can be attributed to the political situation in the country. It might also be traced back to the impact of regional and global economic conditions, such as the falling oil prices and the 2011 euro crisis.

**Figure 17.** Bahrain - Ratio of Female to Male LFPR 1990-2014 (%)



Source: International Labour Organization, 2014

Data from the Social Insurance Organization in Bahrain for the second quarter of 2016 reveals an almost equal share of Bahraini men and women in the public sector (48.4% are

71. From 2006 to 2015 the proportion of female professional and technical workers increased by 26%, and that of female legislators, senior officials and managers increased by 14%.  
 72. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm>.  
 73. Euromonitor International from trade interviews (2016)

women) but a much smaller share for women in the private sector, at 32.8%.

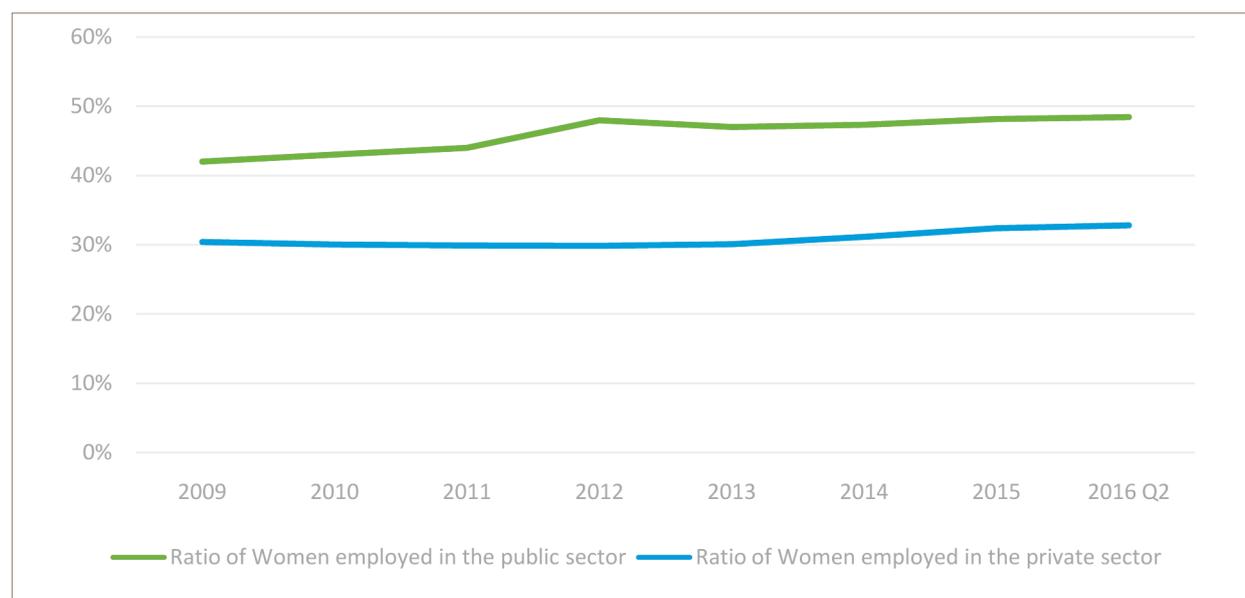
**Table 7:** Bahrain - Bahraini Employees by Sector, Age and Sex (Quarter 2 of 2016)

	Age	Male	% of Total Male	% of Total of Same Age Group	Female	% of Total Female	% of Total of Same Age Group	Total	% of Total
<b>Public Sector</b>	0-20	22	0.08	78.6	6	0.02	21.4	28	0.1
	20-29	5107	18.52	46.5	5865	22.63	53.5	10972	20.5
	30-39	8468	30.70	43.8	10849	41.86	56.2	19317	36.1
	40-49	8018	29.07	54.9	6590	25.43	45.1	14608	27.3
	50-59	5357	19.42	68.3	2486	9.59	31.7	7843	14.7
	60+	610	2.21	83.2	123	0.47	16.8	733	1.4
	<b>Total</b>	<b>27582</b>	<b>100</b>	<b>51.6</b>	<b>25919</b>	<b>100</b>	<b>48.4</b>	<b>53501</b>	<b>100</b>
<b>Private Sector</b>	0-20	1183	1.9	80.6	285	0.9	19.4	1468	1.6
	20-29	22379	36.3	66.6	11232	37.4	33.4	33611	36.7
	30-39	22103	35.9	66.2	11304	37.6	33.8	33407	36.5
	40-49	10051	16.3	66.7	5021	16.7	33.3	15072	16.5
	50-59	5040	8.2	71.6	1999	6.7	28.4	7039	7.7
	60+	826	1.3	81.1	193	0.6	18.9	1019	1.1
	<b>Total</b>	<b>61582</b>	<b>100</b>	<b>67.2</b>	<b>30034</b>	<b>100</b>	<b>32.8</b>	<b>91616</b>	<b>100</b>
<b>All Sectors</b>	0-20	1205	1.4	80.5	291	0.5	19.5	1496	1.0
	20-29	27486	30.8	61.7	17097	30.6	38.3	44583	30.7
	30-39	30571	34.3	58.0	22153	39.6	42.0	52724	36.3
	40-49	18069	20.3	60.9	11611	20.8	39.1	29680	20.5
	50-59	10397	11.7	69.9	4485	8.0	30.1	14882	10.3
	60+	1436	1.6	82.0	316	0.6	18.0	1752	1.2
	<b>Total</b>	<b>89164</b>	<b>100</b>	<b>61.4</b>	<b>55953</b>	<b>100</b>	<b>38.6</b>	<b>145117</b>	<b>100</b>

Source: Social Insurance Organization 2016.

Despite efforts to enhance women's economic participation, Bahrain has made disproportionate improvements between the private and public sectors, as is the case in the majority of Arab states. The ratio of women employed in the public sector saw more progress than in the private sector. This may be correlated with the dominance and growth of the mining, quarrying and manufacturing sectors, which are generally male oriented.

**Figure 18.** Bahrain - Ratio of Women Employed in the Public and Private Sectors 2009-2016



Source: National Report of the Kingdom of Bahrain on Progress made in the implementation of the Beijing Declaration and Platform for Action 2014 and The Social Insurance Organization, 2016

The representation of women in the private sector differs according to sectors. The overall share of women compared to men in office work was 48%, 36% in business, sales and trade, 42% in professional technical and scientific operations, 32% in administrative and supervisory fields and around 24% in other fields, as reported in the second quarter of 2015.<sup>74</sup>

**Table 8:** Bahrain - Average Monthly Salary (Quarter 2 of 2016) Bahrain

	Age	Male	Female	Male & Female	Gender Parity Index <sup>75</sup>
<b>Public Sector</b>	0-20	383	410	388	1.07
	20-29	569	612	592	1.08
	30-39	797	829	815	1.04
	40-49	979	1047	1010	1.07
	50-59	1203	1246	1217	1.04
	60+	1836	1564	1790	0.85
	Total	909	879	894	0.97
<b>Private Sector</b>	0-20	284	273	282	0.96
	20-29	459	436	451	0.95
	30-39	773	586	710	0.76
	40-49	1112	553	926	0.50
	50-59	1441	577	1195	0.40
	60+	1434	529	1263	0.37
	Total	768	521	687	0.68

74. Supreme Council for Women (2014). Available from: <http://www.scw.bh/en/SupportCenter/Databases/Statistics/Pages/default.aspx>

<b>All Sectors</b>	0-20	333	341	337	1.02
	20-29	514	524	519	1.02
	30-39	785	708	746	0.90
	40-49	1046	800	923	0.76
	50-59	1322	912	1117	0.69
	60+	1635	1047	1341	0.64
	Total	939	722	830	0.77

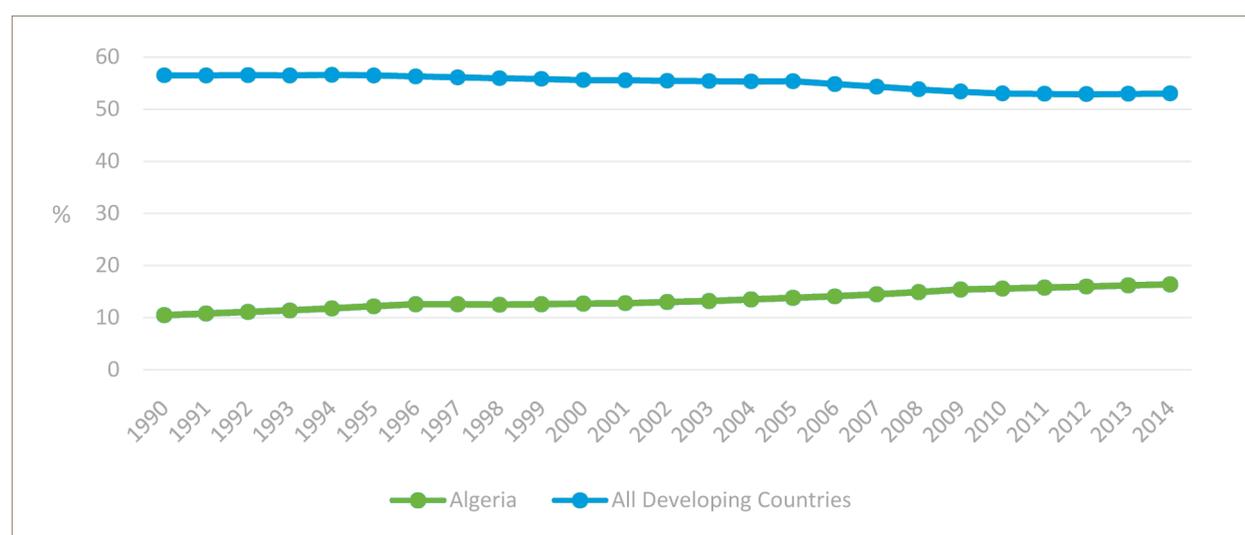
Source: Social Insurance Organization - Bahrain, 2016

Furthermore, there seems to be a favourable gender gap in the average monthly salary in the public sector with a Gender Parity Index (GPI) higher than for all age categories, except 60 and above. The GPI is much lower in the private sector, notably for employees aged 30 years and older.

### **Entrepreneurship**

The labour force participation rate for women has been increasing slowly over the past decade. This is also reflected in the rise of the share of women on the entrepreneurship scene in Bahrain; the number of registrations of companies owned by women increased from 39% to approximately 41% over the period 2007-2014. While this might not reflect a significant increase in the share of women, it is worth mentioning that 56% of the individual active commercial registrations over five years are owned by women. The percentage of Bahraini companies with female board members increased from 12% in 2010 to 14% in 2014.<sup>76</sup> Furthermore, Bahrain has the highest share of female employers in the Arab region, at 28%.<sup>77</sup>

**Figure 19.** Labour Force Participation Rate, Female (% of Female Population Aged 15-64)



Source: International Labour Organization, 2016

75. Gender Parity Index calculated based on data from SIO

76. Supreme Council for Women, Bahraini Women in Numbers (2015). Available from <https://www.scw.bh/en/MediaCenter/Documents/Final-Numbers-May-2016.pdf>

77. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang-en/index.htm>

Many initiatives have been geared towards creating better conditions for women in entrepreneurship, both on the demand and supply sides. The SCW, in collaboration with a semi-governmental employment agency, Tamkeen, awards grants to female entrepreneurs and provides skills training programmes that reached more than 11,000 beneficiaries by 2011 through various support schemes.<sup>78</sup> This is a professional body that is aware of the skills gap in the market and acts as a directory for entrepreneurs. Both Tamkeen and the SCW offer grants to women in various industries, ranging from transport to fashion, photography and graphic design.<sup>79</sup> A Bahraini Women's Competence Development Centre (Riyadat) was inaugurated in 2013. In addition to skills training, it provides consultation and support services to entrepreneurs, in the form of subsidized loans or office or shop rentals. The latter are also available through Ebdaa Bank for Microfinance and the Tamkeen Labour Fund.

Nonetheless, many female entrepreneurs are more likely than their male counterparts to face challenges when setting up or attempting to maintain their business. Planning and responsibility for paying rent, wages and suppliers and servicing loans, is a hurdle for entrepreneurs and many are unaware of how to prepare a business plan. To counter this, the development centre refers them to training programmes and ensures that they benefit from a coaching programme throughout their development period. Moreover, many of these entrepreneurs find it difficult to balance their time between their business and personal and family life, one of the main reasons for closing their businesses. Others may close down because of family pressures. Maintaining a work-life balance is a challenge faced by all women in Bahrain.<sup>80</sup>

Another barrier is the size of the market in Bahrain. In Bahrain, there is a general problem of not being able to grow and expand businesses because the market is small and highly competitive. Business owners are unable to cover their overhead costs and finance their businesses because their customer base is small and, thus, the revenue stream is limited. The small population and market in Bahrain, compared to other GCC countries, limits purchasing power. Entrepreneurs cannot produce large volumes to gain economies of scale. The challenge lies in the large number of competitors and small market share.

### 4.2.3 Future Prospects

#### Outlook

While there has been promising progress for women's economic participation in regulatory terms since 2002, compared to the Constitution of 1973, the reality is less favourable when it comes to social attitudes and negative bias. According to a 2015 survey by the Pearl Initiative, working women in Bahrain place a lot of value on their careers; 95% of respondents are confident that they have a significant contribution to make in the workplace, and that having a family should not be an impediment.<sup>81</sup> However, this confidence is yet to translate into more solid figures for gender equality in the labour force.

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78. Karolak M. (2011), Female emancipation in Bahrain: A tool for social reform?

79. Euromonitor International from trade interviews, 2016

80. Euromonitor International from trade interviews (2016)

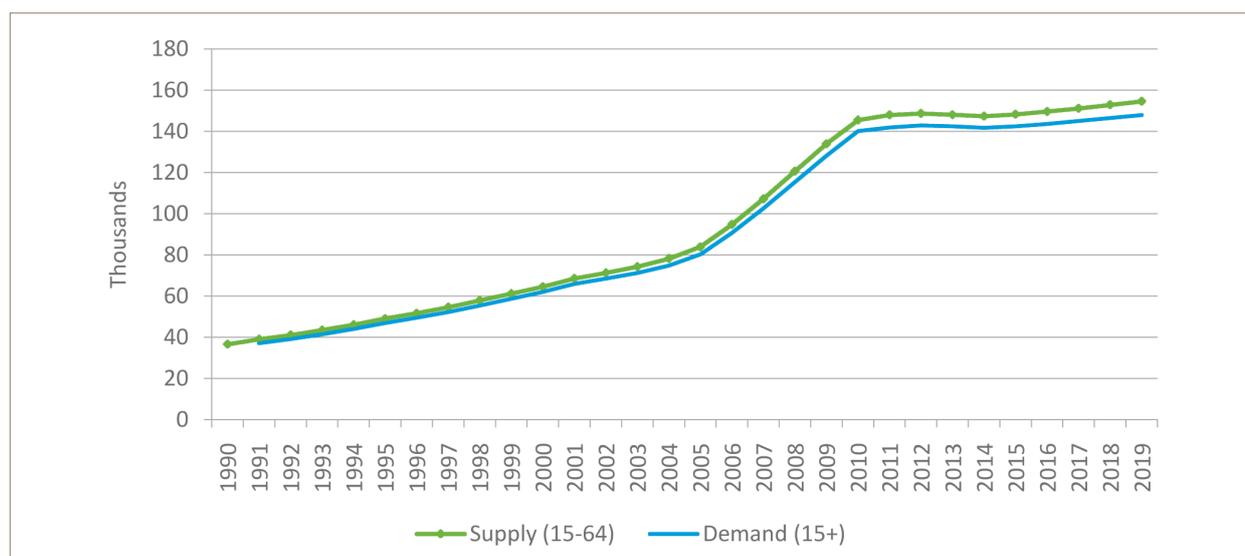
81. Pearl Initiative, Women's Careers in the GCC (2015). Available from: <http://pearlinitiative.org/mediafiles/articles/doc-93-20160523041336.pdf>

According to the survey, women in Bahrain were the most common among GCC female respondents to report a glass ceiling in the workplace, and that simply being a woman puts them at a disadvantage at work. As part of the same study, the Pearl Initiative conducted a focus group and reported that negative bias is an issue facing female employees in Bahrain, with men holding to the assumption that women are unable to combine with marriage and motherhood, regardless of evidence to the contrary. The same study also reported that around half of its survey respondents believed that they were subject to this type of negative stereotyping,<sup>82</sup> and that both conscious and unconscious gender bias had negatively affected their career progression.

Negative attitudes are not restricted to the workplace or to women of working age. Indeed, the same survey reflected women’s view that social pressure starts at a very young age and that “gender equality has to start at home”.<sup>83</sup>

A look into supply and demand for female labour reveals a negligible gap that has grown slightly with a small oversupply that is projected to persist in the coming three years. While this gap is much less severe than in the other Arab countries, it reflects the need to widen the jobs market for women through better integration in the leading sectors.

**Figure 20.** Bahrain - Supply and Demand for Female Labour 1990-2019



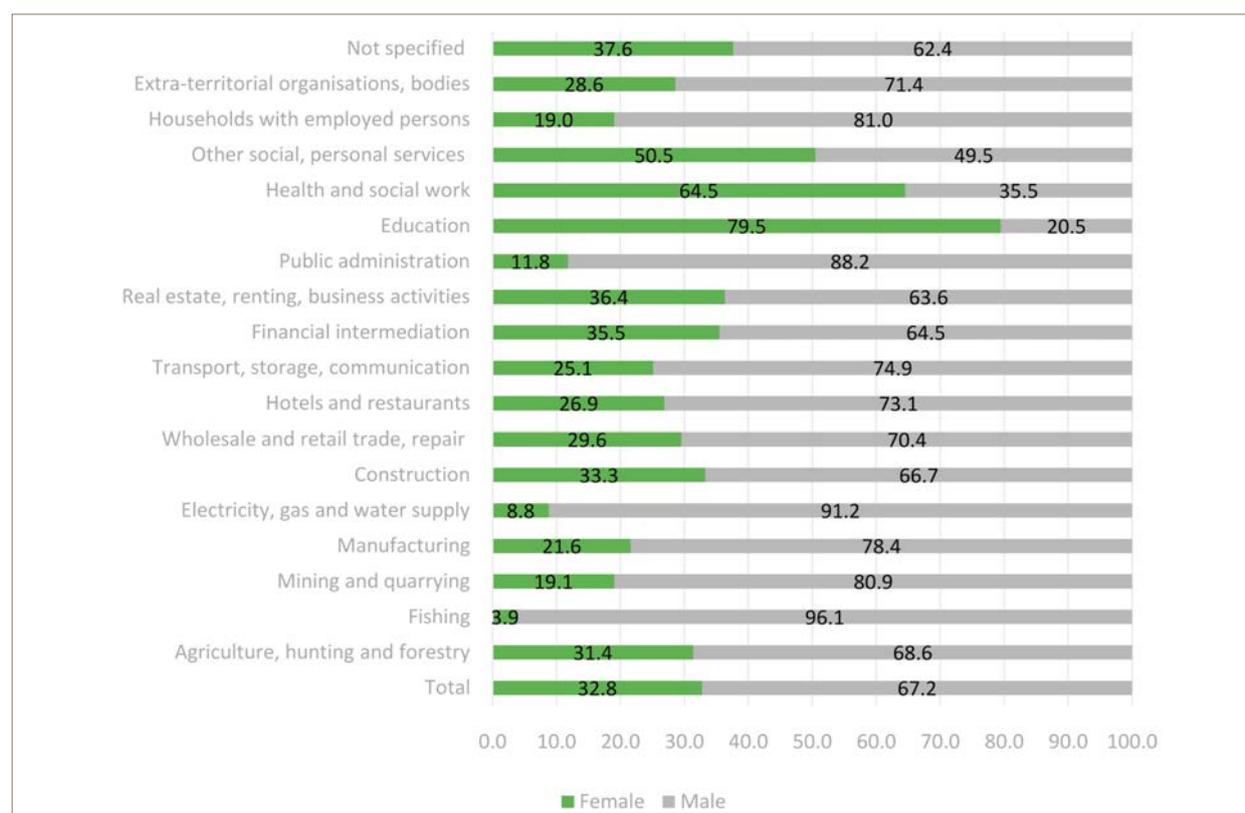
Source: International Labour Organization, 2016

As shown in Figure 21 below, the presence of women in new leading sectors in the coming years does not exceed 37%: manufacturing (21.6%), business services and activities (36.4%), tourism (hotels and restaurants 26.9%), and logistics (transport, storage, communication 25.1%). This leaves much to be done in steering more of the female labour force into these sectors, through skills orientation and incentives, on both demand and supply side, to ensure a more equal presence for women in these promising sectors.

82. The survey included both local and foreign working women; non-GCC nationals are more likely to believe this than GCC national women, and women with children more than those without. Pearl Initiative 2015. Women’s careers in the GCC: The CEO Agenda

83. Ibid.

**Figure 21.** Bahrain - Distribution of Employment by Gender (% of Total Employed) - March 2016



Source: Bahrain Labour Market Regulation Authority, 2016

Education figures reflect a promising female workforce that is increasingly matched to the sectors highlighted in the country's economic vision. Furthermore, female attitudes towards work and career seem to be increasingly favourable; a 2012 Gallup poll reported that 92% of women in Bahrain agreed that they would prefer to hold a job for which they are qualified outside the home. The country also has adequate infrastructure to capitalize even more on the potential of educated and motivated Bahraini women; relevant policies and programmes are in place to support women's economic participation, including financial support, grants and advice.<sup>84</sup>

The prospects of these elements combined are largely conditioned by social attitudes and institutional practices, which do not currently favour women's economic participation; both of these areas still need much improvement in Bahrain.

### **Recommendations**

The successful implementation of Bahrain's 2030 Economic Vision needs to target women as a core ingredient to yield true benefits to the country as a whole. As such, measurable gender goals and medium-term milestones need to be in place.

The key issue hindering women's economic participation across sectors and all areas and forms of activity is negative gender bias and social attitudes, which limit the impact of improvements in education and the regulatory framework. Women are becoming more

84. Tamkeen (2015).

educated, labour laws and regulations are non-discriminatory, yet self-imposed discrimination still takes place when women are choosing careers, and glass ceilings prevent them from reaching senior positions. This can be seen in women's concentration in the education, healthcare and social services sectors; data suggests that the ratio of women to men is higher than 50% only within these sectors.<sup>85</sup> Socially embedded attitudes need to be addressed at all levels, notably among private sector employers. Along with awareness, incentives can be put in place as part of Bahrainization quotas to ensure equal opportunities for women in securing quality jobs in leading sectors.

Within the private sector, representatives indicate that women's participation is largely conditioned by the extent to which their job requirement allows them to fulfil what they consider as their 'gender roles' in the family. In the very short term, women's economic participation might be enhanced by offering working conditions that allow them to manage their prescribed roles. Part-time employment could offer a transition towards more female engagement in the economy. Moreover, more attention needs to be directed towards the provision of affordable quality childcare services and institutions.

On a different level, there need to be cohesive and complementary initiatives targeting education and training on the one hand and labour market needs of the leading sectors on the other. Success on this level requires stronger labour market information schemes that are gender based in order to allow for evidence-based decision making that truly targets the female labour force.

With regard to the female entrepreneurial scene, expanding market opportunities for businesses is key. The Bahraini market offers limited opportunities for growth and sustainability. While some initiatives are already supporting export and expansion for SMEs in Bahrain, efforts need to be tailored to support female entrepreneurs who have shown a much lower propensity to take the risk of scaling up their businesses beyond the local market.

Given that organizations play a role in directing entrepreneurs to the sectors with skills gaps and female labour demand has shown to be lower than supply (see Figure 20 above), such organizations need to actively increase awareness among employers and collectively develop policies catering for working mothers. Educational entities can also be strong advocates, encouraging female students to explore different fields where supply is low and demand is high. The latter could increase female employment in unconventional fields and offer them opportunities to exhibit their potential.

## 4.3 Egypt

### 4.3.1 Economic Background



**Table 9:** Egypt - Key Indicators

Indicator	Value
Population (thousand) 2016	90,129.8
Female population (thousand) 2016	44,148.9
GDP (US\$ Current, million) 2015	317,266.1
Real GDP growth (%) 2014-2015	4.5%
Inflation (%) 2015	10.4%
Female unemployment (%) 2014	27.8%
Ease of doing business (Rank) 2015	126
Population under 30 (%) 2015	60.2%

Source: Euromonitor International Economies and Consumers, 2016

Egypt's economy is the second largest in Africa and 25th globally.<sup>86</sup> Egypt benefits from a relatively diversified economic structure led by tourism, energy, trade and agriculture. In 2015, the top economic sectors contributing to growth by gross value added (GVA) (see Figure 22) include mining and quarrying (which includes manufacturing) at 34%, the retail sector inclusive of tourism at 22% and the public sector accounting for 15%.<sup>87</sup> Agriculture, a major rural source of employment in the country, accounts for 14% of national output but employs 30% of the total labour force.<sup>88</sup> The private sector (formal and informal) employs about 70% of Egypt's workforce and has contributed to the majority of GDP over the past five years.<sup>89</sup> Much of Egypt's economic growth in recent decades has relied on high rates of capital accumulation, rather than increases in productivity.

85. Bahrain Labour Market Regulation Authority, 2016

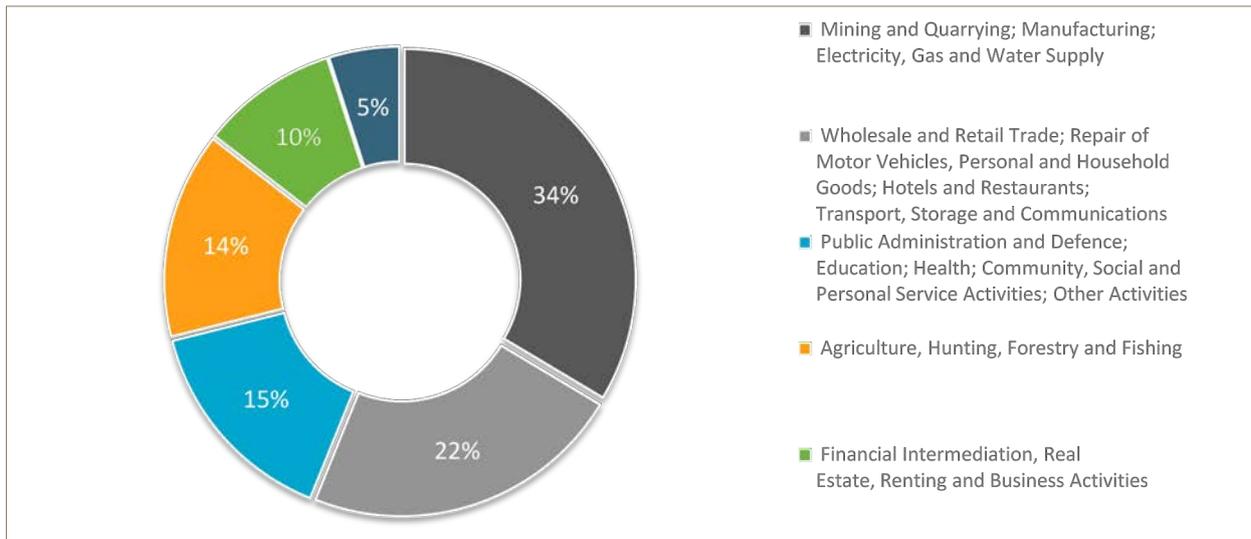
86. African Development Bank. (2016). African Economic Outlook 2016. Available from [http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/AEO\\_2016\\_Report\\_Full\\_English.pdf](http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/AEO_2016_Report_Full_English.pdf)

87. Euromonitor International. (2016). Available from: <https://www.portal.euromonitor.com/portal>

88. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm> (Accessed: August 2016)

89. Ibid.

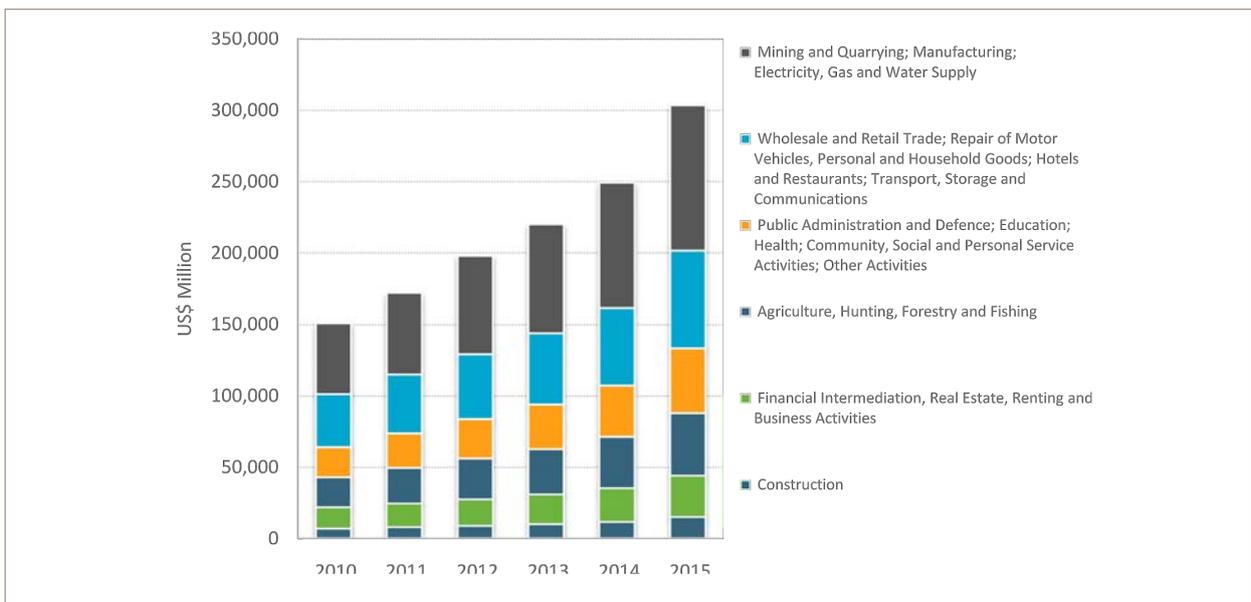
**Figure 22.** Egypt - GDP by Gross Value Added (GVA) 2015 (% Share)



Source: Euromonitor International 2016

Egypt's economic growth has been unbalanced. Figure 23 below is misleading to a certain degree. While GDP growth between 2010 and 2015 seems to be accelerating, a substantial drop in foreign direct investment and tourism brought about by regional and internal unrest contributed to inflationary pressures. In 2015, inflation was measured at 10.4% at the year-end and is expected to have risen even further in 2016 (current forecasts estimate 11.8%).<sup>90</sup> Therefore, despite the growth in current terms illustrated in Figure 23, a shortage of hard currency and high prices has placed significant pressure on the Egyptian population. Banks imposed foreign currency withdrawal restrictions and limited foreign currency purchases from abroad in 2016.<sup>91</sup>

**Figure 23.** Egypt - GDP by GVA Sectors 2010 - 2015 (Current Prices, Fixed 2015 Exchange Rates)



Source: Euromonitor International 2016

90. Euromonitor International. (2016). Available from Euromonitor International Passport Database: <https://www.portal.euromonitor.com/portal>

91. Egypt's overseas students feel the pinch of the country's hard currency crisis. (2016, September 19). Available from Albawaba Business News: <http://www.albawaba.com/business/egypts-overseas-students-feel-pinch-countrys-hard-currency-crisis-884332>

Additionally, public finances have been deteriorating since the onset of the Arab Spring events in 2011. Egyptian foreign currency reserves more than halved between 2011 and 2016.<sup>92</sup> In order to maintain its fiscal liquidity and keep economic growth on track, the Egyptian authorities agreed to a US\$12 billion bailout package in August 2016 with the International Monetary Fund.<sup>93</sup> Public amenities to be financed include health insurance, subsidized medicine for the poor, public school meal programmes and additional subsidies for infant milk and food.

The labour market has also been heavily influenced by the economic ups and downs of the years following the revolution of 2011. As growth expands, opportunities in formal employment have not been able to keep pace with the economy due to the obstacles to welfare transfer (inflationary pressures, currency depreciation, etc.). On the supply side of the labour market, in 2015, overall labour force participation stood at 52.9%. With increases in productivity, it is estimated that GDP growth rates should reach 7% to keep pace with the growth in labour force participation rate, which was last estimated to reach 4% in the next decade.<sup>94</sup>

Egypt's economy remains in a transitional phase, operating below its full capacity. Real GDP grew by an estimated 4.5% in 2014-15, with forecasts estimating growth of 4.3% and 4.5% for 2015-16 and 2016-17 respectively.<sup>95</sup> Total unemployment is estimated at 12.8% (2015) and 12.4% (2016), indicating an estimated annual job deficit of 500,000 jobs for those entering the jobs market.<sup>96</sup>

### 4.3.2 Women in the Economy

#### Legislative Framework

Egypt's post-revolution Constitution endorses equality between men and women, with the aim of opening high public offices and judicial functions to women. Recently, Egypt introduced a 25% women's quota for local councils and a 10% women's quota for Parliament. In addition, by adding 'gender' as a protected category in the non-discrimination clause of the new Constitution, Egypt has recently amended its Criminal Code to apply to sexual harassment in the workplace, education and public spaces. A new Civil Service Act aims to increase the efficiency of public service delivery, granting women four months maternity leave (instead of three months previously).<sup>97</sup>

However, it is the actual implementation of new laws and development strategies that is key to their effective impact on female labour force participation. For example, even though current legislation requires companies employing more than 99 female employees to offer on-site childcare facilities, most companies purposely maintain the number of female employees at less than 99, in order to save on the costs associated with offering

92. International Monetary Fund. (2016, August 11). Egypt: IMF Reaches Staff-Level Agreement on a Three-Year US\$12 Billion Extended Fund Facility. Available from International Monetary Fund: [https://www.imf.org/en/News/Articles/2016/08/11/09/49/pr16375-Egypt-IMF-Reaches-Staff-Level-Agreement-on-a-Three-Year-US\\$12-Billion-Extended-Fund-Facility](https://www.imf.org/en/News/Articles/2016/08/11/09/49/pr16375-Egypt-IMF-Reaches-Staff-Level-Agreement-on-a-Three-Year-US$12-Billion-Extended-Fund-Facility)

93. Ibid.

94. Nassar, H. (2011), Growth, employment policies and economic linkages: Egypt, Employment Working Paper No. 85.

95. African Development Bank. (2016). African Economic Outlook 2016. Available from [http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/AEO\\_2016\\_Report\\_Full\\_English.pdf](http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/AEO_2016_Report_Full_English.pdf)

96. Euromonitor International. (2016). Available from Euromonitor International Passport Database: <https://www.portal.euromonitor.com/portal>

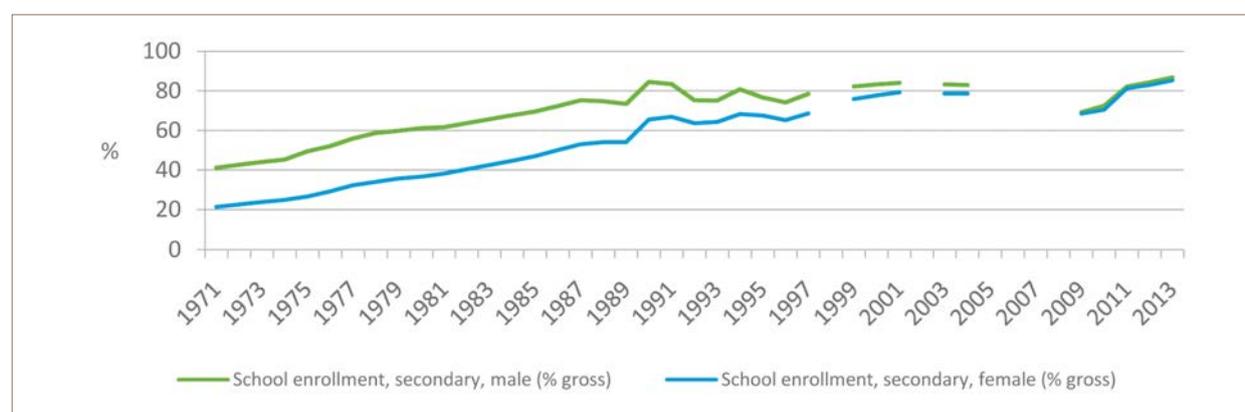
97. Euromonitor International Trade Interviews, 2016.

such services.<sup>98</sup> Thus, labour laws intended to protect and benefit women, such as requirements for extended paid maternity leave, on-site childcare facilities and restrictions on night work are often disincentives for potential employers. As such, the recruitment processes often involve questions regarding a woman’s marital status, her current number of children and her future plans in terms of childbirth. According to the OECD, some private employers force their employees to sign a blank resignation letter when they are hired, to be used specifically in cases of pregnancy.<sup>99</sup>

### **Education and Vocational Training Overview**

The Egyptian working-age population has become more literate over the years, with the literacy rate rising to 76.2%, with more people likely to graduate from secondary school (50.1%) and post-secondary education (17.6%).<sup>100</sup> The increase in secondary school graduation rates is believed to be motivated by public sector employment guarantees to secondary school graduates. However, the higher levels of education attainment have not resulted in a higher probability of obtaining employment, with unemployment concentrated among those with higher education degrees.

**Figure 24.** Egypt - School Enrolment by Gender 2014



Source: World Bank Development Indicators 2016

There have been particularly dramatic improvements in women’s educational attainment, which has been rising even faster than men’s since the 1970s. However, despite the fact that Egypt has succeeded in almost fully eliminating gender disparities in secondary education, women remain marginalized in labour market participation.<sup>101</sup> As such, most unemployment for both men and women is concentrated among those with secondary education (see Figure 25). Unemployment is far lower for both men and women with only primary education, highlighting the inability of the jobs market to provide relevant high quality jobs for those with higher educational attainment.

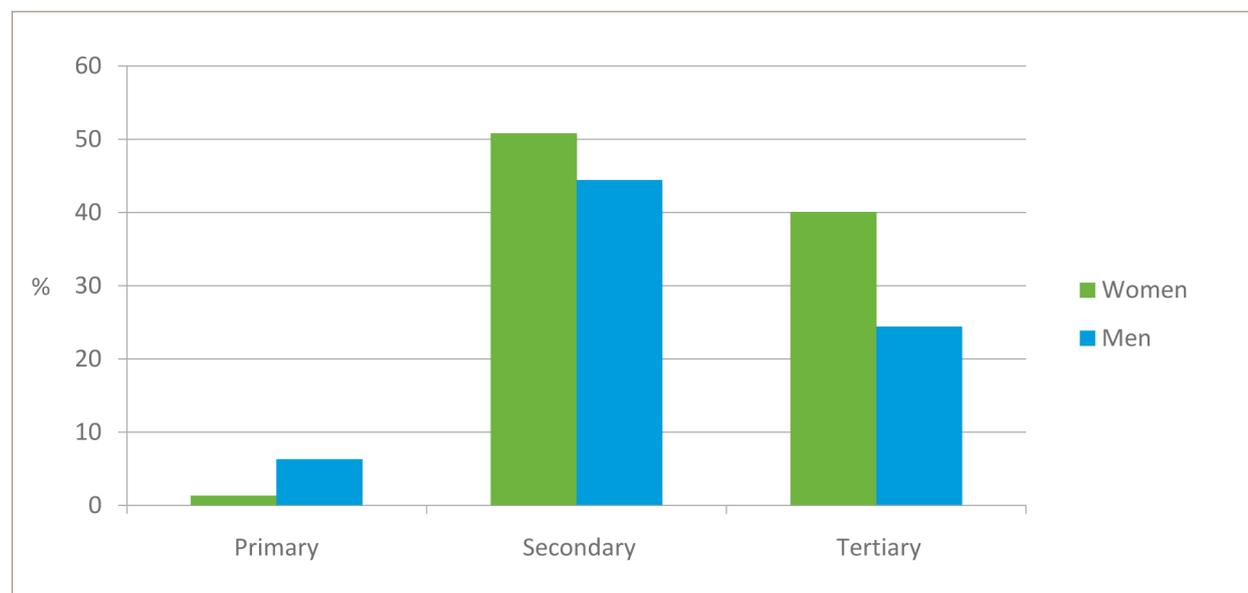
98. Ibid.

99. OECD. (2014, June 5). Supporting women as economic actors during the transition period. Available from [http://www.oecd.org/mena/competitiveness//WEATEchnicalMeeting\\_Agenda\\_5%20June%202014\\_EN.pdf](http://www.oecd.org/mena/competitiveness//WEATEchnicalMeeting_Agenda_5%20June%202014_EN.pdf)

100. World Bank, (2014, June), Arab Republic of Egypt - More jobs, better jobs: A priority for Egypt. Available from <http://documents.worldbank.org/curated/en/926831468247461895/pdf/884470EG0repla00Box385343B00PUBLIC0.pdf>

101. The World Bank. (2014, June). Arab Republic of Egypt - More jobs, better jobs: A priority for Egypt. Available from <http://documents.worldbank.org/curated/en/926831468247461895/pdf/884470EG0repla00Box385343B00PUBLIC0.pdf>

**Figure 25.** Egypt - Unemployment by Sex and Education 2013



Source: World Bank Development Indicators 2016

The Egyptian economy is unable to create sufficient jobs that match the skill sets of new workers, or help to override the long waiting time from school to employment. By way of example, one indicator is the unprecedented level of youth unemployment, as discussed in the next section. In addition, the slow growth of employment outside the public sector and the informal economy has implied declining returns to education over the years.<sup>102</sup>

### **Economic Participation**

The labour force participation of women in Egypt is markedly different to men. Women have a lower labour force participation rate, a higher unemployment rate and a much lower formal private-sector employment rate. Female labour force participation in Egypt is not only low, but has also shown little sign of increasing over the years, rising from 20.3% in 1998 to only 24.7% in 2008 and 26.0% in 2014.<sup>103</sup>

The economic strategy of various governments in Egypt has been predominantly characterized by a push for large-scale, state-centred, capital-intensive investment, with low levels of productivity and employment growth.

The combination of these factors put pressure on the Egyptian economy, with a disproportionate impact on female employment. Although unemployment rates for men remained more or less constant (even declining slightly from 4.9% in June 2008 to 4.8% in June 2010 before rising again to 8.5% in 2014), the female unemployment rate increased from 20.9% to 22.2% during that same period.<sup>104</sup> For example, in the face of major recessions in world and domestic markets, the textiles sector in Egypt witnessed a dramatic decline in both pro-

102. The World Bank. (2014, June). Arab Republic of Egypt - More Jobs, Better Jobs: A Priority for Egypt. Available from <http://documents.worldbank.org/curated/en/926831468247461895/pdf/884470EG0repla00Box385343B00PUBLIC0.pdf>

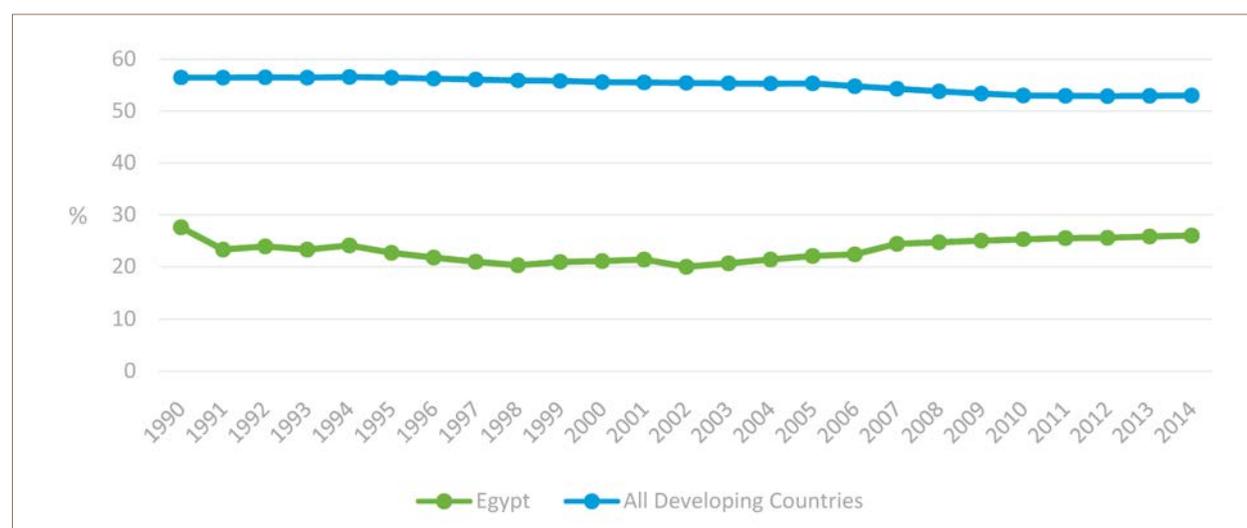
103. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm>

104. Ibid.

duction (about 25%) and exports (about 22%), translating into 70,000 lost jobs, particularly for women and low-skilled workers in informal companies.<sup>105</sup> The tourism sector, another major source of female employment, was also badly hit: arrivals in Egypt decreased from approximately 14,730,800 in 2010 to 9,376,100 in 2015.<sup>106</sup>

As a result, Egypt's already large informal sector grew even further. It equals roughly 65-70% of the size of the formal sector, with an estimated 18 million informal establishments: 40,000 of them industrial and manufacturing factories of various sizes.<sup>107</sup> According to the Egyptian Centre for Economic Studies (ECES), the volume of the informal sector is between EGP1.2-1.5 trillion (US\$ 135-169 billion), approximately two-thirds of the size of the formal economy.<sup>108</sup> The informal private sector employed 30.7% of the labour force in 1998 and up to 40% in 2012, according to latest estimates, at a time when public sector employment fell from 34% to 27% and the formal private sector remained stagnant at around 13% of the labour force. Women are particularly dependent on public sector jobs and the informal private sector as almost no women were employed in the formal private sector.<sup>109</sup> The higher dependence of women on the informal sector implies a higher level of job insecurity and an absence of social protection measures such as maternity leave and social insurance.<sup>110</sup>

**Figure 26.** Egypt - Female Labour Force Participation Rate 1990-2014 (% of Female Population Aged 15-64)



Source: International Labour Organization (ILO) 2016

With regard to the dynamics of the labour market, there is a clear mismatch between the supply and demand for labour in Egypt, with the economy lagging behind in the creation of sufficient decent employment opportunities for those entering the labour market each year. This has a particularly negative impact on vulnerable segments, such as women and

105. Klau, D. A. (2010), Impact of the economic crisis on trade, foreign investment and employment in Egypt. Available from [http://www.ilo.org/wcmsp5/groups/public/@ed\\_emp/documents/presentation/wcms\\_124443.pdf](http://www.ilo.org/wcmsp5/groups/public/@ed_emp/documents/presentation/wcms_124443.pdf)

106. Euromonitor International (2016). Available from: <https://www.portal.euromonitor.com/portal>

107. African Development Bank (2016). African Economic Outlook 2016. Available from [http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/AEO\\_2016\\_Report\\_Full\\_English.pdf](http://www.afdb.org/fileadmin/uploads/afdb/Documents/Publications/AEO_2016_Report_Full_English.pdf)

108. Ibid.

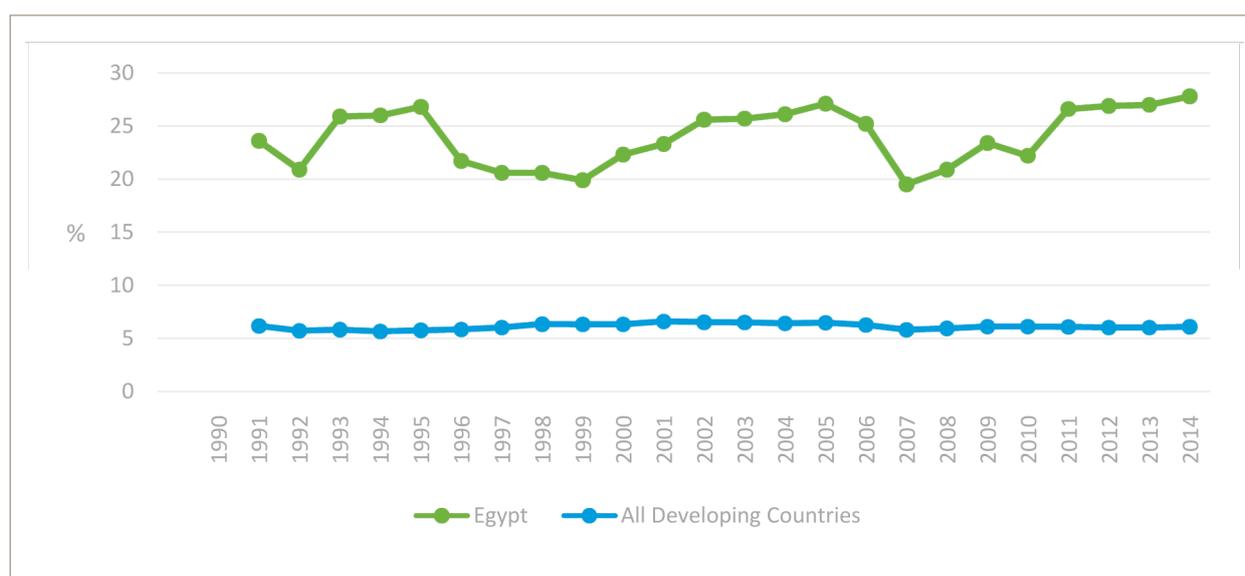
109. The World Bank. (2014, June). Arab Republic of Egypt - More Jobs, Better Jobs: A Priority for Egypt. Available from <http://documents.worldbank.org/curated/en/926831468247461895/pdf/884470EG0repla00Box385343B00PUBLIC0.pdf>

110. Ibid

youth. As a result, like many countries in the region, labour force participation in Egypt is far higher among men than it is among women.

An interesting aspect of the labour market in Egypt is its correlation with economic growth rates: while males constitute roughly four-fifths of the labour force, their employment exhibits almost no correlation with growth, whereas for females, their employment is unusually and extraordinarily responsive to growth, rising much faster than the economic growth rate in good times and falling much further when growth is slow, (see Figure 27 below). Key inflection points include 2008 (global financial crisis) and 2011 (revolution).

**Figure 27.** Egypt - Unemployment, Female (% of Female Labour Force)



Source: International Labour Organization (ILO) 2016

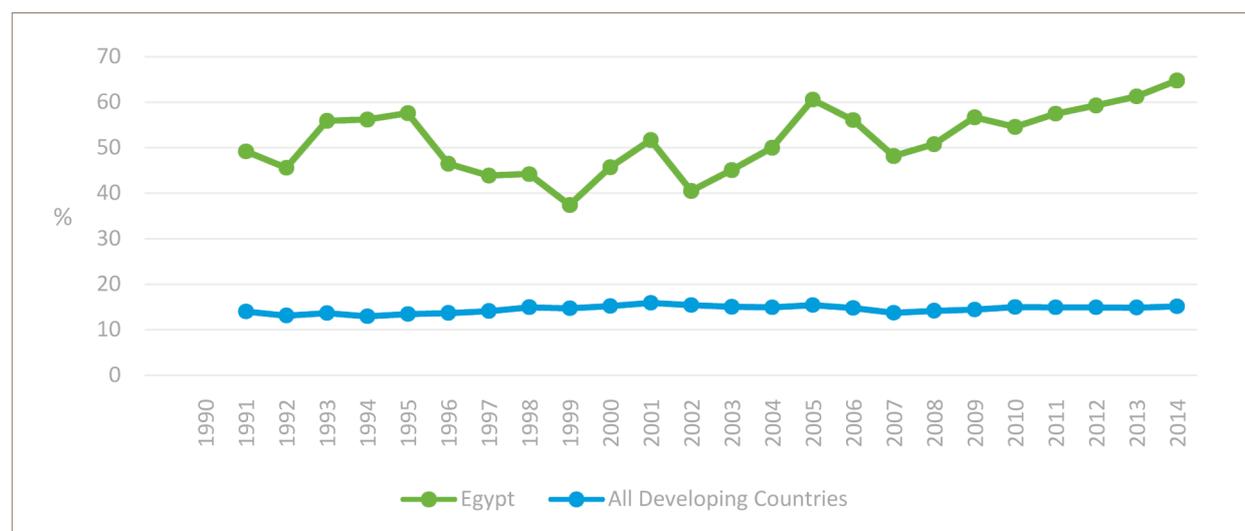
Unemployment was a key grievance voiced by protesters during the 2011 Revolution. With more than 750,000 new entrants to the labour market every year, the overall unemployment rate for the total labour force has been rising steadily, from 9.0% in 2010 to more than 12.9% in 2014.<sup>111</sup> The decline in various economic sectors following the Revolution caused further pressure on labour markets. The respective unemployment figures for men and women highlight the disproportionate effect of the crisis on the latter: female unemployment rose from 20.9% in 2008 to 27.8% in 2014; for men the respective figures stand at 4.9% and 8.5%.<sup>112</sup> Unemployment is particularly concentrated among youth and the educated: the highest female youth unemployment rate is concentrated in secondary level education at 76.0%.<sup>113</sup>

111. Euromonitor International (2016). Available from Euromonitor International Passport Database: <https://www.portal.euromonitor.com/portal>

112. Kilm/International Labour Organization (ILO) Data (2014), Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm> (Accessed: August 2016)

113. Barsoum, G. and others (2014, June), Labour market transitions of young women and men in Egypt. Available from: [http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms\\_247596.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/documents/publication/wcms_247596.pdf)

**Figure 28.** Egypt - Unemployment, Youth Female (% of Female Labour Force Aged 15-24)



Source: International Labour Organization (ILO) 2016

As shown in Figure 28 above, the youth unemployment rate for females in Egypt has been rising at an unprecedented rate from 2008 onwards. Apart from a slight dip in 2010, which is in line with the overall trend in the unemployment rate as a whole, this measure deteriorated to an exceptional 64.8% in 2014.<sup>114</sup> This is more than double the rate for young men in Egypt (32.7%).<sup>115</sup> As such, the Global Gender Gap Report 2015 ranked Egypt 135<sup>th</sup> of 145 countries in terms of women’s economic opportunity.<sup>116</sup>

Men who do not participate in the labour force almost all fall into one of three groups: students, retirees and those performing mandatory military conscription.<sup>117</sup> For women, however, labour force participation rates are low even after excluding these groups. Compared to men, women are far more dependent on the public sector for jobs, particularly as the private sector offers little in terms of formal employment opportunities or social protection, such as maternity leave.<sup>118</sup> Within the private sector, women often suffer discriminatory treatment including delays in wage increases and promotions. In addition, women are subject to more harassment and verbal abuse in the private sector. Due to women’s higher reliance on public sector jobs, the formal employment share for women (60%) is higher than for men (41%).<sup>119</sup>

Egypt’s large and growing informal sector acts as a cushioning mechanism against high levels of unemployment. However, workers in this sector often suffer from poor wages, little job security and poor work conditions.<sup>120</sup> In Egypt only 20% of female workers are covered by social security, funded by the employer, the employee and to a minor extent by the Government.<sup>121</sup>

114. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm> (Accessed: August 2016)

115. Ibid.

116. World Economic Forum (2015). Global Gender Gap Report 2015. Available from <https://www.weforum.org/reports/global-gender-gap-report-2015/>

117. Sanad, M. N. (2014, September 15), How Egypt’s conscription generates unemployment and refugees. Available from: [http://www.huffingtonpost.ca/maikel-nabil-sanad/egypt-refugees\\_b\\_5818444.html](http://www.huffingtonpost.ca/maikel-nabil-sanad/egypt-refugees_b_5818444.html)

118. Ibid.

119. The World Bank (2014, June), Arab Republic of Egypt - More jobs, better jobs: A priority for Egypt. Available from <http://documents.worldbank.org/curated/en/926831468247461895/pdf/884470EG0repla00Box385343B00PUBLIC0.pdf>

120. Ibid.

121. OECD (2014, June 5), Supporting women as economic actors during the transition period. Available from [http://www.oecd.org/mena/competitiveness//WEATEchnicalMeeting\\_Agenda\\_5%20June%202014\\_EN.pdf](http://www.oecd.org/mena/competitiveness//WEATEchnicalMeeting_Agenda_5%20June%202014_EN.pdf)

According to UNIDO, occupational segregation by gender is very widespread in particular sectors, such as the tourism industry.<sup>122</sup> Although the latter accounts for about four million jobs and approximately 11% of GDP, most women employed in the sector are confined to low-level jobs, traditional professions or support functions, despite tertiary education levels.<sup>123</sup>

A major disadvantage that women face in the labour market is the enormous difference in the wages earned by males compared to females, although labour codes promote equal pay by prohibiting any discrimination based on gender for equal work. The gender-based wage differential is a significant barrier to women's participation in the labour market, if they cannot find jobs that compensate them sufficiently for their work.<sup>124</sup> The 2010 Gender Assessment of Egypt found evidence of substantial gender wage gaps in Egypt, as have several other studies, with the gap increasing with educational attainment.<sup>125</sup> Additionally, the private sector exhibits a much larger gender wage gap than the public sector. Public sector jobs have a smaller 'raw' wage gap in favour of men (paid 3% more than women) but after accounting for personal characteristics the 'unexplained' gap increases to 20%. For the formal private sector, the 'raw' gap is 26% and expands to a 39% 'unexplained' gap. For the informal private sector the 'raw' wage gap is 50% but the 'unexplained' gap is around 40%.<sup>126</sup>

Bridging physical and social distances to jobs is another major obstacle to women's employment. Spatial mobility is a very large constraint on women's access to employment in Egypt. Unless employers provide transport, women seek jobs close to where they live. Unlike the private sector, the public sector offers extensive home-to-work transport facilities.<sup>127</sup> As for the social barriers to female employment, cultural and religious impediments at family and community levels prevent women from taking up certain occupations or working practices. Married women can still only leave their homes and take up employment with their husband's consent, but even after consent is given, difficulties ensue. Sexual harassment, even in the workplace, is pervasive in modern Egyptian society. A UN report in 2013 cited that an overwhelming 99.3% of women and girls in Egypt have been subjected to some form of sexual harassment.<sup>128</sup> Accordingly, Egypt has been ranked as one of the worst countries for women's rights in the region: in that same report, it was ranked bottom out of 22 Arab nations.<sup>129</sup>

In terms of sectoral allocation of employment, agriculture remains an important economic sector, employing an estimated 28.0% of Egypt's workforce.<sup>130</sup> It is a more important source of employment for women than men: 42.9% of the participating female workforce

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122. Euromonitor International Trade Interviews, 2016.

123. Euromonitor International (2016), Available from: <https://www.portal.euromonitor.com/portal>

124. Ibid.

125. El-Hamidi F. and Said M. (2008) Have economic reforms paid off? Gender occupational inequality in the new millennium in Egypt. Egyptian Center for Economic Studies Working Paper No. 128

126. World Bank (2014, June), Arab Republic of Egypt - More jobs, better jobs: A priority for Egypt. Available from <http://documents.worldbank.org/curated/en/926831468247461895/pdf/884470EG0repla00Box385343B00PUBLIC0.pdf>

127. Ibid.

128. BBC (2013, November 12), Egypt 'worst for women' out of 22 countries in Arab world. Available from: <http://www.bbc.com/news/world-middle-east-24908109>

129. Ibid.

130. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm> (Accessed: August 2016)

in 2013 was involved in the agricultural sector.<sup>131</sup> It should be noted that the majority of the employment in this sector falls under the informal sector. By comparison, for men, the agricultural sector remains the smallest of the main employment sectors.<sup>132</sup>

A sector with significant potential for employment generation is the manufacturing sector. The manufacturing sector accounts for 10.4% of total employment but witnessed a decline in investment due to political uncertainty.<sup>133</sup> As a consequence, the rate of employment growth in the manufacturing sector is very low, but should regain its momentum once sustainable political stability is achieved.<sup>134</sup> Given its sizable contribution to both GDP and the labour markets, its modernization and development will provide added opportunities for women in technical and managerial positions.

## **Entrepreneurship**

According to the latest Global Entrepreneurship Monitor information on Egypt, 11.5% of adults in Egypt in 2012 were either actively trying to start a new business or owned a young or established business. However, the drive for establishing private enterprises is far higher, with 85% of Egyptian adults aged 18-64 years old believing that entrepreneurship is a desirable career choice.<sup>135</sup> The Total Entrepreneurial Activity rate (TEA), which measures the percentage of the population (18-64 years old) either actively trying to start a business or already owning and managing a business less than three and a half years old, is 7.8%.<sup>136</sup> Despite efforts to encourage Egyptian women to start and own businesses, their participation in entrepreneurship remains lower than expected and the difference between the two sexes is significant. According to GEM, very few women are engaged in early stage entrepreneurial activities.<sup>137</sup> The early-stage TEA prevalence rate for men is 13.1% while for women it stands at 2.4%. On an absolute basis, men make up around 86% of early-stage entrepreneurs in Egypt, and women comprise the remaining 14%.

A weak 'entrepreneurial ecosystem', a lack of innovative and suitable financial instruments, unsuitable education and training systems, and access to new technologies and R&D are considered the key hindrances to the growth of entrepreneurial activity in general. According to GEM, the gender gap in entrepreneurial activity exists for several reasons, including the cultural perception of women working and owning a business and the fewer opportunities available for women to develop the experience needed to engage in entrepreneurship. Egypt has the highest gender gap relative to other Arab countries. The survey suggests that women's positive acceptance of entrepreneurship is diminished by a fear of failure, which stops them from starting their own business, and lack of confidence in their skills, knowledge and the necessary experience.

Financing is one of the major obstacles faced by female entrepreneurs in Egypt. The International Finance Corporation estimates that female-owned businesses in Egypt fell short of financing needs by about US\$4.2 billion in early 2016.<sup>138</sup> Furthermore, although women

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131. Ibid.

132. Ibid.

133. Euromonitor International. (2016). Available from: <https://www.portal.euromonitor.com/portal>

134. Nassar, H. (2011), Growth, employment policies and economic linkages: Egypt, Employment Working Paper No. 85.

135. Global Entrepreneurship Monitor (GEM), Global Reports. Available from: <http://gemconsortium.org/report>

136. Ibid.

137. Ibid..

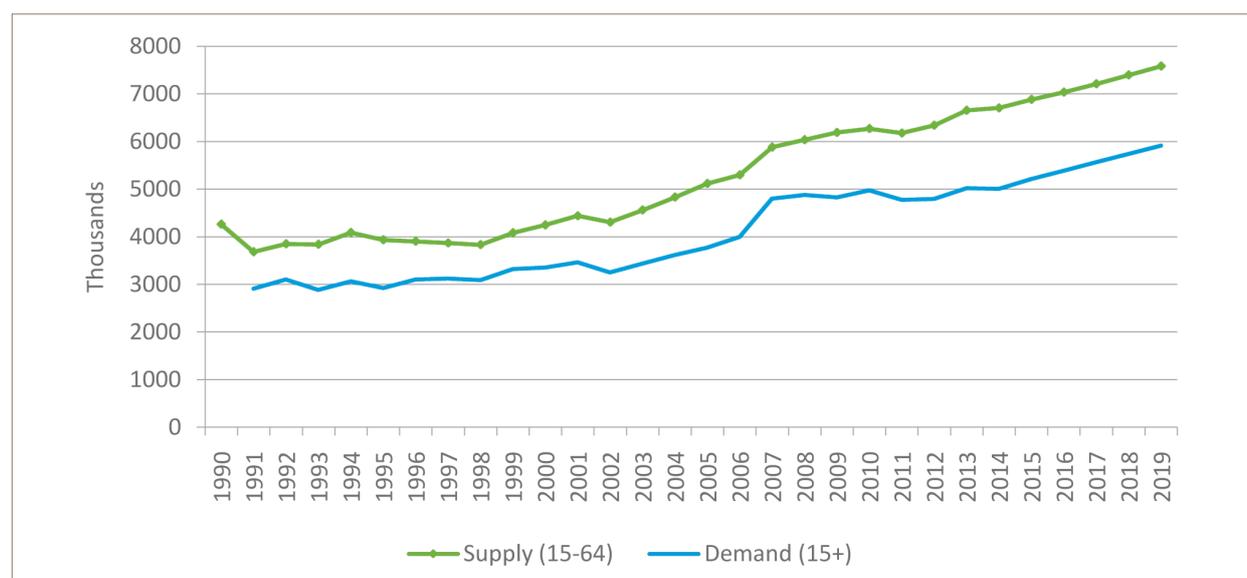
138. International Finance Corporation (2016, February), Unlocking the potential of women entrepreneurs in Egypt. Available from: [http://www.ifc.org/wps/wcm/connect/news\\_ext\\_content/ifc\\_external\\_corporate\\_site/news+and+events/news/unlocking+the+potential+of+women+entrepreneurs+in+egypt](http://www.ifc.org/wps/wcm/connect/news_ext_content/ifc_external_corporate_site/news+and+events/news/unlocking+the+potential+of+women+entrepreneurs+in+egypt)

own 30% of all businesses in Egypt, they only have access to 10% of commercial financing.<sup>139</sup> The Egyptian authorities, however, are working to mitigate these challenges through various initiatives.

One of the major flagship activities that the Egyptian Government has recently launched to support entrepreneurship is the AYADY Investment Fund for financing investments country-wide and creating productive jobs for thousands of young Egyptians, many of them women.<sup>140</sup> Furthermore, the National Programme for Economic and Social Empowerment of Women trains women to set up home-based micro-projects or helps them to find jobs in factories and companies. The programme concentrates on food industries, printing and packaging. The UN's Development Assistance Framework for Egypt (2013–2017) also urges the Government to adopt pro-poor, inclusive and gender-sensitive policies in financial and non-financial support to small and micro enterprises.<sup>141</sup> The Social Fund for Development (SFD) has been providing women with financing to establish small and medium-sized enterprises since 1993.<sup>142</sup> Additionally, initiatives such as “One Village - One Product” link micro-enterprises across the country to larger manufacturing industries, such that micro-enterprises become engaged in the production of high value-added products that can be utilized as inputs by larger companies.<sup>143</sup>

### 4.3.3 Future Prospects

**Figure 29.** Egypt - Supply and Demand for Female Labour 1990-2019



Source: International Labour Organization (ILO) 2016

## Outlook

The Egyptian Government first mainstreamed gender into the 2007-12 Development Plan.<sup>144</sup>

139. Ibid.

140. Ayadi, Company Overview. Ayadi - Vision for sustainable development. Available from: <http://www.ayadyegypt.com/>

141. UNFPA. United Nations Development Assistance Framework for Egypt (2013-2017). Available from [https://www.unfpa.org/sites/default/files/portal-document/Egypt\\_UNDAF%202013-2017.pdf](https://www.unfpa.org/sites/default/files/portal-document/Egypt_UNDAF%202013-2017.pdf)

142. United Nations. Egypt. Available from: <http://www.un.org/womenwatch/daw/Review/responses/EGYPT-English.pdf>

143. One Village, One Product. Available from <http://www.ovop.jp/en/index.html>

144. European Union. . EU/Egypt Action Plan. Available from [https://eeas.europa.eu/enp/pdf/pdf/action\\_plans/egypt\\_enp\\_ap\\_final\\_en.pdf](https://eeas.europa.eu/enp/pdf/pdf/action_plans/egypt_enp_ap_final_en.pdf)

In 2009, a Ministry for Family and Population was established, although it was abolished after the 2011 Revolution. The establishment of the National Council for Women (2000),<sup>145</sup> the National Council for Childhood and Motherhood (2000)<sup>146</sup> and a revision of divorce and travel procedures are among governmental policies aimed at improving women's participation in the labour force and their social protection mechanisms. More recently, the Vision 2030 Sustainable Development Strategy aims to promote gender equality and increase formal female employment.<sup>147</sup> It aims to increase the numbers of women with permanent formal jobs by 30%; bring about a reduction in the gender gap across governorates and place Egypt as one of the best 20 countries in the world in the promotion of gender equality.

To achieve this, it calls for improving the business environment, attracting investment, implementing mega-projects, supporting large and medium-sized firms and promoting entrepreneurship in order to create jobs and reduce unemployment. It does not, however, propose any specific measures for achieving higher female employment or gender equality. The emphasis on entrepreneurship and SME development is well-placed, as an increasing number of women, in both the formal and informal sectors, need to be encouraged to set up their own enterprises.

Opportunities to further increase female labour force participation are to be found in the agricultural sector, which accounted for a significant portion of the national output in 2015, as previously discussed. Strengthening agricultural production capacity is therefore essential to stimulate economic activity as well attract foreign direct investment into the sector. As the sector becomes more internationally competitive, it will modernize with capital investment in equipment and facilities. This modernization favours a more formal employment structure, thereby generating viable employment for women, while ensuring long-term food security.

The Vision 2030 document proposes establishing an agriculture modernization centre, developing financial agricultural commodity markets, formalizing contract-farming mechanisms, revamping export promotion, creating a quality control agency and adjusting the credit offering of the Principal Bank for Development and Agricultural Credit. This could have a substantial impact on female employment in the sector, which traditionally employs a large segment of the female labour force, both formally and informally. By revitalizing the sector's productivity, it could also increase employment opportunities through upstream and downstream linkages with other economic sectors such as food processing, packaging, marketing and trade.

## **Recommendations**

Tourism is a key sector for achieving economic growth and creating jobs, subject to achieving stability in the near term. The recently-adopted Microfinance Act in 2014 allows licensed entities to offer micro-loans up to EGP100,000 to individuals or small companies engaged in production, services or tourism.<sup>148</sup> This is expected to facilitate the establishment of new enterprises

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145. The National Council for Women. Available from: <http://ncwegypt.com/index.php/en/home>

146. UNICEF (2000, December). National Report for Follow-up to the World Summit for Children Egypt. Available from [http://www.unicef.org/specialsession/how\\_country/edr\\_egypt\\_en.PDF](http://www.unicef.org/specialsession/how_country/edr_egypt_en.PDF)

147. Nihal El-Megharbel, P. (27, May 2015), Sustainable development strategy: Egypt's vision 2030 and planning reform. Available from: <https://sustainabledevelopment.un.org/content/documents/15262El-Megharbell,%20Egypt%20NSDS%2020150527.pdf>

148. Soliman, Hashish & Partners (2015). Microfinance law in Egypt. Available from: <http://www.shandpartners.com/microfinance-law-egypt/>

by women, particularly given the lack of microfinance opportunities for women historically.<sup>149</sup>

A sector that deserves particular attention, both in terms of growth and employment generation, is information and communication technology (ICT), which is one of the fastest growing sectors in Egypt. Vision 2030's ambitious ICT strategy aims to bring the sector's contribution to GDP up to 8.4% by 2020, creating 250,000 job opportunities. Additionally, public authorities have been highlighting this sector as a priority for women in particular. In September 2016, Egypt's Ministry of Communication and Information Technology launched ICT for Women. The website, which is geared towards younger women, is aimed at supporting ICT knowledge building among this group.<sup>150</sup>

However, the Egyptian Government's proposed future economic strategy and its identification of the leading sectors for growth, as highlighted in their latest development plans and Vision 2030, may have mixed outcomes for female employment. While the emphasis on large capital-intensive infrastructure projects could boost the Egyptian economy's growth following years of crisis, it will have little direct impact on employment. The emphasis on revitalizing the country's services sector, particularly tourism and ICT, however, may potentially have a major positive impact on female employment. The services sector has gradually become an important source of employment for women in Egypt, and given their high levels of educational attainment, the country could become a national and regional hub for provision of ICT services.

Finally, entrepreneurial training and job-creation programmes, combined with improved access to finance and an enabling business environment, could play a major role in boosting female labour force participation in Egypt. The enforcement of labour laws covering extended maternity leave, onsite childcare facilities and other social services could further enhance female employment in the private sector.

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149. Nasr, S. (2010), Egyptian women workers and entrepreneurs maximizing opportunities in the economic sphere, Directions in development, World Bank.

150. Ministry of Communications and Information Technology. (2016). ICT for Women. Available from <http://www.ictforwoman.gov.eg/>

## 4.4 Iraq

### 4.4.1 Economic Background



**Table 10:** Iraq - Key Indicators

Indicator	Value
Population (thousand) 2016	37,547.7
Female population (thousand) 2016	18,537.6
GDP (US\$ Current, million) 2015	170,910.8
Real GDP growth (%) 2014-2015	2.4%
Inflation (%) 2015	1.3%
Female unemployment (%) 2014	24.1%
Ease of doing business (Rank) 2015	160
Population under 30 (%) 2015	68.5%

Source: Euromonitor International Economies and Consumers, 2016

Iraq has witnessed significant political changes and a fluctuating security situation since 2000 which have had an adverse impact on the economic situation. Furthermore, the establishment of an autonomous Kurdish region in the Northern region created two separate political and economic entities within the country, before the Islamic State took over certain areas, mostly in the Mosul region, in 2014.<sup>151</sup> The Kurdistan region witnessed more stable development and widespread foreign and domestic investment<sup>152</sup> until its economy came under pressure in 2014 due to a global drop in oil prices.<sup>153</sup> The rest of the country, led by the Central Government in Baghdad, faced a more difficult situation due to repeated and widespread eruptions of violence over the years and an economic crisis stemming from plummeting oil revenues.<sup>154</sup>

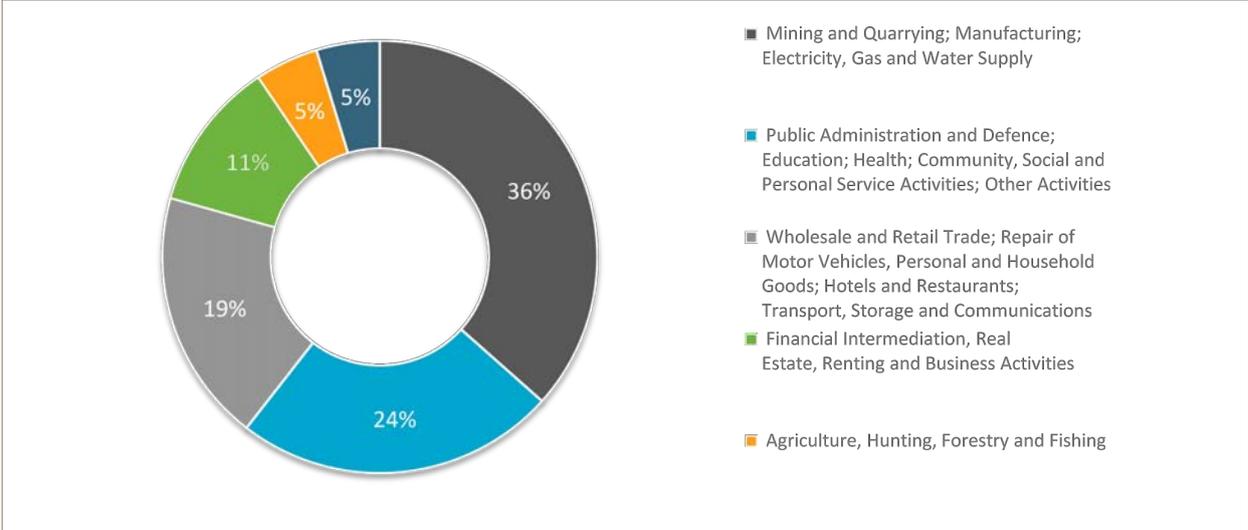
151. Article 117 of the Iraqi Constitution states: "This Constitution, upon coming into force, shall recognise the region of Kurdistan, along with its existing authorities, as a federal region."

152. Iraqi Constitution. Available from [http://www.iraqinationality.gov.iq/attach/iraqi\\_constitution.pdf](http://www.iraqinationality.gov.iq/attach/iraqi_constitution.pdf) and Economist Intelligence Unit, Benchmarking the Kurdistan Region (2014) and Reuters, Investment a "success story" in Iraqi Kurdistan (2010). Available from <http://www.reuters.com/article/us-iraq-kurdistan-investment-idUSTRE68T0AR20100930>

153. Stars and Stripes (2015), War, low oil prices cripple Iraq Kurds' once-vibrant economy. Available from <http://www.stripes.com/news/middle-east/war-low-oil-prices-cripple-iraq-kurds-once-vibrant-economy-1.383034>

154. Euromonitor International, Passport, Economies and Consumers (2016)

**Figure 30.** Iraq - GDP by Gross Value Added (GVA) 2015 (% Share)

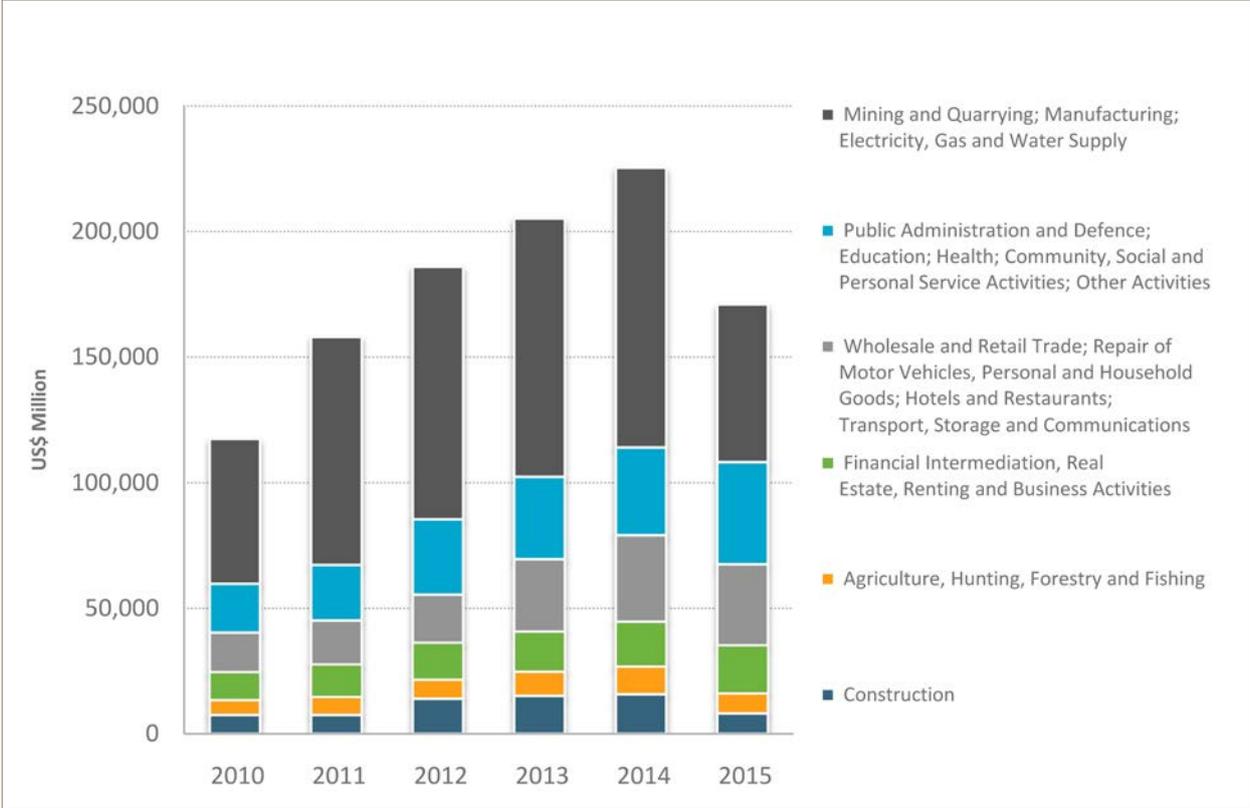


Source: Euromonitor International 2016

Even though economic statistics were not published during that time, estimates suggest a deeply negative picture for the centrally governed part of Iraq prior to 2003, as the country suffered under a near-total trade embargo.<sup>155</sup> This is particularly significant for Iraq, where approximately one third of GDP by GVA is derived from its petroleum industry, (see Figure 31 below). The embargo was largely lifted after the US-led invasion in 2003, and the Iraqi oil trade was revived under the supervision of the United States and the United Kingdom.<sup>156</sup> A focal point for public and private investment, both domestic and foreign, therefore, was reconstruction, modernization and development of the country’s oil sector and infrastructure. In other sectors, however, high security risks, as well as a lack of a reliable electricity supply in large parts of the country, prevented foreign investment from gaining momentum and slowed domestic initiatives.<sup>157</sup>

154. Euromonitor International, Passport, Economies and Consumers (2016)  
 155. CIA (2016). Available from [https://www.cia.gov/library/reports/general-reports-1/iraq\\_wmd\\_2004/chap2\\_annxD.html](https://www.cia.gov/library/reports/general-reports-1/iraq_wmd_2004/chap2_annxD.html)  
 156. Resolution 1483 - UN Security Council - Global Policy Forum” Available from <https://www.globalpolicy.org/component/content/article/168/36082.html>  
 157. BBC (2013). Available from <http://www.bbc.com/news/world-middle-east-21752819>

**Figure 31.** Iraq - GDP by GVA Sectors 2010 - 2015 (Current Price, Fixed 2015 Exchange Rates)



Source: Euromonitor International 2016

An exception was government support for the agricultural sector. Following a major backlash after the regime change in 2003, subsidies were introduced, aimed at improving the country’s self-sufficiency and independence from expensive food imports. Despite minor improvements since then, agriculture remains relatively higher in importance<sup>158</sup> in terms of employment compared to its GDP contribution.<sup>159</sup> Another development after 2003 was the expansion of the public sector, with estimates suggesting that employment has tripled since 2003.<sup>160</sup> Favours, corruption and the need for new employment opportunities characterized the public sector, which is now placing substantial pressure on the government budget.

In 2016, Iraq is, de facto, divided into three entities. The autonomous Kurdish region continues to act largely independently of the Central Government in Baghdad, on a legal basis, and established a separate economic infrastructure after 2003. ISIS, on the other hand, has invaded several governorates in the north of the country since 2014.<sup>161</sup> This has destroyed

158. See <http://www.unesco.org/education/edurights/media/docs/795ff8cb2cd3987aba07572026cdb6d0958cd27a.pdf>; National Development Plan 2013-2017. Available from <http://www.theiqdteamconnection.com/iraq-news/national-development-plan-2013-2017-iraq-ministry-of-planning>; FAO. Available from <http://www.fao.org/docrep/017/i2877e/i2877e.pdf>

159. Based on Kilm/ILO data, the contribution of agriculture in terms of employment was 23.4% in 2008 while the contribution to GDP was only 3.3% in the same year, based on data published by the Food and Agriculture Organization of the United Nations (FAO). The focus given to the development of agriculture by the Government can be evaluated through the National Development Plan 2010-2014. A critical evaluation of the agricultural sector in terms of challenges as well current policies can be found in the report: Iraq Agriculture Sector Note by the FAO Investment Centre

160. Business Insider (2016). Available from <http://www.businessinsider.com/iraq-oil-price-plunge-fiscal-cliff-2016-2> and IAU and OCHA (2009). Available from <http://www.unglobalpulse.org/sites/default/files/reports/OCHAIUA%20LabourForceImpactsIraq%202009.pdf>

161. An updated and accurate division of the country can be found under: <http://isis.liveuamap.com/>

and isolated large parts of the country's agricultural infrastructure and increased security and humanitarian expenditures nationwide.<sup>162</sup> The fall in oil prices in mid-2014 came as an additional shock with disastrous consequences for Iraq's struggling economy (see Figure 31 above), which shows a sudden drop in GVA from mining and quarrying in 2015. The country's income and economy is highly dependent on oil and as a result, salaries for government employees in Iraq had to be reduced or suspended for prolonged periods.<sup>163</sup> Due to the importance of public sector employment, domestic demand, therefore, especially in urban areas, also remained subdued. The International Monetary Fund (IMF) granted Iraq a three-year loan of US\$5.3 billion to prevent an economic collapse in 2016. However, one of the main conditions was the reduction of public sector expenditure as well as improvements in terms of tax assessment and collection.<sup>164</sup>

The Federal Government will have to focus on programmes and initiatives to meet the conditions set by the IMF in the near term, which will place pressure on government employment, government-owned businesses and government subsidies.<sup>165</sup> With government revenues at a historic low,<sup>166</sup> authorities may shift their attention to foreign investment to support the agricultural sector, as well as an investment-friendly banking structure.<sup>167</sup> However, security concerns and widespread violence continues to distract from economic priorities. The stalwart industrial sector, mainly supported by oil production and refining, may even see a decline, as investment is expected to slow down as a result of the low oil price.<sup>168\</sup>

#### 4.4.2 Women in the Economy

##### Legislative Framework

Iraq is a democratic republic with a Constitution that states that everyone has equal rights and that Islam is the basis for the law. Men and women are considered equal in terms of participating in general affairs as well as politics, with equal rights to vote and participate in elections. Moreover, the new Constitution of 2012 aims for women to have no less than 25% representation in Parliament. Article 22 of the Constitution states that employment is a right to all Iraqis without discrimination.<sup>169</sup>

The Iraqi Labour Code (Act No. 71) states that it is prohibited for women to be employed in "arduous work or work which is harmful to health." Moreover, women are prohibited from working night shifts and are entitled to at least 11 consecutive hours of rest. The Labour Code also makes provisions for pregnant women in terms of work allocated, i.e. employers are prohibited from allocating additional work to women that might endanger their health.

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162. Al Monitor. Available from <http://www.al-monitor.com/pulse/business/2015/01/iraq-agriculture-production-self-sufficiency.html>

163. Financial Times (2015). Available from <http://www.ft.com/cms/s/0/23f1c6d0-b9e0-11e4-933f-00144feab7de.html#axzz4lc1LSnID>

164. Iraqi Business News (2016). Available from <http://www.iraq-businessnews.com/2016/05/20/zebari-5-4-billion-imf-standby-loan-confirmed/>

165. Al Monitor (2016). Available from <http://www.al-monitor.com/pulse/originals/2016/05/iraq-imf-loan-conditions-lift-subsidies.html>

166. World Bank (2016). Available from <http://www.worldbank.org/en/country/iraq/publication/economic-brief-july-2016>

167. US Department of State (2015). Available from <http://www.state.gov/e/eb/rls/othr/ics/2015/241599.htm>

168. Bloomberg (2015). Available from <http://www.bloomberg.com/news/articles/2015-09-03/iraqi-oil-output-declining-as-of-2018-in-morgan-stanley-s-view>

169. Iraqi Constitution (2012). Available from <http://www.cabinet.iq/PageViewer.aspx?id=2>

Other provisions for pregnant women include 62 days of maternity leave (fully paid by the employer), which may be extended in case of the birth of more than one child or difficulties in childbirth; other articles contain provisions on the duration of unpaid leave in case of sick children and nursing breaks from work of up to one hour.<sup>170</sup>

Specific laws, however, especially the Iraqi Tax Code, the Personal Status Code and the Criminal Code contain elements and assumptions that limit the economic choices of women and promote a picture of a stay-at-home housewife. The Iraqi Income Tax Act, for example, provides a favourable rate for married men, but not for married women.<sup>171</sup> This is further supported by traditional and conservative values and norms which pervade large swathes of Iraqi society.<sup>172</sup>

Women face a number of constraints. For example, they are legally under the guardianship of a male relative (father, brother or husband), and are unable to seek education or formal employment without their male kin's approval, or independently obtain identification papers such as passports.<sup>173</sup>

### **Education and Vocational Training Overview**

A major barrier to women joining the labour force in Iraq is limited access to education. In rural areas, in particular, conservative social norms prevent young girls from aspiring to higher education and most do not continue after primary school. Based on a 2011 survey by the Central Statistical Organization (CSO), which operates under the Ministry of Planning, approximately 40% of girls cannot follow their desire for further education due to family constraints. Security concerns and long distances are only minor barriers, accounting for 6.5% and 4.2% respectively of the reasons for not reaching the desired level of education.<sup>174</sup> Among illiterate women, the impact of family pressures is even higher: a 2009 government survey found that in half of such cases, family refusal is the primary reason for daughters not attending school at all.<sup>175</sup>

A study comparing results from 2006 and 2004 for a survey on primary school enrolment showed that 74% of children not enrolled in schools are girls.<sup>176</sup> Another survey, published in 2012, showed that 69.4% of women reported that they had not completed their education to a level that they desired. This data, while only indicative, suggest that barriers to education may well come from family and social pressures, and not just the cost of tuition.

The latest data for 2014 show that 27.8% of females attained secondary education, while the ratio for males was much higher at 50.2%. Moreover, the expected number of years of schooling is 8.7 for females and 11.4 for males.<sup>177</sup> Based on this, women face real challenges

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170. Iraqi Labour Law. Available from <http://www.ilo.org/dyn/travail/docs/740/Summary%20Arabic-Draft-Labour-Law.pdf>

171. UNDP (2012). Available from <http://reliefweb.int/sites/reliefweb.int/files/resources/IQ%2520Women%2520EE%2520-%2520Final.pdf>

172. Gallup (2003). Available from <http://www.gallup.com/poll/9361/could-longing-tradition-curtail-womens-rights-iraq.aspx>

173. United Nations Human Rights Committee (2015). Available from <http://www.law.cuny.edu/academics/clinics/hrgj/publications/ICCPR-Iraq-Shadow-Report-GBV-ENG-PDF.pdf>

174. Ministry of Planning (2012). Available from <http://iraq.unfpa.org/sites/ArabStates/files/pub-pdf/I-WISH%20Report%20English.pdf>

175. UNFPA (2009). Available from <http://iraq.unfpa.org/publications/iraq-national-youth-and-adolescents-survey-2009>

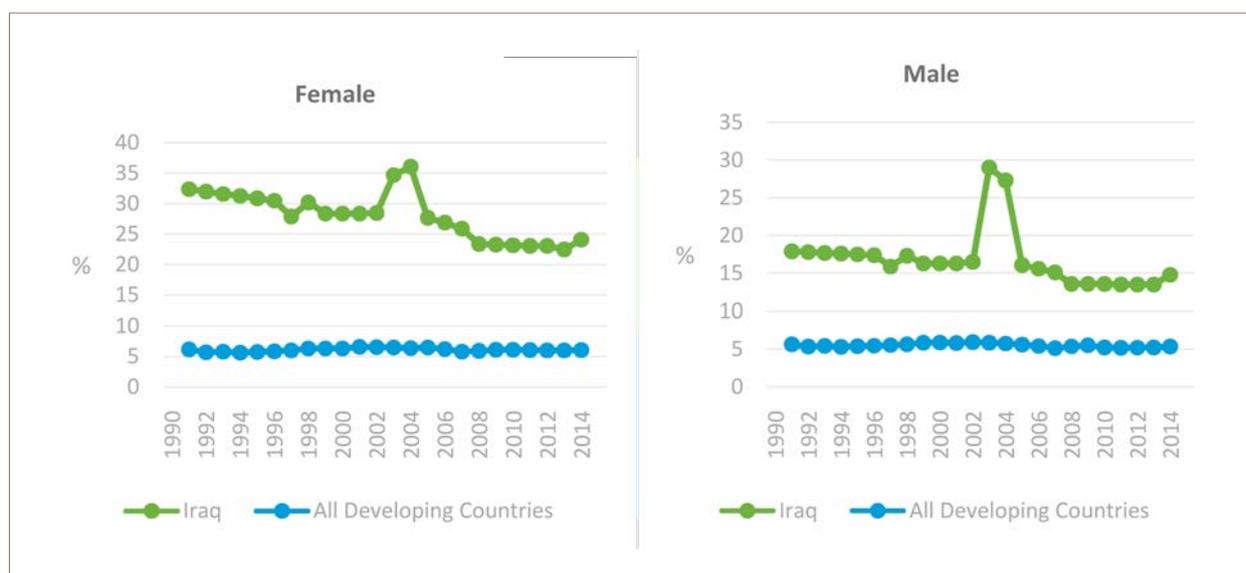
176. UNICEF. Available from [http://reliefweb.int/sites/reliefweb.int/files/resources/A3F345FEB60FD713C12577AD00341F90-Full\\_report.pdf](http://reliefweb.int/sites/reliefweb.int/files/resources/A3F345FEB60FD713C12577AD00341F90-Full_report.pdf)

177. UNDP, Human Development Report, Iraq (2015). Available from: [http://hdr.undp.org/sites/all/themes/hdr\\_theme/country-notes/IRQ.pdf](http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/IRQ.pdf)

in accessing education from school through to tertiary education and hence their chances for employment are more limited.

### Economic Participation

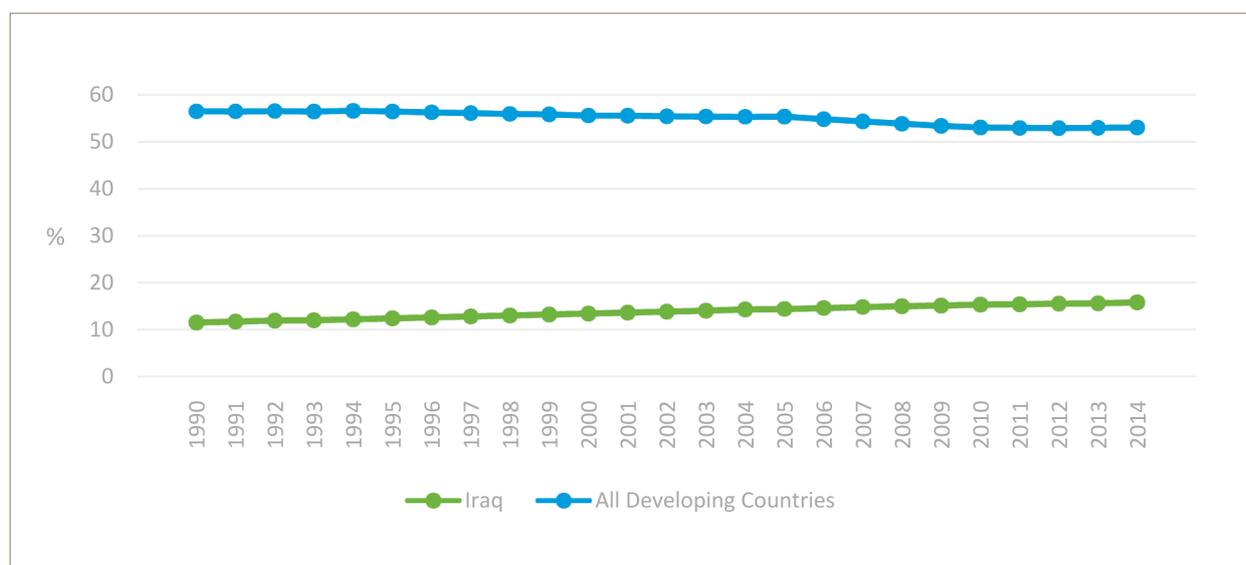
**Figure 32.** Iraq - Unemployment, Female and Male (% of Labour Force)



*Source:* International Labour Organization 2016

The spike in female unemployment, as well as male unemployment, in 2003, came about during the hostilities that ensued from that year onwards. Over the past decade, female unemployment, although well above the average for developing countries, has been in gradual decline from 36.1% in 2004 to 22.5% in 2013. This high unemployment rate for women reflects a particularly difficult and challenging economic environment, in comparison with the lower, unemployment rate for men in 2013, stable at 13.5%.

**Figure 33.** Iraq - Labour Force Participation Rate, Female (% of Female Population Aged 15-64)



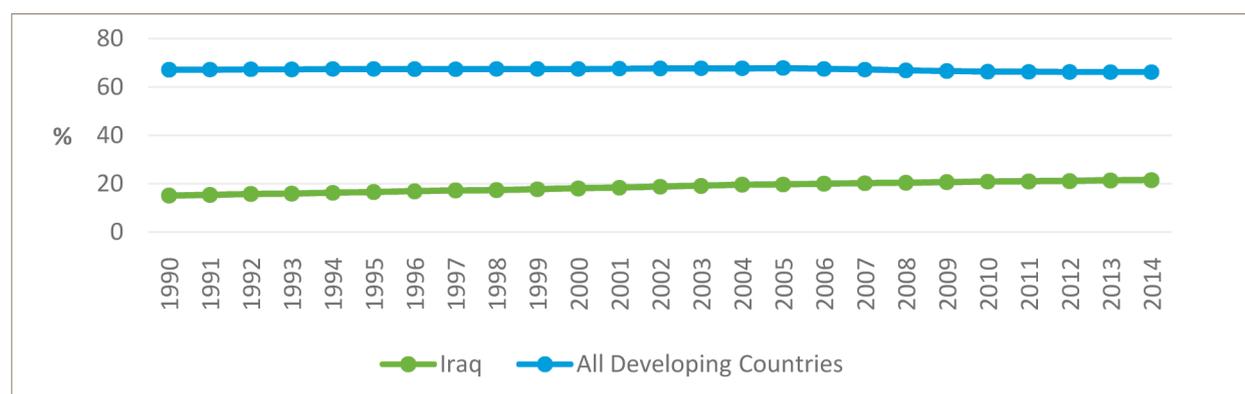
*Source:* International Labour Organization 2016

The ratio of female to male labour force participation is extremely low in Iraq, at 21.5% in 2014 (see Figure 34 below). The participation of women in the labour force in Iraq (Figure 33) is accordingly also one of the lowest in the region, at only 15.8% of all adult women in that year. The rate has actually increased over the years, from 12.7% in 2000, thus the low rate therefore cannot be considered solely a result of the widespread insecurity or uncertainty since 2003.<sup>178</sup> Unemployment rates among women, as discussed previously, are high at 24.1% in 2014 (up from 22.5% in 2013). The problem is most notable in urban areas due to a lack of jobs for women with higher education, while the large proportion of rural vulnerable employment, contributing family workers in the agricultural sector, is still significant outside urban areas. This picture stands in further contrast to male employment, where overall unemployment is barely half of the corresponding female level, at 14.8%<sup>179</sup> and rates in rural and urban areas show a more balanced situation.<sup>180</sup>

While agriculture was also the most important sector for male employment in 2008, it only accounted for 17% of total male employment. Women’s employment in agriculture, on the other hand, reached 51% in 2008, a rate likely to have increased even further by 2014. By mid-2014, however, this development came to an abrupt halt and agricultural employment as a whole saw a huge drop due to the rapid spread of armed conflict, leading to the destruction of large parts of the country’s agriculture.<sup>181</sup>

Nevertheless, agriculture is still expected to have importance in terms of employment and is likely to remain a focal point for the Government. As Iraq’s agriculture is characterized by smaller entities with extended family structures dominating rural areas, most of these women are unpaid family workers rather than wage and salaried employees.<sup>182</sup> Under such vulnerable employment conditions, women are usually under further pressure, due to the lack of formal work arrangements and payment. Nevertheless, the sector saw some improvements, with rates favouring participating women: the share of female wage and salaried workers in the agricultural sector witnessed a slight increase from 12.1% in 2008 to 14.7% in 2011.<sup>183</sup>

**Figure 34.** Iraq - Ratio of Female to Male LFPR %



**Source:** International Labour Organization 2016

178. In comparison, labour force participation of men stood at 72.2% in 2014 and at 72.6% in 2000.

179. Unemployment rates of women and men by urban vs. rural 2008: urban centre: women: 25.0%, men: 13.1%; other urban: women: 36.1%, men: 15.4%, rural: women: 8.3% men: 14.9%

180. Central Statistical Organization, (2014). Available from <https://knoema.com/IQLS2014/labour-statistics-of-iraq-2008>

181. ReliefWeb (2016). Available from <http://reliefweb.int/report/iraq/iraq-agriculture-and-livelihoods-needs-assessment-newly-liberated-areas-kirkuk-ninewa>

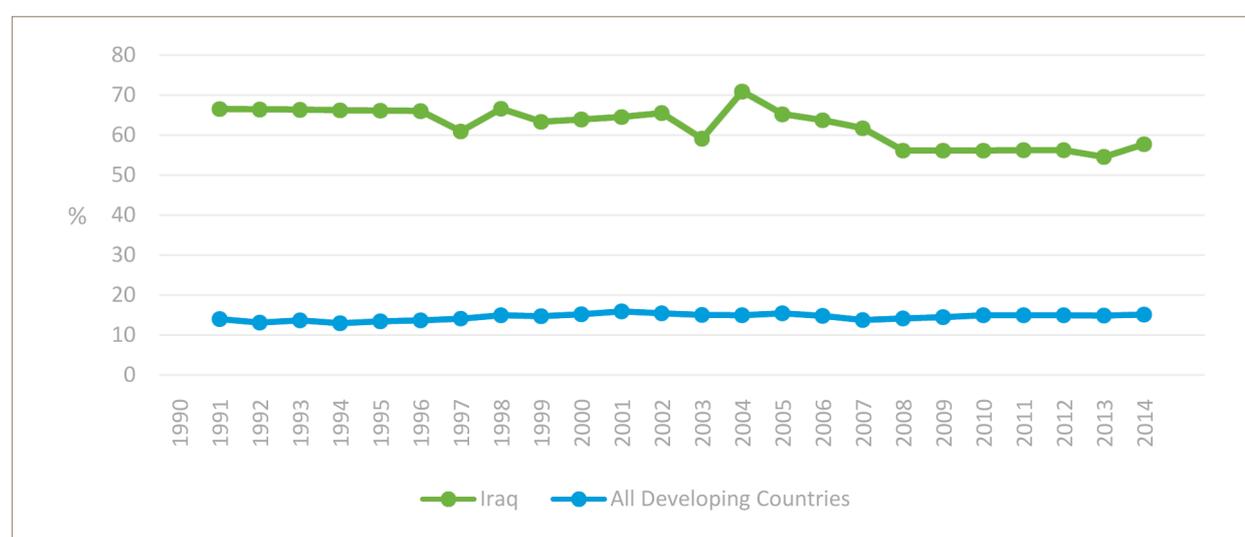
182. FAO (2015). Available from <http://www.fao.org/docrep/017/i2877e/i2877e.pdf>

183. Ministry of Planning National Development Plan 2013-2017 (2013). Available from <http://www.theiqdteamconnection.com/iraq-news/national-development-plan-2013-2017-iraq-ministry-of-planning>

The female labour force in urban areas is concentrated in the service sector, as jobs within the oil industry are not considered to be appropriate for female personnel and are generally rare, particularly as the industry does not require much of a labour force to begin with. There are also indications that women employed in technical fields had their employment terminated, with employers giving in to social pressure in more conservative areas.<sup>184</sup> The subsectors of education, public administration, other community, social and personnel services activities and health, which accounted for over 80% of female employment excluding the agricultural sector in 2008,<sup>185</sup> are therefore expected to have experienced a further increase in female demand due to the influx from other sectors. Additionally, as several of these subsectors fall under the public payment scheme, women in Iraq are highly dependent on the government payroll.<sup>186</sup>

## Entrepreneurship

**Figure 35.** Iraq - Unemployment, Youth Female (% of Female Labour Force Aged 15-24)



**Source:** International Labour Organization 2016

Data on women’s entrepreneurship and women in leading business positions in Iraq portrays a negative comparison relative to the region. Although the lack of opportunities in the labour market left young females with a substantial unemployment rate of 22.5% in 2013, their opportunities are further limited in a less-than-conducive entrepreneurial environment.

While a 2011 survey among companies in the Middle East and North Africa suggests that the average female participation in ownership was 22.7%, the figure in Iraq was significantly lower at 6.8%. The country was also among the lowest ranked in terms of firms with a senior female manager, as only 2.3% of respondents identified such a post.<sup>187</sup> Iraqi society adheres to a predominantly patriarchal structure and the social pressures of neighbours, family members and communities are preventing women’s participation in the labour force

184. Irinnews.com (2007). Available from <http://www.irinnews.org/feature/2007/05/30/women-forced-give-their-jobs-marriages>

185. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm>

186. IAU (2012). Available from <http://reliefweb.int/sites/reliefweb.int/files/resources/Women%20In%20Iraq%20Fact%20sheet%20-%20English.pdf>

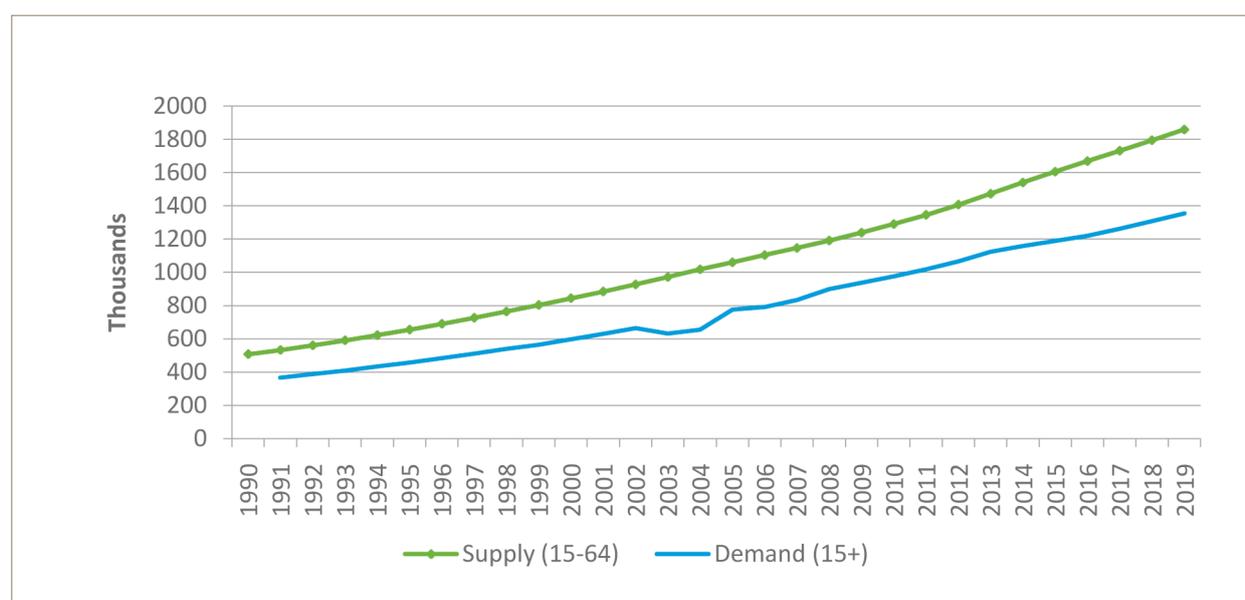
187. The World Bank (2016). Available from <http://www.enterprisesurveys.org/Data/ExploreTopics/gender>

as a whole and inhibiting them from attaining more leadership positions in particular.

Even though programmes to support female entrepreneurship in Iraq have been launched by NGOs<sup>188</sup>, they still remain largely niche, as many organizations focus on the humanitarian situation or combating domestic violence, rather than economic empowerment. This shift in both public and private sector priorities in the current economic environment has impacted severely on the entrepreneurial scene.

### 4.4.3 Future Prospects

**Figure 36.** Iraq - Supply and Demand for Female Labour 1990-2019



*Source:* International Labour Organization 2016

### Outlook

The increasing gap between supply and demand of female labour in Iraq is a reflection of increasing unemployment rates among educated women in urban areas.<sup>189</sup> As domestic and foreign investment remain low, opportunities for educated staff are mostly found in the already inflated public sector and the oil industry. Apart from this, only a few select industries, such as the automotive industry or security services, are witnessing positive developments.<sup>190</sup> While jobs for well-educated Iraqis are rare in general,<sup>191</sup> women are under even greater pressure, as such industries are not perceived as appropriate for women. The social pressure on women as well as employers and families often prevents their employment in several of the country's leading sectors.<sup>192</sup>

188. Kiva is an example of such an initiative (<https://www.kiva.org/sme>)

189. IAU, (2012). Available from <http://reliefweb.int/sites/reliefweb.int/files/resources/Women%20In%20Iraq%20Fact%20sheet%20-%20English.pdf>

190. Reuters (2011). Available from <http://www.reuters.com/article/iraq-factories-idUSLDE76N01I20110728>

191. Ministry of Planning, National Development Plan 2013-2017 (2013) . Available from <http://www.theiqdteamconnection.com/iraq-news/national-development-plan-2013-2017-iraq-ministry-of-planning>

192. UNDP (2012). Available from <http://www.undp.org/content/dam/rbas/doc/Women's%20Empowerment/Report%20on%20Women%E2%80%99s%20Economic%20Empowerment%20in%20Iraq,%20Integrating%20Women%20in%20the%20Iraqi%20Economy-.pdf>

In rural areas, on the other hand, a relatively small gap is actually cause for concern. As most Iraqi women working in agriculture are classified as contributing family workers, they are often exposed to exploitation and not entitled to even basic workers' rights or benefits. The major challenge in rural areas is, therefore, less to bridge the gap between demand and supply, but rather empowerment and transition of working women from contributing family workers to wage and salaried workers or independent farm owners.<sup>193</sup>

The Ministry of Planning published a National Development Plan 2013-2017, which includes various sections on female employment and participation. The Plan underlines the importance of an enhanced role for women in the development of a knowledge-based economy and evaluates various developments with regard to the Plan's predecessor document.

Within the goals for 2013-2017, female participation is also discussed with a focus on programmes helping women to acquire the skills and knowledge needed by the labour market. The Plan also admits that the role of women and the general gender gap in the labour market stem partially from parts of the legal framework that have not yet been reviewed or contain loopholes.<sup>194</sup> While gender equality and support for female participation in the economy are regularly discussed in the public sphere, practical support through initiatives, programmes and legal enforcement remain rare or ineffective. Furthermore, as both the Kurdistan Regional Government and the Iraqi Federal Government have faced potent economic problems since 2014, due to low oil prices and the continuous spread of violence, active support for women in Iraq has diminished. Additionally, women outside the agricultural sector are often limited to government employment, while most other opportunities, in the industrial sector, for example, are perceived as unsuitable for women. Furthermore, most women in urban areas rely on government jobs, which make them vulnerable to reductions in public expenditure as well as salary cuts and delays due to the Government's fluctuating fiscal state. As conservative and traditional views and norms appear to be the highest barrier to female employment and education in Iraq, widespread economic empowerment of women through work appears to be unlikely without broad campaigns, measures and initiatives, even in the case of a more stable Iraq.<sup>195</sup> Furthermore, in 2015, the Ministry for Women's Affairs was dissolved as a result of budget cuts, limiting female representation and cutting off an important instrument for speaking out and promoting gender equality.<sup>196</sup>

## **Recommendations**

Even though the oil industry is expected to remain the major pillar of the Iraqi economy in terms of national output, support for women's employment within this segment does not appear to be a favoured way forward. The abrupt drop in oil prices illustrated the urgent need for a more diversified economy in Iraq and the need for privatization and support for private investment. The country is also under pressure from the IMF to introduce an adequate tax collection system, which should support formal work agreements within the private sector. By supporting vulnerable women via such processes, as well as supporting female entrepreneurs through financial aid or microloans, women could be more effectively integrated into the national economy.<sup>197</sup>

193. Ministry of Planning, National Development Plan 2013-2017 (2013). Available from: <http://www.theiqdteamconnection.com/iraq-news/national-development-plan-2013-2017-iraq-ministry-of-planning>

194. Ibid.

195. UNDP (2012). Available from <http://www.undp.org/content/dam/rbas/doc/Women's%20Empowerment/Report%20on%20Women%E2%80%99s%20Economic%20Empowerment%20in%20Iraq,%20Integrating%20Women%20in%20the%20Iraqi%20Economy-.pdf>

196. Middle East Monitor (2015). Available from <https://www.middleeastmonitor.com/20150817-iraqi-pm-eliminates-11-cabinet-portfolios/>

197. Al Monitor (2015). Available from <http://www.al-monitor.com/pulse/originals/2015/11/iraq-budget-deficit-steps-oil-revenues.html>

Comparing overall subsector employment distribution with female subsector employment distribution through gap analysis, certain sectors emerge as favourable starting points in increasing women's employment. Wholesale and retail trade, repair of motor vehicles, motorcycles and personal and household goods, for example, accounted for the biggest employment sector apart from agriculture, at 15.3% in 2008. In terms of female employment, however, this sector accounted for only 3% of the overall female labour force.<sup>198</sup> While motor vehicles is expected to remain a male domain for now, wholesale and retail trade are subsectors where female labour participation could be supported.

Another important subsector is education. Education is a key point in the country's National Development Plan 2013-2017 and is therefore seen as an industry with potential. Especially in rural areas, essential changes to the education system are necessary and, indeed are being pursued, in order to reduce high illiteracy rates and improve the overall level of education, specifically for rural women.<sup>199</sup> Additionally, higher enrolment rates are explicitly set as an important target in the aforementioned document, which in return is expected to increase the overall need for teachers. Supporting female teachers in rural areas could, therefore, not only increase wage and salaried employment among rural women but also promote the acceptance of female employment and set positive examples for young girls in these areas.

The country is also eager to support the development of higher education by creating more universities. In terms of tertiary education, however, the country shows a negative correlation in relation to unemployment. Unemployment rates are significantly higher among men and women with tertiary education. This suggests that the current education system and its curriculum are not in line with the country's needs and the requisite skills to drive economic growth. Harmonizing these variables will be crucial.<sup>200</sup>

Given the fresh outbreak of violence and the expansion of the Islamic State in Iraq, the situation of women's employment and participation in the labour force is expected to deteriorate further. By the end of 2015, Iraq had witnessed over three million of its citizens internally displaced, many of them women and children (IDMC, 2016). Furthermore, the number of widows has been estimated to have reached two million.<sup>201</sup>

Women in such vulnerable positions have limited opportunities to enter or re-enter the labour force, even though their financial need is particularly high,<sup>202</sup> especially as formal employment and relatively well-paid jobs in urban areas are rare and often assigned on the basis of personal networks, favours or other forms of largesse. These networking media are hardly available for internally displaced women. The increasing absence of economic opportunity has fed into more dire situations, such as the rise of forced prostitution in Iraq. The autonomous Kurdistan region, in particular, has witnessed increasing rates of human trafficking, as women attempt to escape the violence in other regions.<sup>203</sup>

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198. Kilm/ILO data (Table 4c. Employment by 1-digit sector level (ISIC-Rev.3, 1990; by sex))

199. Grégoire-Blais (2010). Available from [http://iraq.alterinter.org/IMG/pdf/Policy\\_Paper3ff7.pdf](http://iraq.alterinter.org/IMG/pdf/Policy_Paper3ff7.pdf)

200. Ministry of Planning, National Development Plan 2013-2017 (2013). Available from <http://www.theiqdteamconnection.com/iraq-news/national-development-plan-2013-2017-iraq-ministry-of-planning>

201. Rudaw (2015). Available from <http://rudaw.net/english/middleeast/iraq/190420151>

202. International Organization for Migration: Effects of forced migration (<http://iomiraq.net/reports/effects-forced-migration-women>)

203. US Department of State (2009). Available from <http://www.state.gov/j/drl/rls/hrrpt/2008/nea/119116.htm>

## 4.5 Jordan



### 4.5.1 Economic Background

**Table 11:** Jordan - Key Indicators

Indicator	Value
Population (thousand) 2016	6,911.3
Female population (thousand) 2016	3,359.0
GDP (US\$ Current, million) 2015	37,570.4
Real GDP growth (%) 2014-2015	2.4%
Inflation (%) 2015	-0.9%
Female unemployment (%) 2014	19.5%
Ease of doing business (Rank) 2015	107
Population under 30 (%) 2015	62.9%

Source: Euromonitor International 2016

Jordan has always been subject to economic shocks induced by the instability in the region. During the 1980s, the Jordanian economy suffered from the decline in oil prices. This prompted an increase in external borrowing in order to stimulate the economy through government spending. The results were high inflation, a large fiscal deficit and negative GDP growth. Steps towards economic reform were taken in the late 1980s. However, the beginning of the Gulf War in 1990, and the resulting return of Jordanian expats, caused increased pressure on government budgets and delayed those economic reform plans.<sup>204</sup>

Despite the interruption, the Jordanian Government remained committed to reform, and underwent structural adjustments to decrease government spending and to move towards trade liberalization and privatization. Thanks to these reforms, the Jordanian economy grew rapidly between 2000 and 2009, averaging 6% GDP growth per year.<sup>205</sup> This rapid growth, however, did not translate into better economic indicators; unemployment remained high, poverty levels did not decline and export growth lagged behind GDP.<sup>206</sup> Since 2010, the growth rate slowed due to turmoil in the region, especially in Iraq and Syria; the influx of refugees put pressure on government spending and the instability of the region caused tourism, foreign direct investment and exports to decrease.<sup>207</sup> In February 2016, the “Jordan Compact” was agreed in London to help Jordan deal with the burden of hosting refugees. The Compact includes an agreement to finance the Government of Jordan to support Syrian refugees and affected host communities. Additionally, it introduces a new trade agreement with the European Union that allows Jordanian companies easier access to the EU market if they employ a certain number

204. World Bank Group. (2012). Structural Adjustment in Jordan. Available from <http://Inweb90.worldbank.org/oed/oeddoelib.nsf/DocUNIDViewForJavaSearch/68FDCDFD2217BF3D852567F5005D8CE6>

205. Euromonitor International. (2016). Jordan Country Report. Euromonitor International

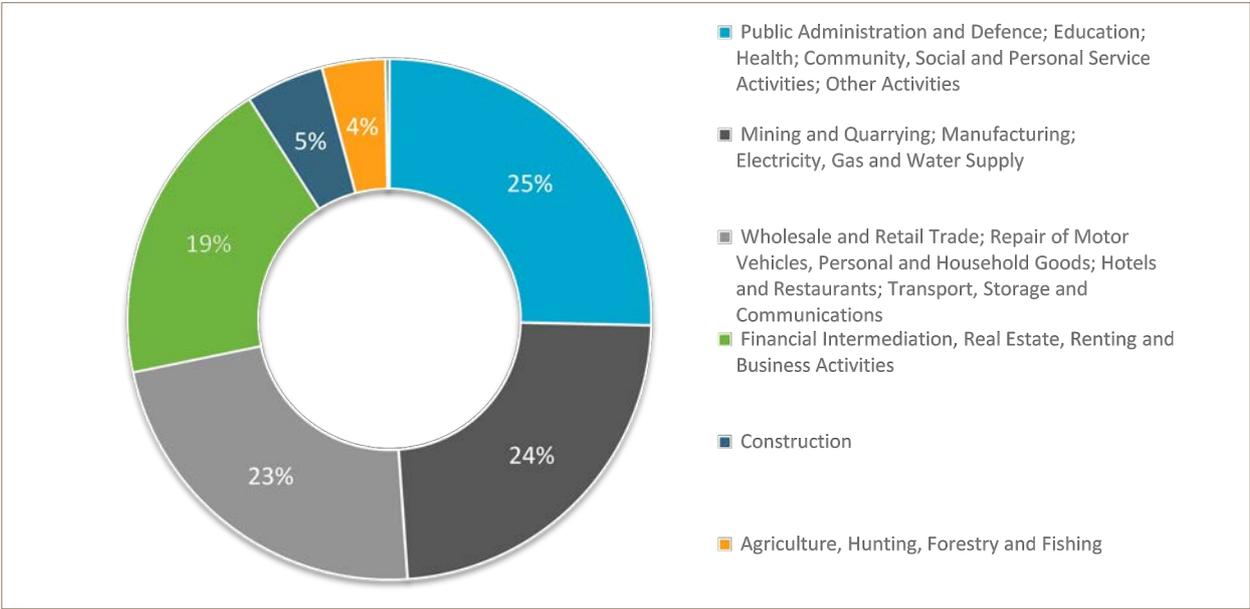
206. <http://inform.gov.jo/Portals/0/Report%20PDFs/0.%20General/jo2025part1.pdf>

207. Euromonitor International. (2016). Jordan Country Report. Euromonitor International

of Syrian refugees. The Government of Jordan, in turn, agreed to provide more Syrian refugees with work permits.<sup>208</sup>

Jordan’s high debt makes it dependent on foreign support. In 2013, the deficit was 4% of GDP, although it decreased to 3% in 2014. However, it rose again in 2015 and will continue to rise in 2016 due to the presence of refugees and the costs associated with implementing a new development plan.<sup>209</sup> The Jordanian Government aims to decrease the deficit to 3% of GDP in the long term, mainly by cutting energy subsidies. Jordan’s public debt reached about 92% of GDP, significantly higher than the legally required limit, and the Government aims to reduce it to 77% by 2020. In 2015, public expenditure was mostly spent on social security and welfare (23.7%) and on education (14.6%).<sup>210</sup>

**Figure 37.** Jordan - GDP by Gross Value Added (GVA) 2015 (% Share)



Source: Euromonitor International 2016

The current economic structure of Jordan is shown in Figure 37 above. In 2015, public administration and defence; education; health; community, social and personal service activities sector accounted for the highest share of the Jordanian economy at 25%, followed closely by mining and quarrying; manufacturing; electricity, gas and water supply at 24%. Within the commodity sector, agriculture accounted for 4% of GDP. While production in this sector is diversified, it is not, in most cases, competitive internationally. It includes the production of textiles, cement, steel, glass, paint, plastics, fertilizers, food products and pharmaceuticals. Chemicals (fertilizers), textiles and pharmaceuticals account for the highest shares of Jordanian exports.<sup>211</sup>

208. Relief web. (2016). The Jordan Compact: A new holistic approach between the Hashemite Kingdom of Jordan and the international community to deal with the Syrian refugee crisis. Available from <http://reliefweb.int/report/jordan/jordan-compact-new-holistic-approach-between-hashemite-kingdom-jordan-and>

209. Euromonitor International. (2016). Jordan Country Report.

210. Ibid.

211. Ibid

**Table 12:** Jordan - Sectors Contribution to GDP (2003, 2009, and 2015)

Economic Activity	2003	2009	2015	% Growth 2003-2015	% Growth 2009-2015	% change in contribution to GDP (2003-2015)	% change in contribution to GDP (2009-2015)
Manufacturing	1009.3	1656.1	1886	86.84	13.87	1.14	-0.92
Transport, storage, communications	969.9	1347.1	1660	71.16	23.24	-0.48	0.56
Producers of government services	908.2	1093.1	1296	42.70	18.56	-3.14	-0.08
Real Estate	749.9	996.9	1172	56.25	17.53	-1.54	-0.18
Financial and insurance services	323.8	798.1	1130	248.86	41.54	5.81	1.85
Wholesale and retail trade	544.7	864	1020	87.31	18.09	0.64	-0.10
Construction	289.3	515.1	533.8	84.51	3.63	0.26	-0.83
Community, social and personal services	215.8	394.6	511.9	137.21	29.73	1.37	0.43
Agriculture, forestry and fishing	222	347.3	380.9	749.46	9.67	-0.10	-0.34
Electricity and water	139.8	208	262.7	87.91	26.30	0.17	0.15
Mining and quarrying	157.5	128.5	188.9	19.94	47.00	-0.92	0.37
Restaurants and hotels	59.2	101.6	113	90.88	11.22	0.09	-0.08
Producers of private non-profit services to households	56.3	49.3	61.8	9.77	25.35	-0.39	0.03
Domestic services of households	12.3	47.3	52.2	324.39	10.36	0.32	-0.04
<b>GDP</b>	<b>5476.5</b>	<b>8083.4</b>	<b>9638</b>				

Source: Central Bank of Jordan 2015 annual report

Table 12 above shows how the contribution to GDP of different sectors has changed over 12 years. Considering sectors with a significant contribution to GDP (5% or more), financial and insurance services, manufacturing, wholesale and retail trade and construction show an increase in their contribution to GDP since 2003; while transport, storage and communications, government services and real estate show a negative growth rate. Looking at the period between 2009 and 2015, all the aforementioned sectors' contributions shrank except for financial and insurance services and transport, storage and communication.

In 2015, the Jordanian Government drafted a new economic development plan for the next ten years, aimed at reducing poverty, unemployment and the fiscal deficit, in addition to enhancing economic growth by restructuring the economy.<sup>212</sup>The goal is to boost the contribution to GDP of the industrial sector, agriculture and construction. As part of the development plan, the Government recognized the need to further develop existing exporting industries. Additionally, it aims to expand related sectors that have the potential to drive

212. Government of Jordan. (n.d.). Jordan 2025: A National Vision and Strategy. Available from <http://inform.gov.jo/Portals/0/Report%20PDFs/0.%20General/jo2025part1.pdf>

growth through domestic production and exportation. The Jordan 2025 plan identified these sectors to be mostly service oriented, where the aim is to export expertise rather than physical goods to other countries. The sectors include construction, transportation, IT and financial services, life sciences, tourism, healthcare and education.<sup>213</sup>

## 4.5.2 Women in the Economy

### Legislative Framework

The Government of Jordan ratified the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), which aims at enforcing gender equality in law. Despite some recent amendments that granted women important rights concerning freedom of movement, the Jordanian Constitution still has some clauses that restrict women's rights; for example, the Constitution specifically prohibits discrimination on the grounds of race, language and religion, but not gender. The prevailing social norm in Jordan supports the traditional view of the division of labour inside the family, with the man being the main breadwinner and the woman being the caretaker. This influences women's educational choices (concentrating on 'care' fields) and what they perceive as an 'acceptable' job, (one that can be reconciled with housework and raising children). Some social norms concerning traditional gender roles are enforced by law, like a 2011 constitutional amendment that states that "the family is the foundation of society and the law should protect maternity, childhood, and the elderly" and the recognition that it is a women's duty to obey her husband while it is his responsibility to provide for her and their children.<sup>214</sup>

The Jordanian Constitution also allows for special employment conditions for women, such as prohibiting them from working in certain sectors and or night work (with some exceptions, such as working in hospitals or airports). The Labour Code provides maternity leaves (70 days for private sector and 90 days for the public sector) and it is usually the employer who has to bear the cost. Interestingly, pregnant women who work in the private sector are protected against termination of their employment contract during pregnancy, although this is not always the case in the public sector. Working mothers are also entitled to a maximum of one hour a day for breastfeeding for one year from the end of the maternity leave period. Article 72 of the Jordanian Act makes it mandatory for companies and organizations to have a day care centre if they employ more than 20 women with at least 10 children under the age of four between them. In 2014, the Social Security Act included maternity insurance, unemployment benefits and optional subscription to the social security corporation for housewives and unemployed women.<sup>215</sup> This Act widened the scope of social security coverage to include female employees in mini-corporations. However, it is worth noting that the Jordanian Labour Code does not include any clause that gives women the right of equal remuneration for work of equal value. This undoubtedly contributes to the gender pay gap. Official data show that the widest pay gap is in the manufacturing sector (43.1%), followed by 27.9% in health and social work and 24.5% in education.<sup>216</sup>

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213. Ibid.

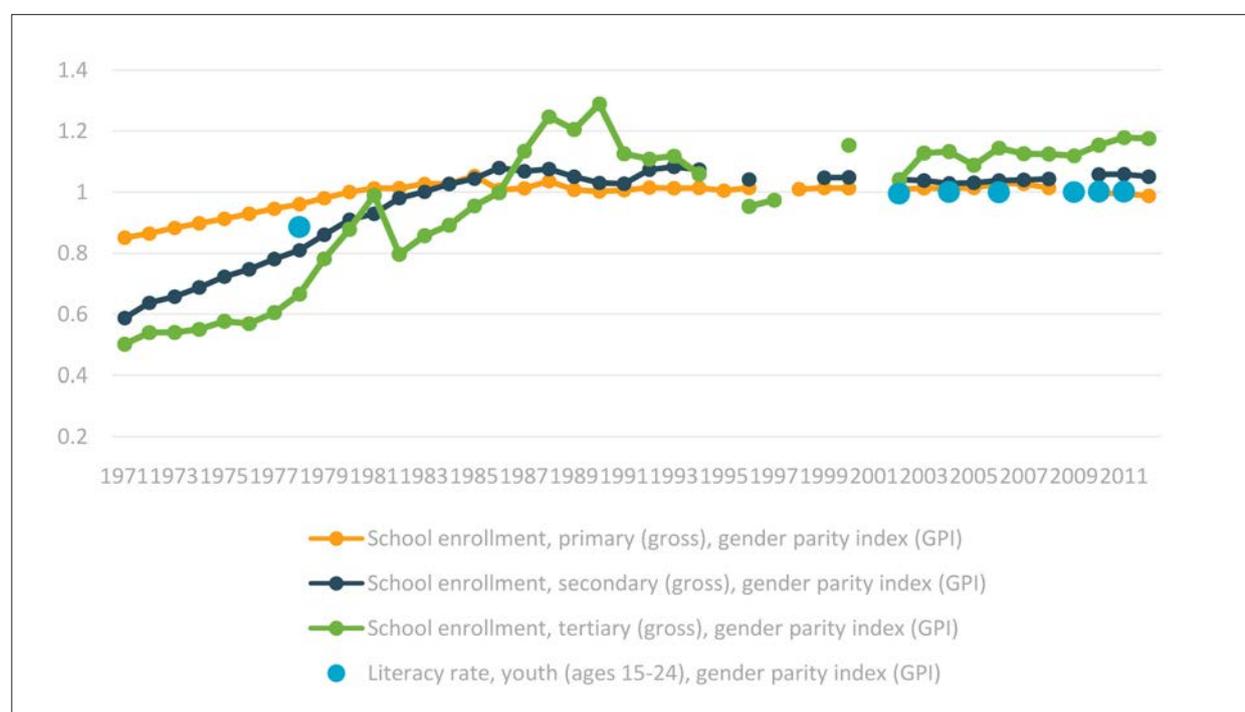
214. The World Bank Group (2013). Hashemite Kingdom of Jordan. Jordan country gender assessment. Economic participation, agency and access to justice in Jordan. Available from <https://openknowledge.worldbank.org/bitstream/handle/10986/16706/ACS51580WPOP130ox0379850B00PUBLIC0.pdf?sequence=1>

215. ILO (2016). National labour law profile: Jordan. Available from [http://www.ilo.org/ifpdial/information-resources/national-labour-law-profiles/WCMS\\_158905/lang-en/index.htm](http://www.ilo.org/ifpdial/information-resources/national-labour-law-profiles/WCMS_158905/lang-en/index.htm)

216. ILO (2013). Towards pay equity, A legal review of Jordanian national legislation. Available from [http://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms\\_215608.pdf](http://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms_215608.pdf)

## Education and Vocational Training Overview

**Figure 38.** Jordan - School Enrolment 1971 - 2011, Gender Parity Index (GPI)



Source: World Development Indicators 2016

Figure 38 above shows female to male gross enrolment ratios at different education levels. The gender gap at all education levels has been shrinking over time and has reversed for secondary and tertiary levels. The available data on the gender gap in literacy shows that it follows a similar pattern over time and has closed completely since 2010.

Vocational training in Jordan has been institutionalized by the Government since 1976.<sup>217</sup> However, it is not widespread; as of 2011, only 3.5%<sup>218</sup> of students in secondary education were enrolled in vocational training, 38% of them women.<sup>219</sup> This is due to several reasons, such as the weak linkage with the private sector, which results in inadequate training for the jobs market, in addition to the negative social perception surrounding vocational occupations.<sup>220</sup> Moreover, while there are numerous courses offered to men, vocational courses for women are more limited.<sup>221</sup> Recently, a vocational training programme was established in Zaatari Refugee Camp for Syrian women. Initial evaluations show that the programme was a success, as it enhanced women's confidence and entrepreneurship skills and helped them generate some income for their families.<sup>222</sup>

217. UNDP (2014). Labour market: The case of vocational training in Jordan. Available from <https://data.unhcr.org/syrianrefugees/download.php?id=10905>

218. World Bank. (2016). World Development Indicators

219. Ibid.

220. USAID. (2016). Jordan workforce development project. Available from <http://www.jordanwfd.org/en-us/Resources>

221. Ibid

222. Abdel Jabbar, S. and Zaza, H. (2015), Evaluating a vocational training programme for women refugees at the Zaatari camp in Jordan: women empowerment: a journey and not an output. *International journal of adolescence and youth*, 21:3, pp. 304-319. Available from <http://www.tandfonline.com/doi/pdf/10.1080/02673843.2015.1077716?needAccess=true>

**Table 13:** Jordan - Distribution of Female Working Age Population by Employment Status 2010

	Below Secondary			Secondary and above			University and higher			Total		
	Never Married	Ever Married	Total	Never Married	Ever Married	Total	Never Married	Ever Married	Total	Never Married	Ever Married	Total
Government wage worker	11	29	21	28	49	40	35	71	57	27	55	43
Formal private wage worker	36	12	23	38	27	32	51	20	33	43	20	30
Informal private wage worker	38	32	35	28	8	17	10	6	8	23	12	17
Self employed	7	18	13	1	15	9	2	3	2	3	10	1
Unpaid worker	8	9	8	4	1	2	1	1	1	4	3	3
<b>Total employment</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>
Employed	7	5	5	12	12	13	53	43	46	15	12	13
Unemployed	2	1	1	2	2	4	26	8	14	6	2	4
Out of the labour force	92	95	94	85	85	82	21	50	40	78	86	83
<b>Total</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>	<b>100</b>

Source: Assaad and others (2014). *Gender and the Jordanian labour market*. Based on Jordanian Labour Market Panel Survey 2010.

Table 13 above shows the distribution of women by education and marital status by different employment status. The labour force participation rate for women in Jordan increases with the level of educational attainment. The increase is very large and much more intense than it is for men; while only 6% of women with secondary education are in the labour force, this number increases dramatically to 60% for women with university education. However, the unemployment rate for women with secondary education and university degrees is higher than women with education attainment below secondary level. Women with a university degree and those with secondary education have similar unemployment rates (23.3% and 23.5% respectively). Educated women's higher propensity to work is an asset: as a knowledge-based economy with over half a million men working abroad, it is crucial that it makes use of its relatively well-educated female population.

Marriage is also an important determinant of participation. For all levels of education, female participation in employment drops once they get married, except for jobs in the public sector. The number of married females who are government wage workers increases with higher levels of education.

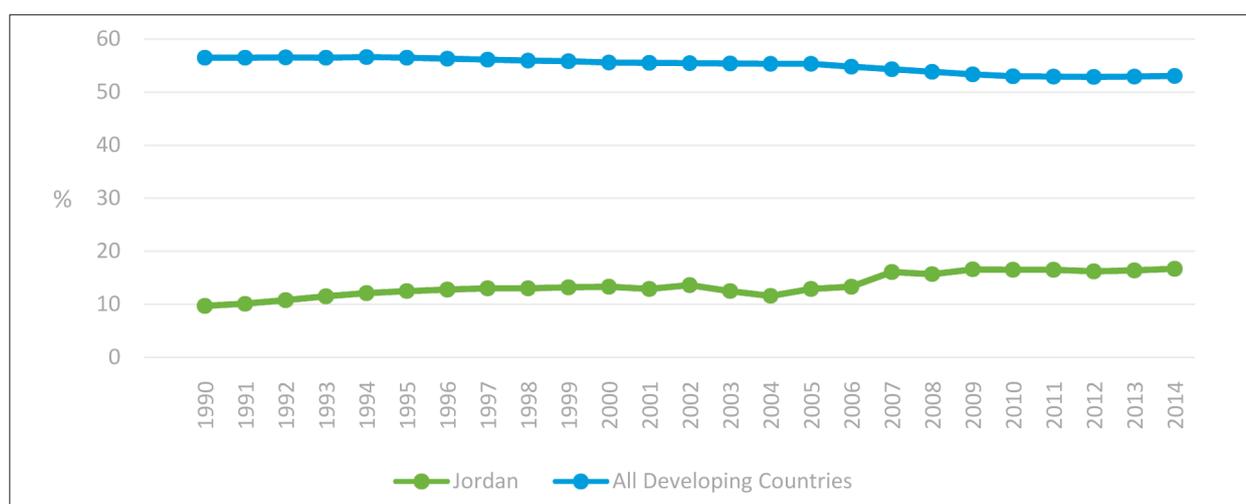
Finally, more educated women tend to be concentrated in government jobs, with 57% of female participants with university degrees employed in the public sector as opposed to 40% and 21% for secondary and below secondary education, respectively. Women's employment in the private and informal sectors increases and decreases with education respectively. Married women at all education levels also tend to be more concentrated in government work and in self-employment. Working for the public sector is a convenient option for women for several reasons: women can maintain their work-life balance, with

shorter working hours (8am to 3pm), as well as longer maternity leave (90 days) compared to the private sector (70 days).<sup>223</sup>

### Economic Participation

The World Economic Forum ranked Jordan 140<sup>th</sup> among 145 countries in closing the gender gap. Regionally, Jordan only came ahead of Syria and Yemen. The gap is measured across various dimensions, including health, education, economic outcomes and political representation. Within this measure, Jordan came in 142<sup>nd</sup> place when it comes to equality in economic participation and opportunity.<sup>224</sup>

**Figure 39.** Jordan - Labour Force Participation Rate, Female (% of Female Population Aged 15-64)



**Source:** International Labour Organization (ILO) 2016

Jordan’s female labour force participation is one of the lowest in the Arab region, at 16.7% in 2014<sup>225</sup>. Figure 39 above shows that women’s participation in Jordan has increased substantially from the very low rate of 9.7% in 1990.<sup>226</sup> However, the break in the data in 2007 may be due to a different sampling method rather than a real increase, implying that female labour force participation in Jordan has, in fact, been stagnant over time<sup>227</sup>.

223. UNDP. (2012). Gender Equality and Women’s Empowerment In Public Administration – Jordan Case Study. Available from: <http://www.undp.org/content/dam/undp/library/Democratic%20Governance/Women-s%20Empowerment/JordanFinal%20-%20HiRes.pdf>

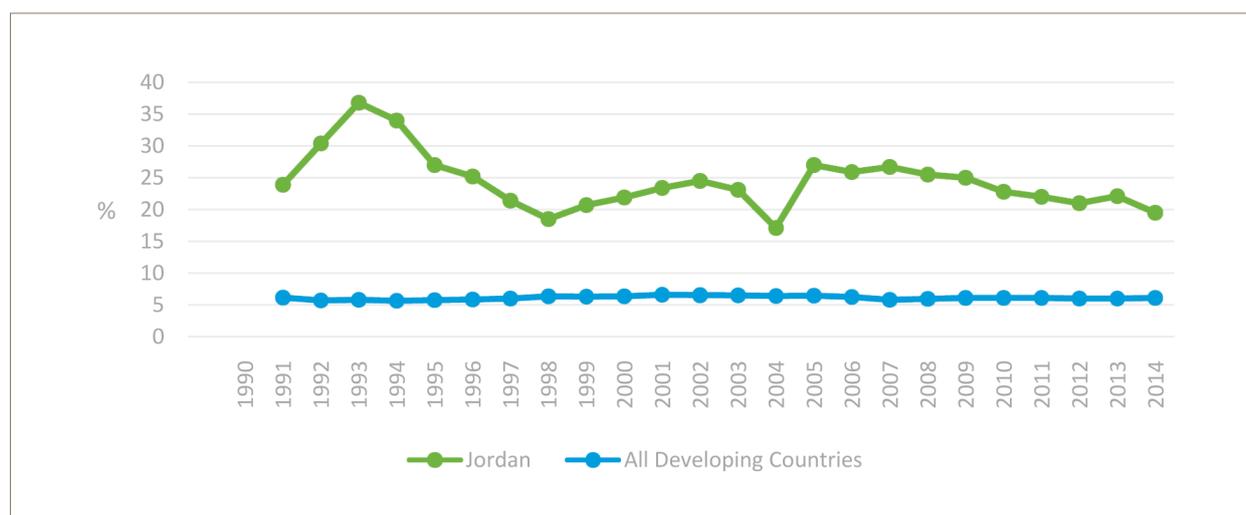
224. World Economic Forum. (2015). Global Gender Gap Report 2015. Available from <https://www.weforum.org/reports/global-gender-gap-report-2015/>

225. ILO Jordan Yearly Indicators “Labour Force by sex and age ILO Estimates”

226. Ibid.

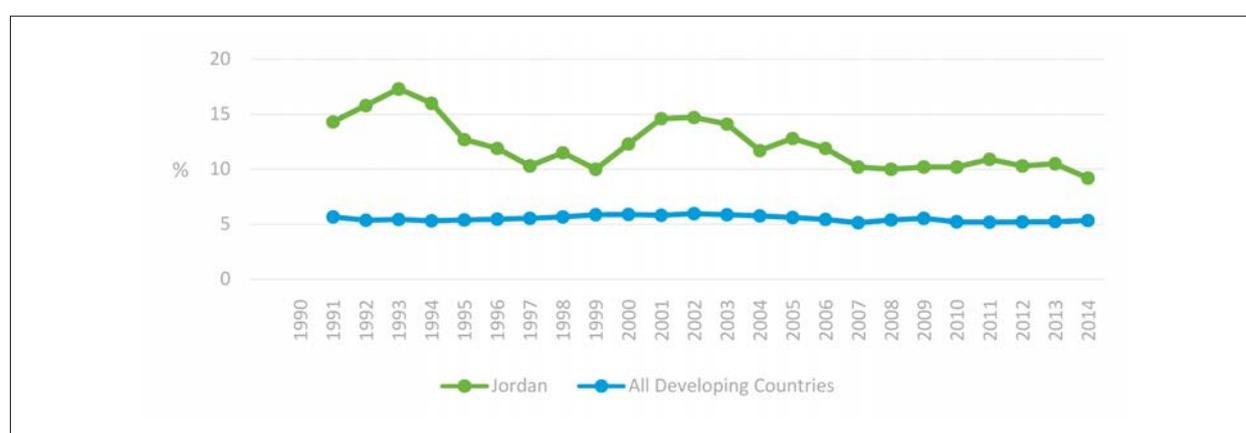
227. Assaad, R. and others (2014), Gender and the Jordanian labour market. The Jordanian Labour Market in the New Millennium, 172.

**Figure 40.** Jordan - Unemployment, Female (% of Female Labour Force)



Source: International Labour Organization (ILO) 2016

**Figure 41.** Jordan - Unemployment, Male (% of Male Labour Force)



Source: International Labour Organization (ILO) 2016

The Arab region also has the highest rate of unemployment for both men and women<sup>228</sup>. The unemployment rate in Jordan (see Figures 40 and 41) is lower than the regional average (although still higher than developing countries) but follows a similar pattern to the rest of the region, with the female unemployment rate double that of males. In 2015, unemployment rates for women and men were 22.5% (19.5% in 2014) and 11% (9.2% in 2014) respectively.<sup>229</sup>

When looking at the age distribution of Jordanian female workers (Figure 42), the first aspect to note is that women aged 25-34 have the highest rate of participation (25.2%) when compared to other age groups.<sup>230</sup> This rate decreases substantially for women aged 35-44 (19.3%) and continues to decrease with age.<sup>231</sup> The age distribution of males is similar but shows a steeper decline with age.

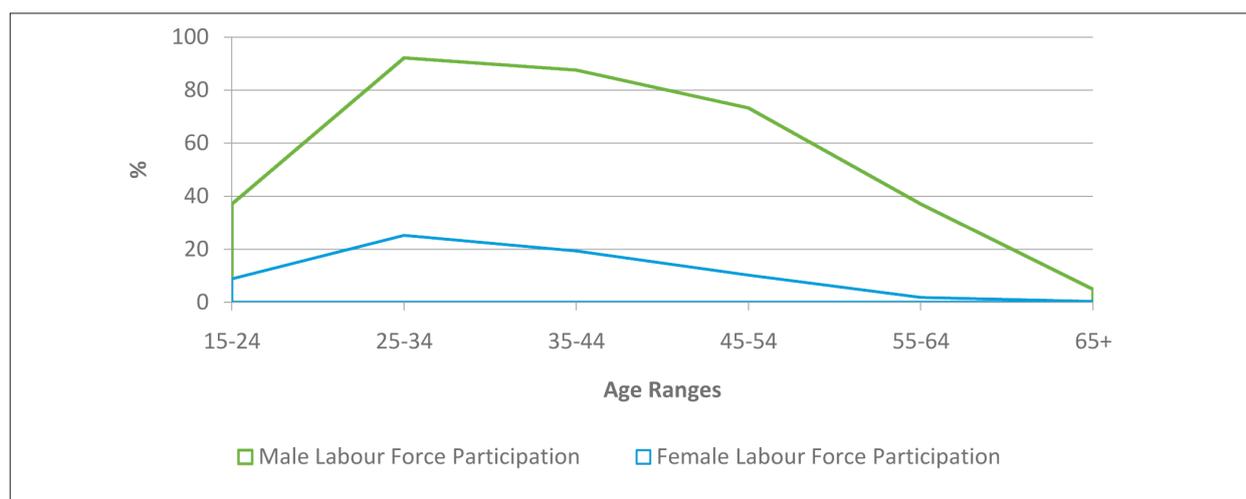
228. The World Bank. (2013). Opening doors. Gender equality and development in the Middle East And North Africa. Available from <https://openknowledge.worldbank.org/bitstream/handle/10986/12552/751810PUB0EPI0020601300Opening0doors.pdf?sequence=1>

229. Jordan's Department of Statistics. Employment in establishments. Year 2000 and later time series. Employees by economic activity, nationality and sex. Available from [http://www.dos.gov.jo/owa-user/owa/employment.emp\\_show\\_t3](http://www.dos.gov.jo/owa-user/owa/employment.emp_show_t3)

230. ILO Jordan Yearly Indicators "Labour Force by sex and age ILO Estimates"

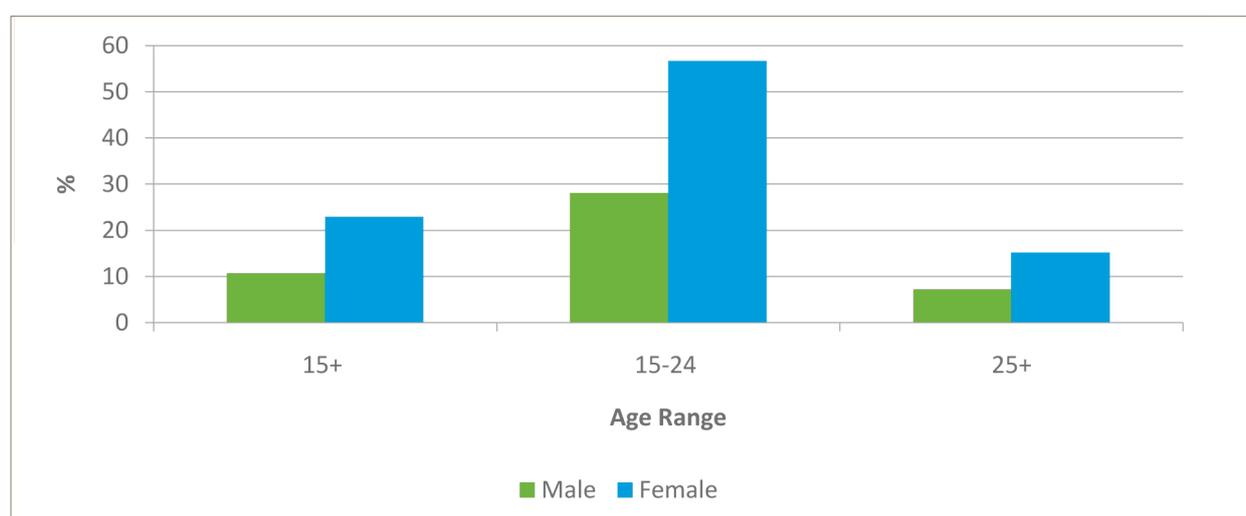
231. Ibid

**Figure 42. Jordan - Labour Force Participation Age Distribution 2015**



Source: International Labour Organization (ILO) 2016

**Figure 43. Jordan - Unemployment by Age 2015**



Source: International Labour Organization (ILO) 2016

Figure 43 above shows unemployment for different age groups in 2015. It is evident that unemployment is disproportionately felt by young people (aged 15-24), especially among young women who have an unemployment rate of 56.7%, almost twice their male counterparts at 28.1%.<sup>232</sup>

It is worth highlighting that women have higher employment tenure in the public sector. A survey conducted among 592 women by the National Council for Family Affairs (NCFA) in Jordan, showed that the rate of female dropouts was 9% for those previously working in the public sector compared to 86% previously employed in the private sector. The main reason for dropouts is attributed to marriage, where a third of the women who dropped out have only been married for a short period of time. Furthermore, 44% of the dropouts' salary was JOD200 (US\$281.1) compared to 30% with a salary range of JOD200-349 (US\$281.1-490.6) per month.<sup>233</sup>

232. ILO Jordan Yearly Indicators "Unemployment by sex, ILO Estimates"

233. NCFA

Nonetheless, low female labour force participation and the structure of women's employment in Jordan is explained in the literature as a combination of structural, institutional and cultural factors. The structural adjustments that Jordan undertook in the 1980s to decrease government spending resulted in privatization and the curtailment of public sector recruitment. This adversely affected women's employment, as most women in Jordan are concentrated in education and health, both of which offer opportunities primarily in the public sector.<sup>234</sup> Additionally, government work is viewed as more 'family-friendly' than the private sector, due to better facilities, more flexible working hours and less gender discrimination.<sup>235</sup> While employment opportunities in the private sector increased, it was not considered an option for most women because of the perception surrounding it as being risky, demanding and inhospitable to women, especially married women.<sup>236</sup> The lack of substantial developed labour-intensive/export-oriented sectors exacerbated the situation, as globally these are the sectors that tend to provide women with employment opportunities.

According to UNDP in 2013, of the women who worked in Jordan, public sector employment accounted for the largest share, at 44%. This was directly followed by formal work in the private sector (30%), informal work in the private sector (17%), self-employment (7%) and workers in the household without pay (3%). As with women, men's largest employer is the public sector (32%) but this is followed by the informal private sector (28%), formal private sector (20%), self-employment (19%) and unpaid household work (1%).<sup>237</sup>

**Table 14:** Jordan - Occupational Distribution of the Labour Force by Sex 2000-2014 (%)

Occupation	Female		Male	
	2000	2014	2000	2014
Legislators, senior officials and managers	2.31	3.61	4.06	4.39
Professionals	29.54	54.63	14.92	20.53
Technicians and associate professionals	27.84	12.27	12.24	9.06
Clerks	19.50	10.46	9.70	7.45
Service workers, shop and market sales workers	5.29	4.84	11.87	15.56
Craft and related trade workers	4.31	1.54	16.28	14.18
Plant and machine operators and assemblers	1.52	7.82	11.26	13.26
Elementary occupations	9.69	4.82	19.66	15.57

Source: Jordan Department of Statistics

Table 14 above shows the difference in occupational distribution between men and women. Women employed as professionals constitute the largest percentage (54.6% in 2014), followed by technicians and associate professionals (12.3% in 2014). Men are more evenly distributed across all categories with professionals dominating at around 20.5% in 2014, followed by elementary occupations at 15.6%. The percentage of women employed

233. Assaad, R. and others (2014), Gender and the Jordanian labour market. The Jordanian Labour Market in the New Millennium, 172

234. Spierings, N. and others (2012), Arab women's employment in a globalized world. A multilevel analysis of changing participation rates and shifting influences in Egypt and Jordan". Institute for Management Research. Available from <http://www.ru.nl/publish/pages/529479/spieringssmitsverloo-workingpaperamman2008.pdf>

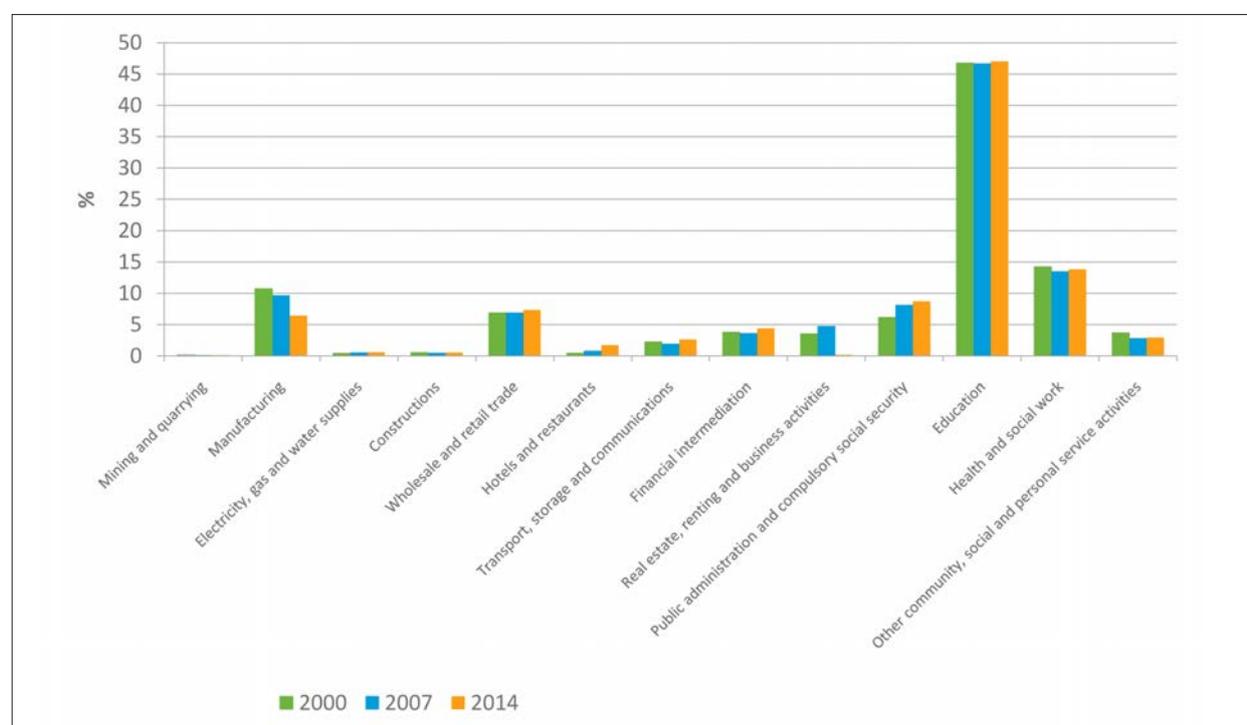
235. Assaad, R. and others (2014), Gender and the Jordanian labour market. The Jordanian Labour Market in the New Millennium, 172

236. Assaad, R. and others (2014), Gender and the Jordanian labour market. The Jordanian Labour Market in the New Millennium, 172

237. UNDP. (2013). The Informal Sector In The Jordanian Economy. Available from <http://www.undp.org/content/dam/jordan/docs/Publications/Gov/The%20Informal%20Sector%20in%20the%20Jordanian%20Economy-jo.pdf>

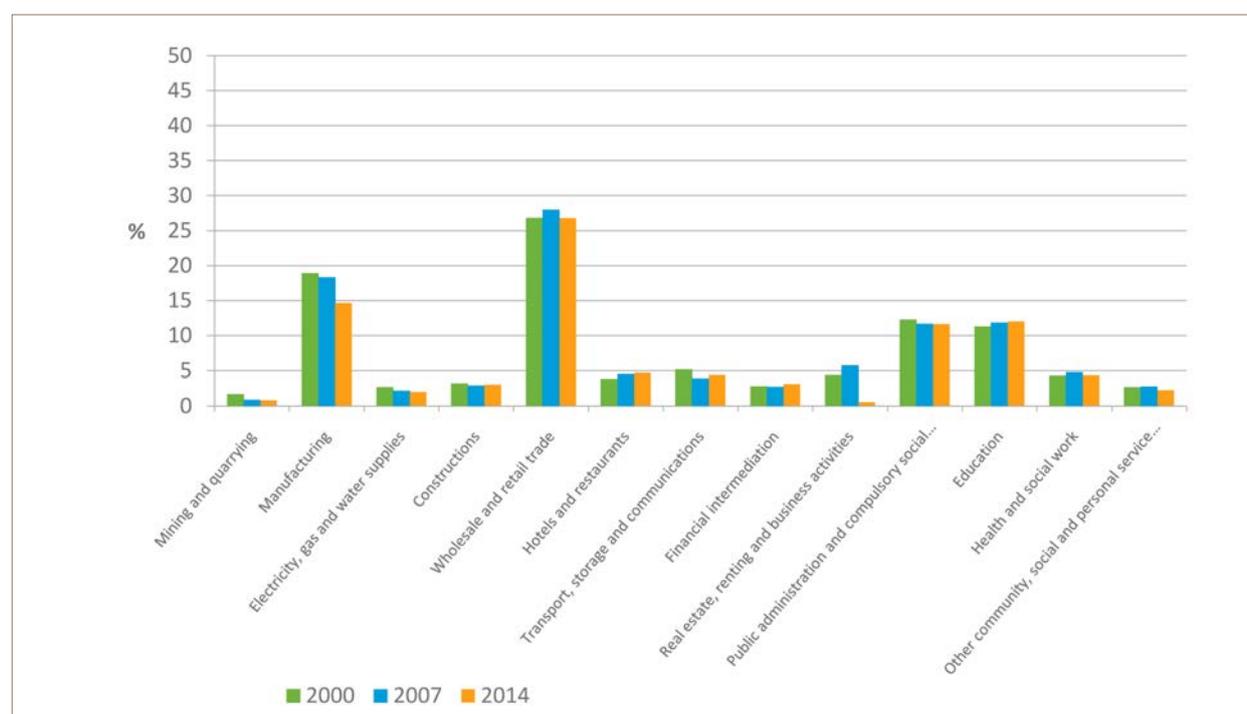
as legislators, senior officials and managers as well as plant and machine operators and assemblers increased between 2000 and 2014, but is still lower than that of men.

**Figure 44.** Jordan - Female Employment Through 2000, 2007 and 2014



Source: Department of Statistics 2016

**Figure 45.** Jordan - Male Employment Across 2000, 2007 and 2014



Source: Department of Statistics 2016<sup>238</sup>

238. Jordan's Department of Statistics. Employment in establishments. Year 2000 and later time series. Employees by economic activity, nationality and sex. Available from [http://www.dos.gov.jo/owa-user/owa/employment.emp\\_show\\_t3](http://www.dos.gov.jo/owa-user/owa/employment.emp_show_t3)

Figures 44 and 45 above show the sectoral division of employment by gender. It is clear that in all three years, men are more evenly distributed across all subsectors, while women are mostly concentrated in two occupations (health and education). The share of male and female employees that each sector takes up did not change across the three years shown; male-dominated fields remain so and the same is true for female-dominated fields.

When the sample is restricted to private employment only, the ranking of highest to lowest share of female employment remains almost the same. However, the distribution of female employment becomes more even, with less weight given to education and more to manufacturing, financial services and information and communication.<sup>239</sup>

Education and health employ the largest number of female employees, accounting for about 60% of all female employment in all three years. These are the only two fields that employ more women than men both as a proportion and in absolute terms. They are followed by public administration (8.8%) and wholesale and retail trade (7.3%). However, these two sectors have a much larger share of male employees than female employees. Sectors that employ a larger proportion of women than men include financial and insurance activities (5% of the total number of women employed) and information and communication. In absolute terms, women make up around a third of employees in each of these two sectors.<sup>240</sup>

Manufacturing employs 6.5% of Jordanian female employees. Looking at the International Standard Industrial Classification (ISIC) division<sup>241</sup> from 2012, the largest numbers of female employees in the manufacturing industry are concentrated in clothing and chemical production (27,000 and 4,500 as of 2012), both of which constitute Jordan's largest exports. Most of the workers in the clothing industry are foreign imported labour (75% as of 2009).<sup>242</sup> Around 6,000 Jordanian women worked in this sector in 2009, constituting 15% of all the workers in the clothing industry.<sup>243</sup> Considering the 4-digit ISIC division<sup>244</sup>, it is clear that pharmaceutical production constitutes the bulk of female employment, in the chemical production industry, accounting for around 5,000 female employees.

In 2011, the gender wage gap in Jordan was 11.7%, calculated as the difference in average monthly earnings of employed men and women. The gender wage gap is larger in the private sector (19.5%) than the public sector (10.2%)<sup>245</sup>. When adjusted for the number of hours worked, the pay gap decreases to half its value in both the private and the public sector. It also varies across sectors; it is smallest in predominantly female fields like health and education and reaches its peak in the manufacturing sector. The gap is not entirely explained by measurable factors, meaning that gender stereotyping and discrimination play a role in creating this wage differential. Finally, the persistence of the wage gap across different sectors and occupations is evidence of the segregation of the Jordanian labour market across vertical lines with women concentrated in lower-paid jobs within organizations.<sup>246</sup>

239. Ibid.

240. Information and communications technology association – Jordan (Intaj) and Ministry of information and communications technology. (2014). ICT & ITES Industry statistics & yearbook. Available from <https://drive.google.com/file/d/0BxPNh0F9jHSoVHo0T015dtkozdlU/view>

241. UNIDO Jordan Stats

242. Awad, T. and A. Ghoneim (2009). Impact of qualified industrial zones on Egypt and Jordan: A critical analysis.

243. Ibid

244. UNIDO Stats

245. UNSTATs. Equal pay for equal work? A look at the pay gap between men and women in Jordan. Available from [http://unstats.un.org/unsd/gender/Mexico\\_Nov2014/Session%202%20Jordan%20paper.pdf](http://unstats.un.org/unsd/gender/Mexico_Nov2014/Session%202%20Jordan%20paper.pdf)

246. ILO (2013). Towards pay equity, A legal review of Jordanian National Legislation. Available from [http://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms\\_215608.pdf](http://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms_215608.pdf)

## Entrepreneurship

Jordanian women have one of the lowest entrepreneurship activity rates worldwide, at 4.5%, compared to 15.8% for their male counterparts.<sup>247</sup> The gender gap in entrepreneurship activity, however, seems to narrow as businesses move to their next phase (from nascent to new), increasing the women-to-men ratio as a business becomes more established.<sup>248</sup> According to a study conducted by USAid in 2014-2015, women in Jordan own 9.1% of micro and small enterprises (MSE).<sup>249</sup> Home-based businesses constitute 5.2% of MSEs, half of which are owned by women. This means that women-owned businesses are 11 times as likely to be home-based as male-owned ones. Eighty per cent of pre-primary and primary education businesses are owned by women, while the percentage is 45%, 35% and 24% for cloth manufacturing, hairdressing/beauty treatment and retail sales respectively. Female-owned businesses are 9.4 times more likely to employ other women than male-owned ones. Finally, profitable MSEs owned by women make JOD210 (US\$281.1) less than those owned by men. This constitutes around half the earnings of men JOD455 (US\$639.6).<sup>250</sup>

When it comes to microbusinesses, women represent 64.2% of the beneficiaries of microfinance, but their share of the total value of micro credits is 41.9%, meaning that loans to men are for larger amounts than those of women.<sup>251</sup> Women also indicated that they prefer to borrow from NGOs rather than banks and financial institutions. However, they express dissatisfaction with NGO programmes because loan amounts are small (ranging between JOD100-500 (US\$140.6-702.8)). This is insufficient to cover the cost of raw materials necessary to start their business, so they either limit their production or seek additional funds elsewhere. This makes it difficult for them to generate enough return on their investment to make the repayments. Other problems that face these women are the lack of marketing opportunities, lack of training in business management, limited distribution of products due to women's restricted movement and the lack of support from families and society. Additionally, goods produced are uncompetitive when compared to those produced by larger companies. Women tend to establish non-risky businesses that are mostly focused either on food production, handicrafts or beauty products. Finally, a study by the Ministry of Planning in 2012 found that 90% of women who take loans do not establish businesses. Instead, they use the money to take care of immediate financial needs like paying university fees or medical bills.<sup>252</sup>

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247. Stevenson, L. and others (2010). Global entrepreneurship monitor: GEM-MENA regional report 2009 (Middle East and North Africa). International Development Research Centre, Cairo, Egypt. Available from [http://eprints.lse.ac.uk/50336/1/\\_\\_Libfile\\_repository\\_Content\\_Tartir,%20A\\_Tartir\\_Global%20\\_Entrepreneurship\\_%20Monitor\\_Tartir\\_Global\\_%20entrepreneurship\\_%20monitor.pdf](http://eprints.lse.ac.uk/50336/1/__Libfile_repository_Content_Tartir,%20A_Tartir_Global%20_Entrepreneurship_%20Monitor_Tartir_Global_%20entrepreneurship_%20monitor.pdf)

248. Ibid.

249. USAID (2016), Survey of micro- and small-enterprises (MSEs) in Jordan. Available from <http://www.jordanlens.org/node/23>

250. Ibid

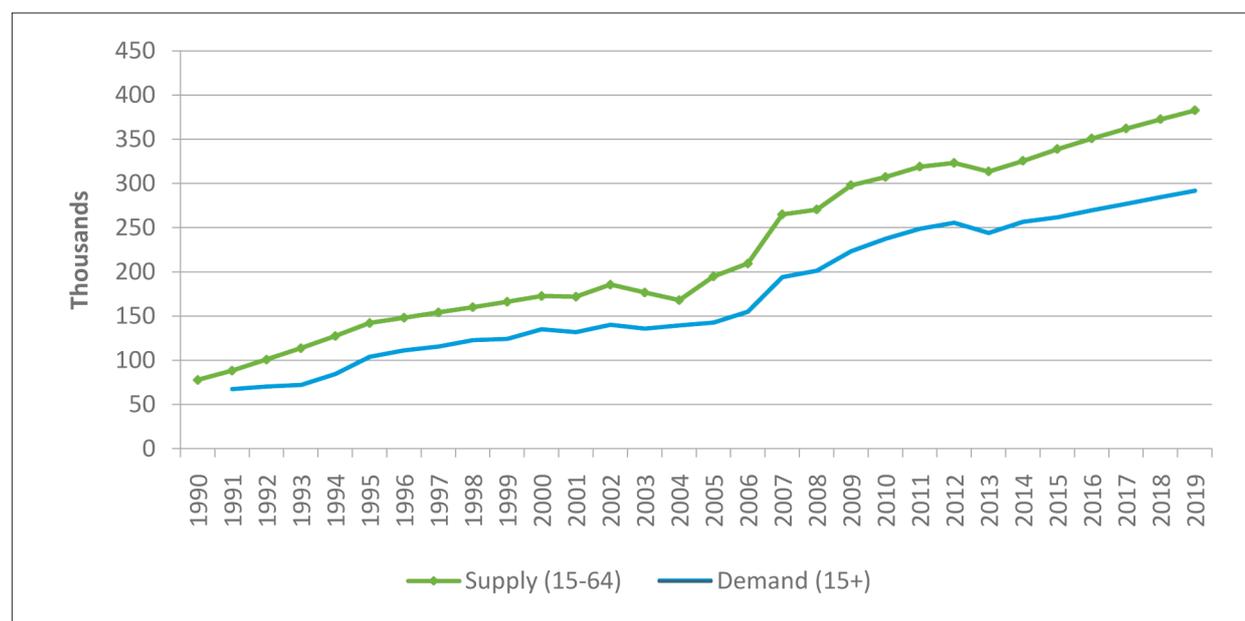
251. European Bank for Reconstruction and Development (EBRD) (2015). Enhancing women's voice, agency and participation in the economy.

252. Suliman, K. (2012). Gender and microfinance sector In Jordan: An analytical study from a gender perspective. Available from <http://www.mop.gov.jo/echobusv3.0/SystemAssets/pdf/reports%20/Gender%20and%20Microfinance%20Sector%202012.pdf>

### 4.5.3 Future Prospects

#### Outlook

Figure 46. Jordan - Supply and Demand for Female Labour 1990-2019



Source: International Labour Organization (ILO) 2016

Figure 46 above shows the predicted gap over time in the supply and demand for female labour in the Jordanian labour market. The surplus of female labour not only translates to higher unemployment but could also result in lower female labour force participation over time as women become discouraged from entering the labour market on observing the shortage in available jobs.

It is clear that women at many levels of the labour market are concentrated in certain segments over others. They are over-represented in the public sector, tend to occupy professional roles and are predominantly concentrated in the health and education sectors. In order to encourage female participation, it is important to understand what factors make these segments desirable for women and, consequently, what steps should be taken to diversify the sectors in which women might want to be employed. Demand-side factors are important as well. It is crucial to understand why employers in certain sectors prefer to hire women, because the curtailment of public sector recruitment means that government jobs may no longer be an option for many women entering the labour market. Additionally, the oversupply of women in occupations like pharmacists and teachers is causing wages in these fields to decrease.

Women seek jobs that are deemed socially acceptable and that are reconcilable with raising children. Therefore, desirable job characteristics include proximity, limited mingling between sexes, flexible working hours, and the availability of day care centres. From the employers' perspective, there are certain costs associated with hiring women. Among these are having to establish a day care centre, pay for maternity leave and the high turnover rate of women that makes it not cost-effective, albeit necessary, to train them on the job. Some

employers, however, do recognize that there are benefits to hiring women, among which are increasing the pool of talent, introducing new expertise and diversifying the workforce.

The concentration of women in education and health is driven by the social perception that women should pursue a career in 'care fields'. Additionally, the ability to reconcile these jobs with childcare duties (long holidays and flexible working hours) make them desirable for women with children. This concentration, however, is problematic, as it is causing a mismatch between demand and supply in the labour market as more women choose to pursue a degree in health and education. For example, according to Jordan's national vision and strategy report for 2025, 35,000 medical/nursing students graduate each year but only 1,300 find employment in the health sector.<sup>253</sup>

The ICT sector is one of the most developed in the region and has been identified as a potential driver for growth because of its labour-intensive nature and its capacity to increase both FDI and exports.<sup>254</sup> This means that this sector has the potential to provide women, especially university graduates, with job opportunities that are deemed desirable because of their professional character and relatively high pay.<sup>255</sup> Encouraging women to pursue an education in this field could decrease the pressure on jobs in education and health as well as covering the shortage of skilled workers in the ICT sector. It is crucial, however, to adapt university programmes to provide the skills necessary for a high-skilled job in the ICT sector as, at the moment, there is a mismatch between the skills that are taught and the skills that are needed.<sup>256</sup> Similarly, the financial sector has plenty of room to develop and diversify and it has the potential to provide educated Jordanian women with desirable employment opportunities.<sup>257</sup>

The clothing industry in Jordan is competitive internationally due to the QIZ agreement that exempted tariffs on these products when exported to the US. Most workers in this sub-sector are foreign workers, predominantly women from Sri Lanka, Bangladesh, India and Nepal.<sup>258</sup> The reliance on foreign labour seems paradoxical given the high unemployment rate and low labour force participation of Jordanian men and women. The clothing industry needs a flexible, efficient and low-cost labour regime in order to meet the requirements of its buyers. For that purpose, the "dormitory labour regime" that relies on foreign labour was adopted. Immigrant workers are less costly to hire than Jordanian workers because they do not have to be paid the minimum wage, they are less protected by labour legislation and are better-trained and more willing to work longer hours.<sup>259</sup> Training for Jordanian female workers is not cost-effective, especially given their high turnover rate. The negative reputation surrounding female factory workers and the perception of bad working conditions in clothing factories play an important role in deterring Jordanian women from seek-

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253. Government of Jordan. Jordan 2025: A national vision and strategy. Available from <http://inform.gov.jo/Portals/0/Report%20PDFs/0.%20General/jo2025part1.pdf>

254. ETF (2011.) Women and work In Jordan. Tourism and ICT sectors: a case study. Available from [http://www.etf.europa.eu/webatt.nsf/0/BE3D52C73C5D0031C12578CC0056B2DA/\\$file/Women%20and%20work%20in%20Jordan%20-%202011\\_EN.pdf](http://www.etf.europa.eu/webatt.nsf/0/BE3D52C73C5D0031C12578CC0056B2DA/$file/Women%20and%20work%20in%20Jordan%20-%202011_EN.pdf)

255. Ibid.

256. UNWomen (2014). Jordanian women in the ICT space. Available from <http://jordan.unwomen.org/~media/field%20office%20jordan/attachments/publications/2014/ict-study-updated.txt-4.pdf>

257. Government of Jordan. Jordan 2025: A national vision and strategy. Available from <http://inform.gov.jo/Portals/0/Report%20PDFs/0.%20General/jo2025part1.pdf>

258. Better Work (2012). Facts and Figures. Available from [http://betterwork.org/jordan/?page\\_id=20](http://betterwork.org/jordan/?page_id=20)

259. Azmeh, S. (2014), Labour in global production networks: workers in the qualifying industrial zones (QIZs) of Egypt and Jordan. *Global Networks*, 14(4), 495-513.

ing work there.<sup>260</sup> More recently, a new trade agreement was established with the EU to grant trade concessions to Jordanian manufacturers who hire Syrian workers in the hope of integrating Syrian refugees into the Jordanian labour market and increasing the flow of FDI to Jordan. So far, however, efforts to hire Syrians in the clothing industry have met with little success; losing access to aid deterred Syrian refugees from seeking employment. Additionally, similar to the case with Jordanian women, conservative cultural factors discouraged families from sending their daughters to work in clothing factories.<sup>261</sup> It is worth noting here that the clothing sector was not mentioned as one of the high-potential growth sectors in the Jordan 2025 development plan.<sup>262</sup>

Another industry worth considering is the pharmaceutical industry. The latter is capital-intensive so it does not provide many job opportunities. It does, however, favour high-skilled, qualified technicians over low skilled workers. Additionally, it has been growing substantially in the past year. This means that this sector has the potential to provide employment opportunities for educated Jordanian women, if university curriculums are adapted to fit the skills needed from the demand-side.

### **Recommendations**

This report has offered a brief description of the Jordanian economy and an account of the labour market outcomes of women in Jordan. It is clear that the Jordanian labour market is highly segmented on gender lines both vertically and horizontally. Therefore, to encourage labour force participation it is crucial not only to provide new desirable job opportunities for women but also to remove the obstacles that women workers face in recruitment, retention and promotion.

The following recommendations can be extracted from the analysis. Firstly, the Government should explore ways to support women with childcare responsibilities, including day care and maternity leave provision. Article 72 should be amended to make it mandatory for all companies to have day care centres, regardless of the number of female employees. Efforts should also be made to ensure compliance with the law. Moreover, actions should be taken to encourage employers, both in the public and private sector, to support women with children, such as raising awareness of the benefits to the business of having day care centres in the workplace. It is also recommended that the Government should look into a new funding mechanism for day care centres and maternity leave.

Another area of improvement would be to create a friendlier working environment for women. This can be achieved by encouraging employers to introduce flexible working hours and providing part-time job opportunities. They should be also encouraged to give equal recruitment/promotion opportunities for men and women, especially for executive and managerial positions. In addition, measures should be taken to establish a better public transportation network or encourage employers to provide safe and reliable transporta-

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260. Better Work. (2012). Employment of Jordanians in the garment industry – challenges and prospects. Available from <http://betterwork.org/jordan/?p=201>

261. DW (2016). EU's refugee deal with Jordan stalls. Available from <http://www.dw.com/en/eus-refugee-deal-with-jordan-stalls/a-19537210>

262. Government of Jordan. Jordan 2025: A national vision and strategy. Available from <http://inform.gov.jo/Portals/0/Report%20PDFs/0.%20General/jo2025part1.pdf>

tion to facilitate the commute to work. To ensure effective implementation of this recommendation, legislation should be enacted against sexual harassment in the workplace. Employers should also put female representatives in place to defend women's rights and create a work environment where there is a clear code of conduct and a better reporting system for cases of harassment and discrimination.

One of the key challenges faced by Jordanian women is social attitudes and pressures. The latter can mainly be tackled by raising awareness. The Government and NGOs should launch campaigns to combat cultural pressures that prevent women from entering the labour market. These campaigns should also target employers' perceptions of what constitutes a suitable job for women. It is also important to work with local leaders to battle the negative perception towards working women, especially in factory work, for example. Additionally, it is necessary to raise awareness of labour rights and complaints mechanisms. For Syrian women in Jordan, in particular, this should also include work permit requirements and application processes.

Updating the education curriculum is also another important tool for improving the level of female employment. The new curriculum should aim to meet the needs of the private sector, especially in terms of vocational training. It should also encourage girls to diversify their educational choices by removing gender stereotyping from textbooks. Finally, it should aim at improving soft skills like communication, confidence and decision making, especially for girls.

Last but not least, collaboration between the Government and the private sector is important in creating diverse opportunities. They should explore a broader variety of options to promote and create more diverse employment opportunities for women that match their qualifications. Additionally, economic incentives for employers to recruit women should be introduced.

## 4.6 Kingdom of Saudi Arabia



### 4.6.1 Economic Background

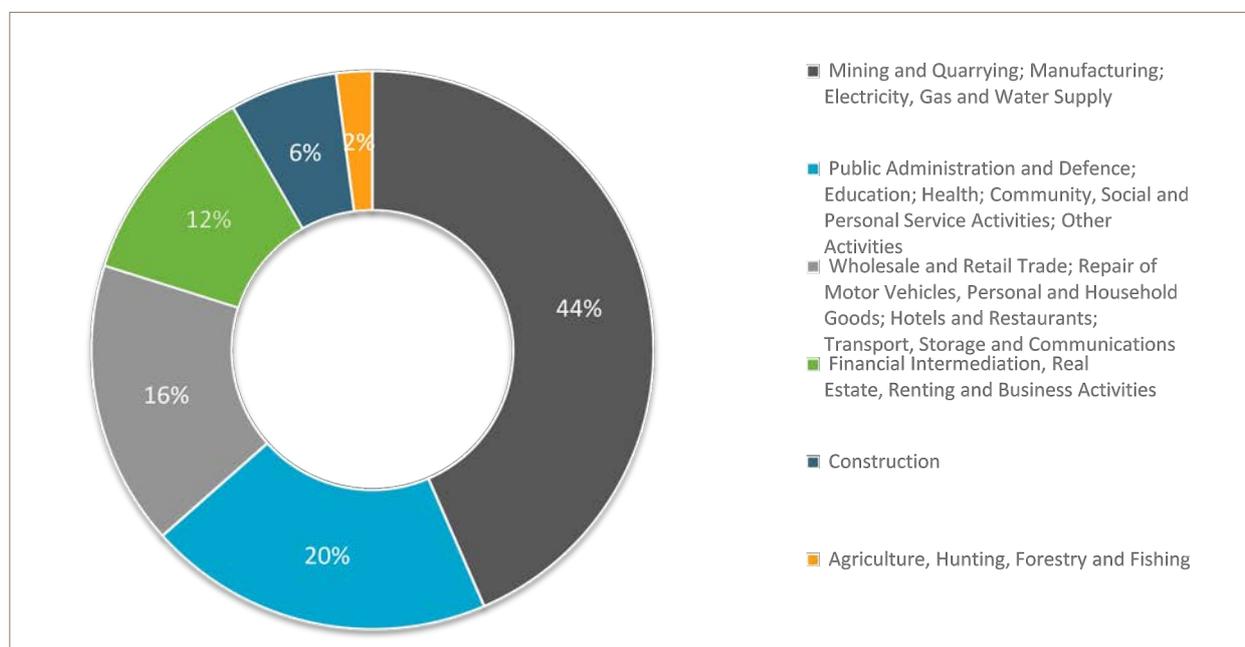
**Table 15: KSA - Key Indicators**

Indicator	Value
Population (thousand) 2016	32,158.0
Female population (thousand) 2016	13,986.3
GDP (US\$ Current, million) 2015	646,001.9
Real GDP growth (%) 2014-2015	3.5%
Inflation (%) 2015	2.2%
Female unemployment (%) 2014	20.2%
Ease of doing business (Rank) 2015	84
Population under 30 (%) 2015	52.9%

Source: Euromonitor International, 2016

The Kingdom of Saudi Arabia (KSA) has an oil-based economy centred on oil exports and controlling the majority of oil production worldwide. The oil sector accelerated the economic growth of the Kingdom until 2014, with the sale of oil accounting for over 90% of fiscal revenues and more than 80% of export revenues.<sup>263</sup>

**Figure 47. KSA - GDP by Gross Value Added (GVA) 2015 (% Share)**



Source: Euromonitor International 2016

While the sale of oil accounts for the majority of fiscal revenues, declining oil prices since

263. Jeddah Chamber (2015). Saudi Arabian fiscal policy and balance of payments report. Available from <http://www.jeg.org.sa/data/modules/contents/uploads/infopdf/2760.pdf>

2014 have meant the Government has had to seek other sources of revenue by diversifying its economy. Saudi Arabia is strategically shifting its economy towards the non-oil private sector to provide support for the Saudi economy. An assessment of the above breakdown of GDP by gross value added for industries indicates that public sector services, various retail services and the financial industry all contribute a significant amount to economic growth. While the non-oil private sector was expected to witness significant growth from 2015 onwards, first quarter results of 2016 showed a contraction of 0.7%, compared to growth of 5.1% for the oil sector.<sup>264</sup>

Currently, the Saudi Government is pursuing the establishment of a US\$2 trillion Public Investment Fund to facilitate the transition away from a reliance on oil revenues. In addition to making 5% of ARAMCO's (KSA's state-owned oil company) shares available for purchase by the public, it also plans to increase the fund's share of foreign investments from 5% in 2016 to 50% by 2020.<sup>265</sup>

In 2016, Saudi Arabia also unveiled its 2030 Economic Vision with new plans to create more employment opportunities for Saudi nationals.<sup>266</sup> Among other things, the Government has proposed several initiatives targeting the integration of women into the labour market. These initiatives include workshops and training programmes as well as an entrepreneurial fund. Additionally, a US\$130 billion package was announced in late 2015 to be invested in non-oil revenue generating sectors across various regions in the Kingdom.<sup>267</sup> This investment plan is promoting sectors such as transportation infrastructure, SME financing and joint ventures in refining, mining and banking.

Saudi nationals are faced with a new employment landscape that does not conform to the country's traditional, social and cultural norms, with a range of fundamental structural changes to the national economic machine. Saudi women have historically faced restricted employment opportunities and were previously only allowed to participate in the education sector. However, Saudi Arabia's Minister of Labour, Mufrej Al-Haqbani, has introduced "guided localization" of the Saudi workforce, underscoring the importance of introducing both men and women into the private sector. One of the many aims of this programme is to reduce the female unemployment rate and improve the female labour force participation rate by 30%.<sup>268</sup>

Given the severe slowdown in GDP growth in the first quarter of 2016, as well as the presence of high local unemployment and an overdependence on foreign labour, the Saudi Arabian Government is facing pressure to increase the participation of locals in the labour market. There is significant growth in Saudi Arabia's economic need for women to enter the workplace.

Accordingly, the Ministry of Labour will work on a sectoral planning initiative in coordination

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264. Reuters (2016). Saudi first-quarter economic growth slowest in three years, may near zero this year. Available from <http://www.reuters.com/article/us-saudi-gdp-idUSKCN0ZJ07N>

265. Bloomberg (2016). Saudi Arabia plans \$2 trillion megafund for post-oil era: Deputy Crown Prince. Available from <http://www.bloomberg.com/news/articles/2016-04-01/saudi-arabia-plans-2-trillion-megafund-to-dwarf-all-its-rivals>

266. Saudi Vision (2016). Available from <http://vision2030.gov.sa/en>

267. Financial Times (2015). Available from <https://www.ft.com/content/812dbda2-509b-11e5-b029-b9d50a74fd14>

268. Ministry of Labour and Social Development (2016). Available from [https://portal.mol.gov.sa/en/News/news\\_50-\(4\)](https://portal.mol.gov.sa/en/News/news_50-(4))

with targeted sectors as part of the Saudization programme. The objective is the phased replacement of foreigners with Saudis in highly-skilled and semi-skilled jobs in the private sector.<sup>269</sup> Additionally, regional intervention aims at strengthening work with provincial governments to support the Saudization programme within each province, in accordance with the types of activities in those regions and the support of the local emirs. One of the projected aims of these interventions is to increase women's economic contribution in various regions.

## 4.6.2 Women in the Economy

### Legislative Framework

Regulatory restrictions on female employment have further exacerbated the gender gap in employment. Women are permitted to work, but are restricted from working in certain fields and are prohibited from working in hazardous jobs or industries, as set out in a list issued by the Ministry of Labour. In addition, women must work separately from any male employees (i.e. in partitioned offices) and must have separate facilities. There are particular regulations with regard to women working in certain sectors (e.g. factories, retail and kitchens). Furthermore, an important barrier to participation is that Saudi women need to be accompanied by a male chaperone and are restricted from certain interactions with men. There are efforts to overcome these segregation laws. Glowork, a women-only employment website, for example, is trying to help bypass the segregation rules by matching jobseekers with employers online.<sup>270</sup> These rules still, however, permeate the Saudi work environment.

The Government has introduced amendments to the Labour Code to encourage employers to hire female employees. In Saudi Arabia, women can hold administrative positions within organizations operating in sectors such as mining and quarries, sewage, construction work or renovation. .

However, it is also notable that, amongst the new fines introduced in October 2015 to support enforcement of the amended Saudi Labour Code, there is a fine applicable to female employees individually for not wearing a headscarf in the workplace as appropriate. This new fine can be analysed as an acknowledgement that, in certain roles or environments, there may be greater interface between female employees and the public - for example, at checkout counters in supermarkets. Another key amendment is to bring the leave entitlement for a Muslim female employee whose husband passes away in line with the Islamic requirement. Muslim female employees are now entitled to the prescribed period of "Iddah" of four months and ten days from the date of their husband's death, to comply with Sharia Law.

### Education and Vocational Training Overview

The relatively low proportion of the female population with lower-secondary (14.8%) and upper-secondary (21.2%) education in 2013 is probably the result of social pressures on women to fulfil a traditional role within the family.<sup>271</sup> However recent data shows a significant increase

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269. <http://english.alarabiya.net/en/business/economy/2016/03/08/Saudi-Arabia-s-labor-ministry-unveils-Guided-Localisation-program.html>

270. Financial Times (2016). Available from <http://www.ft.com/cms/s/0/12fac18e-e160-11e1-839a-00144feab49a.html#axzz4JUkt4Q4P>

in the ratio of women with higher education, which stood at 39.9%. Additionally, according to Ministry of Education statistics, women accounted for 49.6% of higher education graduates in 2015, with a similar 49.1%<sup>272</sup> of currently enrolled students being female.<sup>273</sup> This is set to further boost the female labour force participation rate set out in the Saudi Economic Vision 2030.

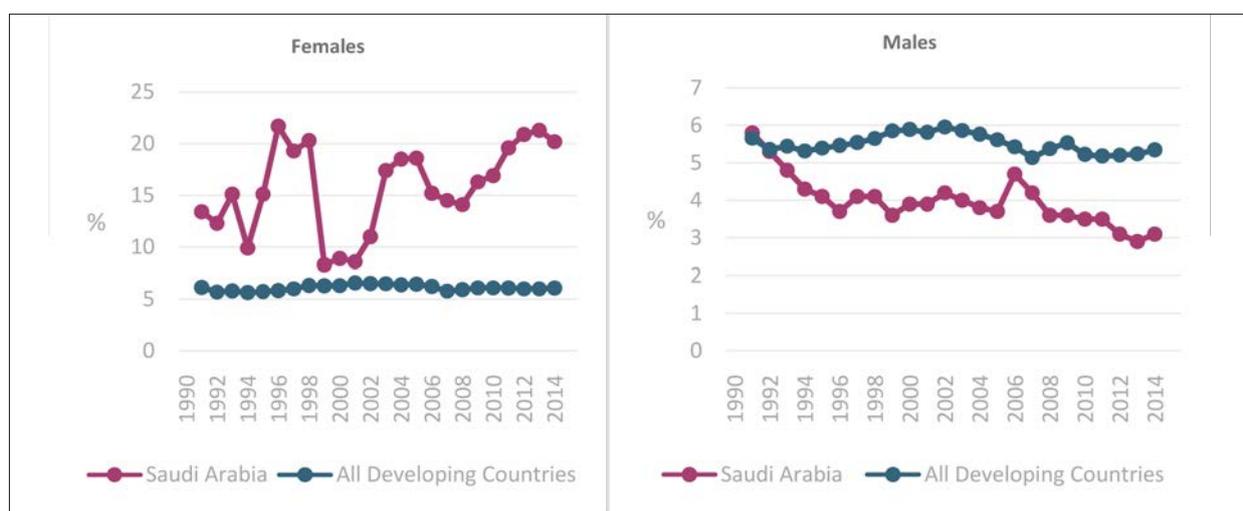
Saudi authorities have focused a significant degree of attention on the promotion of education. According to the Ministry of Finance, government appropriations for education increased to US\$49.8 billion in 2016, with an additional US\$8.7 billion allocated to various education projects.<sup>274</sup> This translated into direct results for female graduates: according to the Ministry of Higher Education, approximately one fifth of scholarships in 2010 went to female recipients.<sup>275</sup> The government’s commitment to women’s education is further highlighted by the Princess Nourah bint Abdulrahman University, the largest university for women in the world.

In addition to academic training, there is an increased focus on vocational training for Saudi nationals, to encourage the incorporation of Saudis into the workforce at all levels. Employers can benefit from subsidies offered for employing Saudi students undertaking vocational training. While this is not particularly targeted at women, the goal of increasing the female labour force participation rate to 30.0% may well be linked to gender specific training programmes.

Unfortunately, despite these efforts, female unemployment remains high while female participation in the labour force remains relatively low (at around 22.0%). A significant improvement in the outlook for women’s participation in the economy will require numerous adjustments to the structural foundations of the socio-economic environment.

## Economic Participation

**Figure 48.** KSA - Unemployment Rate (Female and Male as % of Labour Force)



Source: International Labour Organization 2016

271. KNOEMA (2015). World Bank Gender Statistics, July 2015. Saudi Arabia. Available from <https://knoema.com/WBGS2015Apr/world-bank-gender-statistics-july-2015?country=1001660-saudi-arabia272> There were 91,874 female graduates out of a total of 185,122 in 2015.

273. General Authority of Statistics (2016). Available from <http://www.cdsi.gov.sa/en/3218>

274. <http://www.cdsi.gov.sa/en/3179>

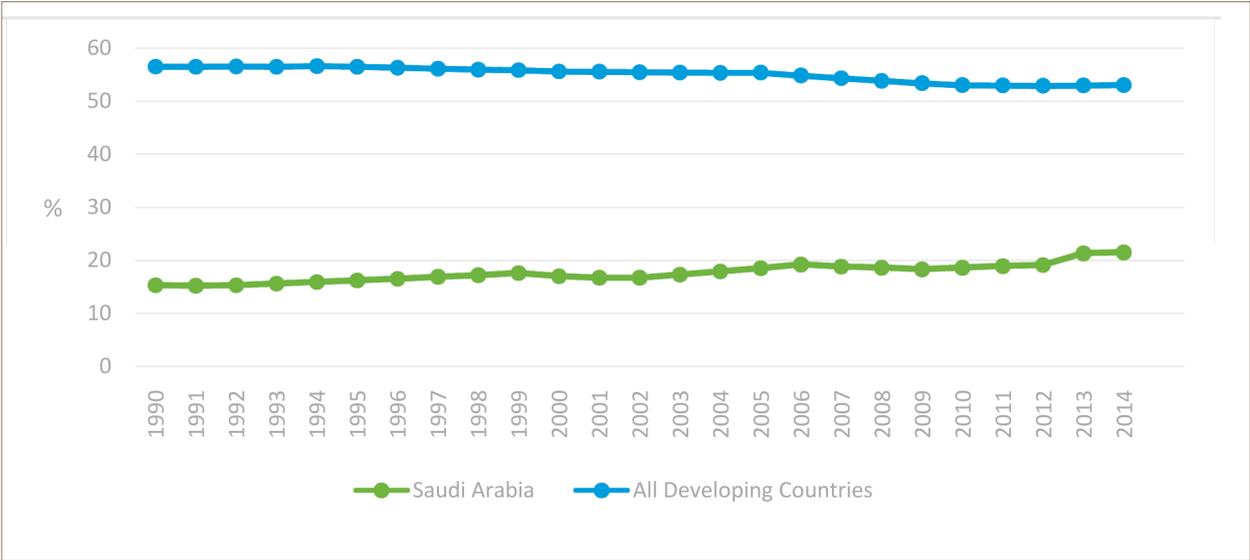
275. <https://www.mohe.gov.sa/en/docs/Doc1/VDMP1030.pdf>

Figure 48 above shows unemployment rates for both males and females in Saudi Arabia. By comparison with all developing countries, the unemployment rate of Saudi females is nearly four times as high. When compared with the male unemployment rate, the disparity is stark: not only is the male unemployment rate below that of developing countries, it has also been decreasing historically, which is the opposite trend to that of the female unemployment rate.

According to the above data, female unemployment reached a high point of 21.7% in 1996, indicating a particularly dire situation for that sub-segment of the workforce. There has been a constant increase in female unemployment since 2007, widening the employment gender gap significantly to reach 20.2% in 2014. The effect is that women have made only a small contribution to the Saudi national economy. However, despite fluctuations over the past two decades, there has been a gradual increase in the ratio of female to male labour force participation since 2008.

According to ILO data (Figure 49), in 1990, only 15.3% of Saudi women participated in the labour force. Since then, there has been a continual, if gradual, upward trend and in 2014 the average reached 21.5%. This is in stark contrast to men’s contribution to the Saudi economy, which has increased from 74.8% in the 1990s to 79.9% in 2014.

**Figure 49.** KSA - Labour Force Participation Rate, Female (% of Female Population Aged 15-64)



Source: International Labour Organization 2016

Nonetheless, the gender gap, between female to male participation in the labour market was 26.0% in 2014, placing the country in the bottom ten globally for this indicator. Women’s career choices are restricted by strict regulations regarding female employment. These rules governing women’s behaviour have a direct impact on leading sectors that can employ women in accordance with the prevailing societal rules.

Women’s employment varies immensely across the various regions of Saudi Arabia. Women are traditionally present across all levels of education, with the female labour force participation rate high in some regions. In addition, a recent 2014 statistical report issued by

the Ministry of Civil Service highlighted the increased share of government positions held by women, at 34.5%.<sup>276</sup>

While women have traditionally been employed as teachers and in government positions, a sectoral breakdown of women in employment shows that there has been recent diversification from the traditional education sector towards private sector businesses. In a country characterized by wide gender disparities, families often disapprove of female education or public exposure to male strangers. While traditional public sector employment and education sectors remain significant, the Government's introduction of targeted private sector employment will boost new professions for women. Saudization plans have been developed across sectors with the aim of developing female workers' leadership and technical skills. There are indications that Saudi women are gradually starting to enter the new professions that are now available for them. These include telecommunications and information technology and e-commerce. However, contrary to other developing markets, women do not participate in fishing and agriculture, as these sectors are labour intensive and require interaction with male workers.

A leading sector, such as the telecommunications field, offers new opportunities for women while keeping a traditional segregated workspace. For example, a women-only telecommunications centre was recently opened in Riyadh. According to the Saudi Ministry of Labour, approximately 27,983 Saudi males and females have been trained in the telecommunications field, and, in particular, in customer service, salesmanship and basic maintenance.<sup>277</sup> Another sector that is being pushed to accommodate Saudi nationals is retail, specifically clothing, beauty and personal care. In 2012, the Saudi Government made lingerie shops an exclusively female domain to be staffed by Saudi women. This is a landmark social shift in a conservative society where clothes shops used to be staffed entirely by men.<sup>278</sup> In addition, Saudi women are now permitted to work in pharmaceuticals, retail and hospitality. In 2013, the first law practice certificates were granted to Saudi female lawyers. This is a significant milestone in the gradual relaxation of the barriers to women's employment. The lifting of government restrictions on women's employment in various sectors suggests a drastic change, as this means that women are gaining support from the Government. This presents a new widespread reality for Saudi women, most of whom have not been exposed to previous work experience and are limited to certain societal interactions. However, women still need to conform to traditional family, societal and cultural norms.

### **Entrepreneurship**

While the Government is opening new employment doors for women outside the home, women's mobility is expected to remain a crucial limitation to their workforce participation. Entrepreneurship initiatives offer flexible mobility for women to work from within or outside the home. In 2003, 2.7% of Saudi women were self-employed. According to the Global Entrepreneurship Monitor, there was one female entrepreneur for every ten male entre-

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276. Arab News (2014). Women account for 38% of all government employees. Available from <http://www.arabnews.com/news/516041>

277. Saudi Gazette (2016). Women-only telecom centre a move to boost Saudization. Available from <http://saudigazette.com.sa/saudi-arabia/women-telecom-center-move-boost-saudisation/>

278. Evosys (2015). Gap between education system and labour market in Saudi Arabia. Available from <http://www.evosys.biz/finalversion.pdf>

preneurs in 2009. However, dynamic female entrepreneurship in Saudi Arabia is changing the business landscape.

In addition to fashion start-ups, there is a growing trend in Saudi Arabia whereby many women are establishing and managing small and medium-sized entities in the fields of fashion and beauty and personal care. Many women are faced with challenges, such as provision of resources, administrative procedures that require male representation in the establishment and financing of female entrepreneurship. Thanks to the current government provision of training and mentoring, and provision of entrepreneurial funds, women's entrepreneurship initiatives are allowing women more freedom and flexibility to set up their own businesses.

Although the number of Saudi female entrepreneurs is relatively small, there has been an increase in female designers setting up businesses in jewellery, fashion and interior design. Given Saudi Arabia's dynamic younger population, social norms are being flexed with exemplary events such as Saudi Design Week. Organized by Noura Bouzo, the Saudi co-founder of *Oasis* magazine, the event brings entrepreneurs from the fashion industry together to exhibit their designs.<sup>279</sup> Men and women, the latter not all necessarily veiled according to traditional Saudi norms, congregate at this event, demonstrating the potency of Saudi Arabia's niche yet burgeoning entrepreneurial scene. These initiatives have allowed some women to register their businesses themselves without the traditional challenge of needing a male guardian or lack of access to funds. In some cases, this has had a direct impact on traditional marriage dynamics, where male spouses come to see the financial benefits of female employment.

Besides the social implications, the allure of entrepreneurship has become increasingly appealing to women. According to a 2011 study published in the *International Journal of Gender and Entrepreneurship*, 81.3% of the sample of women studied spoke of being "drawn" into entrepreneurship due to flexible working hours, a desire for independence and utilizing special skills, among other factors.<sup>280</sup> This is compared to 18.7% who were "pushed" into the entrepreneurial role. Additionally, the respondents in the study also ranked a lack of access to capital and a subsequent lack of respect within the community as the top challenges to starting a business as a woman in Saudi Arabia. The former is being mitigated by the Saudi Government: in 2016, it announced a US\$1.1 billion fund for SME growth as part of its diversification efforts.<sup>281</sup> Changing community attitudes, however, will require a gradual amelioration of acceptance of women integrating into the economy.

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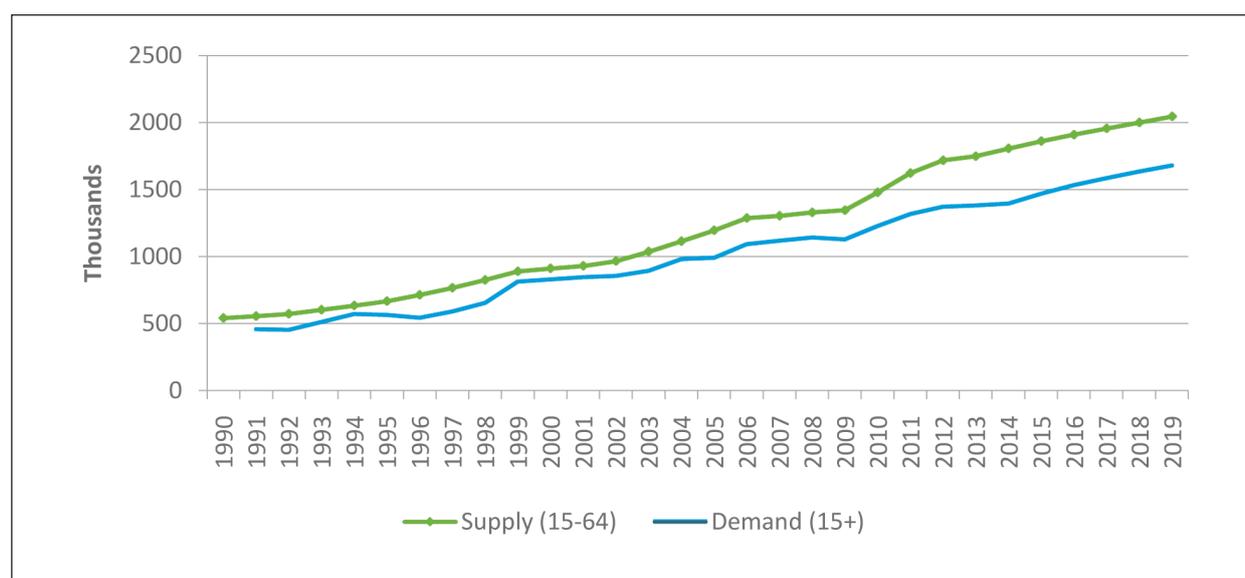
279. Fast Company (2015). How Princess Reema is opening doors for women in Saudi Arabia. Available from <https://www.fastcompany.com/3048624/driven>

280. Emerald Insight. Evidence of the characteristics of women entrepreneurs in the Kingdom of Saudi Arabia: An empirical investigation. Available from <http://www.emeraldinsight.com/doi/abs/10.1108/17566261111140206> (PDF available on server)

281. Meed (2016). Saudi Arabia plans \$1.1bn fund for SME growth. Available from <https://www.meed.com/sectors/economy/saudi-arabia-plans-11bn-fund-for-sme-growth/5006732.article?blocktitle=Latest&contentID=24667>

### 6.4.3 Future Prospects

**Figure 50.** KSA - Supply and Demand for Female Labour 1990-2019



*Source:* International Labour Organization 2016

#### **Outlook**

The incremental increase in demand for women in the Saudi labour market highlights the importance of establishing gender equality provisions in employment. In 2012, more sectors were increasingly open to women, as the Ministry of Labour reserved certain jobs in the retail sector, such as women's clothes and beauty, for women only. Changes in women's presence in the workforce are driven by increases in the sizes of the sectors across various regions and this will narrow the gender employment gap as demand grows.

As the non-oil sector becomes the main driver of the Saudi economy, the retention of women in leading sectors requires a harmonized approach to work and work-life balance policies. The expansion of targeted sectors (public sector, education, retail, telecommunications and beauty and personal care) will positively influence the inclusion of women in the workforce. Based on current projections, further increases in the employment share of women in these leading sectors will be of great significance to female employment at national level. The development of training and skills initiatives will promote female contributions to a knowledge-based economy.

The introduction of government initiatives will enhance women's access to these sectors through the creation of education programmes, training and workshops, including vocational guidance and placement services. These initiatives aim to equip women with leadership, communication and management skills in line with the Saudi Vision 2030.

The new Saudization system is inherent in its Vision 2030 and attempts to lessen the Government's concern over the growing unemployment rate in the country. The introduction of the Mawzoon or Nitaqat system, which comes into effect on 11 December, 2016, targets qualitative factors in employment to improve the competitive edge of Saudi nationals as well as equip female workers with qualitative skills allowing them to ensure greater job stability.

The Government has highlighted the importance of the new ‘Balanced Nitaqat’ programme, which will supplement the Saudization programme. Furthermore, the new Ministry of Civil Service employment strategy will ensure that Saudi women have access to senior executive positions in Government.

The Government has addressed the option of remote working with both employers and employees. The Human Resources Development Fund created funds for training and reimbursement of salary costs to assist employers offering remote working for women. This is expected to provide stability for both employers and employees.<sup>282</sup>

Gender inequality in education in Saudi Arabia has not yet been eliminated, with male students dominating most of the science and law subjects. Educational initiatives will prove to be the key to increasing women’s productivity across the sectors newly open to them. Universities have expanded the areas of study available to female students, to include law and architecture.

Matching skills to the labour market is an essential component of promoting the employment of Saudi nationals. For example, a research initiative called “Aafaq” or Horizons is managed by King Fahd University of Petroleum and Minerals. This initiative is intended to improve higher education opportunities for women in the region, including in the fields of law and engineering.

Another factor impacting women’s access to employment is the length of maternity leave. Under the amended Labour Code, female employees are now entitled to maternity leave with full pay for ten weeks (regardless of length of service), compared to four weeks prior to the amendments. Further, if the new born infant is ill or has special needs, the mother is entitled to an additional month of fully paid leave commencing after expiration of the core maternity leave period. This comes in an effort to encourage the retention of a higher number of women at work. The recent amendment to the maternity leave policy will present female employees with more options and lead to a decrease in female unemployment rates.

The Ministry of Labour has also recognized the importance of increasing women’s awareness of their right to work across the Kingdom. Workshops have been held in key centres to address the issue. For example, a workshop on the introduction of entrepreneurship education in vocational training was held in Riyadh in 2012 and attended by participants from 13 regions. Many such initiatives are now being established to provide assistance and guidance to female entrepreneurs. Hadafi is one such programme, which aims to empower women in Saudi Arabia and the Arab region.

## **Recommendations**

In order for Saudi Arabia to promote women’s employment, wider macro issues need to be addressed. Employment policies incorporating gender sensitive employment and work-life balance are required. In that respect, the introduction of flexi-time and part-time employment is integral.

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282. Saudi Gazette (2016). Remote job programme to generate 200,000 opportunities. <http://saudigazette.com.sa/saudi-arabia/remote-job-program-to-generate-200000-opportunities/>

Economic necessities have changed the traditional employment sectors for women, which were until recently focused on the public sector and education. While the Government is facilitating employment opportunities for women in different fields, primarily retailing, private sector companies face strict social segregation requirements with respect to facilities and infrastructure. Currently, the leading sectors that can accommodate the Government's efforts as well as social restrictions are telecommunications, information technology and retail business.

The Government is also introducing access to remote work programmes, such as Hadafi, across private sector industries within telecommunications, education and finance. This type of work adds another important dimension to formal, informal and entrepreneurial work. The facilitation of remote working will encourage women to enter various fields that were otherwise seen as a challenge due to restricted mobility and segregation requirements. The Ministry of Labour has identified this as an area for improvement, but further structural regulations could ensure the stability of remote working for women.

## 7.4 Kuwait

### 7.4.1 Economic Background



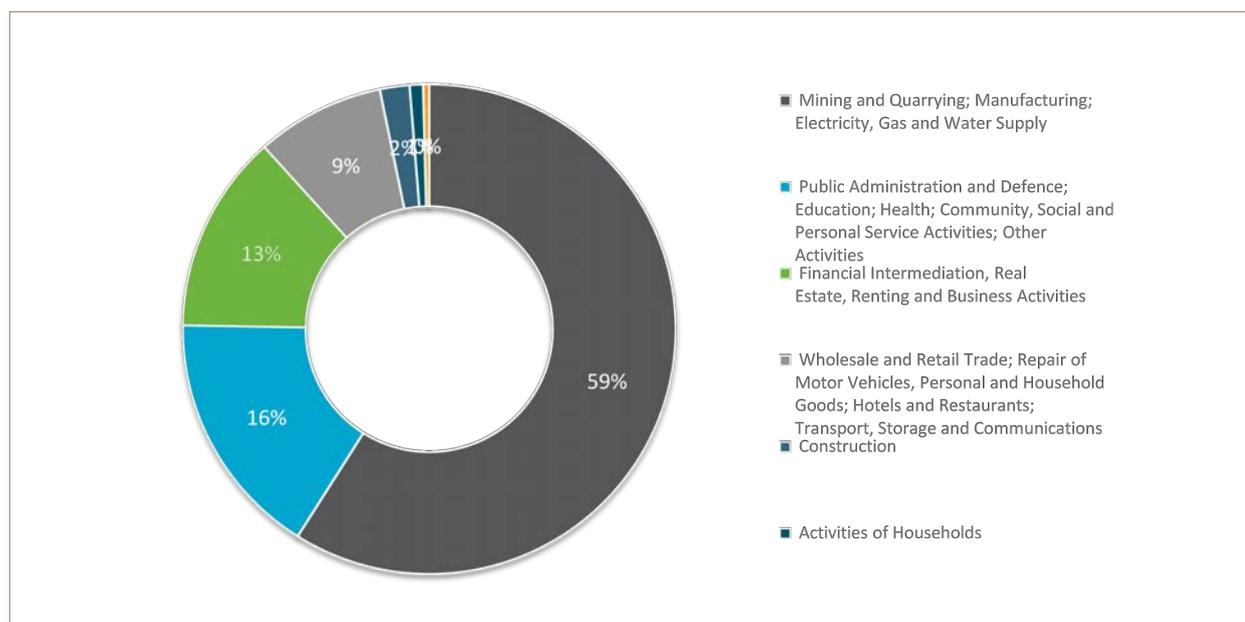
**Table 16:** Kuwait - Key Indicators

Indicator	Value
Population (thousand) 2016	4,201.1
Female population (thousand) 2016	1,652.9
GDP (US\$ Current, million) 2015	114,118.3
Real GDP growth (%) 2014-2015	0.9%
Inflation (%) 2015	3.3%
Female unemployment (%) 2014	2.4%
Ease of doing business (Rank) 2015	100
Population under 30 (%) 2015	48.4%

Source: Euromonitor International 2016

Kuwait is the third wealthiest economy in the GCC and has secured a strong macroeconomic position. The country is heavily reliant on oil revenues and state subsidies. The economy has witnessed several recessions in the past few years due to the fall in oil prices and capital investment. This has resulted in a significant decline in government spending and investment. However, the country recovered and maintains one of the highest GDP per capita ratios globally. Additional market challenges, including the economic crisis in 2008, led to the dissolution of several Kuwaiti investment companies. These developments have had a negative impact on government activity, which makes up 75% of the country's GDP, significantly limiting potential diversification into infrastructure projects.

**Figure 51.** Kuwait - GDP by Gross Value Added (GVA) 2015 (% Share)

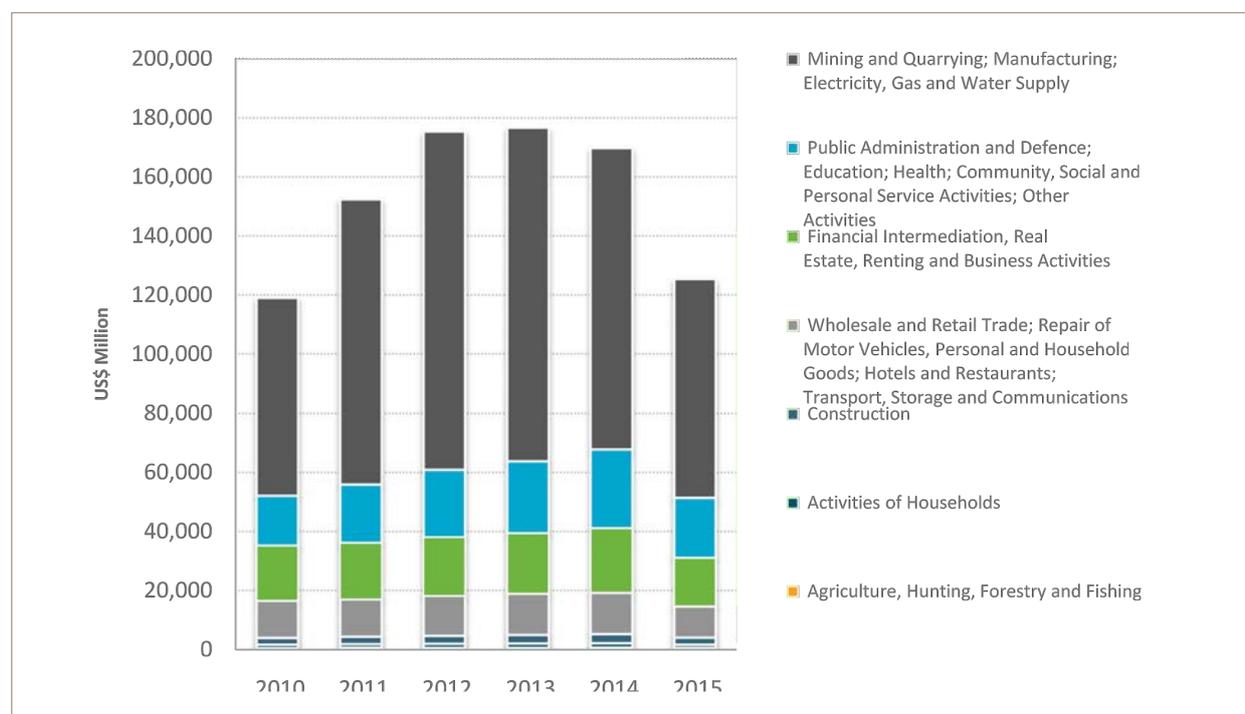


Source: Euromonitor International 2016

Traditionally, the oil and energy sector provided nearly 95.0% of total export earnings, constituting over half of the country's GDP GVA at 59.0%. Despite the fall in oil prices, the Government's investment in infrastructure will see real GDP growth reach 2.8% by 2020. The pace of implementation of infrastructure projects is critical to Kuwait's current medium-term economic outlook. Real growth in the non-oil sector is expected to rise by 4.0%. The main driver behind non-oil economic growth is the Government's divergence into infrastructure and services. Within the non-oil sector, projects averaged growth of approximately 4.0% in 2015 and are expected to continue that growth in 2016. After 2016, this growth is expected to accelerate, up to 6.0%.

In addition to the non-oil sectors, the use of public-private partnerships (PPPs) have reduced the financial burden on the State and limited growth in government spending and the public sector.<sup>283</sup> Although total spending is being reduced, salaries and capital investment are still rising. PPPs have thus become one of the main drivers to support infrastructure and investment to boost the economy.<sup>284</sup> Kuwait has developed one of the most significant pipelines of PPP projects in the Middle East. It is estimated that these projects will benefit from over US\$ 25 billion worth of funding.<sup>285</sup> The Kuwaiti Government is utilizing PPPs in order to maintain positive trends in investment and business. The need for economic diversification is evident from Figure 52 below, where energy resource revenues declined significantly between 2014 and 2015, emphasizing the need for further avenues of growth for the economy.

**Figure 52.** Kuwait - GDP by GVA Sectors 2010 - 2015 (Current Prices, Fixed 2015 Exchange Rates)



Source: Euromonitor International 2016

283. PwC (2015). Kuwaiti public private partnership law from tax and legal services Middle East. Available from <https://www.pwc.com/m1/en/tax/documents/kuwait-public-private-partnership-law.pdf>

284. According to international consultancy Ventures Onsite, the groundwork for this goal has already been laid with the introduction of the new PPP Law in 2014.

285. Second Annual PPP Investment Summit Kuwait. Accessing investment and finance opportunities in Kuwait. <http://www.pppkuwait.com>

Furthermore, Kuwait's economy is strongly influenced by the development of the Kuwait Vision 2035. The national vision sets out an economic development plan to transform and grow the country's GDP, covering the private sector, human development, social development and government efficiency.<sup>286</sup> The Kuwait private sector is saturated due to the high number of expatriates present in various industries. To that extent, in 2015, the Kuwaiti Government approved the implementation of a US\$ 117.7 billion strategy. This new plan is a two-pronged strategy targeting economic reforms in the private sector and the implementation of ambitious projects over a five-year period. In order to encourage and incentivize investment and national employment, this new plan seeks to remedy the shortcomings of the previous National Development Plan 2010-2014. Kuwait has undergone a gradual change, developing projects in specific industries such as infrastructure, housing, and utilities.

Investment projects, such as the development of Magenta Al Harrier<sup>287</sup> and the creation of tourist attractions at Failaka Island, are supporting the gradual expansion of the private sector. The main sectors identified in the development plan are power, water, waste water treatment, housing and transportation. The targeted sectors are expected to boost real GDP growth by almost 2%. Moreover, the expansion of partnerships with multinational companies is expected to increase.

#### 4.7.2 Women in the Economy

##### Legislative Framework

The Government's employment strategy for the restructuring of employment of Kuwaiti nationals emphasizes an overhaul of the traditional socio-economic model of Kuwait's economy. The main objectives of Kuwaitization are to lessen dependency on foreign and expatriate labour and integrate Kuwaiti nationals into the private sector. Previous Kuwaitization strategies have not yet yielded the anticipated results or the projected increase in the number of Kuwaiti nationals working in the private sector, particularly women. In an effort to increase the presence of nationals in the private sector, Kuwaitization percentages have been focused on large-scale companies. Recent developments saw companies in leading sectors introducing tailored recruitment strategies to attract and retain employees, in particular women.

Additionally, recent legislation has helped to pave the way to further incorporating women into the workforce. For example, in 2012, the Administrative Court abolished a decree that prohibited women from applying for employment in the Ministry of Justice.<sup>288</sup> Additionally, in 2013, the Supreme Judiciary Council issued a ruling that gave women the right to apply to be judges and prosecuting attorneys.

The Kuwait Labour Act has specific articles on women's labour rights. These provisions

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286. Al Diwan Al Amiri - State of Kuwait. (Vision of His Highness the Amir. Available from [http://www.da.gov.kw/eng/festival/vision\\_his\\_highness.php](http://www.da.gov.kw/eng/festival/vision_his_highness.php))

287. Commonly known as Silk City

288. Kuwait Times (2014, August 14). The evolution of women's legal rights in Kuwait. Available from <http://news.kuwaittimes.net/evolution-womens-legal-rights-kuwait/>

stipulate that both sexes receive equal pay for the same type of job. Under labour law, women are not allowed to work night shifts (10.00pm to 7.00am, except in hospitals, private care homes, or any establishment officially authorized by a resolution of the Minister of Social Affairs and Labour). In this case, employers are obliged to offer security measures and provide transport services for female employees. The law also clearly states that women must not undertake any harmful, hazardous or immoral jobs. The industrial sector, for example, is among the sectors where it is legally forbidden for women to assume employment. Other employment restrictions faced by women include obtaining their husband's approval before taking a job, and his right to prohibit his wife from working if he considers her job to be a distraction from her family responsibilities.<sup>289</sup>

Regarding the benefits female employees receive, women are entitled to 70 days maternity leave and can receive, upon request, extended unpaid leave for a maximum period of four months. Employers are not allowed to terminate their contract during such leave. Furthermore, working mothers can have a two-hour break (during working hours) for breastfeeding. The provision of childcare facilities for children below the age of four is the responsibility of the employer. These facilities must be provided if the total number of employees exceeds 200 or the number of female employees exceeds 50.<sup>290</sup>

Nevertheless, while women are well represented in the public sector, the State provides family subsidies to husbands only; wives are not considered.

### **Education and Vocational Training Overview**

Educational attainment for women in Kuwait has been a strategic priority in developing a national knowledge economy. Women in Kuwait have consistently been at the forefront of educational development at secondary and tertiary level. The net enrolment rate for females across all educational levels (primary, intermediate and secondary) is higher than males across the board for 2014, where the largest difference between both sexes is at the secondary level.

However, the challenge lies in the social barriers. The conservative nature of Kuwaiti society is an impediment to women's employment opportunities, despite some small improvements. Males may have lower enrolment rates because they can find jobs with their secondary education certificate and vocational qualifications, well below the tertiary education level attained by women. Men may subsequently rely on career progression to receive higher salaries. Meanwhile, women rely on obtaining tertiary degrees to pave the way to low-paid entry-level jobs, because employers also expect women to retire earlier before reaching the top of the career ladder, due to family restrictions.<sup>291</sup>

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289. Davidson, K. (2015). In 18 nations, women cannot get a job without their husband's permission. Available from <http://blogs.wsj.com/economics/2015/09/09/in-18-nations-women-cannot-get-a-job-without-their-husbands-permission/>

290. Al-Kuwait Al-Yawm, Kuwait Official Gazette (2010). Private sector Kuwait labour law – official version. Available from <http://www.kuwait-laborlaw.com/private-sector-kuwait-labor-law-detailed/#one>

291. Social Institutions and Gender Index (2016). Kuwait. Available from <http://www.genderindex.org/country/kuwait>

**Table 17.** Kuwait - Net Enrolment Rate in Primary Education 2011/2012-2013/2014

Year	Kuwaiti			Non-Kuwaiti			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>2011/2012</b>	96.7%	97.2%	97.0%	82.7%	83.5%	83.1%	90.8%	91.5%	91.1%
<b>2012/2013</b>	96.0%	96.6%	96.3%	79.2%	80.3%	79.7%	88.7%	89.6%	89.1%
<b>2013/2014</b>	96.8%	97.4%	97.1%	72.8%	76.6%	74.6%	85.8%	88.0%	86.9%

Source: GCC - STAT 2015<sup>292</sup>

**Table 18.** Kuwait - Net Enrolment Rate in Intermediary Education 2011/2012-2013/2014

Year	Kuwaiti			Non-Kuwaiti			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>2011/2012</b>	95.3%	96.8%	96.0%	77.4%	80.1%	78.8%	88.1%	90.2%	89.1%
<b>2012/2013</b>	94.5%	96.5%	95.5%	78.1%	79.3%	78.7%	87.9%	89.6%	88.7%
<b>2013/2014</b>	94.6%	96.7%	95.6%	72.6%	76.5%	74.5%	85.3%	88.3%	86.7%

Source: GCC - STAT 2015<sup>293</sup>

**Table 19.** Kuwait - Net Enrolment Rate in Secondary Education 2011/2012-2013/2014

Year	Kuwaiti			Non-Kuwaiti			Total		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<b>2011/2012</b>	77.6%	89.8%	83.6%	55.5%	64.2%	59.5%	68.8%	80.3%	74.3%
<b>2012/2013</b>	78.6%	90.1%	84.2%	60.2%	67.6%	63.6%	71.2%	81.6%	76.2%
<b>2013/2014</b>	79.1%	90.2%	84.5%	59.0%	65.5%	62.1%	71.0%	80.4%	75.5%

Source: GCC - STAT 2015<sup>294</sup>

Alongside Kuwait's economic plan, the increase in educational attainment, which is in line with regional educational trends, demonstrates the higher involvement of women in higher education (there are more female graduates than male graduates across all major disciplines). In that regard, Kuwait's promotion of education skills is an integral concept in advancing women's competitiveness in the labour market. Females are more concentrated in the following disciplines: education (highest rank in both semesters: 404 in the first semester and 369 in the second), social sciences and law.

292. GCC-STAT (2015). Annual Bulletin of Education Statistics 2014/2015. Available from <http://gccstat.org/en/elibrary/publications/kuwait/item/annual-bulletin-of-education-statistics-2014-2015>

293. Ibid.

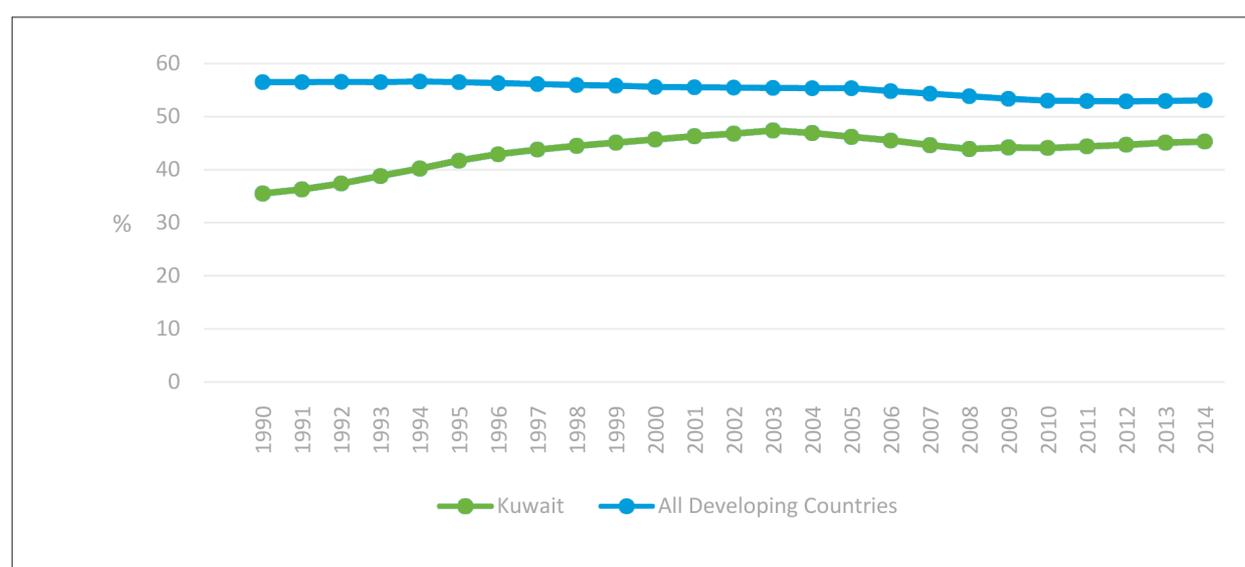
**Table 20:** Kuwait - Graduated Students in Kuwait University by Nationality, Sex and College in the First and Second Semester 2014/2015

College	Kuwaiti		Non-Kuwaiti				Total							
	Male	Female	Male	Female	Male	Female	Male	Female	Total					
Semesters														
	1 <sup>st</sup>	2 <sup>nd</sup>												
Law	0	172	0	312	0	5	0	10	0	177	0	322	0	499
Arts	38	38	109	98	10	7	9	9	48	45	118	107	166	152
Science	10	18	40	51	6	6	9	14	16	24	49	65	65	89
Medicine	0	63	0	76	0	15	0	23	0	78	0	99	0	177
Engineering and Petroleum	102	110	139	205	23	21	17	21	125	131	156	226	281	357
Allied Health Sciences	1	7	15	98	1	4	3	22	2	11	18	120	20	131
Education	20	15	351	326	12	21	53	43	32	36	404	369	436	405
Sharia' and Islamic Studies	85	120	144	129	12	16	13	9	97	136	157	138	254	274
Administration Science	39	42	190	180	4	7	8	16	43	49	198	196	241	245
Pharmacy	0	2	0	46	0	3	0	6	0	5	0	52	0	57
Dentistry	0	0	23	0	0	0	1	0	0	0	24	0	24	0
Social Science	50	70	197	173	7	5	17	15	57	75	214	188	271	263
Life Sciences	0	0	12	20	0	0	1	1	0	0	13	21	13	21
<b>Total</b>	<b>345</b>	<b>657</b>	<b>1,220</b>	<b>1,714</b>	<b>75</b>	<b>110</b>	<b>131</b>	<b>189</b>	<b>420</b>	<b>767</b>	<b>1,351</b>	<b>1,903</b>	<b>1,771</b>	<b>2,670</b>

Source: GCC - STAT 2015<sup>295</sup>

## Economic Participation

**Figure 53.** Kuwait - Labour Force Participation Rate, Female (% of Female Population Aged 15-64)



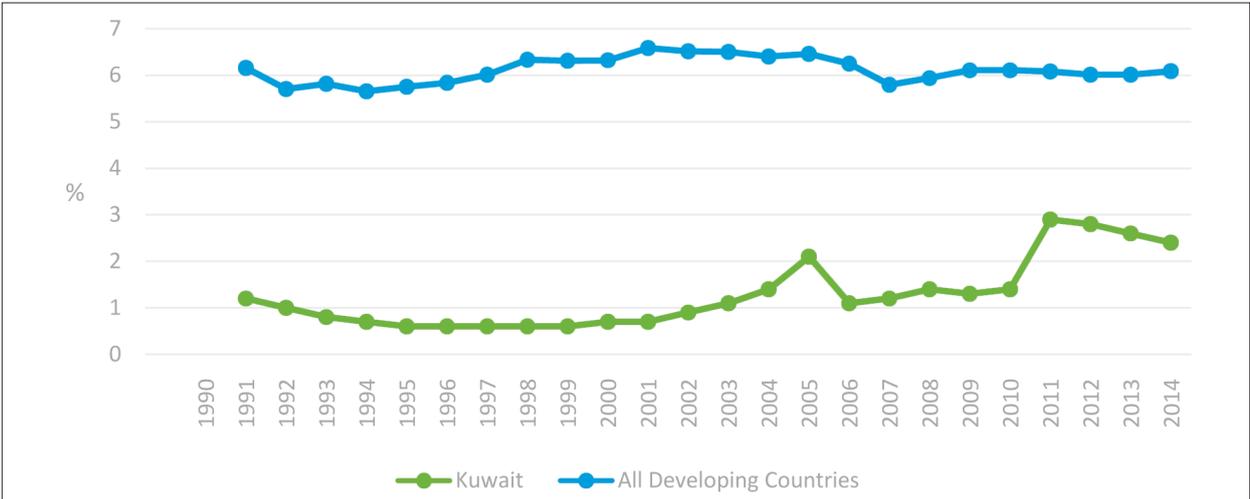
Source: International Labour Organization (ILO) 2016

294. Ibid.  
295. Ibid.

The total female labour force participation rate in Kuwait has been increasing over the past decade. In 2014, women represented 45.3% of the Kuwaiti workforce, yet this remains below the level for developing countries (53.0% in 2014). In general, women’s presence in the workforce has resulted in a subsequent decrease in female unemployment. This is a direct reflection of the significant achievements in women’s educational attainment. Moreover, this increased labour force participation marks a significant break from the traditional societal norms that restrict women’s employment opportunities. In terms of Kuwait’s national economic vision, it marks a constant growth in women’s labour force participation.

In addition, recent data shows that unemployed women have a higher unemployment duration rate than men. This is gradually changing as the Government is providing more access to funds that allow women the flexibility to establish their careers across various private sector industries.

**Figure 54.** Kuwait - Unemployment, Female (% of Female Labour Force)



Source: International Labour Organization (ILO) 2016

Kuwait’s female unemployment rate, unlike in several nearby countries, is below that of the male labour force. In 2014, while the female unemployment rate was 2.4%, well below the level of all developing countries that year, the male rate was 3.1%. This rather positive trend in the Kuwaiti labour market, can be explained by certain contextual factors, such as legislation and the effect of expanding education, and the market conditions bode well for the women at work.

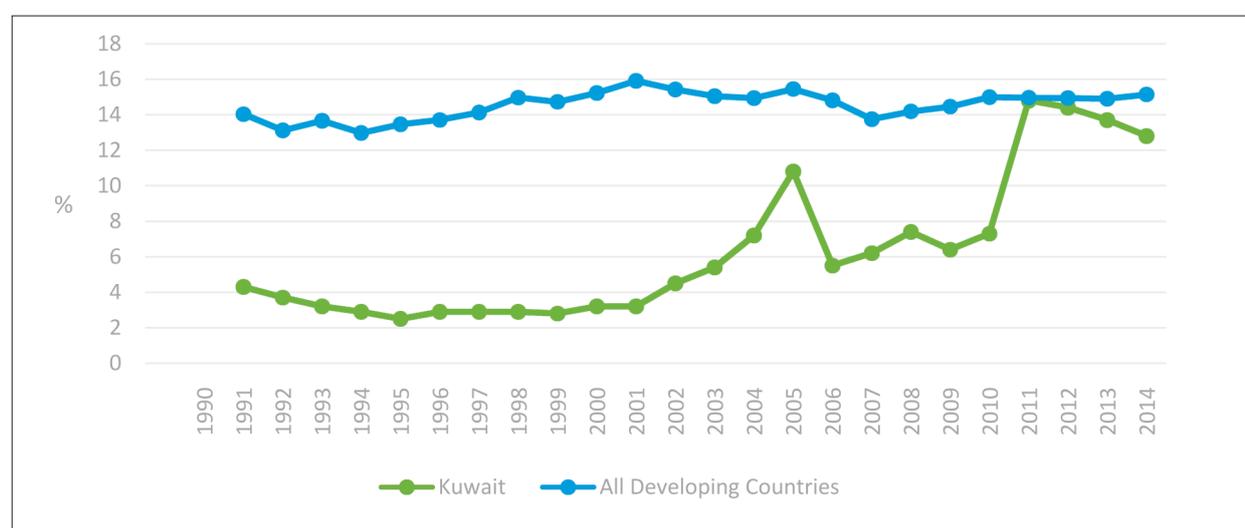
The Kuwaiti Government has been introducing structural measures to ensure the advancement of women in the labour force. As a result, the labour force participation rate of Kuwaiti females has increased constantly over the past decade. The high number of women in the workforce reflects a narrowing of the gender gap. This is an important phase, underlining the Government’s drive to provide training and funding to support women’s entry into new sectors. Furthermore, increased access to education has been instrumental in the placement of women in the labour market.

Although Kuwait has been introducing targeted employment initiatives to attract women into the workforce, social and structural barriers prevent the maximizing of women’s contribution

to the economy. Women continue to be deterred from applying for jobs in certain industries that are incompatible with their career aspirations and roles in the family. As economic diversification efforts develop, the strategic implementation of provisions in leading sectors should have a direct impact on the social attitudes that restrict women's career aspirations.

The labour market situation is expected to improve with the Government's introduction of the Manpower and Government Restructuring Programme (MGRP), an initiative that seeks to increase the qualifications and skills of Kuwaiti employees in both the public and private sectors.<sup>296</sup> Development and training programmes are focused on retraining Kuwaiti workers and increasing their competitiveness in the private sector. The aims are to equip Kuwaiti nationals with leadership, managerial abilities and employability skills. MGRP offers advice and guidance services, although it lacks a focus on inclusion, career development and employer liaison. MGRP represents a good gender balance as female employees occupy various positions across middle management and senior levels. This offers significant encouragement to women to access positions in non-traditional industries.

**Figure 55.** Kuwait - Unemployment, Youth Female (% of Female Labour Force Aged 15-24)



Source: International Labour Organization (ILO) 2016

The gap between supply and demand is directly affected by the perceived mismatch in graduate skills and market needs, which could negatively impact Kuwait's economic growth. Women were traditionally present in the public sector, mainly in the education and health sectors, and started to appear in the engineering and petroleum industries. Although other societal and legislative factors may work in favour of minimizing the gender gap (for example maternity leave), traditional societal roles still prevent women from entering various industries.

Furthermore, the gender gap narrowed in 2011 and 2012, reflecting one of the highest percentages of women in the workforce in the region. However, in 2014, young women faced an unemployment rate of 12.8%, once again widening the gap with developing countries. Additionally, most private sector companies faced challenges in implementing the Kuwaitization quotas. This is likely to have affected women's entry into different industries

296. MGRP. Available from <http://www.mgrp.org.kw/ar/Pages/default.aspx>

in the private sector. However, the Government's drive to strengthen the market positions of leading sectors has created more opportunities for women in banking, telecommunications and entrepreneurship, countering difficulties in adhering to the Kuwaitization programme.

The banking sector has been leading the implementation of the Kuwaitization programme and ground-breaking appointments of women into senior positions. The appointment of a Kuwaiti female CEO to one of the largest Kuwaiti banking and finance companies showed the high potential for the inclusion of women in the banking and finance sector. Shaikha Al Bahar, Deputy Group CEO of National Bank of Kuwait (NBK), was ranked fifth in Forbes' 100 Most Powerful Arab Women in 2016.<sup>297</sup> In addition, the Forbes' list recognised May Al Mudhaf, the CEO of National Bank of Abu Dhabi's Kuwait office. This represents a landmark appointment, highlighting the promotion of women to senior positions in Kuwait's largest financial institutions. It is worth mentioning that the banking sector also offers a work-life balance that is very attractive to Kuwaiti women.

Women's career progression in the telecommunications sector saw the rise of women across various positions. International recognition of Kuwaiti women occupying senior positions in the telecommunications sector shows that women are breaking through the glass ceiling.<sup>298</sup>

The third sector of note is the entrepreneurial sector, mainly women in design and technology. Several Kuwaiti women have set up their own informal companies using social media accounts, informal networks used to expand businesses. This sector has become extremely popular, as it allows women the flexibility to work from home or any other location.<sup>299</sup>

The leading sectors identified have further implemented Kuwaitization quotas and funds to allow women access into previously male dominated fields. This has led to the creation of more opportunities for women by providing more inclusive working conditions. Although most positions are still largely male dominated, government provisions are paving the way for more balanced employment of females.

## **Entrepreneurship**

Kuwait's development and support of SMEs is supported by the Government's creation of an SME Fund worth US\$6.6 billion in an attempt to encourage Kuwaiti nationals to set up businesses in the private sector.<sup>300</sup> The fund targets both men and women and provides them with equal access, further advancing notions of gender equality. More importantly, the main aim of the Fund is to create projects and potential employment for Kuwaiti women in the competitive private sector. However, the Fund is still in its infancy, awarding finance for a limited number of projects. Nevertheless, the gender gap within entrepreneurial activity is gradually narrowing, despite women's limited awareness of newly introduced business and financial support to promote their business capacities.

Local female entrepreneurs have benefited significantly from another organization, Injaz,

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297. Kuwait Times (2015, September 20). 12 Kuwaitis among Forbes' 100 most powerful Arab women. Available from <http://news.kuwaittimes.net/website/12-kuwaitis-among-forbes-100-most-powerful-arab-women/>

298. Ibid.

299. Colorado State University (2016). Understanding Kuwaiti women entrepreneurs and their adoption of social media: a study of gender, diffusion, and culture in the Middle East. Available from <https://dspace.library.colostate.edu/handle/10217/173380>

300. The National Fund. (Vision. Available from <http://www.nationalfund.gov.kw/en/about-us/vision-and-mission/>

which has played an instrumental role in promoting female entrepreneurship projects in Kuwait.<sup>301</sup> In order to provide business and entrepreneurship support in the private sector, the initiative targets female students and graduates to provide them with the skills needed to become young business leaders. Female graduates are equipped with employability skills as well as leadership skills. Moreover, programmes offer young entrepreneurs primarily market-oriented soft skills on how to start up a business and pursue career aspirations. This has increased the ratio of skilled job seekers in the country's non-oil sector.

The integration of social media has introduced more opportunities for women to have a flexible approach to work. Important sectors for female entrepreneurship are the technology and retail sectors through the social media. There is a growing trend in this sphere in Kuwait, with the introduction of Start Up Kuwait to support and facilitate access for aspiring entrepreneurs, thus creating more awareness of available opportunities.<sup>302</sup> An example of the results of these initiatives is four Kuwaiti female graduates who won the 2016 Start-up Kuwait competition with their entrepreneurial ideas for LunchBoxer and BabyGuard.<sup>303</sup> This highlights Kuwait's progress in equipping female graduates with innovative skills.

The entrepreneurial landscape is also supported by the enhancement of access to entrepreneurial funds.<sup>304</sup> This has facilitated the creation of several initiatives focused on enabling and honing the skills of young female entrepreneurs, such as Girls in Tech.<sup>305</sup> A number of these initiatives can be scaled up and have prompted greater potential for women in a previously male dominated work environment.<sup>306</sup> There has been increased support by the Chair of the Council of Arab Businesswomen Council, Sheikha Hessa Saad Al-Abdullah Al-Salem Al-Sabah, who is a strong advocate of women's empowerment in the workplace and a previously successful entrepreneur.<sup>307</sup> Women will increasingly be able to provide more for their families and obtain a level of financial security.

Nevertheless, female entrepreneurs are faced with several challenges in Kuwait. These include managing their firm and dealing with the financial and networking responsibilities.<sup>308</sup> The absence of a framework to guide female entrepreneurs hinders the sustainability of their businesses. The introduction of large-scale mentoring and skills programmes will increase women's self-confidence, motivation and innovation in the labour market.<sup>309</sup> The integration of these initiatives will have a direct impact on the increased presence of women and overall competitiveness of women in the labour market.

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301. Injaz Kuwait. Preparing Arab youth to be the business leaders of tomorrow. Available from <http://www.injaz-kuwait.org/>

302. Sirdab Lab. Launching Startups from the Basement to the Boardroom. Available from <http://sirdab-lab.com/>

303. Gulf University for Science and Technology (2016, May 30). GUST teams win in three of top five position at the Startup Kuwait. Available from [https://www.gust.edu.kw/content/gust\\_teams\\_win\\_three\\_top\\_five\\_position\\_startup\\_kuwait](https://www.gust.edu.kw/content/gust_teams_win_three_top_five_position_startup_kuwait)

304. Girls in Tech. Kuwait National Fund celebrates women entrepreneurs. Available from <https://kuwait.girlsintech.org/2016/03/25/kuwait-national-fund-celebrates-women-entrepreneurs/>

305. Sirdab Lab. Launching startups from the basement to the boardroom. Available from <http://sirdab-lab.com/>

306. Arab Times (2016, May 18). Women must unite to build a better future: Sheikha Hessa – 'Kuwait eager to enhance women's contribution to dev'. Available from <http://www.arabtimesonline.com/news/women-must-unite-build-better-future-sheikha-hessa-kuwait-eager-enhance-womens-contribution-dev/>

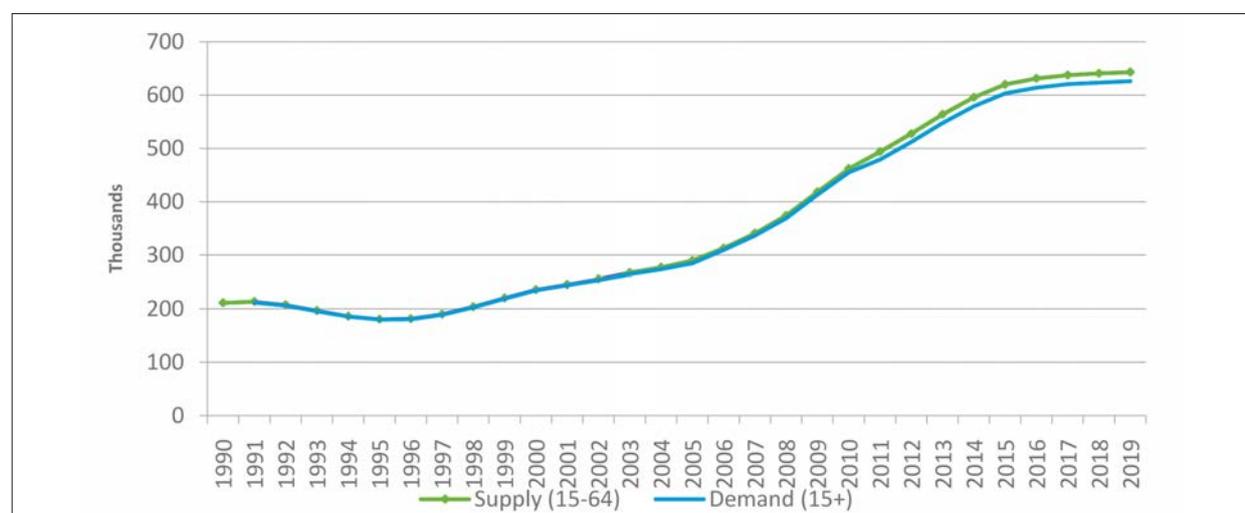
307. Ibid.

308. Abdullah Al-Owaidan and C.P. Rao (2010). Women entrepreneurs and their firms: attributes and problems. *Journal for International Business and Entrepreneurship Development*, 5(1):48 - 62.

309. McKinsey and Co (2014). Women matter 2014. GCC Women in Leadership – from the first to the norm.

### 4.6.3 Future Prospects

**Figure 56.** Kuwait - Supply and Demand for Female Labour 1990-2019



*Source:* International Labour Organization (ILO) 2016

### **Outlook**

The Kuwaiti private sector is expected to expand as more employment opportunities for women are created. Figure 56 above highlights a projected increase in demand for female employment in the labour force, especially due to significant growth in the non-oil sector. However, in order to retain women's contribution in leading sectors, the implementation of gender equality provisions to deliver inclusiveness and diversity in the national workforce is imperative. There has been a constant increase in the supply of women in the labour force, from an estimated 631,102 in 2016 rising to 642,864 in 2019.<sup>310</sup>

The increased presence of women in senior positions across leading sectors will elevate women's entry at all levels. The growth of the telecommunications and the banking sectors will lead to greater demand for women with technical qualifications. Sectoral growth will also have a positive impact on the increasing number of women obtaining business and finance degrees and wanting to pursue careers in those spheres.

In order to create a sustainable gender narrative for Kuwaiti women, significant elements, such as work-life balance reforms, have the potential to reconfigure women's effective contribution to the leading sectors. The development of national practical skills training as well as behavioural awareness training will lead to greater inclusion.

The Government launched a series of initiatives to develop and retain of Kuwaiti nationals, particularly women, in the private sector. Female participation is on the rise across leading sectors in Kuwait's economy. To that extent, the Government's celebration of Kuwaiti Women's Day aims to showcase women's achievements in the fields of education and health. This international exposure for women underlines the Government's strategy to enhance women's contribution to the country's development.

310. International Labour Organization (ILO) 2016.

An important government initiative is the introduction of funding incentives as a primary means of attracting and retaining nationals in the workforce. To that extent, financial support through national employment initiatives has proved to be instrumental in women's economic advancement.

In addition to funding support, the Kuwait Foundation for the Advancement of Sciences supports women with the introduction of soft skills and training they need to increase their competitiveness in the labour market.<sup>311</sup> These skills will promote innovation, entrepreneurship skills and leadership. They will provide women with the tools to effectively pursue a non-traditional career and allow them to balance work and family responsibilities. To further supplement this positive development, the Government also facilitated access to research grants across industries, which will increase and support the employability of young female graduates in the private sector.

A positive example of this in the private sector can be seen in Al-Ghunaim Industries, which supports women's inclusiveness across all levels in the company.<sup>312</sup> Women are given access to leadership opportunities, which is unconventional in Kuwaiti culture. On a micro level, the promotion of female inclusiveness reflects the vision and integration of an increase in women's visibility in the workplace. The Al Ghunaim model represents the transformative potential of supporting the aspirations of Kuwaiti women in leadership roles and as role models.

## **Recommendations**

The private sector in Kuwait has witnessed a slow increase in women's participation. Although, women are now facing less social and conservative restrictions, they are still restricted in their mobility, which prevents them from occupying some senior management positions, which may require frequent travel. According to social norms, women usually require a male's consent (from either their father or husband) to be able to travel.<sup>313</sup> Kuwait's National Strategy offers great potential to ensure the effective inclusion of women. However, in order to increase the entry and retention of women in the workforce, public and private sector programmes should focus on particular sectors and projects which can be scaled up. Furthermore, converting national strategies into long-term implementation requires the integration of different abilities and skills among Kuwaiti women.

Although MGRP works towards getting Kuwaitis into the private sector, sustainable women's inclusion requires government entities to work together in the execution of human development strategies. At present, the entrepreneurship sector requires the Government to invest in targeted specialist interventions, such as personality training, cultural adaptation and business skills.

In addition, a comprehensive assessment could also support entrepreneurial skills and aspirations by increasing awareness of the SME Fund. Despite the focus on the promotion of leading sectors, such as banking, telecommunications and entrepreneurship, the limited number of women in senior positions in these industries is a result of social and patriarchal

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311. Kuwait Foundation for the Advancement of Science. Available from <http://www.kfas.com/>

312. Forbes (2011). The world's 100 most powerful women. Available from <http://www.forbes.com/profile/maha-al-ghunaim/>

313. Social Institutions and Gender Index (2016). Kuwait. Available from <http://www.genderindex.org/country/kuwait>

restrictions that prevent them from pursuing alternative careers.

Although the Government has gone some way to promoting entrepreneurship by addressing structural gaps in education, the market will be essential to the retention of women in the national economy. The introduction of business mentoring is a crucial stage for women at work or starting up their own businesses. Moreover, the alignment of a comprehensive infrastructure, including business advisors and financial advice, will lead to a gradual change in the attitudes and mentality of women and meet the growing demand for women across all sectors.

In the long-term vision, as Kuwait diversifies away from its overall reliance on oil revenues, there will be a growing demand for highly skilled Kuwaiti women. The implementation of PPPs and the validation of wider infrastructure for SMEs and entrepreneurship will result in more focused job creation for Kuwaiti women. Therefore, as the Government implements the national economic vision, the cultivation of attributes and investment in skills will bring about long-term knowledge transfer and offer women opportunities to pursue non-traditional careers.

## 4.8 Lebanon

### 4.8.1 Economic Background



**Table 21:** Lebanon - Key Indicators

Indicator	Value
Population (thousand) 2016	5,988.2
Female population (thousand) 2016	2,983.5
GDP (US\$ Current, million) 2015	50,847.1
Real GDP growth (%) 2014-2015	1.0%
Inflation (%) 2015	-3.8%
Female unemployment (%) 2014	11.0%
Ease of doing business (Rank) 2015	121
Population under 30 (%) 2015	52.8%

Source: Euromonitor International 2016

The Lebanese economy as a whole presents a picture of a free market economy, with a large private sector. Small and medium-sized enterprises (SMEs) dominate the scene, most operating within the trade segment and focusing on the domestic market.<sup>314</sup> However, Lebanon's economy is still feeling the impact of the decade-long civil war as well as recurring political instability and violence.

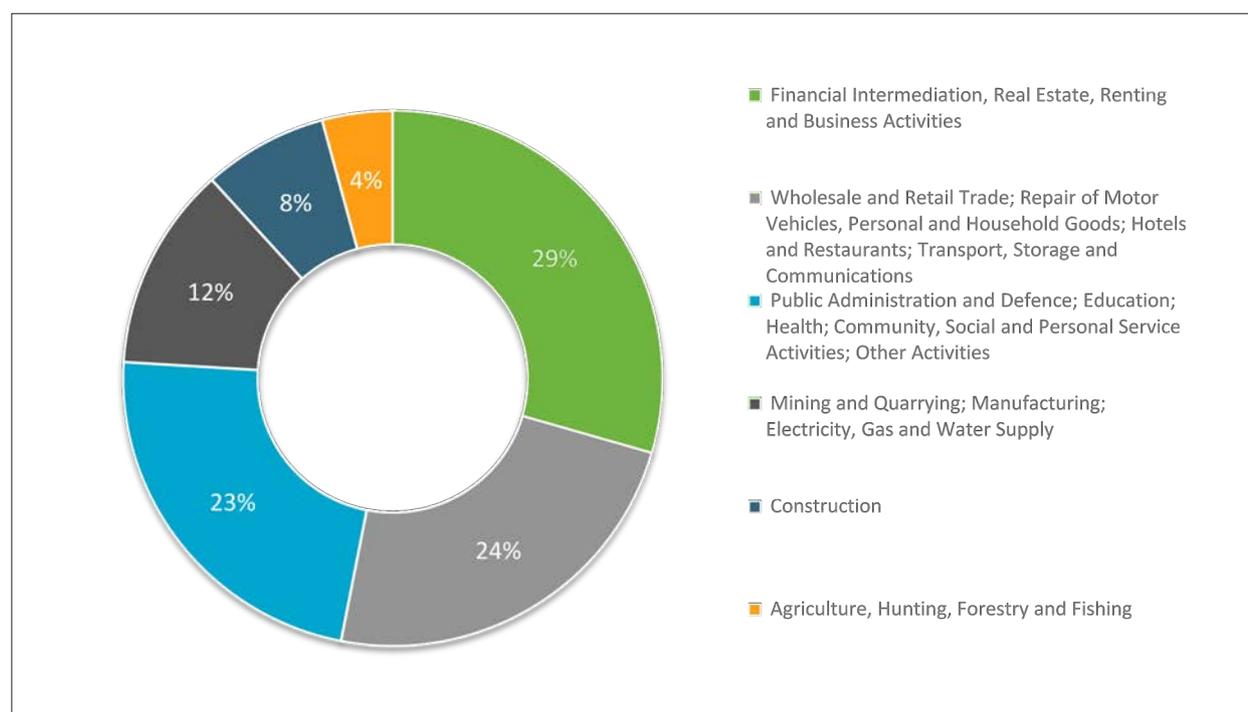
The country has one of the highest GDP to debt ratios in the world and debt servicing continues to constitute a large part of public expenditure. This significantly limits the Government's ability to invest in necessary infrastructure improvements or projects to support the local economy. Additional pressure came with the outbreak of violence in neighbouring Syria, as Lebanon became home to over one million refugees, while being slowly forced into an island status.<sup>315</sup> Such recent developments had an impact on sector distribution in terms of GDP in 2015. Lebanon's GDP growth rate slowed to 1.8% from 2011-2014 compared to an average of 9.2% from 2007-2010.<sup>316</sup>

314. El Khoury, Z. (2015). Lebanon SME strategy: A roadmap to 2020. Available from <http://pubdocs.worldbank.org/en/517501435588412953/Lebanon-SME-Strategy-Roadmap-to-2020-Zeina-El-Khoury.pdf>; European Training Foundation (ETF). (2015). Labour Market and Employment Policy in Lebanon. Available from [http://www.etf.europa.eu/webatt.nsf/0/33A1850E6A358308C1257DFF005942FE/\\$file/Employment%20policies\\_Lebanon.pdf](http://www.etf.europa.eu/webatt.nsf/0/33A1850E6A358308C1257DFF005942FE/$file/Employment%20policies_Lebanon.pdf)

315. World Bank Group (2013). Lebanon: Economic and social impact assessment of the Syrian conflict. Available from <http://documents.worldbank.org/curated/en/925271468089385165/pdf/810980LB0box379831B00P14754500PUBLIC0.pdf>

316. Errighi, L. and J. Griesse (2016). The Syrian refugee crisis: labour market implications in Jordan and Lebanon. Available from [http://ec.europa.eu/economy\\_finance/publications/eedp/pdf/dp029\\_en.pdf](http://ec.europa.eu/economy_finance/publications/eedp/pdf/dp029_en.pdf)

**Figure 57.** Lebanon - GDP by Gross Value Added (GVA) 2015 (% Share)



Source: Euromonitor International 2016

While Lebanon remains a service-oriented economy, the sector has fallen in importance since 2010. The main driver behind this negative trend has been declining tourist numbers since 2011. In 2011, arrivals in the country fell by 24.0%, in 2012 by 17.0% and in 2013 by 7.0%.<sup>317</sup> The banking and financial sector on the other hand, another pillar of services in Lebanon accounting for 29.0% GVA of GDP, remained relatively stable and a positive trend was seen within the industrial sector as a whole. Within the industrial sector, agro-industrial production is the most important subsector and one of the few beneficiaries of the Syrian civil war. Exports to Syria and even Iraq have increased in recent years, as widespread violence prevented imports from other countries and limits their own production capabilities.<sup>318</sup> Despite the unlikely increase in exports, the primary sectors contributing to GDP lost growth momentum from 2010 onwards, (Figure 58 below), where a downturn in GDP expansion is evident.

Lebanon's economy is significantly affected by the influx of refugees from neighbouring Syria, who have become a major source for unskilled labour in agriculture, construction and personal as well as domestic services, replacing significantly more expensive Lebanese workers in these fields.<sup>319</sup> In most cases, employment is informal, as Syrian refugees do not have access to work permits. This development is likely to have been a trigger for the high rates of child and forced labour among Syrian refugees, while pushing 200,000 Lebanese into poverty.<sup>320</sup>

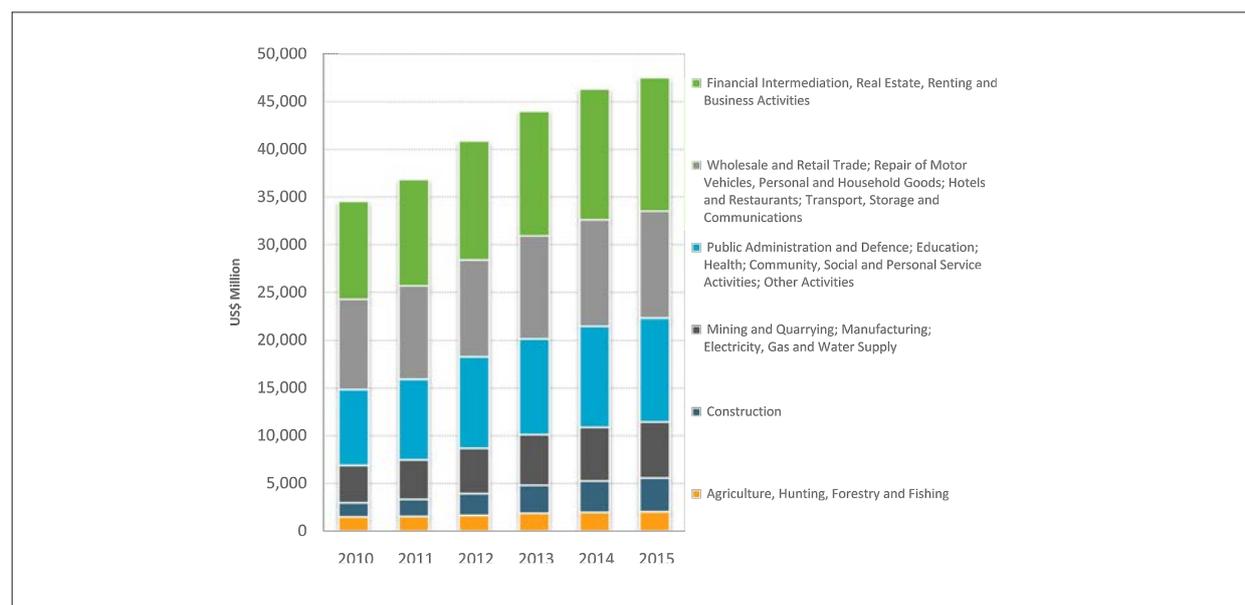
317. BlomInvest Bank (2015). 2015: Another recovery year for the Lebanese tourism sector. Available from <http://blog.blominvestbank.com/wp-content/uploads/2016/02/2015-Another-Recovery-Year-for-the-Lebanese-Tourism-Sector.pdf>

318. Investment Development Authority of Lebanon (IDAL) (2015). Agro Industry. Available from [http://investinlebanon.gov.lb/en/sectors\\_in\\_focus/agro\\_industry](http://investinlebanon.gov.lb/en/sectors_in_focus/agro_industry)

319. ILO (2014). Assessment of the impact of Syrian refugees in Lebanon and their employment profile. Available from [http://www.ilo.org/wcmsp5/groups/public/-arabstates/-ro-beirut/documents/genericdocument/wcms\\_240130.pdf](http://www.ilo.org/wcmsp5/groups/public/-arabstates/-ro-beirut/documents/genericdocument/wcms_240130.pdf)

320. World Bank Group (2016). Overview. Available from <http://www.worldbank.org/en/country/lebanon/overview>

**Figure 58.** Lebanon - GDP by GVA Sectors 2010 - 2015 (Current Price, Fixed 2015 Exchange Rates)



Source: Euromonitor International 2016

In terms of trade, overland exports to the Gulf were cut off completely at the beginning of 2015, after the closure of the Nasib border between Syria and Jordan. The agricultural sector therefore came under pressure, as the Gulf is a key market for Lebanese fruit and vegetables, accounting for over 60% of exports.<sup>321</sup> To keep this important part of the country's foreign trade alive, significantly more expensive and time consuming sea routes had to be opened. The Government initiated a support system, as agriculture accounts for approximately 20% of employment in Lebanon.<sup>322</sup> Maritime exports to the Gulf are therefore being subsidized until Spring 2017.

With regard to the services sector, tourism is expected to witness a further setback in 2016, as a diplomatic crisis between the Gulf and Lebanon resulted in the imposition of travel bans by various Gulf countries. This poses a genuine concern for Lebanon, as the high purchasing power of Gulf-based tourists also drove domestic demand, particularly for fashion and clothing, as well as watches and jewellery.<sup>323</sup> Lebanon's banking sector, however, is set to remain stable, with a positive impact on the country's tax income and making a considerable contribution to formal employment. The sector is known for its conservative approach and experience in operating in an unstable and risky environment.

Lebanon has not developed an integrated national development strategy, nor has it established an information system for the domestic labour market or its needs.<sup>324</sup> Furthermore, the country is currently in a state of political stagnation and is not financially capable of executing broad initia-

321. Investment Development Authority of Lebanon (IDAL) (2015). Agro Industry. Available from [http://investinlebanon.gov.lb/en/sectors\\_in\\_focus/agro\\_industry](http://investinlebanon.gov.lb/en/sectors_in_focus/agro_industry)

322. European Training Foundation (ETF) (2015). Labour market and employment policy in Lebanon. Available from [http://www.etf.europa.eu/webatt.nsf/0/33A1850E6A358308C1257DFF005942FE/\\$file/Employment%20policies\\_Lebanon.pdf](http://www.etf.europa.eu/webatt.nsf/0/33A1850E6A358308C1257DFF005942FE/$file/Employment%20policies_Lebanon.pdf)

323. BlomInvest Bank (2015). 2015: Another recovery year for the Lebanese tourism sector. Available from <http://blog.blominvestbank.com/wp-content/uploads/2016/02/2015-Another-Recovery-Year-for-the-Lebanese-Tourism-Sector.pdf>

324. European Training Foundation (ETF) (2015). Labour market and employment policy in Lebanon. Available from [http://www.etf.europa.eu/webatt.nsf/0/33A1850E6A358308C1257DFF005942FE/\\$file/Employment%20policies\\_Lebanon.pdf](http://www.etf.europa.eu/webatt.nsf/0/33A1850E6A358308C1257DFF005942FE/$file/Employment%20policies_Lebanon.pdf)

tives and programmes to support the domestic economy. Reducing the government budget deficit remains a major goal in the face of its high GDP to debt ratio, and while there were plans to hold a general election in 2014, the failure to appoint a president led to Parliament extending its own term until 2017.<sup>325</sup> Nevertheless, support for SMEs is expected to remain a government focus, with the aim of creating new jobs to cater for the large young and unemployed population.<sup>326</sup> Specific sector support, on the other hand, seems currently unlikely, with the exception of agriculture.<sup>327</sup>

## 4.8.2 Women in the Economy

### Legislative Framework

While the Lebanese Constitution proclaims equality of all Lebanese citizens and condemns discriminatory practices, it also gives the different communities a right to keep their own personal status law, which often contradicts the general equality mentioned in the Constitution. Lebanon is among the first and few Arab countries to give CEDAW higher priority than national laws and publish it in the Official Gazette.

The personal status law differs across the religious groups in Lebanon (there are 18 legally recognized ones). The Catholic and Greek Orthodox personal codes are among those that give both spouses equal rights and duties. However, the Muslim personal codes give more authority to the husband, who is considered the head of the family, has parental authority and decision making power. This is also applicable in the case of divorce, even if the mother has physical custody. However, in most religious groups, mothers are granted physical custody. Exceptions still exist in some religious groups, where custody can be transferred back to the father when the children reach a certain age. Examples include Evangelical Christian and Catholics, which set the age of 12 for boys and girls, Sunni Muslims set the age of 13 for boys and 15 for girls. However, the court can extend custody beyond this age if it is better for the children. In most Christian sects and Islamic Shia, divorced women lose their custody rights if they wish to remarry.

Inheritance laws also vary across religious groups. For Muslims, Islamic law grants a woman the right to inherit from her father, mother, husband, children and sometimes other family members. However, their share is usually smaller than men's. Moreover, Muslim and Catholic personal status laws do not allow individuals to inherit from other family members of different faiths. Nonetheless, Shia grants both sexes more equal inheritance rights than Sunna. That is why many Sunni fathers who do not have any sons convert to Shiism before dying, so their daughters do not share their inheritance with their uncles. Also, while women can legally inherit land, they still transfer the ownership to their male relatives to protect the property and keep it within the family. Even though women have the right to sign contracts and manage their own properties, family members strongly influence and get involved in managing women's financial assets and income. Inequality is further aggravated by women's lack of awareness of their legal rights, particularly in rural areas.<sup>328</sup>

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325. The Daily Star (2016). Khalil urges more action to reduce budget deficit. Available from <http://www.dailystar.com.lb/Business/Local/2016/Jul-14/361942-khalil-urges-more-action-to-reduce-budget-deficit.ashx>

326. European Training Foundation (ETF) (2015). Labour market and employment policy in Lebanon. Available from [http://www.etf.europa.eu/webatt.nsf/0/33A1850E6A358308C1257DFF005942FE/\\$file/Employment%20policies\\_Lebanon.pdf](http://www.etf.europa.eu/webatt.nsf/0/33A1850E6A358308C1257DFF005942FE/$file/Employment%20policies_Lebanon.pdf)

327. Agriculture receives marginal support in terms of subsidies (<http://blog.blominvestbank.com/wp-content/uploads/2014/09/2014-06-The-Lebanese-Agricultural-Sector-in-2013-Minor-but-Steady-Steps-to-Recovery.pdf>), but is said to be the main beneficiary of the subsidies maritime shipments to the gulf (<http://www.aljazeera.com/news/2015/07/lebanon-grapples-export-deadlock-syrian-war-150726134525737.html>)

328. Social Institutions and Gender Index (2016). Lebanon. <http://www.genderindex.org/country/lebanon>

Nevertheless, in terms of employment, the regulations do not differentiate between men and women in terms of promotion or assigned duties. However, a discriminatory element for male and female civil servants can be found in the employment and social security laws. Social welfare is focused on men and family members of female civil servants do not get access to any benefits.

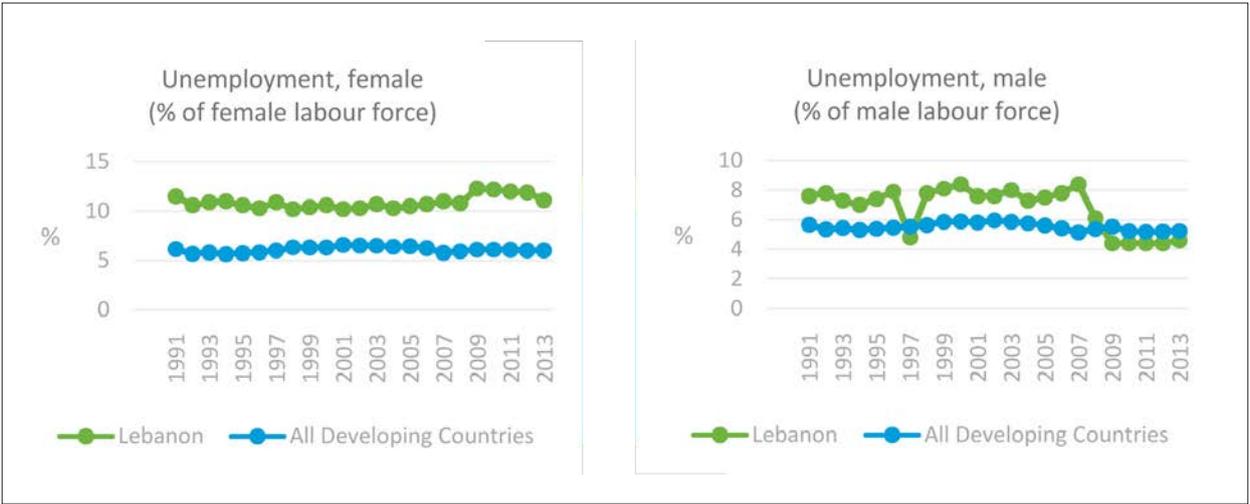
Regarding sexual harassment in the workplace, there are no laws that prohibit this. However, no employee is allowed to resign without justifying the reason behind the resignation, particularly in the case of harassment. Furthermore, even though sexual harassment is significantly present, there is lack of data on its prevalence.

**Education and Vocational Training Overview**

Education levels among Lebanese women are very high and a large portion of the female labour force has a higher education degree. With regard to secondary and tertiary education, in 2009, 79% of all women enrolled for secondary education and 57% for tertiary education, compared to male enrolment of 71% and 48% respectively.<sup>329</sup> However, the majority of women limit their focus to sectors perceived as being appropriate, with high enrolment rates for subjects within education, health and welfare as well as the humanities. Men, on the other hand, often choose more technical studies, especially engineering.<sup>330</sup>

**Economic Participation**

**Figure 59.** Lebanon - Unemployment Females and Males



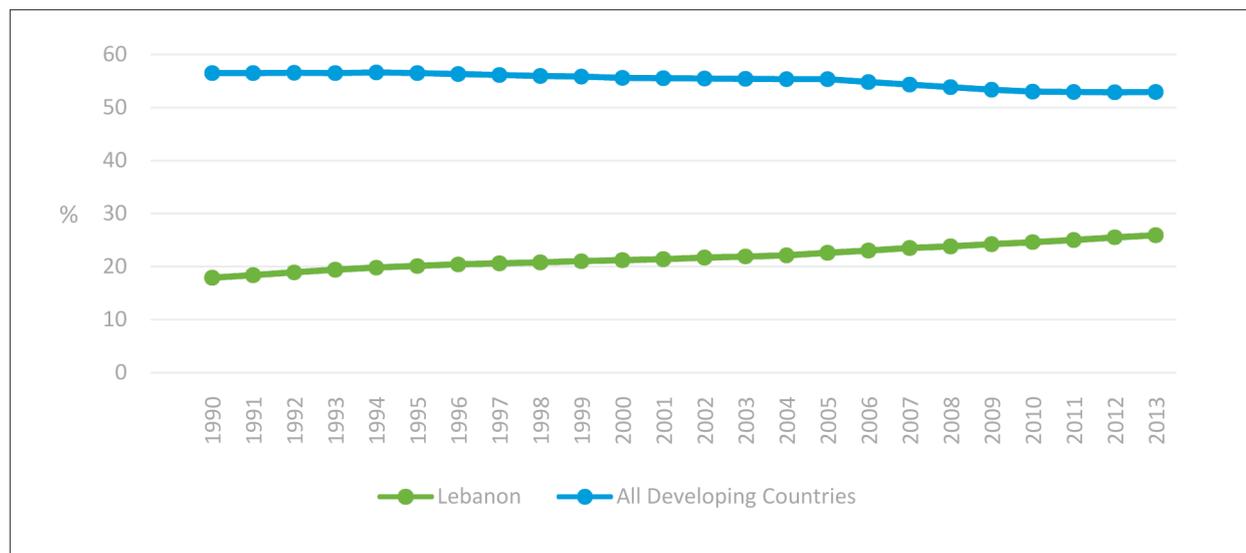
Source: International Labour Organization (ILO) 2016

The sharpest contrast between female and male unemployment is that while the former is above the average for developing countries, the latter recently dropped below that comparative indicator. While male unemployment dropped to 4.4% in 2009, female unemployment that same year rose to 12.3%, widening the gap between the genders. Despite being a dynamic private-sector driven market, there are still numerous barriers that inhibit

329. UNICEF (2011). Lebanon MENA gender equality profile – Status of girls and women in the Middle East and North Africa. Available from <http://www.unicef.org/gender/files/Lebanon-Gender-Eqaulity-Profile-2011.pdf>  
 330. Central Administration of Statistics (CAS) (2011). The labour market In Lebanon. Statistics in Focus (SIF). Available from [http://www.cas.gov.lb/images/PDFs/SIF/CAS\\_Education\\_In\\_Lebanon\\_SIF3.pdf](http://www.cas.gov.lb/images/PDFs/SIF/CAS_Education_In_Lebanon_SIF3.pdf)

women's participation and performance in the economy.

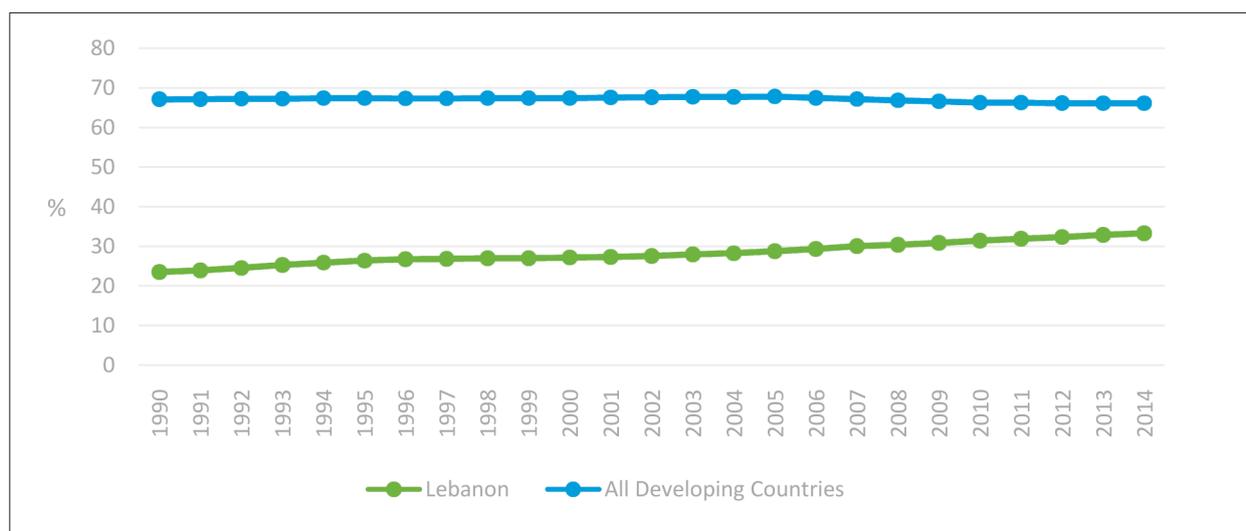
**Figure 60.** Lebanon - Labour Force Participation Rate, Female (% of Female Population Aged 15-64)



Source: International Labour Organization (ILO) 2016

The female to male ratio in the labour force in Lebanon stood at 33% in 2014, in line with the region as a whole. Female labour force participation as a share of all women was 26%, while 76.4% of all men participated in the labour force. Estimates suggest that contributing family workers make up only a small portion of female employment in Lebanon, as most working women are wage and salaried employees.<sup>331</sup> This is in contrast to the regionally conventional trend. Employment in agriculture, usually the main source of contributing family employment, is relatively high, with a share of approximately 20%.

**Figure 61.** Lebanon - Ratio of Female to Male LFPR 1990-2014 (%)



Source: International Labour Organization (ILO) 2016

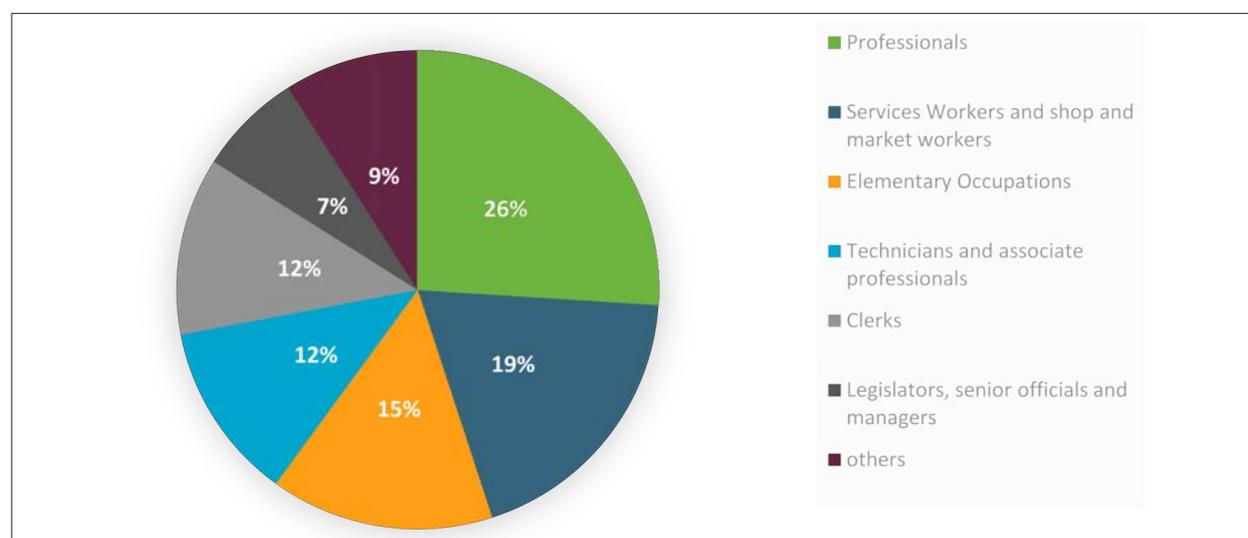
Families support the education and employment of women until marriage or motherhood.

331. Kilm/ILO data (2016). (Table 5b. Employment by occupation (ISCO-88; by sex))

Labour participation rates among women over the age of 35 are therefore significantly lower than in lower age groups.<sup>332</sup> Moreover, it is likely that women will opt out of or be prevented by their families from travelling to the GCC or other states in pursuit of work opportunities, despite this being common among young Lebanese men. Due to the high levels of migration among Lebanese men, women do have an opportunity to fill the gaps, and often occupy higher positions as professionals as well as technicians and associate professionals.<sup>333</sup>

Official statistics confirm that over 40% of working women in Lebanon had a university degree in 2009, while the rate among employed men was only 20%<sup>334335</sup>. However, a large proportion are unable to find a suitable job and many highly educated women end up in unskilled labour, such as sales personnel in retail outlets. Nevertheless, it is evident that professional occupations witnessed a boost in importance, as they grew from 20.0% of female employment in 2007 to 26.0% in 2009. Professional occupations, as a proportion of male employment, on the other hand, saw only a small increase from 7.0% to 8.0% from 2007 to 2009. However, women's employment in occupations such as technicians and associate professionals declined from 19.0% in 2007 to 12.0% in 2009, while decreasing somewhat less, from 7.0% to 5.0%, in male employment.<sup>336</sup> This is especially interesting, as industrial sector growth provided good opportunities for such labour requirements. It shows a clear mismatch between supply and demand in the Lebanese work environment.<sup>337</sup> A positive development, on the other hand, was the decreasing importance of elementary occupations for women, which went down from 19.0% in 2007 to 15.0% in 2009.<sup>338339</sup> Many women within this segment are domestic migrant workers.

**Figure 62.** Lebanon - Female Employment Distribution by Sector 2009



Source: Central Administration of Statistics (CAS)

332. Yaacoub, N. and L. Badre(2011). The labour market in Lebanon. Available from [http://www.cas.gov.lb/images/pdfs/sif/cas\\_labour\\_market\\_in\\_lebanon\\_sif1.pdf](http://www.cas.gov.lb/images/pdfs/sif/cas_labour_market_in_lebanon_sif1.pdf)

333. Ibid.

334. European Training Foundation (ETF) (2015). Torino Process 2014Lebanon. Available from [http://www.etf.europa.eu/webatt.nsf/0/E95B8886BC992CC1C1257DE0006455CB/\\$file/TRP%202014%20Lebanon\\_EN.pdf](http://www.etf.europa.eu/webatt.nsf/0/E95B8886BC992CC1C1257DE0006455CB/$file/TRP%202014%20Lebanon_EN.pdf)

335. Ibid.

336. Kilm/ILO data (2016). (Table 5b. Employment by occupation (ISCO-88; by sex))

337. Unemployment rate estimates differ significantly between sources. However, a distinct difference between male and female unemployment is not only given through ILO estimates (2014 rate among women: 11%, while among men: 6.7%), but was also confirmed through trade interviews.

338. Kilm/ILO data. (Table 5b. Employment by occupation (ISCO-88; by sex))

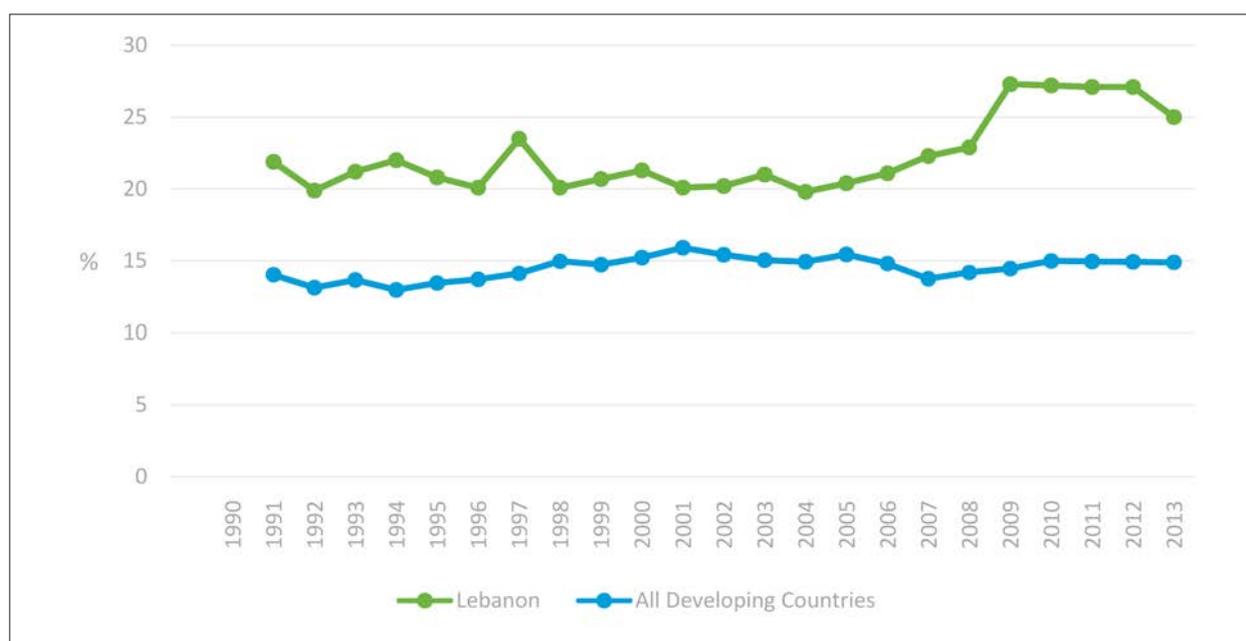
339. The importance of elementary occupations for men also declined, from 11% in 2007 to 8% in 2009.

Leadership positions, such as legislators, senior officials or managers remained of low importance for women, despite a slight improvement. In 2007, only 4% of employed women had such positions, while this percentage increased to 7% in 2009.<sup>340</sup> These numbers translate to 21.9% of firms having a female top manager in 2009, which is high compared to other countries in the region.<sup>341</sup>

## Entrepreneurship

Lebanon's strong private sector, with a high presence of SMEs, is supported by high levels of entrepreneurial activity compared to regional and global averages. Even though the country is struggling with additional labour force pressures due to the influx of refugees, only 27% of total early-stage entrepreneurial activities (TEAs) were necessity-driven, while 72.3% were opportunity-driven in 2015. Furthermore, 57.3% of opportunity-driven entrepreneurs indicated that they aimed for an improvement either financially or in terms of gaining greater independence by opening their own business.<sup>342</sup> This provided a particularly attractive outlet for young women, given their particularly high unemployment rate, as shown in Figure 63 below.

**Figure 63.** Lebanon - Unemployment, Youth Female (% of Female Labour Force Aged 15-24)



**Source:** International Labour Organization (ILO) 2016

The gender gap in entrepreneurial activity in Lebanon is small compared to other countries in the region. Around 35.7% of working age males were early stage entrepreneurs in 2015, only slightly higher than the 24.6% of women categorized as such.<sup>343</sup> Important sectors for

340. As a comparison, in 2007(14%) and in 2009 (16%) of employed men held such leadership positions. (Kilm/ILO 2014)

341. World Bank Group (2015). Gender. Available from <http://www.enterprisesurveys.org/Data/ExploreTopics/gender> Enterprise Surveys 2015).

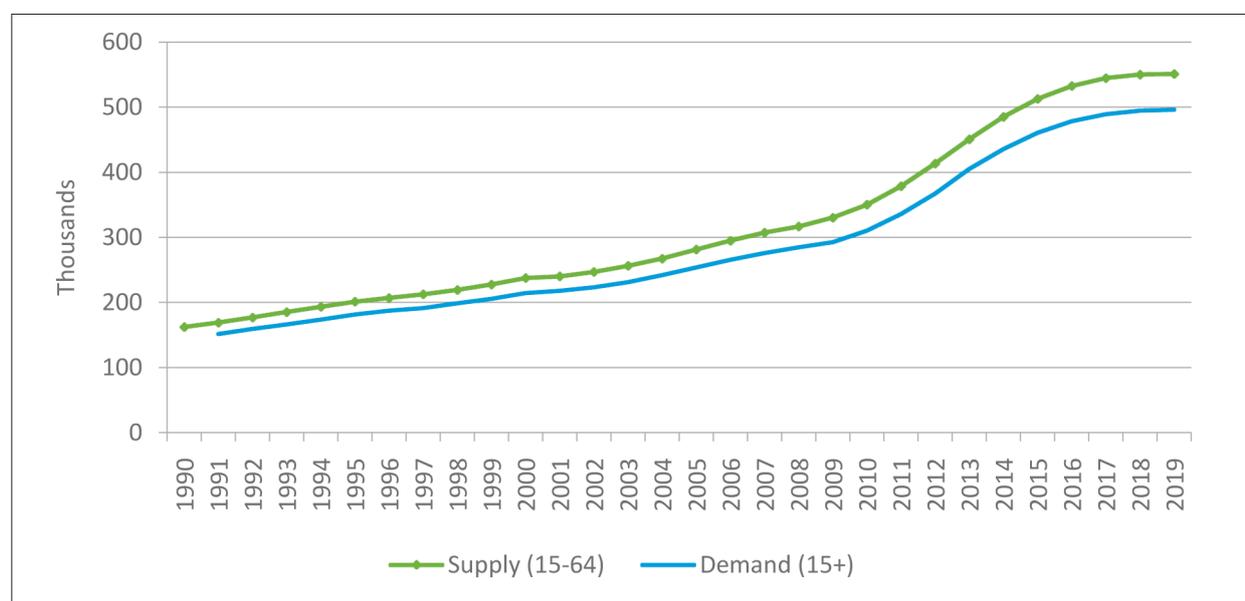
342. Global Entrepreneurship Monitor (GEM) (2015). GEM Lebanon Report 2015. Available from <http://www.gemconsortium.org/country-profile/131>

343. A high rate of female participation within the entrepreneurial environment in Lebanon compared to other countries in the region was also found by a World Bank survey, which revealed, that female participation in ownership reached 33.5% in 2009 (<http://www.enterprisesurveys.org/Data/ExploreTopics/gender>); Global Entrepreneurship Monitor (GEM)(2015). GEM Lebanon Report 2015. Available from <http://www.gemconsortium.org/country-profile/131>

female entrepreneurship are advertising and event management. Advertising, in particular, has a broader potential, as Lebanon has established a regional reputation within this field and many existing companies have successfully branched out into the Gulf in the past.<sup>344</sup>

### 4.8.3 Future Prospects

**Figure 64.** Lebanon - Supply and Demand for Female Labour 1990-2013, with Projections to 2019



**Source:** International Labour Organization (ILO) 2016

### Outlook

The gap between demand and supply for women in Lebanon is worsened by the country's low levels of job creation (the widening gap, which started from 2009, is expected to further increase up to the end of the forecast period, 2019), as well as a general mismatch between demand and supply for skilled labour. Many new job opportunities are provided by the low-productivity sector, which is usually in demand by the low-skilled workforce. On the other hand, the industrial sector, including construction, is growing, with an increasing demand for employees with a vocational and technical education. Many such positions are currently filled by migrant workers, as there are not enough Lebanese with the required educational profiles and skills, or the inclination to do this work. Such medium-level technical occupations are not seen as valuable in terms of social prestige and, therefore, are rarely chosen by middle-class Lebanese as a career path.<sup>345</sup> Professions within the medical field, engineering or law, on the other hand, provide social value and status, leading to extremely high rates of graduates, which exceed labour market needs.

Women are even less inclined to choose technical education or careers, as they are not seen as being socially appropriate. An expansion of current leading sectors, such as construction, as well as industrial units, is, therefore, unlikely to increase female employment

344. Euromonitor International (2016). Trade Interviews.

345. European Training Foundation (ETF) (2015). Labour market and employment policy in Lebanon. Available from [http://www.etf.europa.eu/webatt.nsf/0/33A1850E6A358308C1257DFF005942FE/\\$file/Employment%20policies\\_Lebanon.pdf](http://www.etf.europa.eu/webatt.nsf/0/33A1850E6A358308C1257DFF005942FE/$file/Employment%20policies_Lebanon.pdf)

or even Lebanese employment as a whole (with the exception of refugees or migrants), unless massive awareness raising campaigns are launched to address the gender stereotypes about women's roles and jobs. The only sector with positive prospects in general, and for women specifically, is the banking sector, which has seen an increasing number of female employees in recent years, while experiencing stable growth.<sup>346</sup>

The labour market situation in Lebanon is expected to continue to be shaped by the large number of refugees, its island status due to the civil war in neighbouring Syria, and the country's own stagnating politics. While the sheer number of refugees is putting pressure on the country's economy, competition within the female Lebanese labour force is expected to remain limited. Many female Syrian refugees are not economically active, while others do not have access to formal jobs. Syrians cannot obtain work permits in Lebanon and a drastic change of this policy is currently unlikely.

However, the instability and uncertainty caused by the civil war in Syria, as well as political stagnation, have had an effect on sectoral distribution of GDP. Because of this, current market dynamics are not expected to support female employment in the country. Most women work within the services sector, which has already seen negative development and growth since 2011. For instance the formerly flourishing tourist industry is not expected to see a positive change in the foreseeable future.<sup>347</sup> Furthermore, a lack of visitors from the Gulf not only affects the tourist sector, but also has an impact on many other subsectors, such as retail trade and consumer food services.

An exception within services remains the banking segment, which has proven to be resistant to political and economic crisis situations. Additionally, working conditions in banks are regulated by a collective agreement, negotiated between the banking union and the association of banks. This agreement ensures a stable working environment. The agreement, however, still promotes the picture of the man as the family breadwinner, as an extra allowance is granted for an unemployed wife, but not an unemployed husband. Nevertheless, the banking sector offers good opportunities for women, with allowances for children, regulated working hours and stable work agreements. Moreover, female employment within banking is on the rise and is already above the country's average female employment rate, as women accounted for 46% of banking staff in 2014.<sup>348</sup>

Female participation in the industrial sector, on the other hand, is relatively low, as most jobs in industry are not seen as being of social value or appropriate for women. However, as this sector is one of the few beneficiaries of the crisis in Syria, women are missing out on a profitable and future-oriented segment. With Syria's own production on hold, and imports from other countries sometimes impossible, Lebanese food and beverages as well as tobacco products are increasingly seen in Syria. The Investment Development Authority of Lebanon (IDAL) reported that agro-food exports as a whole grew by 53.0% between 2012 and 2015, strongly supported by growth of 191% in exports to Syria.<sup>349</sup> Even though

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346. Euromonitor International (2016). Trade Interviews

347. UNHCR (2013). Lebanon. Available from <https://data.unhcr.org/syrianrefugees/download.php?id=3191>

348. Mantach, M. The banking sector in Lebanon: Rising up to the challenges of a conflict zone. Available from <http://blog.blominvestbank.com/wp-content/uploads/2014/10/The-banking-sector-in-Lebanon.pdf>

349. Investment Development Authority of Lebanon (IDAL) (2015). Agro Industry. Available from [http://investinlebanon.gov.lb/en/sectors\\_in\\_focus/agro\\_industry](http://investinlebanon.gov.lb/en/sectors_in_focus/agro_industry)

agro-products are also expected to suffer under the export limits to the Gulf States after the closure of the Jordanian-Syrian Nasib border, good growth is still anticipated.

The abuse and exploitation of domestic migrant workers is expected to receive some attention in the coming years. The Ministry of Labour launched a help-hotline for female domestic migrant workers in 2015 in coordination with the International Labour Organization (ILO), a first step to limiting abuse and exploitation.<sup>350</sup>

### **Recommendations**

Women's employability and participation in the Lebanese labour force are highly restricted by the norms and values of society. The unspoken rules of the patriarchal society in Lebanon force many women to give up work after marriage or after having children. Furthermore, society traditionally regards certain professions as more valuable than others, which has led to a mismatch in labour force demand and supply. While many well-educated Lebanese men emigrate to find a job, women are more restricted in their mobility and often stay unemployed or take work in a profession that does not require high levels of education. Breaking the country's traditional social barriers is therefore an important goal when trying to support female employment in Lebanon in a way that meets economic needs.

Within the growing industrial and manufacturing sector, specialized programmes and cooperation between major industrial players and education institutions could bridge the gap between skills acquisition and needs in Lebanon. Such vocational and technical training programmes could target women, specifically those with university degrees, as many do not have the option of emigrating and currently end up as unskilled labour.

As the country is also home to a large number of female domestic migrant workers and Syrian refugees, a second support system for these especially vulnerable groups should be established to prevent high levels of exploitation, abuse and forced labour.

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350. ILO. (2015). ILO-funded hotline for women migrant domestic workers launched by Lebanon's Ministry of Labour. Available from [http://www.ilo.org/beirut/media-centre/news/WCMS\\_377568/lang-en/index.htm](http://www.ilo.org/beirut/media-centre/news/WCMS_377568/lang-en/index.htm)

## 4.9 Libya

### 4.9.1 Economic Background



**Table 22:** Libya - Key Indicators

Indicator	Value
Population (thousand) 2016	6,330.2
Female population (thousand) 2016	3,152.7
GDP (US\$ Current, million) 2015	35,660.2
Real GDP growth (%) 2014-2015	-6.4%
Inflation (%) 2015	8.0%
Female unemployment (%) 2014	28.1%
Ease of doing business (Rank) 2015	188
Population under 30 (%) 2015	54.2%

Source: *Euromonitor International 2016*

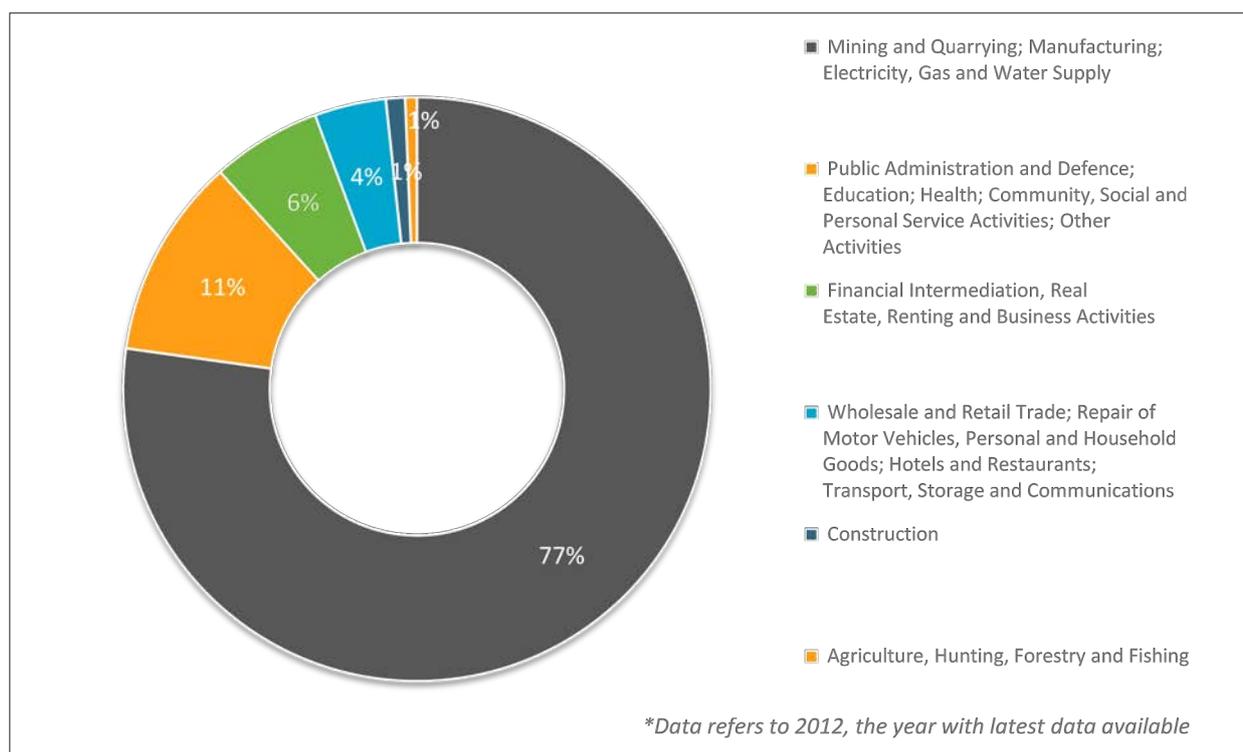
The State of Libya is located in North Africa midway along its Mediterranean coast. With a relatively small population of 6.3 million<sup>351</sup> and substantial revenues from the oil and gas sectors, Libya should be well-equipped to tell an African success story. Nevertheless, the country's modern history has been that of lost potential and postponed opportunities. Following 42 years of one-man rule, the country plunged into a transitional phase of intermittent political strife, fragile security conditions and weak infrastructure, including a civil war that further fragmented its economic, social and political fabric. The Libyan Political Agreement, signed in December 2015 between the two main sides of the conflict, and the establishment of a Government of National Accord as the sole legitimate government, brought hope for a more promising transitional path.

Libya's 1.7 million square metres of land area consists almost entirely of deserts with milder and greener areas towards the coast and with 8.7% agricultural land. Of the 78.5% of the population living in urban areas, 22% live in its largest city, Tripoli.<sup>352</sup>

351. In 2015, population density was 3.6 people per sq. km of land area (World Bank 2016).

352. World Bank (2016). World Development Indicators

**Figure 65.** Libya - GDP by Gross Value Added (GVA) 2012 (% Share)



Source: Euromonitor International 2016

With the mining and quarrying, manufacturing, electricity, gas and water supply oil and gas sectors accounting for 77% of state revenues, Libya is considered one of the most hydro-carbondependent economies in the world. Though little of its territory has been seriously explored, Libya is the African country with the largest amount of proven oil reserves (48.3 billion barrels), which are not only easy to refine but also cheap to produce; for instance, while the price of a barrel crude oil is relatively high, oil extraction costs are as low as US\$1 per barrel.<sup>353</sup> Natural gas also holds some promise, with an estimated 1.5 trillion cubic metres of explored reserves and the potential for much more with additional investment.

The conflict in 2011 took its toll of oil production and vital infrastructure, with a 62% contraction in GDP, followed by a short-term recovery with nearly 105% in real GDP growth in 2012.<sup>354</sup> Nevertheless, subsequent conflicts, the unstable political transition, and volatile oil production were reflected in a 13% contraction in GDP in 2013, 24% in 2014, and 10.2% in 2015, while real GDP fell by 6.4%.<sup>355</sup> In July 2016, crude oil production continued to fall to a quarter of its potential (300,000 barrels per day). The World Bank estimates that, throughout 2016, Libya will still face a current account deficit of 70% of GDP and a budget deficit of 60% of GDP. Furthermore, inflows of FDI have virtually come to a halt.<sup>356</sup>

Food security was also severely affected; around 1.3 million people were considered food-insecure in 2015, primarily due to interruptions in the distribution channels, which negatively affected farm-

353. Euromonitor International (2016). Libya Country Report.

354. Economic Research Forum (2015). Can banks lead the economic recovery of the Arab Spring? Available from <http://erf.org/eg/wp-content/uploads/2015/12/965.pdf>

355. World Bank 2016

356. Euromonitor International (2016). Libya Country Report.

ers' income and food supply in urban areas.<sup>357</sup> Another obstacle is the country's frozen assets overseas, which significantly affect Libya's liquidity.<sup>358</sup> The UN Security Council's sanctions froze Libyan assets worth US\$170 billion, which the country is planning to use for reconstruction.<sup>359</sup>

The country's youthful population, set to double by 2025, makes job creation a priority. With a pressing need for more jobs, diversification, as well as support for business creation away from an already bloated public sector, is a must. In fact, Libya's 2016 Ease of Doing Business Ranking, at 188<sup>th</sup>, illustrates the need to invest heavily in business infrastructure.<sup>360</sup> However, the country has a great potential if oil production reaches its full capacity, where economic growth could reach 46% in 2017 and 15% in 2018.<sup>361</sup>

Libya's potential is not restricted to oil and gas, it also has a growing agricultural sector, with large farms increasingly able to produce foods that were formerly imported. Needless to say, the country's history and geography mean that its tourism sector could flourish once stability is restored. In fact, the Government's projections state that tourism will represent more than 10% of the country's GDP by the end of this decade.<sup>362</sup> Even further, Libya could play a significant role as a regional hub for transit and services. Even without the increasing need for post-conflict reconstruction, Libya's need for various infrastructure (housing, telecommunications, roads, ports and public services) constitutes a good opportunity both to attract FDI and to establish healthy trends in public spending.

## 4.9.2 Women in the Economy

### Legislative Framework

Legal barriers negatively affect women's employment opportunities. While Libya is not assessed by the Global Gender Gap Index, some indicators of female labour conditions can be found in its Ease of Doing Business country profile. Policies or programmes tailored to target women's economic participation seem largely absent, aside from some unenforced civil society initiatives.<sup>363</sup> Additionally, women face gender discrimination at work, where they are not assigned the same job responsibilities as men. However, equal pay is imposed by law and discrimination and favouritism are prohibited.

Women are entitled to paid maternity leave of 14 weeks (up from seven weeks in 2010), and this can be extended by an additional two weeks if more than one child is born. However, even though maternity leave is a woman's legal right, the associated costs are considered a burden by employers, who have to pay cash benefits (50% of the income),

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357. FAO (2016). GIEWS Country Brief: Libya. Available from: <http://www.fao.org/giews/countrybrief/country.jsp?code=LBY>

358. AFDB (2012). Libya. Available from <http://www.afdb.org/fileadmin/uploads/afdb/Documents/Generic-Documents/Libya%20Full%20PDF%20Country%20Note.pdf>

359. RT (2012). Libyan economy hit by civil war. <https://www.rt.com/business/libya-war-economy-losses-295/>

360. World Bank (2016). Doing business 2016: Measuring regulatory quality and efficiency. Available from: <http://www.doingbusiness.org/data/exploreeconomies/libya#closehttps://openknowledge.worldbank.org/bitstream/handle/10986/22015/9781464805660.pdf?sequence=1>

361. World Bank (2016). Available from <http://www.worldbank.org/en/country/libya/publication/economic-outlook-spring-2016>

362. Euromonitor International (2016). Libya Country Report.

363. A professional network for women has been established, along with an online career database: Together We Build It: Libyan Women Database (<http://www.lwdb.ly/ar/home>). The Voice of Libyan Women published a relevant policy draft "National Policies on Ensuring the Economic Empowerment of Women in Libya."

the remaining reimbursement coming from social insurance.<sup>364</sup> Employers are therefore reluctant to hire women, because of the irrecoverable losses caused by the absence of female employees during maternity leave.<sup>365</sup><sup>366</sup> Hence, there is a preference for men during the recruitment process. Other additional costs for employers include providing childcare facilities for working mothers.

Women also face inequality in specific types of job, such as domestic workers, or livestock farming and agriculture, where their rights are excluded from the Labour Code and they receive inadequate protection.<sup>367</sup>

According to the Labour Code, women are not allowed to work for more than 48 hours per week. Their employment is also restricted to sectors that do not involve heavy and intense physical work, as listed by the General People's Congress (GPC).<sup>368</sup>

Regarding family law, wives have the right to have control their own assets and are responsible for family and childcare matters. While the husband is considered to be the natural guardian, mothers are only physical custodians. In the event of divorce, mothers receive custody of their children until they reach the age of puberty, when custody transfers to the father. As for inheritance, following Sharia Law, women can inherit from their parents and husband and in some cases other family members. However their share is smaller than that of male heirs.

As for ownership rights, women can legally own and manage their assets. However, social norms consider men to be the owner and administrator. For example, with an increasing number of men migrating from rural areas, more women have gained responsibilities, but they still face a number of challenges in accessing economic resources and assets.

While laws give women rights, social norms give more power and rights to men. For instance, women have the right to enter into contractual agreements and access financial services, however men always expect women to hand over their savings. A survey conducted by the International Foundation for Electoral Systems (IFES) in 2013, showed that only 34% have financial savings opposed to 59% who do not.<sup>369</sup>

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364. In case of self-employment, it is the social insurance system's liability to fund maternity leave benefits (100% of the income for 13 weeks).

365. Abassi (2016).

366. ILO (2014). Maternity and paternity at work: Law and practice across the world. Available from [http://www.ilo.org/wcmsp5/groups/public/-dgreports/-dcomm/-publ/documents/publication/wcms\\_242615.pdf](http://www.ilo.org/wcmsp5/groups/public/-dgreports/-dcomm/-publ/documents/publication/wcms_242615.pdf)

367. Ibid.

368. Libya Investment (2010). Law No. (12) of 2010 concerning labour relations. Available from <http://www.ilo.org/dyn/travail/docs/2079/Law%20No.%2012%20for%202010%20concerning%20of%20labor%20relations.pdf>

369. Social Institutions and Gender Index (2016). Libya. Available from <http://www.genderindex.org/country/libya>

## Education and Vocational Training Overview

Prior to the 2011 uprising, data on education was scarce and scattered. However literacy rates indicate a relatively small gender gap, as shown in Table 23 below.

**Table 23:** Libya - Literacy Rate by Age and Gender

	2015
Youth literacy rate, population 15-24 years, both sexes (%)	99.95028
Youth literacy rate, population 15-24 years, female (%)	99.93406
Youth literacy rate, population 15-24 years, male (%)	99.96635
Youth literacy rate, population 15-24 years, gender parity index (GPI)	0.99968
Adult literacy rate, population 15+ years, both sexes (%)	91.38887
Adult literacy rate, population 15+ years, female (%)	85.81129
Adult literacy rate, population 15+ years, male (%)	96.99825
Adult literacy rate, population 15+ years, gender parity index (GPI)	0.88467
Literacy rate, population 25-64 years, both sexes (%)	93.65136
Literacy rate, population 25-64 years, female (%)	88.74441
Literacy rate, population 25-64 years, male (%)	98.54033
Literacy rate, population 25-64 years, gender parity index (GPI)	0.90059

Source: UNESCO Institute of Statistics 2016

While Libya has relatively high secondary school and higher education enrolment rates, it suffers from a low quality of education. The participation rate in vocational training is low and there is no system for matching supply and demand for specific skills. While training should be provided by the Ministry of Labour, the majority of courses take place in private centres and only cover English language, IT and management skills. The Ministry only focuses on training related to construction, engineering, soft skills, IT and management. Before the revolution, vocational training for women was only provided in women's centres or vocational training centres, but these have now ceased operating (European Training Foundation, 2014).<sup>370</sup>

The current unstable political scene presents challenges in improving the education system, one of the priorities of the Interim Government. None of the interim governments managed to set up a formal strategy for entrepreneurial learning and embedding it in formal education. Nevertheless, despite the absence of a formal strategy for entrepreneurship, conferences, workshops and training were held on the subject. In addition, collaboration took place in several instances between government and private organizations, such as the Ministry of General Education, the Board of Vocational Training and Libya Enterprise, to promote entrepreneurship. Universities are among the main channels used; Libya Enterprise set up business incubator centres dedicated to innovative projects. Entrepreneurs can stay for 25 months and benefit from consultancy services.<sup>371</sup> These centres are also responsible for training women.

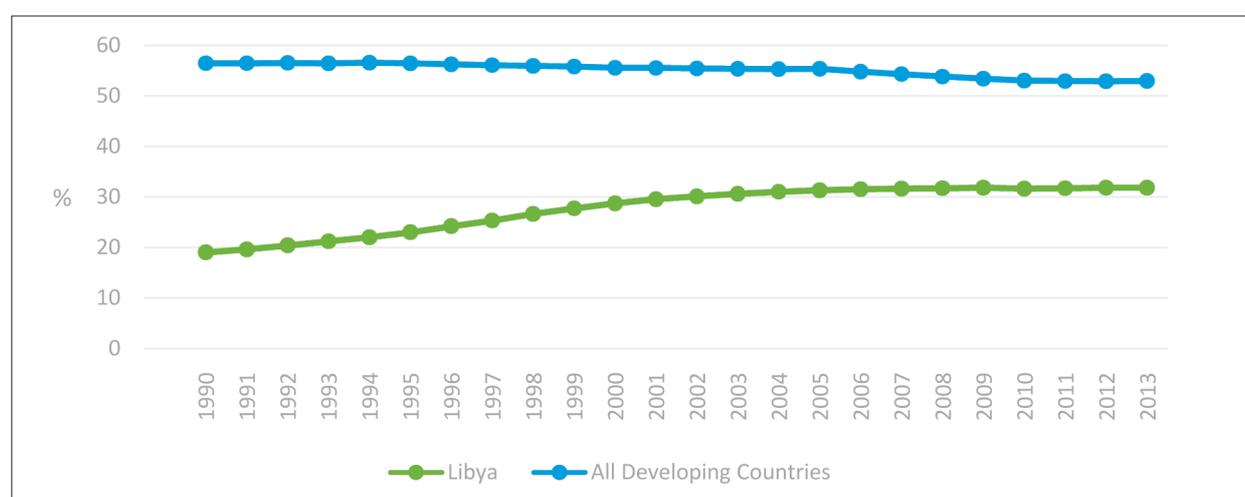
370. ETF (2014). Mapping vocational education and training governance in Libya. Available from [http://www.etf.europa.eu/webatt.nsf/0/424678AAE60C0A3BC1257D93005BCFFB/\\$file/Libya\\_mapping%20VET%20governance.pdf](http://www.etf.europa.eu/webatt.nsf/0/424678AAE60C0A3BC1257D93005BCFFB/$file/Libya_mapping%20VET%20governance.pdf)

371. OECD and Libya Enterprise (2014). SME development strategy project for Libya: Consultative meeting for the diagnostic study. Available from [http://www.oecd.org/mena/competitiveness/OECD%20meeting%20summary\\_Libya%20diagnostic%20study\\_250914.pdf](http://www.oecd.org/mena/competitiveness/OECD%20meeting%20summary_Libya%20diagnostic%20study_250914.pdf)

Efforts by the Government directed towards female empowerment include the launching of the Libya Women’s Economic Empowerment Programme.<sup>372</sup>The latter is a collaboration between the United States Agency for International Development (USAID) and Mennonite Economic Development Associates (MEDA). It aims to develop the private sector in Libya, creating job opportunities for resourceful businesswomen, as well as a network of women entrepreneurs. With a time span of four years (2012 to 2016), the target is to reach 210 women who can create job opportunities for an additional 700 individuals. This project will resort to five methods to help Libyan female entrepreneurs overcome the challenges they face. Female entrepreneurs or business owners will first receive entrepreneurship and business training and coaching classes to further develop their business. Then, upon completion of the training, they will participate in the Business Plan Competition, where winners will receive grants and personalized training. More intense mentoring sessions will be conducted with the winners, which will be tailored to their relevant business sector. This is to ensure the effectiveness of their business and better utilize the grants received. Women who successfully build plans that create job opportunities and generate revenues, will receive an award (Businesswomen SME Matching Grants Fund) ranging from US\$2,500 to US\$7,500. They will also receive help in building a larger network of local business partners to further boost revenue generation. Not only will this programme empower women, but it will also contribute to the growth of non-oil industries in Libya.<sup>373</sup>

### Economic Participation

**Figure 66.** Libya - Labour Force Participation Rate, Female (% of Female Population Aged 15-64)



Source: International Labour Organization (ILO) 2016

Libyan women have been forging their place in the country’s transition, despite powerful forces ranged against them. There are high costs associated with the employment of women, such as maternity leave. Pre-existing inequalities meant more severe economic hardship for women.<sup>374</sup> While women were at the core of the 2011 movement that toppled Colonel

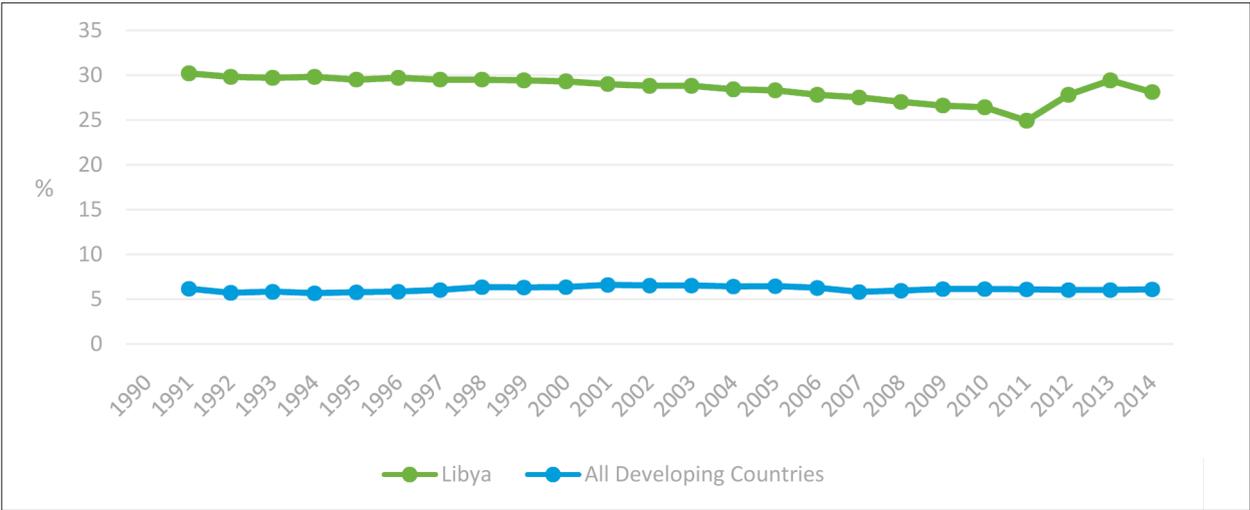
372. Ibid.

373. MEDA (2013). Libya. Available from: [http://www.meda.org/images/meda/Economic\\_Opportunities/WEO/Libya-Project-Profile.pdf?utm\\_source=Libya-Project-Profile-pdf&utm\\_medium=domain&utm\\_campaign=Libya-Project-Profile-pdf](http://www.meda.org/images/meda/Economic_Opportunities/WEO/Libya-Project-Profile.pdf?utm_source=Libya-Project-Profile-pdf&utm_medium=domain&utm_campaign=Libya-Project-Profile-pdf)

374. UN Women (2015). Libyan women forge agenda for peace. Available from <http://www.unwomen.org/en/news/stories/2015/11/libyan-women-forge-agenda-for-peace>

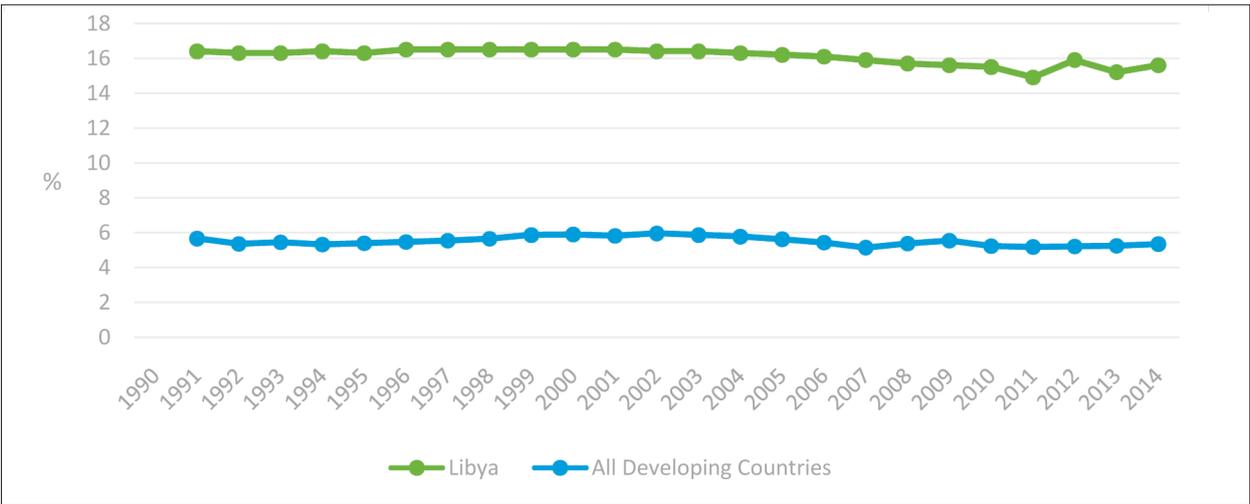
Gaddafi, their participation in the political and economic spheres is increasingly hampered, yet still holds a lot of potential. Gender dynamics involved in women’s economic participation in Libya can be summarized by restricted mobility for females (increasingly tightened because of lack of security and safety), a private sector with limited growth, sectors that do not favour women (such as oil and gas), and an inclination towards public sector jobs or education in search of non-wage benefits that can help fulfil assigned gender roles, such as maternity leave and holiday leave. In fact, women constitute 28.4% of the total labour force and are highly concentrated in public sector employment. In 2012, 96.5% of the active female labour force were employed in the public sector.<sup>375376</sup>

**Figure 67.** Libya - Unemployment, Female (% of Female Labour Force)



Source: International Labour Organization (ILO) 2016

**Figure 68.** Libya - Unemployment, Male (% of Male Labour Force)

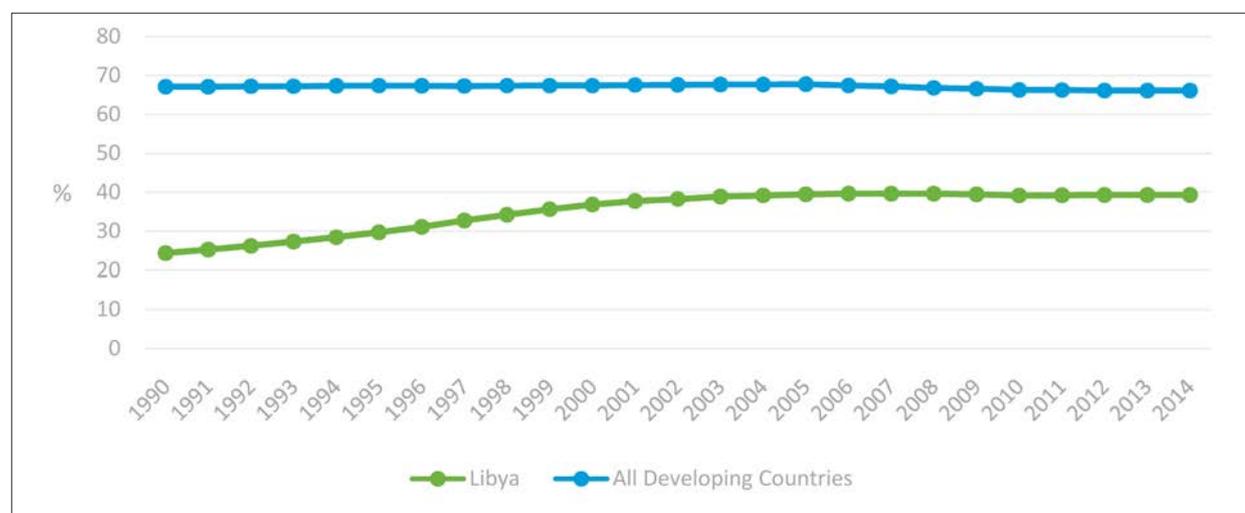


Source: International Labour Organization (ILO) 2016

375. World Bank (2016). World Development Indicators  
 376. World Bank Group (2015). Labor market dynamics in Libya: Reintegration for recovery. Available from <https://openknowledge.worldbank.org/bitstream/handle/10986/22015/9781464805660.pdf?sequence=1>

There is a significant gap between Libya's unemployment rate and that of developing countries as a whole, and there was a notable increase in women's unemployment from 2011 onwards.

**Figure 69.** Libya - Ratio of Female to Male LFPR % (1990-2014)



Source: International Labour Organization (ILO) 2016

In Libya, unemployment rates for women vary more depending on their level of education. Women with less than secondary education or with basic literacy are the most at risk, suggesting that opportunities for low-skilled female labour in Libya are very limited.

Although Libya's gender disparities in the labour market are less acute than in other Arab countries, the ratio of female to male labour force participation is significantly lower than developing countries and increased from approximately 38.9% to 39.3% from 2003 to 2014. These figures need to be considered along with two facts; foreign workers constitute 40% of labour force, largely due to a lack of highly skilled local labour in the oil and gas sectors and lower skilled labourers working in manual jobs. In addition, in recent years, militias have been recruiting male fighters. By 2012, a third of these recruits were unemployed before engaging in armed conflict.<sup>377</sup> Nevertheless, Libya is considered to have a high female labour force participation rate (31.9% in 2014) compared to other countries in the region such as Egypt (26.0%), Algeria (16.4%), and Jordan (16.7%), due to the large participation of women in the public sector (96.5% in 2012) as civil servants in the ministries.<sup>378,379</sup> Women also commonly work as agricultural family workers, teachers, nurses and clerical or administrative workers in banks or department stores.<sup>380</sup>

Although, in theory, wages are fixed by grade regardless of gender (at least in the public

377. Ibidl

378. Abassi (2016).

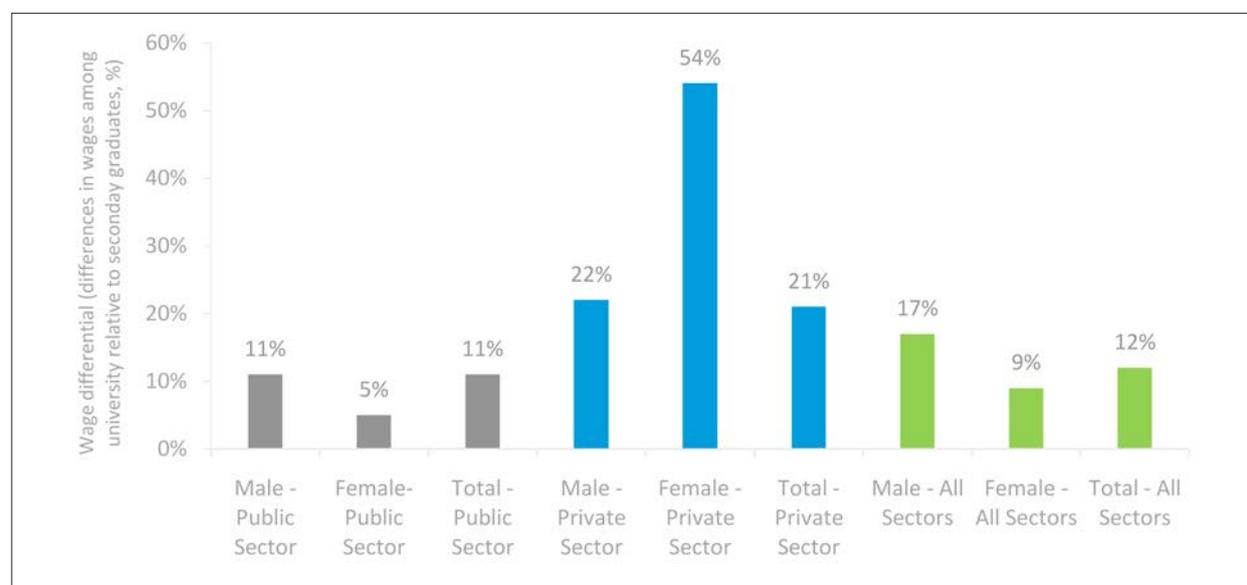
379. World Bank Group (2015). Labor market dynamics in Libya: Reintegration for recovery. Available from <https://openknowledge.worldbank.org/bitstream/handle/10986/22015/9781464805660.pdf?sequence=1>

380. ETF (2014). Labour market and employment policy in Libya. Available from [http://www.etf.europa.eu/webatt.nsf/0/01BE9A2F283BC6B2C1257D1E0041161A/\\$file/Employment%20policies\\_Libya.pdf](http://www.etf.europa.eu/webatt.nsf/0/01BE9A2F283BC6B2C1257D1E0041161A/$file/Employment%20policies_Libya.pdf)

381. The World Bank (2015). Labor market dynamics in Libya: Reintegration for recovery. Washington, DC: World Bank.

sector), wage inequality is significant, with female university graduates earning 18% less than their male counterparts in public employment and 11% less in the private sector.<sup>381</sup> The gap is even bigger for females with secondary education, who earn 30% less in the private sector and 10% in the public sector, due to differing recruitment practices. Limited data in the private sector makes these figures less accurate and it has been suggested that the gap may be even wider.

**Figure 70.** Libya - Tertiary versus Secondary Education Wage Premium by Sex and Sector



Source: World Bank Staff calculations, Libya Labour Force Survey (LFS) 2012.

Underemployment seems to be more severe among young males, but it also affects women who constitute 17% of the active labour force who have reported being underemployed and want to work more hours.<sup>382</sup> Underemployment can sometimes be attributed to career choices and access, both of which have been affected by the current situation. In fact, women's basic physical access to employment is increasingly challenged, which largely affects their career choices; for example, women choose to be teachers or nurses.<sup>383</sup> In a survey conducted by the World Bank profiling the preferences of workers and job seekers in Libya, 30% of female participants felt that it could be easier for their male counterparts to find jobs, given some preferences that women have for jobs and job conditions. Women also prefer jobs, such as waitress or housekeeper, with a lower probability of facing harassment, in other words, with convenient working hours that would allow them to return home safely.<sup>384</sup> Family and domestic responsibilities (caring for children, husband and domestic chores) were mentioned as barriers as well. Another important barrier mentioned was family constraints, where the family is not open to the idea of allowing women to work.

382. Ibid

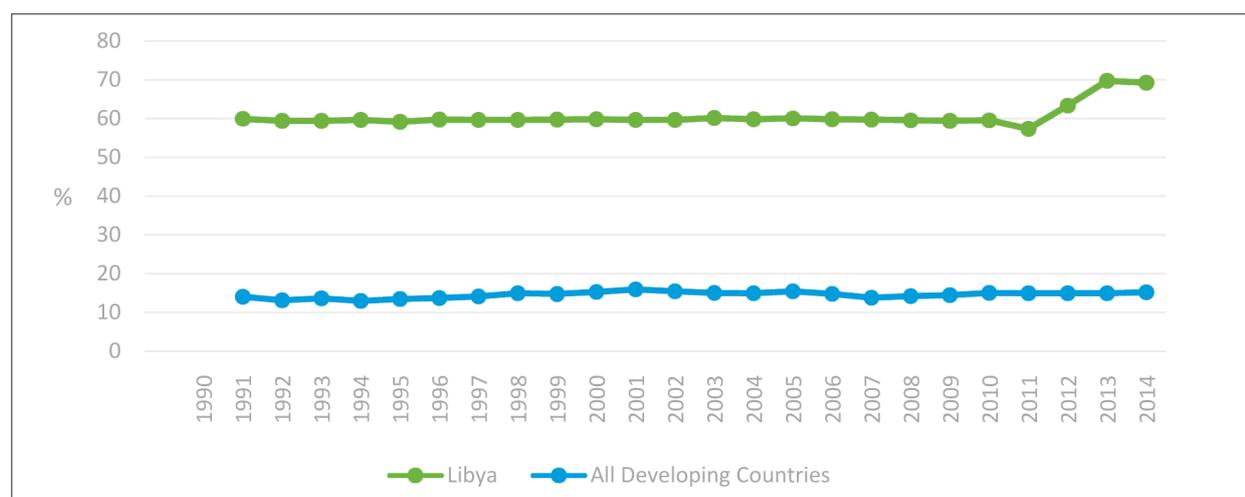
383. ETF (2014). Labour market and employment policy in Libya. Available from [http://www.etf.europa.eu/webatt.nsf/0/01BE9A2F283BC6B2C1257D1E0041161A/\\$file/Employment%20policies\\_Libya.pdf](http://www.etf.europa.eu/webatt.nsf/0/01BE9A2F283BC6B2C1257D1E0041161A/$file/Employment%20policies_Libya.pdf)

384. World Bank (2016). Country Overview: Libya. Available from <http://www.worldbank.org/en/country/libya/overview>

385. Examples of manual jobs are: workers at petrol stations, salespersons, or taxi drivers.

## Entrepreneurship

**Figure 71.** Libya - Unemployment, Youth Female (% of Female Labour Force Aged 15-24)



Source: International Labour Organization (ILO) 2016

Women’s economic activity outside the public sector remains limited. However, with the unstable political environment and constrained public finances, there seems to be some movement, though limited, among women towards entrepreneurship and starting their own business. This can be observed in Figure 71 above, where unemployment among young females has been increasing since 2011. The importance of the public sector in terms of employment, combined with scarce job opportunities in the private sector, exacerbates unemployment among young women. Different impediments exist, such as high demand for jobs in the public sector, as well as lack of skills that match market needs. Furthermore, the most common story is one of jobs lost with the closing of many international companies in the country as well as international organizations and diplomatic missions as a result of the harsh economic realities facing the economy.<sup>386</sup>

Most entrepreneurial activity occurs in the informal sector, where a large percentage are holders of basic education certificates or dropouts<sup>387</sup> According to the National Economic Strategy, the private sector is divided into formal private registered companies and a much larger number of informal companies. The reason why entrepreneurial projects occur in the informal sector is that they are considered a means of finding additional sources of income. “Supplementary entrepreneurs” are employees in the private sector who earn additional income through jobs or businesses in the informal private sector, while “orphan entrepreneurs” set up a service business until they find a job in the public sector. The importance of the informal sector comes as no surprise, with Libya’s score on Ease of Doing Business reflecting the highly volatile political situation that not only discourages risk-taking ventures but poses its own dimensions of fundamental risk. More importantly, the stream of informal businesses is due to the large uncertainty surrounding business processes, governance in the country in the absence of a centralized pub-

386. World Bank Group (2015). Labor market dynamics in Libya: Reintegration for recovery. Available from <https://openknowledge.worldbank.org/bitstream/handle/10986/22015/9781464805660.pdf?sequence=1>

387. See: [https://books.google.ae/books?id=D3H9DAAAQBAJ&pg=PA31&lpg=PA31&dq=libyan+female+wage+gap+private+public+sector&source=bl&ots=Od7EuoZLiP&sig=QdEHkQPU6St-yWODFWBWVxlhqc&hl=en&sa=X&ved=0ahUKewiQ\\_KOpitDPAhUSM8AKHc1xADQQ6AEIHZA#v=onepage&q=libyan%20female%20wage%20gap%20private%20public%20sector&f=false](https://books.google.ae/books?id=D3H9DAAAQBAJ&pg=PA31&lpg=PA31&dq=libyan+female+wage+gap+private+public+sector&source=bl&ots=Od7EuoZLiP&sig=QdEHkQPU6St-yWODFWBWVxlhqc&hl=en&sa=X&ved=0ahUKewiQ_KOpitDPAhUSM8AKHc1xADQQ6AEIHZA#v=onepage&q=libyan%20female%20wage%20gap%20private%20public%20sector&f=false)

lic authority, as well as bureaucracy and corruption.<sup>388</sup>

Women are less likely to be entrepreneurs in Libya. Early-stage adult female entrepreneurs represent only 7.2% compared to 15.0% of adult males. Moreover, women represent only 4.2% of the total self-employed and employers. This is mainly due to the widespread presence of women in the public sector, in addition to other challenges faced by women in employment. These include lack of technical training and guidance, lack of education and capital, limited opportunities to grow and develop the business and difficulty in balancing their time between family responsibilities and work. The fact that Libyan women have limited access to assets and financial resources prevents them from becoming successful entrepreneurs. A study conducted in 2013 showed that over half of current and previously married women do not have financial savings, 64% do not possess valuable items, such as cars or jewellery, and only 12% own land or an apartment.<sup>389</sup>

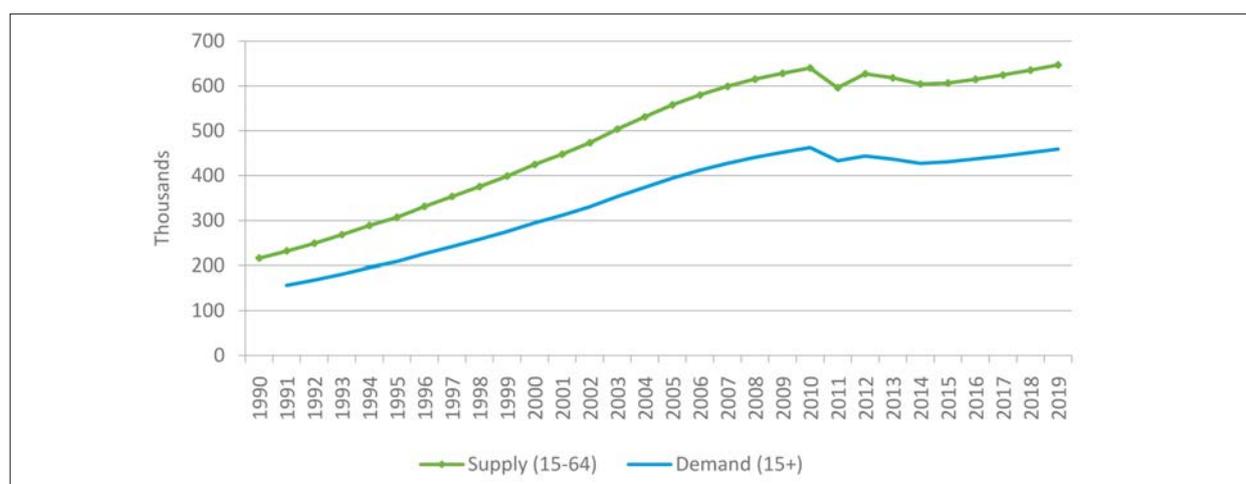
### 4.9.3 Future Prospects

#### Outlook

The fact that the political and security situation in Libya has imposed harsh living conditions at all levels of society is incontestable. The prospects for women's economic participation are affected even further by the restrictions increasingly imposed on their mobility due to curfews, difficulty in transport and checkpoints. The economic situation, especially the liquidity crisis facing the country, has largely been affecting formal economic sectors for both men and women.

Gender stereotypes that were already present prior to the crisis are further exacerbated, especially with the rising costs of relevant services and benefits dedicated to women such as childcare, which have a direct impact on their ability to work or find job opportunities.

**Figure 72.** Libya - Supply and Demand for Female Labour 1990-2019



Source: International Labour Organization (ILO) 2016

388. ETF (2014). Labour market and employment policy in Libya. Available from [http://www.etf.europa.eu/webatt.nsf/0/01BE9A2F283BC6B2C1257D1E0041161A/\\$file/Employment%20policies\\_Libya.pdf](http://www.etf.europa.eu/webatt.nsf/0/01BE9A2F283BC6B2C1257D1E0041161A/$file/Employment%20policies_Libya.pdf)

389. OECD (2016). SMEs in Libya's reconstruction: Preparing for a post-conflict economy, the development dimension, Available from [https://books.google.ae/books?id=D3H9DAAAQBAJ&pg=PA31&lpq=PA31&dq=libyan+female+wage+gap+private+public+sector&source=bl&ots=Od7EuoZLiP&sig=QdEHkQPU6St-yWODFWBWVxlhqc&hl=en&sa=X&ved=0ahUKEwi0\\_KOpitDPAhUSM8AKHc1xADQQ6AEIHzAA#v=onepage&q=libyan%20female%20wage%20gap%20private%20public%20sector&f=false](https://books.google.ae/books?id=D3H9DAAAQBAJ&pg=PA31&lpq=PA31&dq=libyan+female+wage+gap+private+public+sector&source=bl&ots=Od7EuoZLiP&sig=QdEHkQPU6St-yWODFWBWVxlhqc&hl=en&sa=X&ved=0ahUKEwi0_KOpitDPAhUSM8AKHc1xADQQ6AEIHzAA#v=onepage&q=libyan%20female%20wage%20gap%20private%20public%20sector&f=false)

Projections of supply and demand for female labour show a steady gap with excess supply. Despite some short-term stability, the situation is expected to further affect the economic participation of women in the country. Markets are increasingly limited with more divisions within the country and more problematic borders with neighbouring countries.

### **Recommendations**

The current governance situation in the country limits the potential to rely on improvements through public policies or government programmes. As such, any initiatives to improve economic prospects for women in the country need to be largely designed around the informal sector. Efforts should be also directed towards social protection and inclusion, which have to be part of the national plan, clearly stating how jobs can be created for women. The Government can play a significant role in executing these plans.

Specific programmes could be established as part of a framework of subsidies, financial support, and help to female job seekers. Such programmes should cover all urban and rural areas, but priority should be given to the most vulnerable areas (conflict areas such as Sirte, Benghazi, Ajdabiya) and women from the lowest income segment. The main priority is to build job-relevant skills that not only help new entrants to the economy (such as fresh graduates), but also those who were forced to leave their jobs and adapt to a new economic reality. These skills may include ICT skills, the basics of business management and the soft skills that are important tools in building a successful career path.

On a different level, addressing gender stereotypes and sensitization around the importance of women's economic participation, in addition to lobbying for legislative reforms, should be a priority not only in the short term, but also in the longer term, to ensure the successful engagement of women in future phases of reconstruction and economic recovery. The Government is strongly encouraged to take these initiatives, beginning with an assessment of how training will fill the need gaps in society. The latter should be followed by the establishment of a dedicated committee to ensure the effectiveness and quality of the training.

## 4.10 Morocco



### 4.10.1 Economic Background

**Table 24:** Morocco - Key Indicators

Indicator	Value
Population (thousand) 2016	34,817.1
Female population (thousand) 2016	17,596.6
GDP (US\$ Current, million) 2015	104,784.1
Real GDP growth (%) 2014-2015	4.5%
Inflation (%) 2015	1.6%
Female unemployment (%) 2014	10.9%
Ease of doing business (Rank) 2015	80
Population under 30 (%) 2015	53.5%

**Source:** Euromonitor International, 2016

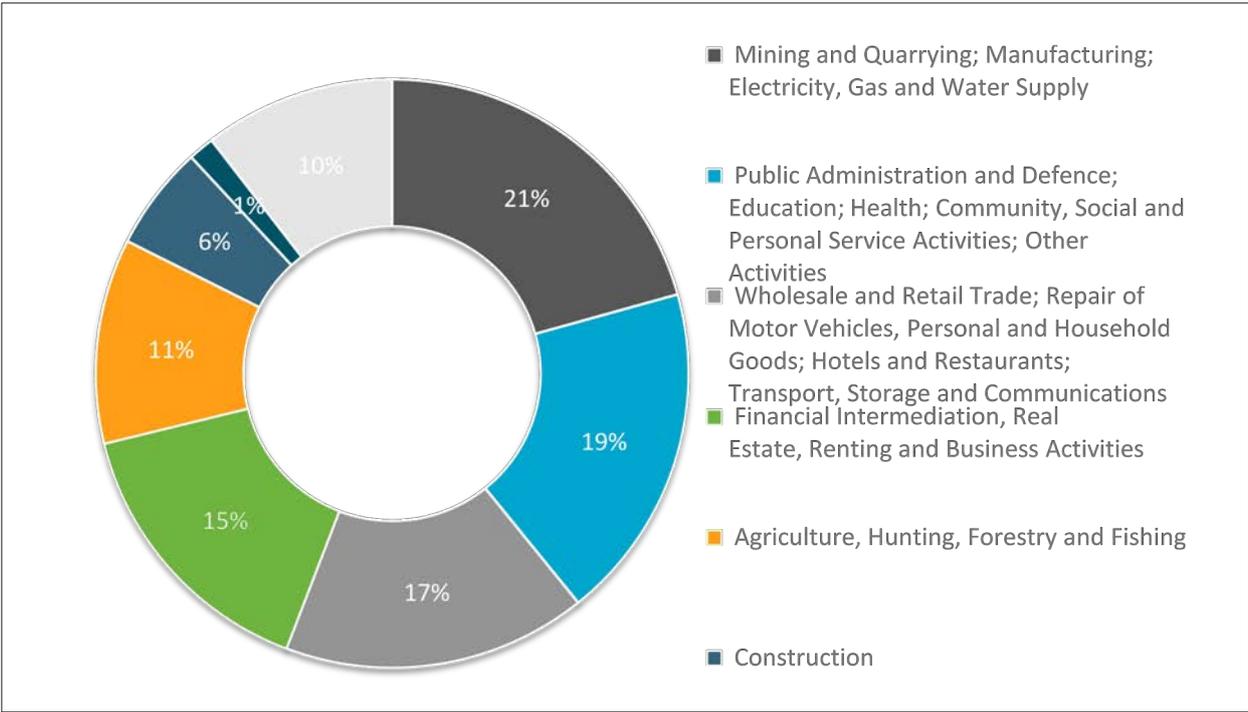
The Moroccan economy has several distinctive features. First, it has no commercially relevant oil or gas reserves, although it has other mineral resources, notably phosphates. Second, it has a large agricultural sector, which is mainly dependent on rainfall. As such, output varies widely from year to year, affecting the overall growth rate. 40% of the population lives in rural areas and are primarily dependent on agriculture. Agricultural volatility helps explain why total income per capita is only half the regional average, and rural living standards are particularly low. For example, Morocco has the highest level of income inequality in the whole region.<sup>390</sup> Third, the country's relatively small mineral revenues support a very small public sector, employing only 9% of the workforce.<sup>391</sup> Fourth, although Morocco has been the least affected of all Arab countries by geopolitical risks in the Arab region, it is the most heavily exposed to the weak level of economic activity in the Euro area. The financial crisis of 2008-2009 and subsequent weak growth in the EU negatively affected exports, tourism, foreign direct investment and remittances.<sup>392</sup> Remittances are the single largest source of foreign exchange. Most migrants from Morocco are workers in Spain, France and the Netherlands.

390. IMF (2016). Morocco Program Note, April

391. HCP (Haut-Commissariat au Plan, Royaume du Maroc) (2013). Femmes marocaines et marché du travail: Caractéristiques et évolution.

392. IMF (2016). Morocco Program Note, April

**Figure 73.** Morocco - GDP by Gross Value Added (GVA) 2015 (% Share)



Source: Euromonitor International 2016

As a net oil importer, Morocco benefited from recent falls in the oil price.<sup>393</sup> Another benefit of lower oil prices is that, after peaking in 2012, both the fiscal and current account deficits declined. Public finances are sound and can support both active state social policies and economic investments.

The economic structure is quite diversified and evolving. Agriculture’s share of total value added in GDP has fallen markedly, from around 20% in the 1990s to 13-15% in the period 2004-2014. The main agricultural products are cereals and horticulture, followed by sugar, citrus fruit and olives.<sup>394</sup>

The share of industry (including minerals) in total output has also fallen, from 34% in 1980 to 29% in 2014. Within that sector, large-scale manufacturing first emerged in the 1980s. The first internationally competitive production subsector was clothing. Its strong export performance followed the granting of trade preferences by the EU. When similar preferences were granted to East European countries after the fall of the Soviet Union in 1989, Moroccan firms proved unable to continue their expansion, a situation subsequently exacerbated by the strong performance of China and India. Thus, clothes production stagnated from the mid-1990s onwards and by 2015 its share of manufacturing output was only 10%. Other subsectors then came to the fore, notably food products and tobacco (now accounting for 29% of manufacturing output), mechanical, metal and electrical goods (28%) and chemicals (mainly pharmaceuticals) accounting for another 13% (HCP 2015).

393. Ibid

394. Banque Al Maghrib (2016). Annual Report 2015.

The services sector has for many years been by far the largest contributor to GDP.<sup>395</sup> The main service activities are real estate and business services (15% in 2014), public administration and welfare services (19%), and commerce (i.e. wholesale and retail trade) (17%).

Growth is expected to remain well below the 6% average rate needed in the medium term to generate the necessary levels of job creation. Unemployment is lower than the regional average (9.7% overall in 2015, compared with 11% for the region as a whole in 2014)<sup>396</sup> and the level has been falling. Unemployment has been concentrated among young people seeking to enter the labour market for the first time, where the rate of unemployment is much higher, at 20%. Moreover, another sign of the poor performance of the labour market is that recent reductions in unemployment have been brought about by the creation not of good, but of poor quality jobs, defined as jobs that are insecure and do not entitle employees to social security benefits.<sup>397</sup> Only one in three workers had social security coverage in 2016.

To stimulate growth, the Government of Morocco moved away from direct investment in, or special fiscal and regulatory treatment of, specific subsectors or enterprises some years ago. Instead it adopted a strategic approach designed to improve the environment for sets of interrelated industries (industrial clusters). As an example of this approach, in early 2016, the Government signed a raft of agreements with local pharmaceutical associations, paving the way for the rollout of the country's first pharma-clusters, or "ecosystems".<sup>398</sup> Direct foreign investment is seen as key to the success of clusters, and large investors, such as Bombardier (aeronautics), Renault (automobiles) and Eaton (energy efficiency and logistics) have set up operations.

Sectoral plans are put forward by individual line ministries. Thus, the Ministry of Industry's Emergence 2009-2015 Plan focused on specific industries and subsectors, while the later Emergence 2020 Plan instead proposes generic interventions for strengthening SME competitiveness, improving the business climate, training workers and developing the next generation of industrial parks. The Industrial Acceleration Plan aims to increase industry's contribution to GDP from 14% to 23% by 2020 and create 500,000 new jobs; the Rawaj Vision 2020 development plan aims to grow the retail sector's contribution to GDP from 11% to 15% and generate 450,000 new jobs. The Government also aims to double tourism, generate 470,000 new jobs and become a top-20 tourism destination by 2020.<sup>399</sup> The Morocco 'Plan Numéric 2013' focused on enhancing national ICT capabilities for various activities, especially off-shoring. None of these sector plans provide a breakdown of employment targets by gender.

In general, within the current planning approach, non-traditional manufacturing (i.e. non clothing production) is seen as the main driver of growth, particularly the aeronautics, automobiles and pharmaceuticals and medical devices subsectors. Large, pioneering renewable (largely solar) energy projects are being established, and construction of a new

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395. World Bank (WDI). Available from <http://data.worldbank.org/data-catalog/world-development-indicators>

396. Banque Al Maghrib (2016). Annual Report 2015.

397. Achy, L. (2010). Trading high unemployment for bad jobs, Carnegie Papers No. 23.

398. Oxford Business Group (2016). Report. Available at <http://www.oxfordbusinessgroup.com/news/le-maroc-lance-deux-%C3%A9cosyst%C3%A8mes-pharmaceutiques>

399. Morikawa, Y. (2015). The opportunities and challenges for female labor force participation in Morocco, Global Economy and Development Working Paper 86, Brookings Institution.

high-speed train system connecting Tangier and Casablanca is underway.<sup>400</sup> These non-traditional manufacturing and telecoms subsectors are all relatively high value added activities that require skilled and highly qualified workforces.

Progress towards sectoral planning goals started to slow in recent years; growth showed a downward trend and the ability of the economy to create jobs dwindled.<sup>401</sup> This led policy-makers to question the current planning model. Attention is now set to shift to the development of public policies focusing on 'intangible capital', setting employment at the top of national priorities, according to the Governor of the Central Bank of Morocco.

## 4.10.2 Women in the Economy

### Legislative Framework

Morocco has an unusually strong, but still incomplete, set of legal instruments in support of gender equality. These comprise many elements:; for example, in 2001, the Government formally gave women access to high posts in the public administration. In 2004, a revised version of the Family Code (the Moudawana) was enacted. The new Constitution of 2011, which was adopted by referendum, enshrines gender equality, stating that "the State works for the realization of parity between men and women".

As a result of these measures, the law now provides that unmarried (but not married) women can be recognized as head of household and no restrictions are set on a woman's mobility, ability to get a job, sign a contract in her own name, register a business or open a bank account. In terms of property rights, women have equal rights to men. As for inheritance, personal (but not customary) courts are recognized, meaning that Sharia provisions, such as those relating to inheritance, are upheld, but that the legal framework cannot be overruled by discriminatory 'traditional' judgements. In 2015, the National Council of Human Rights presented a report in which the Council discussed and asked for gender equality mainstreaming within inheritance rules. One consequence of current inheritance practices is that the productive assets at women's disposal for business creation and development are less than men's (Law and Development Partnership 2013). The fact that only 7% of urban women and 1% of rural women own land is also attributed to this provision.<sup>402</sup>

The labour law requires equal pay for equal work, and includes explicit anti-gender discrimination provisions requiring that pay and conditions be the same for all workers, regardless of their sex. Employers are required to provide maternity leave and a small amount of paternity leave. Maternity leave is paid in part by the Government (67%) for up to 98 days and more time can be taken unpaid. Women can work in most sectors and occupations in the same way as men, but not in mining or in 'hazardous, morally inappropriate or arduous occupations' (which are not defined), meaning that women have access to a smaller proportion of the employment market.

The Government acknowledges that substantial differentials between the sexes persist

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400. Morocco World News, February 9, 2016. Available at [www.moroccoworldnews.com/](http://www.moroccoworldnews.com/)

401. Morikawa, Y. (2015). The opportunities and challenges for female labor force participation in Morocco, Global Economy and Development Working Paper 86, Brookings Institution, July

402. European Bank for Reconstruction and Development (2015). Strategy for Morocco, 11 February 2015.

with respect to some rights, including social security benefits, the types of jobs held by both sexes, their earnings, the risk of dismissal, poverty among women, predisposition to insecurity, illiteracy and others.<sup>403</sup> These differentials are attributed to socio-cultural factors and the economic and social position of women. Yet some discriminatory elements are still in place in the legal and policy framework. Legal provisions to protect women against violence and harassment have been weak although improvements to the law have recently (2016) been adopted. The tax system explicitly favours men, reducing the incentives for women to earn income and encourage their economic participation.

Time is needed for the favourable legal provisions to take effect. But as one observer notes, they will not take effect at all unless government resources are allocated to monitor and enforce them. These have to be reinforced, particularly within the gender budgeting initiatives, which are a pillar of the Government's gender policies.<sup>404</sup>

### **Education and Vocational Training Overview**

Morocco has made great strides in improving the extremely low educational status of its population in recent years, especially among girls.

By 2004, primary school enrolment was universal among both girls and boys. Female adult literacy rate rose steeply from 39.6% in 2004 to 62.0% in 2015.<sup>405</sup> At lower secondary level, while the overall ratio of girls to boys was 44.7% in 2014, up from 42.9% in 2001, statistics for rural areas show only a 31.9% ratio of girls to boys. Moreover, enrolment in rural areas for both boys and girls was at the lower end: 36.4% and 30.7% respectively in 2014. Although, there is something of a gap in enrolment rates between the two sexes, the fact that in 2001, the rate for girls in rural areas was only 5.9% shows great progress, with a rise of 24.8 percentage points in 13 years.<sup>406</sup> At tertiary level, the gender gap has also been closing rapidly. The ratio of female to male students enrolled in tertiary education increased from 71.5% in 2000 to 91.8% in 2014.

The educational profiles of the male and female labour force do not correlate exactly with that of the respective populations. Nevertheless, both the lower attainment of women and the rapidly changing levels of attainment, as younger cohorts arrive, are reflected in the female labour force (see Figure 74 below).

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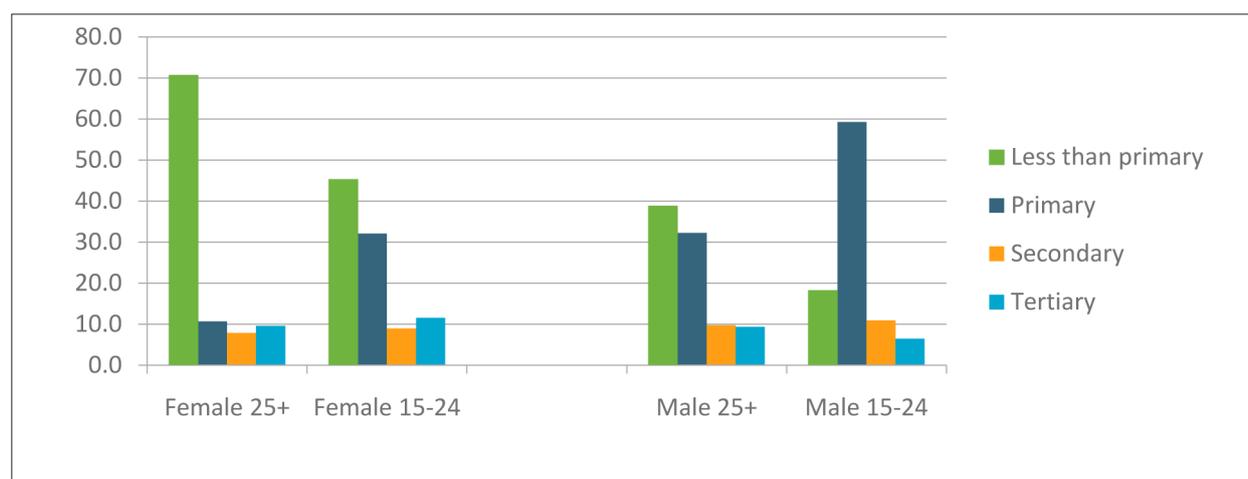
403. United Nations (2006). Combined third and fourth periodic report of States Parties: Morocco, to the Committee on the Elimination of All Forms of Discrimination against Women. CEDAW/C/MAR/4

404. Belarbi, A., L. and others (2013) Comment aller vers l'égalité économique hommes-femmes? Carnegie Middle East Centre and CESEM Policy Paper.

405. UNESCO Institute for Statistics. Available from <http://data.uis.unesco.org/>

406. High Commission for Planning, Morocco (2015). Between Millennium Development Goals and Sustainable Development Goals. Available from [www.hcp.ma/file/174377/](http://www.hcp.ma/file/174377/)

**Figure 74.** Morocco - Labour Force by Level of Educational Attainment: Distribution by Sex and Age Group, 2006



*Source:* International Labour Organization 2016

The subjects studied at college and universities are usually considered of great importance to students' preparedness for employment.

Among secondary school graduates, women formed 49.4% of those passing the general examination, 58.4% of those graduating with a technical and commercial specialization, and 29.5% of those with a technical industrial specialization.<sup>407</sup> Across all subjects, apart from the study of Arabic and Islamic Law, girls had a significantly higher success rate in examinations.

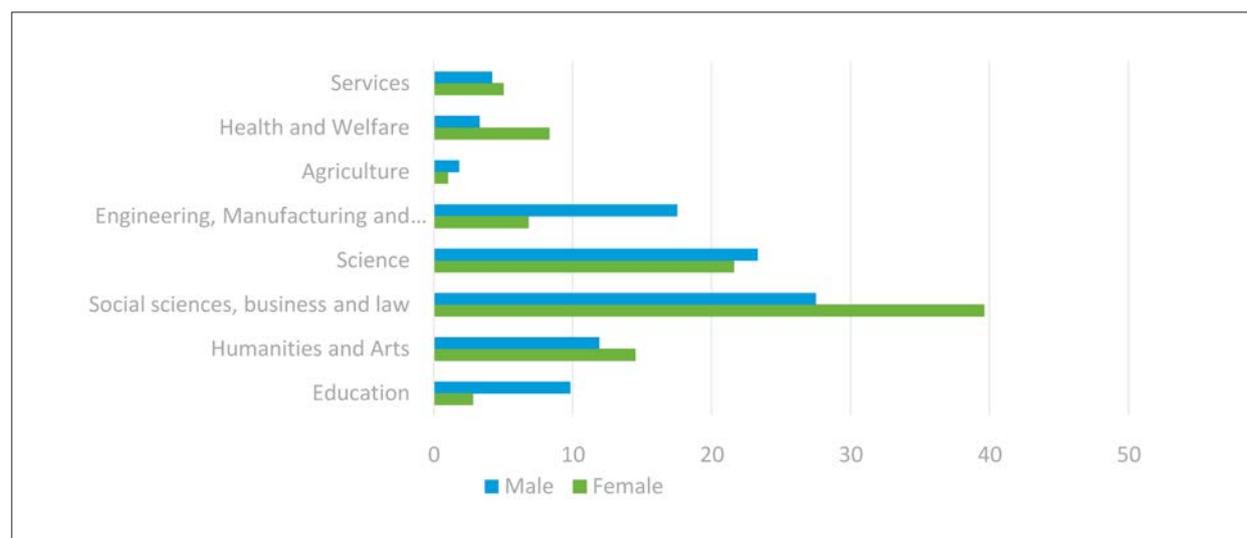
The share of the population enrolled in higher education is still low (16%), compared to 30.6% in Algeria and 35% in Egypt for example.<sup>408</sup> However, women are well represented, accounting for 48% of total enrolments in 2012-2013.<sup>409</sup> Figure 75 below shows minor gender imbalances in the distribution of female and male university students in relation to the subjects usually considered most important. For example, 17.5% of males study engineering, compared to 6.8% of women, although in the sciences, the figures are almost equal. On the other hand, more females than males study law, business and social sciences. Those subjects are also important for the operation of businesses in the market and the management of organizations.

407. HCP (Haut-Commissariat au Plan, Royaume du Maroc) (2013) Femmes marocaines et marché du travail: Caractéristiques et évolution.

408. UNDP (2016) HDR

409. Ibid.

**Figure 75.** Morocco - Education: Distribution of Tertiary Graduates by Field of Student, %, 2010



Source: UNESCO 2010

The share of women in key subjects has been rising sharply over the past 15 years (See Table 25 below).

**Table 25:** Morocco - Share of Women Among Degree Graduates by Level of Qualification, Sex and Subject, 1999 and 2012, (%).

Subject	1st and 2nd level (%)		3rd level and Masters (%)	
	1999	2012	1999	2012
Social sciences, economics and law	40.5	52.1		
Literature and human sciences	52.9	50.2		
Sciences	32.6	42.1	32.9	39.2
Science and technology	28.9	43.1		
Medicine and pharmacy	51.8	64.5		
Dental sciences	67.4	81		
Engineering	21.2	36.5	28.8	48.1
Technology	41.4	56.9		
Commerce and industry	42	63		
Education	65.5	70.4		
Translation	40	46.2		

Source: HCP 2016 Femmes et Hommes en chiffres, 8 March 2016.

In addition, almost half (46.5%) of recipients of technical diplomas are women. The share of women in vocational training for general and specialist technicians rose from 32.5% to 39.9% and from 30.5% to 46.3% respectively between 1999 and 2012.

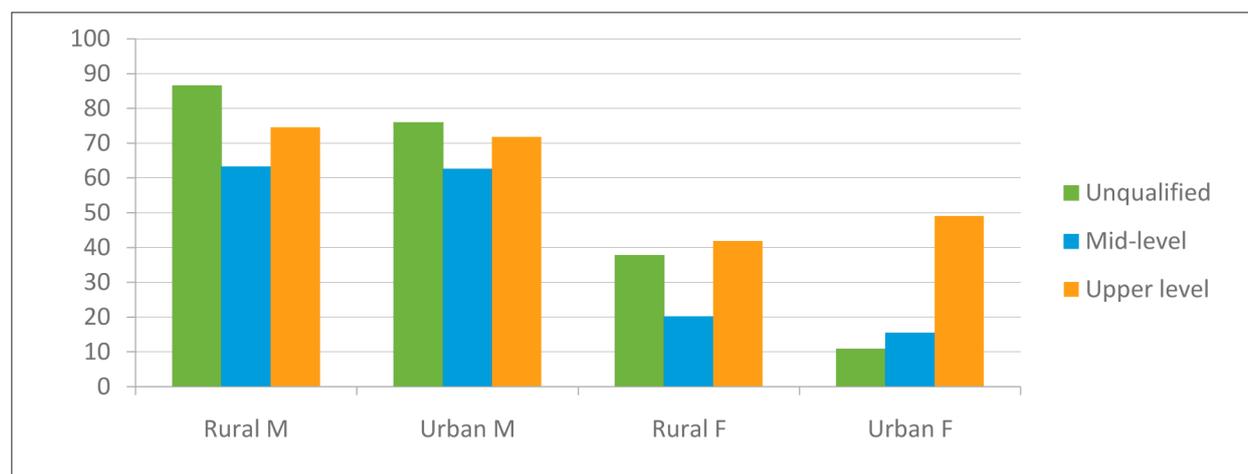
### **Economic Participation**

Compared to other countries in the region, Morocco lies at the mid-point in terms of

women's engagement in the economy. The total female labour force participation rate was 24.7% in 2012.<sup>410</sup>

According to official data, which is also the basis for comparative international statistics, in 2012 the rate of female labour force participation was much higher in rural areas (36%) than in urban areas (see Figure 76).

**Figure 76.** Morocco - Activity Rate by Sex, Urban-Rural Residence and Educational Level, 2012 (%)



**Source:** HCP 2013

Agriculture employs 39.2% of the total workforce<sup>411</sup> and 59.9% of the total female workforce<sup>412</sup>. Agricultural production is not increasing, on average, and in recent years it has not been generating demand for labour proportionate to its output.<sup>413</sup>

However, the type of employment available for women in rural areas is mostly in agriculture as family labour. In the rural female labour force, 74% work without pay,<sup>414</sup> and without any of the other empowering attributes of regular contractual employment<sup>415</sup>.

It is revealing in this connection that the latest official figures from the population census show a greatly reduced female labour force participation rate of 7.5% in rural areas<sup>416</sup> and consequently a much lower total female participation rate of 14.7%. It remains to be seen whether the data collection methodology used in the 2014 census is consistent with standard ILO definitions and the results fed into international databases accordingly.

Women's participation and employment rates in the urban labour force demonstrate more accurately the extent to which the Moroccan economy has been able to generate regular jobs for half its population. The female participation rate in urban areas was 19.4% in 2014.

410. HCP (2015) Key Figures for Morocco

411. UNDP (2015) HDR Table 13

412. HCP (2013) Femmes marocaines et marché du travail: Caractéristiques et évolution.

413. Banque Al Maghrib (2016) Annual Report 2015.

414. HCP (Haut-Commissariat au Plan, Royaume du Maroc) (2013) Femmes marocaines et marché du travail: Caractéristiques et évolution.

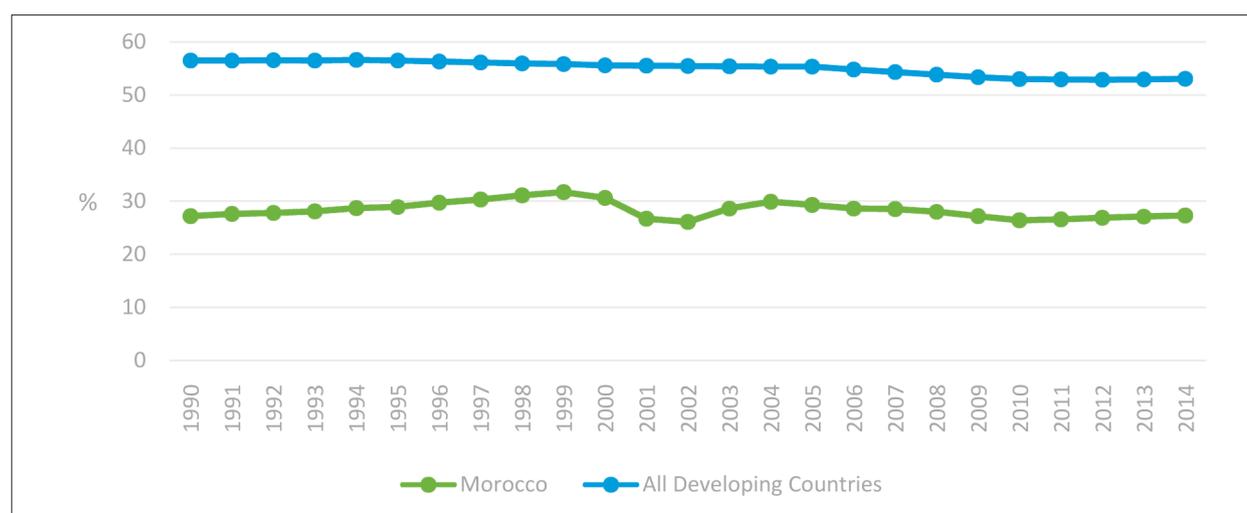
415. Academic research over many years has examined the value of employment from women's perspective. This body of work has established that "formal regular wage work has the greatest transformative potential for women" (Kabeer 2012).

416. HCP 2016:7

The share of unemployment among urban women was extremely high (29.5%). It follows that the employment rate of urban women is much less than the activity rate would suggest. In 2012, only 14% of women in urban areas were employed.<sup>417</sup>

Moreover, women’s overall level of engagement has been declining (see Figure 77). Male participation rates have also been falling slowly for the past 20 years, but the decline among women is proportionately greater.

**Figure 77.** Morocco - Female Labour Force Participation Rate, 1990-2013 (% Female Population 15-64 years)



**Source:** International Labour Organization 2016

Although the decline in female labour force participation is partly due to increases in the number of women in education, changes in the level of labour force participation move very closely with variations in the rate of employment creation.<sup>418</sup> Individuals are discouraged from offering themselves for employment when job opportunities are not available; in these circumstances, they become discouraged and withdraw from the labour market. Thus, women’s participation rate is influenced by the work on offer and supply and demand are interdependent to some degree. If more employment opportunities were open, women’s participation rate could have been higher and falls in the rate could have been avoided. Better educated women are by far the most likely to seek (and continue seeking) employment, but even so, fewer than half are economically active and they carry little weight in the total participation rate because they are few in absolute numbers.

Another important feature is the types of work that women can obtain. The proportion of women in irregular employment (or in “vulnerable” or casual jobs, defined by the ILO as temporary or on a no contract basis) is very high in rural areas. The proportion of women in irregular employment was 64-67% in the period 2002-2008. In 2012, three quarters of economically active women in rural areas (74%) were unpaid family workers; an even higher proportion, 86.5%, had no employment contract.

417. HCP (Haut-Commissariat au Plan, Royaume du Maroc) (2013). Femmes marocaines et marché du travail: Caractéristiques et évolution.

418. Banque Al Maghrib (2016) Annual Report 2015.

Urban jobs for women are few in number, but of a very different status: 95% of women in the urban labour force are in paid jobs. In manufacturing, women workers are evenly spread across all job types, occupying permanent production and non-production jobs in equal measure.<sup>419</sup> Nearly half (46.4%) of employed women in urban areas have medical insurance, more than men's coverage (30.1%) The ratio of women to men among technical and professional workers is relatively high in Morocco; the proportion of jobs requiring advanced qualifications occupied by women in Morocco, at 0.55, is the same as the ratio in Algeria and higher than in Egypt.<sup>420</sup>

## **Entrepreneurship**

Moroccan women have a low level of engagement in entrepreneurship relative to other countries. The international Global Entrepreneurship Monitor surveys compare the level, motivation and orientation of entrepreneurial activity among individuals in the population. The total 'early stage' entrepreneurial rate in Morocco, measuring the incidence of new entrepreneurial activity (up to 3.5 years in operation) among individuals, is 2.9% among women, compared to 6.1% among men in 2014. This was the lowest rate recorded for women among all 60 countries investigated in this respect in 2015 (GEM 2015 Global Report). Among longer established businesses (in operation for 3.5 years or more) the gap is 6.5% (8.5% for men, compared to 2% for women) (GEM 2015). Thus, for each women owner-manager of an established business, there are more than four men in a similar position. In total, therefore, 11.4% of adult women are entrepreneurs of some kind<sup>421</sup>.

As to motivation, more women (34.5%) than men (25.4%) entrepreneurs are driven by necessity, meaning that they lack alternative means of earning a livelihood.<sup>422</sup> This observation is consistent with the higher rate of female unemployment, which can be interpreted similarly as a wish to find a job to generate income.

The Ministry of Finance records an even larger gender gap in firms in operation in Morocco. It notes that there are 9 to 10,000 women entrepreneurs (owners or CEOs) and that this constitutes only 10% of the total number of businesses; most are small or medium sized.<sup>423</sup> Whether they are all formal enterprises (i.e. registered) or not is unclear.

Within the formal business sector, women are a minority of business owners, but their share has been rising. In 2007, 13.1% of all firms with five or more employees had some female participation in ownership; this share rose to 31.3% overall by 2013 and to 44.5% in the clothing subsector<sup>424</sup>. However, this is a very weak definition of 'female ownership', which may reflect the spreading of assets within a family, rather than entrepreneurial initia-

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419. WB Enterprise Survey 2013

420. Hausman (WEF)

421. The female labour force participation rate was 24.7% in 2012 but this cannot be directly compared with the entrepreneurial activity rate. In principle, entrepreneurially active women (more exactly, those working a certain number of hours per week, and generating income) should be included in the female labour force (as self-employed workers or as employers). But many individuals are active in both capacities. The highest rates of entrepreneurship in Morocco (and other countries) are among 'moonlighting' adults employed in another organization (IDRC-GEM 2010). As a matter of interest, less than 20% of the female workforce declared their work status as 'independent' (16.5%) or as employers (2.6%) in 2012 (HCP 2013).

422. GEM-MENA Regional Report 2009, IDRC with contributions from MAS (Palestine Economic Policy Research Institute (MAS); Available at <http://www.gemconsortium.org/docs/693/gem-mena-2009-report-english>

423. European Bank for Reconstruction and Development (2015) Strategy for Morocco.

424. WB Enterprise Survey

tive. In 2013, the number of all companies with clear ‘majority female ownership’ was only 3.5% (data is not available for 2007).

In terms of sector involvement, most individuals’ ventures (60%) are in commerce, followed by manufacturing (including artisanal production (13%), and health and education services (11%).<sup>425</sup> According to the Ministry of Finance, the sectoral distribution of registered female-owned firms is similar to that of male-owned firms, with nearly 85% in manufacturing (including handicrafts) and 15% in services. Within manufacturing, women are most likely to be engaged in textiles and clothing and agro-processing.<sup>426</sup>

A region-wide analysis concludes that the main determinant of the low entrepreneurship level among women is the low level of female labour force participation. Worldwide, experience as an employee is a strong predictor of successful entrepreneurship. Thus, low total female employment rates in Morocco impede not only female entrepreneurship but also entrepreneurship in general. In Morocco, only slightly more than 2 adult women in 100 are entrepreneurially active compared with the total of 23 in every 100 women in the labour force.

The Moroccan entrepreneurial scene in general (including both male and female ventures) is relatively non-dynamic. Among the total enterprise population, older ventures dominate to an unusual degree. Ventures are relatively poor in launching new products and few have an international orientation for sales.<sup>427</sup> The picture is mixed with respect to new, formal, legally registered firms (start-ups). Some reports suggest considerable dynamism, claiming, for example, that there were five times as many start-ups in 2015 than in 2012<sup>428</sup>. The World Bank takes a longer view. It reports that over the period 2000-2014 business density has not increased over time and that Morocco ranks relatively low among all countries (although in the mid-range of countries in the region) in terms of the number of new limited liability company registrations in relation to population.<sup>429</sup> This measure is significant because young firms are the most likely to grow and to employ younger workers.<sup>430</sup>

### 4.10.3 Future Prospects

#### Outlook

Projecting the current situation indicates that the present pattern of absorption of women’s labour into the economy will not change in the medium term (see Figure 78 below). This is the best-case scenario, given the interdependence of supply and demand for female labour. Specific interventions to promote women’s employment could open up more job opportunities for women and therefore stimulate increases in the female labour force participation rate. In that case, however, although a gap might remain, the two trends would ratchet upwards, securing economic benefits from a higher level of women’s engagement.

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425. GEM-MENA Regional Report 2009, IDRC with contributions from MAS (Palestine Economic Policy Research Institute (MAS)); Available at <http://www.gemconsortium.org/docs/693/gem-mena-2009-report-english>

426. European Bank for Reconstruction and Development (2015) Strategy for Morocco.

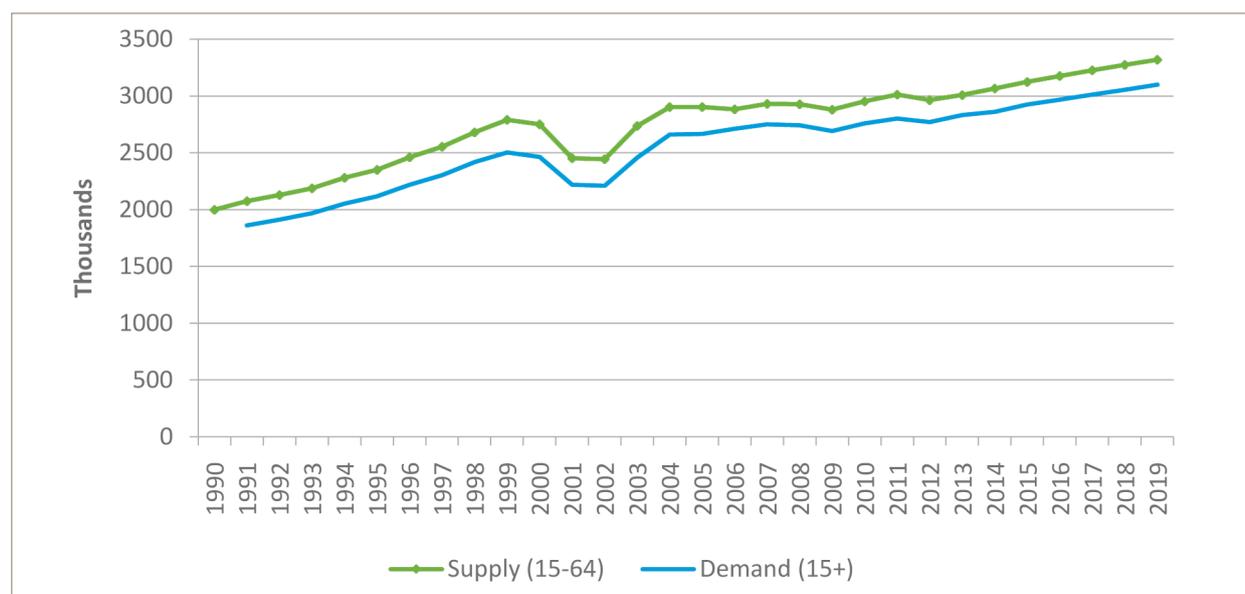
427. GEM-MENA Regional Report 2009, IDRC with contributions from MAS (Palestine Economic Policy Research Institute (MAS)).

428. See: <http://www.oxfordbusinessgroup.com/news/startups-au-maroc-une-industrie-en-pleine-%C3%A9volution>

429. World Bank Group (2015). Women, business and the law 2016: Getting to equal.

430. World Bank Enterprise Morocco Report

**Figure 78.** Morocco - Supply and Demand for Female Labour 1990-2013, with Projections to 2019



*Source:* International Labour Organization, 2016

Information on the sex disaggregation of employment in particular industries, set against their recent performance, indicates where interventions are most needed for sustaining or increasing the employment of women and generating a return to the large public investment that has been made in their education and training.

Non-traditional subsectors have been growing their exports relatively quickly; in line with earlier government predictions (see Table 26 below).

**Table 26:** Morocco - Exports in Selected Growth Industries, 2009-2012 (Dirham bn)

	2009	2010	2011	2012	Increase % on 2009 value
Automobiles	12	18.3	23.4	27	125
Aeronautics	4.1	4.7	5.8	6.4	56
Offshoring	4.9	6	7.1	7.3	58
Electronics	5.1	6.3	7.1	7	37
Textiles and leather	30.7	31.9	34	33.3	5
Food industry	15.5	16.7	15.9	17.9	15

*Source:* Morikawa 2016

**Table 27:** Morocco - Female Shares of Employment by Type of Job (%)

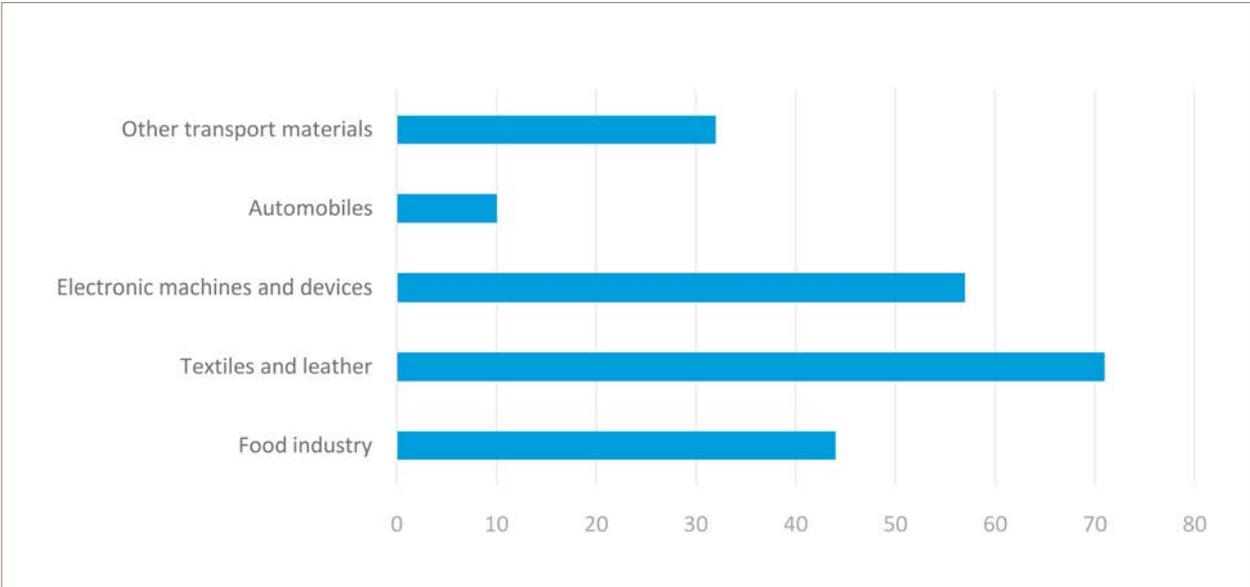
Management	1	2	2	2	1	2
Engineers & technicians	13	51	5	34	24	40
Operators	0	46	33	52	75	60
Administrators	55.5	0	65	0	0	0

*Source:* Morikawa based on Emergence Plan, 2009-2015. Difference due to rounding

The human capital requirements of the new leading industries offer proportionately higher shares of jobs requiring higher educational and technical qualifications. As noted above, women are strongly represented in cohorts of new graduates in these fields. Even if their numbers need to be discounted by the lower rate of labour force participation among women compared to men, it is clear that women would be strongly placed as candidates for the job opportunities opening up across a wide range of production activities.

At present, however, women’s share of the workforce varies widely across lines of business. In general, there is an inverse relationship between recent subsector growth performance and the female share of the workforce in those subsectors.

**Figure 79.** Morocco - Female Employee Ratio, Selected Industries, 2011 (%)



Source: Morikawa 2016

Sectoral strategic plans such as the *Plan Maroc Numeric 2013* and the Industrial Emergence Plan did not include any gender breakdown (or assessment) in their employment targets. The time is ripe for gender quotas to be introduced for the medium term.

The challenge, on the one hand, is to reduce the gender gap in growing areas of business, and on the other, to sustain the market share of industries where women are already well represented in the workforce. Automobiles are the fastest growing but have the lowest share of women workers; whereas textiles and leather, and to a lesser extent food processing, are performing sluggishly but employ large numbers of women. Electronics are in an intermediate position, with more than half the workforce being female but export performance having room for improvement. Gender targets in tourism would also be appropriate, because the female share is relatively low (26%) but the sector is very large. Furthermore, both tourism and food processing have important supply chain links in the local economy. Tourism, for example, is estimated to generate an extra 1.5 jobs for every additional position created; but its growth prospects are heavily dependent on volatile external markets. While gender employment quotas would be difficult to introduce in indirect activity, initiatives targeted at women entrepreneurs could easily provide special

support for those active in such markets.<sup>431</sup>

Such an approach is consistent with the government initiative of 2014, announcing that gender equality should be considered in all line budgets in relation to performance objectives, results and indicators.<sup>432</sup> This is a good example of the uptake of the gender budgeting approach, in which Morocco has been an international leader.

Ministries also need to set aside resources to monitor outcomes, and develop tools to ensure implementation. These have been lacking to date.<sup>433</sup> Inspectors attached to the Ministry of Labour should review the scope of their routine inspections and consider expanding them to include payments systems, disaggregated by sex. This could uncover differences that cannot be justified in the face of the requirement for gender equality in the labour law. It could also build up a body of data on wages that can be analysed by researchers in due course. It is not known, for example, to what extent wage differences in the private sector between men and women with the same educational qualifications are due to pure discrimination, occupational segregation, entry barriers or other causes.<sup>434</sup> In the interim, the Government could encourage and ensure that research funding is available for experimental interventions aimed at issues such as recruitment, retention and promotion practices within firms, together with careful assessment of the impact of different measures.

Civic activism is strong in Morocco, including by many women's organizations. However, NGOs tend to be single issue and uncoordinated with each other, so the impact of their work is fragmented and not strongly concerned with women's economic empowerment. One interesting initiative, however, is the launch, in March 2013, of Ilayki, an outreach project for women entrepreneurs undertaken by the state credit guarantee organization (*Caisse centrale de garantie*) in collaboration with the association of women business owners, AFEM (*Associations des Femmes Chefs d'Entreprise du Maroc*).<sup>435</sup> The CCG's assistance to smaller enterprises in accessing the formal financial system may be especially valuable to female business owners, who have fewer assets to offer as collateral. Consequently, they face greater difficulty than male business owners in scaling up their businesses and graduating from micro-finance, in which Morocco is the regional leader.<sup>436</sup>

## **Recommendations**

The Moroccan Government is undoubtedly seeking to reduce economic inequality by gender, including in women's employment and their levels of entrepreneurial activity. These imperatives can both be enhanced through a focus on the potential of 'leading sectors' allied with the introduction of quotas. Quotas already exist for some political functions, but need to be extended into the economic sphere. Implementation of strategic goals will

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431. Morikawa, Y. (2015). The opportunities and challenges for female labor force participation in Morocco, Global Economy and Development Working Paper 86, Brookings Institution.

432. IMF (2016). Morocco Program Note, April

433. Belarbi, A. and others (2013). Comment aller vers l'égalité économique hommes-femmes? Carnegie Middle East Centre and CESEM Policy Paper.

434. Said, M., and F El Hamidi (2005). Wage Inequality by gender and education in MENA: Contrasting the Egyptian and Moroccan Experiences in the 1990s,

435. Deloitte (2014)

436. World Bank Quick Note 2013

depend on collaboration with the private sector and allocation of resources and development of mechanisms for law enforcement and monitoring and assessment of interventions.

On the employment side, the cluster approach needs first to incorporate progressive gender targets for recruitment to newly created jobs, retention of women after marriage, and placement in management positions. Women's placement in management positions could be enhanced through targeted interventions. Company-level training schemes are subsidized, for example in offshoring industries. These subsidies could be made conditional on gender quotas. Universities and technical institutes could also be encouraged, through fiscal incentives, to increase the share of female students in key subject areas like engineering. Employment agencies could be rewarded for boosting the numbers of women they place into jobs. Central and local government procurement agencies could be required to include more female-owned or managed businesses in their list of eligible suppliers, either by making tendering procedures anonymous or possibly adopting gender quotas in awarding contracts.

With respect to entrepreneurship, some countries (notably the USA) have minority business support agencies that successfully implement information services to alert minority businesses to procurement market opportunities. They also perform a networking function, introducing potential minority suppliers to larger corporations (local or foreign) and improving their understanding of the particular hurdles faced by new businesses of this kind. Such schemes could equally well be framed in terms of gender rather than ethnic minority groups. Women face particular obstacles in this field: apart from lack of assets, their physical mobility for attending workshops etc. is restricted, they may be pressured to give up their ventures on marriage and lower levels of financial literacy and business skills translate into longer incubation periods for their businesses.<sup>437</sup> All these obstacles can be alleviated by public policy interventions.

There could also be special 'matching funding' programmes to increase the number and proportion of female-owned start-ups in the key cluster areas, both in frontline activities and as participants in the supply chains linked to them.

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437. European Bank for Reconstruction and Development (2015). Strategy for Morocco.

## 4.11 Oman

### 4.11.1 Economic Background



**Table 28:** Oman - Key Indicators

Indicator	Value
Population (thousand) 2016	4,654.5
Female population (thousand) 2016	1,561.1
GDP (US\$ Current, million) 2015	61,521.2
Real GDP growth (%) 2014-2015	4.1%
Inflation (%) 2015	0.1%
Female unemployment (%) 2014	14%
Ease of doing business (Rank) 2015	77
Population under 30 (%) 2015	53.3%

Source: Euromonitor International 2016

The Sultanate of Oman is geographically located at the southeast of the Arabian Peninsula with coastlines on the Arabian Sea, the Persian Gulf and the Gulf of Oman. The country's population was 4.6 million in 2016, with only 54% of the population made up of locals and 77.6% living in urban areas.<sup>438 439</sup> The median age in 2015 was 33.3 years – 6.3 years higher than the figure for 2000. Fertility rates are gradually dropping but were still higher than replacement level at 2.3 births per female in 2015. Oman is an absolute monarchy with an appointed cabinet and a bicameral legislative branch, with an appointed Council of State and a directly elected Consultative Council. While Oman was the first GCC country to grant women the right to vote in 1994, it ranked 139 (out of 145) on Political Empowerment of Women in the Global Gender Gap Report in 2014.

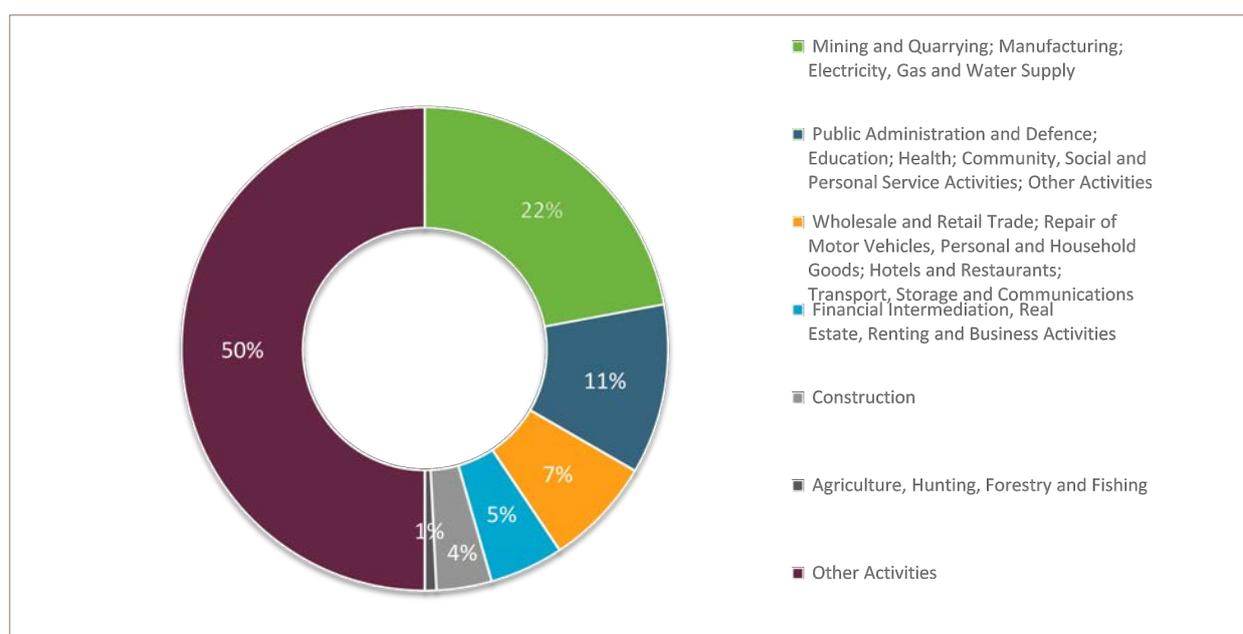
The country witnessed a drastic shift towards modernization starting in the 1970s with the accession of the present Sultan Qaboos bin Said. In the past 12 years, the country has seen a shift in the nature of its economy from fisheries and agriculture to petrochemicals, due to the depletion of its reserves.<sup>440</sup> The country has the lowest GDP per capita, at US\$15,645, among GCC countries and GDP growth of 4.1% from 2014 to 2015.

438. National Centre for Statistics and Information. Publications. Available from <https://www.ncsi.gov.om/Elibrary/Pages/LibrarContentView.aspx>

439. Euromonitor International (2015). Oman - Country Profile.

440. <http://www.shamsint.com/oman.html>

**Figure 80.** Oman - GDP by Gross Value Added (GVA) 2015 (% Share)



Source: Euromonitor International 2016

The economy enjoyed strong growth during periods of high oil prices but the authorities continue to work to encourage economic diversification (see Figure 80 above), with more sectors contributing to the country's GDP. Following a weak performance in 2011, the economy managed to rebound strongly in the following two years, then slowed again in 2014 with a 2.9% rise in real GDP. Oil revenues currently account for 75% of exports and 50% of GDP with a limited manufacturing sector. With falling oil prices, and more importantly the depletion of its oil reserves, Oman has already set diversification as a policy priority. Service sectors seem to offer the most potential with a stable banking system that is already performing well in terms of profit and a tourism sector that is witnessing significant growth.<sup>441</sup>

In order to boost economic performance, reforms have so far focused on broadening privatization, attracting foreign direct investment and the Omanization of the labour force, with currently 15% of Omani employment in the private sector. The utilization of natural gas has also been on the rise as a substitute for oil in both exports and local use, along with more focus on the country's important mining industry (contributing 22% of GDP) with its significant metal and mineral deposits. In addition, Oman has been shifting towards logistics and downstream production in the petrochemical industries.

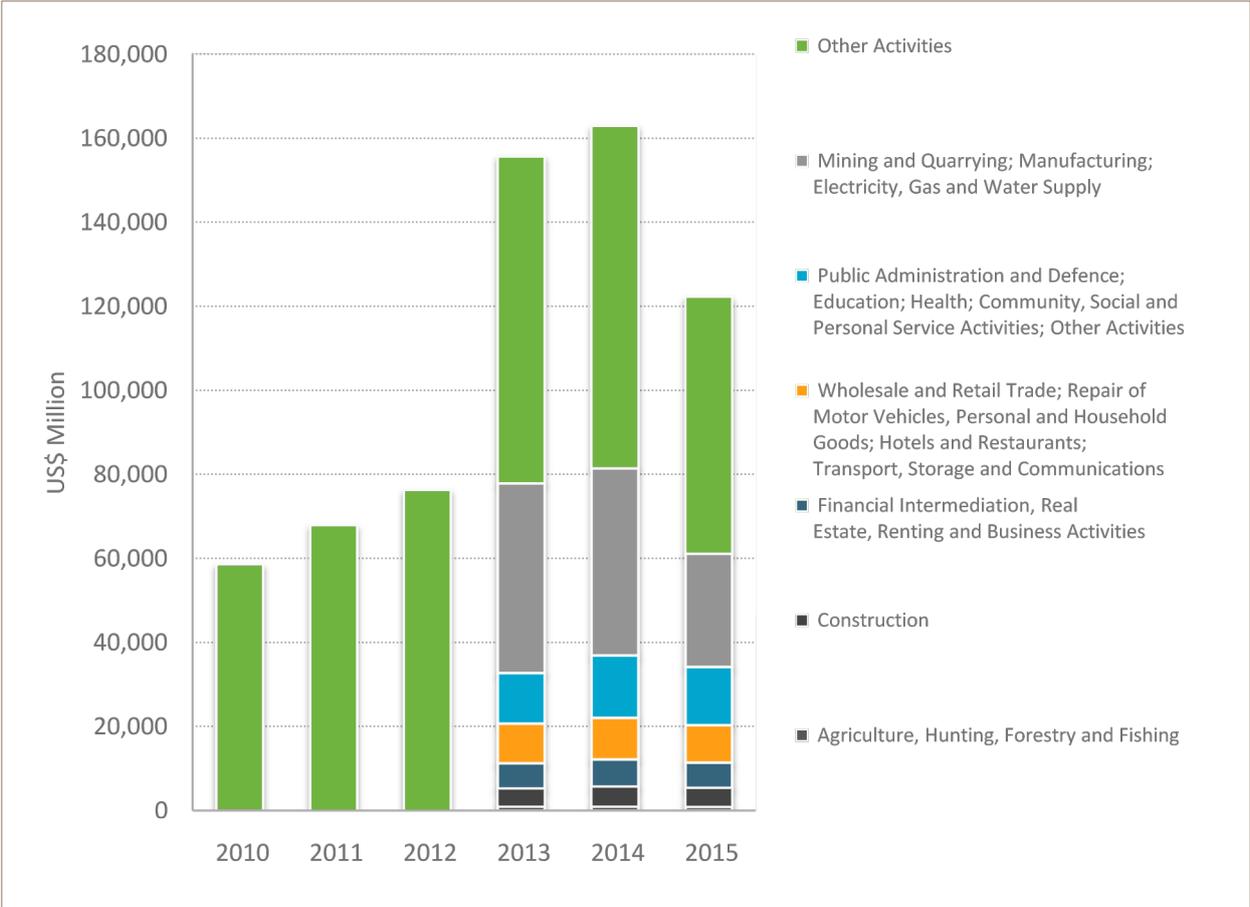
Even though unemployment rates were 6.1% for men and 14% for women in 2014, unemployment seemed to be a concern for youth, especially with the growth of the working age population.<sup>442 443</sup> In response, the Government raised the minimum wage for Omani workers in the private sector, established unemployment benefits, increased the number of government jobs and boosted enrolment in higher education.

441. Euromonitor International (2015). Oman - Country Profile.

442. Devarajan, S. and Mottaghi, L. (2015). Middle East and North Africa Economic Monitor, April 2015: Towards a new social contract. Available from [https://books.google.ae/books?id=j4R2CAAQBAJ&dq=unemployment+social+concern+oman+%5B2014%5D&source=gbs\\_navlinks\\_s](https://books.google.ae/books?id=j4R2CAAQBAJ&dq=unemployment+social+concern+oman+%5B2014%5D&source=gbs_navlinks_s)

443. World Bank (2016). Modelled ILO estimate

**Figure 81.** Oman - GDP by GVA Sectors 2010 - 2015 (Current Prices, Fixed 2015 Exchange Rates)



Source: Euromonitor International 2016

### 4.11.2 Women in the Economy

#### Legislative Framework

Oman’s Constitution officially protects its citizens from gender-based discrimination, although the personal status law still discriminates against women. The latter regulates personal rights and social equity in personal matters, such as marriage, divorce and child custody.<sup>444</sup> For instance, Article 38 of the Personal Status Code states that women have to obey all decisions taken by the legal head of household (father or husband). Moreover, according to Islamic Law, in the event of divorce, the father is considered the legal guardian of the children, unless the mother is still breastfeeding. As for inheritance matters, these follow Sharia law provisions. While women have the right to inherit from parents, husbands, and even other family members, their share is considerably lower than that of the male heirs. Nevertheless, there are exceptional cases if a will specifies other conditions.<sup>445</sup>

The Basic Law allows all Omani citizens to work and choose their jobs. However, some articles in Omani labour law are dedicated to women. For instance, they are not allowed to undertake

444. Human Rights Watch (2016). World Report 2014: Oman. Available from <https://www.hrw.org/world-report/2014/country-chapters/oman>  
 445. Social Institutions and Gender Index (2016). Oman. Available from [http://www.genderindex.org/country/oman#\\_ftnref11](http://www.genderindex.org/country/oman#_ftnref11)

jobs harmful to their health, or work between 6 pm and 6 am (with the exception of some sectors such as healthcare, media and tourism). Nevertheless, in this case, the employer should provide female employees with all necessary security and insurance measures, and means of transport.<sup>446</sup> Otherwise, all labour law articles apply to both sexes, for instance the Social Insurance Act of 1991 applies to all Omani citizens aged 15 to 59. This insurance does not cover foreign workers, household workers, self-employed persons and artisans, but all other workers in different sectors are eligible. Despite this legislation, women are still not actively participating in the country's economy, even though 55.3% of students in tertiary education are females. Additionally, the Sultan promotes the empowerment of women. The royal authority and ministries have issued several laws to empower women. The remaining challenges are the reigning stereotypes and norms in society, which can stand in the way of the Sultan's vision of empowering women and intensifying their contribution to society.<sup>447,448</sup>

There have been ongoing changes in the legislative framework regarding female employment. For example, maternity leave was not equal between the public and private sectors until 2011 when it became 55 days across the board. There have been debates on the Convention on the Elimination of all Forms of Discrimination against Women (CEDAW) Committee about the appropriateness of the length of maternity leave and there was a consensus among the Committee that it is short compared to other countries in the Middle East. Moreover, although women in the private sector are entitled to fully-paid maternity leave, concerns were expressed regarding the amount received.<sup>449</sup>

It is also worth highlighting the lack of anti-harassment laws on an institutional level. Women are not allowed to officially report such incidents in the workplace. Given that harassment is a taboo not to be discussed in society, women keep such incidents to themselves.

## **Education and Vocational Training Overview**

**Table 29:** Oman - Net and Gross Education Enrolment Rate 2011

Net enrolment ratio, primary, both sexes (%)	96
Net enrolment ratio, primary, female (%)	96.5
Net enrolment ratio, primary, male (%)	95.5
Net enrolment ratio, secondary, both sexes (%)	91.8
Net enrolment ratio, secondary, female (%)	89.1
Net enrolment ratio, secondary, male (%)	94.4
Gross enrolment ratio, tertiary, both sexes (%)	28.6
Gross enrolment ratio, tertiary, female (%)	33.8
Gross enrolment ratio, tertiary, male (%)	24.7

Source: UNESCO Institute of Statistics 2016<sup>450</sup>

446. Ministry of Manpower (2011). Ministry of Manpower. Available from <http://www.ilo.org/dyn/natlex/docs/ELECTRON-IC/89698/103110/F1034204029/656-2011.pdf>

447. Academia (2011). Omani womens rights between legislations and practice. Available from [http://www.academia.edu/8741170/Omani\\_womens\\_rights\\_between\\_legislation\\_and\\_prectise](http://www.academia.edu/8741170/Omani_womens_rights_between_legislation_and_prectise)

448. Oman Economic Review (2015). Oman works to encourage female involvement in business and industry. Available from <http://oeronline.com/economy/oman-works-to-encourage-female-involvement-in-business-and-industry.html>

449. Euromonitor International Trade Interviews 2016

450. UNESCO Institute for Statistics (2014). Country profiles – Oman. Available from <http://www.uis.unesco.org/DataCentre/Pages/country-profile.aspx?code=OMN&regioncode=40525>

Several initiatives have been adopted to achieve Oman's Vision 2020. The national strategy clearly highlights the importance of women's contribution in order to achieve the objectives set in the strategic plan for 1996-2020. This plan focuses on diversifying the national income, encouraging domestic and foreign private investment and increasing private sector involvement in the country's investments. To achieve the latter, the Government explained that equal participation of both men and women in the economy, in addition to education, are key ingredients of development and growth.

Positive trends have been taking place in education, with high gender parity in participation rates and in outcomes, with female students sometimes presenting better outcomes than their male counterparts. For example, the average achievement of female students in Trends in International Mathematics and Science Study (TIMSS) 2011 was higher than that of male students in both mathematics and science. Moreover, the Omanization programme could be another possible factor, as more job opportunities are created for Omani nationals. Female students register the smallest presence in engineering, manufacturing and construction courses; however they make up a large share of majors among science and services courses. Women enrol in science courses because, in Oman, this is considered a field where women have the same ability as men to build a career.<sup>451</sup> Female students are well represented in tertiary education and constitute more than 55% of students.

**Table 30:** Oman - Percentage of Students Who are Female (%) (2014)

<b>Percentage of students in tertiary education who are female</b>	<b>55.3</b>
Education courses	58.5
Humanities and Arts courses	78.8
Social Sciences, Business and Law courses	54.1
Science courses	65.1
Engineering, Manufacturing and Construction courses	37.7
Agriculture courses	49.6
Health and Welfare courses	67.8
Services courses	85.8
Unspecified fields	33.3

Source: UNESCO Institute of Statistics 2016

Some non-government organizations have been set up to develop women's capacity in the business environment. The Omani Women's Association (OWA) is a voluntary organization whose aim is to build a network of Omani women who are either employed or running their own businesses. This network helps women acquire new skills through training and education, which can give them an edge, thereby allowing them to land jobs of higher quality. The Women's Voluntary Work Co-ordination Committee plays a vital role in ensuring that women contribute to the country's economy via its economic and social development programmes. Not only do the initiatives taken by OWA develop women professionally, they also help women gain confidence in their ability to contribute to society and the economy.

Many other entities provide training for women in an attempt to boost the country's econ-

451. Sarant, L. (2013). Empowering Arab female scientists. Available from <http://www.natureasia.com/en/nmiddleeast/article/10.1038/nmiddleeast.2013.67>

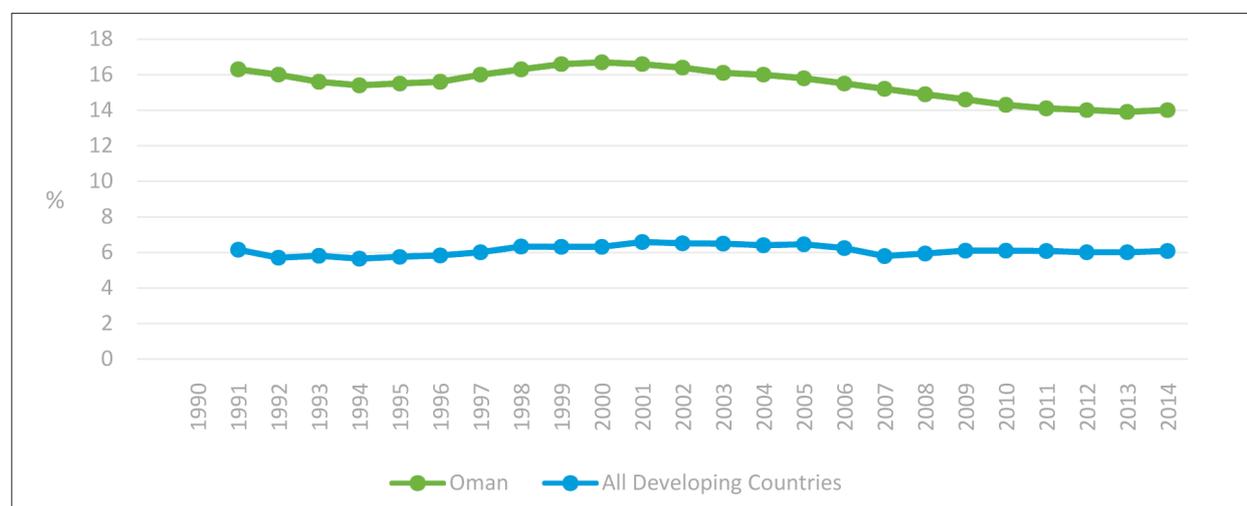
omy. Petroleum Development Oman (PDO) offers and sponsors training sessions in tailoring (including sewing machine techniques, computer skills and English language) for female school leavers. In August 2016, the company signed a Memorandum with Fashion Apparels LLC to train 300 Omani women looking for jobs. The Memorandum's terms state that upon completion of the six-month training, a full-time job is offered in the company's factory in the Salalah Free Zone in Oman. This exemplifies company efforts in diversification, creating job opportunities for Omani women and building a skilled workforce.<sup>452</sup>

Furthermore, the Ministry of Manpower has its own regional training centres that cover a range of 45 subjects. The capacity of these centres can reach 5,000-6,000 applicants, who can also acquire technical skills. The Ministry also encourages women to take advantage of this training. For example, Dr Muna Bint Salim Al Jardaniyah, Under-Secretary at the Ministry of Manpower for Technical Education and Vocational Training, highlighted the importance of training, through which women can develop technical skills in a field of their choice.<sup>453</sup>

Nevertheless, OWA faces some cases where many women are not willing to invest in further vocational training once they have graduated. They believe that they have acquired enough knowledge and skills and hence do not see the importance of enrolling in such training. Despite the women's progress observed, change only took place in urban areas. Rural areas still suffer from traditional restrictive norms. Convincing and raising awareness among women about training services, such as those offered by OWA, is a challenging task. Many women either drop out because of lack of interest or because they get married.

## Economic Participation

**Figure 82.** Oman - Unemployment, Female (% of Female Labour Force)

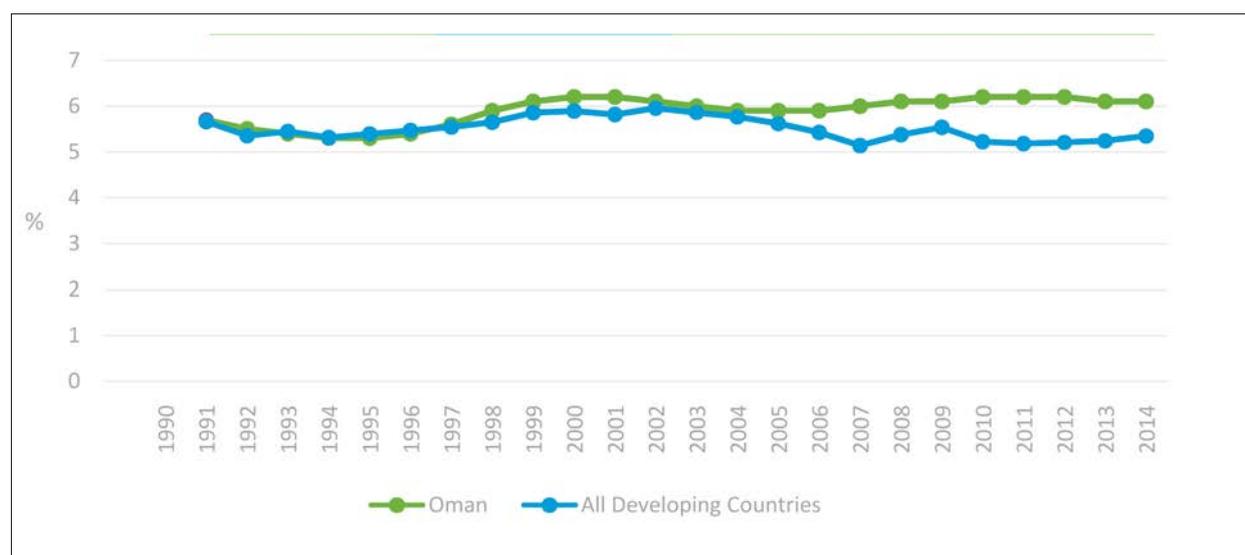


Source: International Labour Organization 2016

452. Arabian Industry.com (2016, August 25). PDO supports training of 300 female job seekers. Available from <http://www.arabian-industry.com/oil-gas/news/2016/aug/25/pdo-supports-training-of-300-female-job-seekers-5467358/>

453. Gulf News (2011, September 10). Oman to increase capacity of national training centres. Available from <http://gulfnews.com/news/gulf/oman/oman-to-increase-capacity-of-national-training-centres-1.864151>

**Figure 83.** Oman - Unemployment, Male (% of Male Labour Force)



Source: International Labour Organization 2016

Compared to men, and despite exhibiting a declining trend, female unemployment in Oman is much higher. The total number of job seekers in Oman for both males and females increased annually by 2.6% from 2003 to 2010 (98.9% are Omani citizens) due to overemployment in the public sector.<sup>454</sup> The declining trend in female unemployment as shown in Figure 85 can be attributed to the rising number of educated women in Oman.

However, the active female presence in education has not yet spilled-over into the jobs market. Female unemployment rates are still more than double those of males for adults and go up to 31% among female youth compared to 16.4% among males.<sup>455</sup> In fact, Oman has the second lowest labour force participation rate for females in the GCC, scoring 29% just above Saudi Arabia. Oman also has the lowest rank among countries with 'High Income' in the 2015 Global Gender Gap Report, it is ranked third to last within Arab states and 135<sup>th</sup> out of 145 countries. Its best performance is in educational attainment where it reaches the top 100 with a rank of 92. Oman however dropped seven places since the previous year, notably because of regression in the sub-index on Economic Participation and Opportunity.<sup>456</sup> This is due to scoring among the lowest on political empowerment (0.021), where women represent only 1.2% of the Parliament.<sup>457</sup> Oman exhibits low performance in economic participation and opportunity, particularly as legislators, senior officials and managers, and has a low score (0.36), skewed towards inequality in labour force participation.<sup>458</sup> Nevertheless, the country performs well on the remaining criteria (such as educational attainment, health and survival).<sup>459</sup>

454. Albawaba Business (2015). Omani unemployment declines to 11.75%. Available from <http://www.albawaba.com/business/unemployment-rate-sultanate-touches-1175-679982>

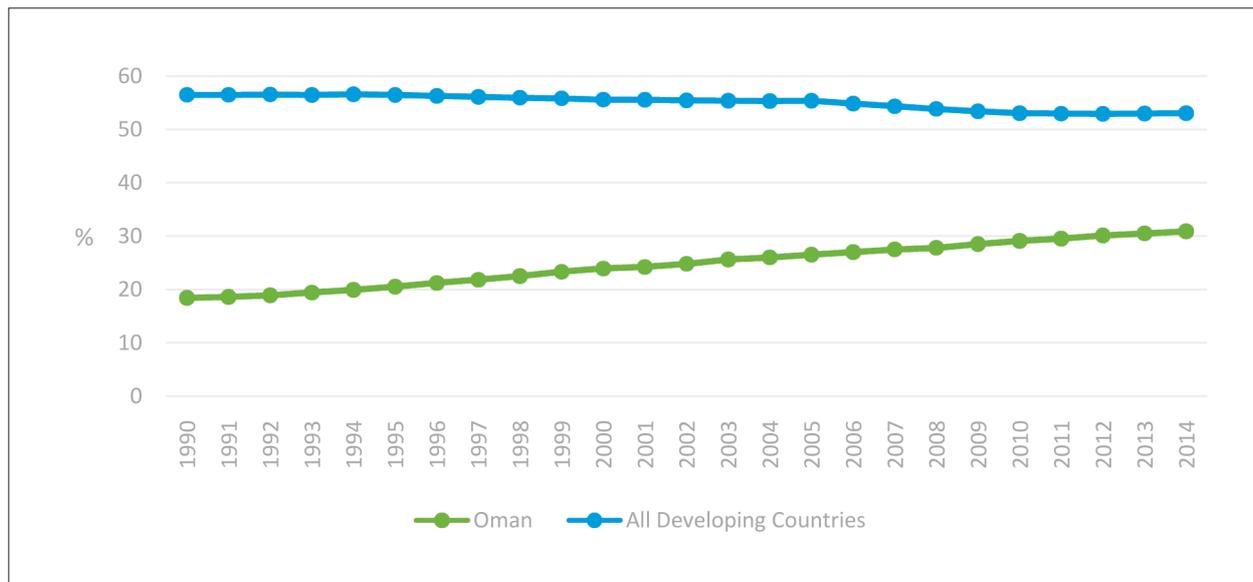
455. World Bank (2016). Modelled ILO estimate

456. World Economic Forum (2015). The Global Gender Gap Index 2015. Available from <http://reports.weforum.org/global-gender-gap-report-2015/the-global-gender-gap-index-2015/>

458. Gender Gap Index, female-to-male ratio (Scores range between 0.00 = Inequality and 1.00= Equality)

459. [http://www3.weforum.org/docs/GGGR14/GGGR\\_CompleteReport\\_2014.pdf](http://www3.weforum.org/docs/GGGR14/GGGR_CompleteReport_2014.pdf)

**Figure 84.** Oman - Labour Force Participation Rate, Female (% of Female Population Aged 15-64)



Source: International Labour Organization (ILO) 2016

The rate of female labour force participation is growing with the increasing supply of well-educated women looking for job opportunities. Success stories on Omani women in business do exist, but remain within a limited scope. As reported in 2015 “Women’s Careers in the GCC”, Women occupy only 9% of legislators, senior officials and manager roles and as low as 1.8% of boardroom seats.<sup>460</sup>

Investing in Omanis is one of the Sultan’s priorities to develop the country, given its lower oil reserves compared to other GCC countries. Sultan Qaboos has clearly highlighted the importance of female contribution to national advancement. Concrete actions have been taken regarding this matter; for example, Sheikha Aisha bint Khalfan bin Jameel al-Sayabiyah was the first woman to be appointed as a minister of the National Authority for Industrial Craftsmanship in March 2003, which was then followed by a set of other women being appointed to different offices and authorities such as the Consultation Council (Majlis A’Shura) and the State Council (Majlis A’Dawla).<sup>461</sup>

One industry where women in Oman seem to have the bigger share is traditional crafts. Women craft workers constitute the vast majority in all craft types. These are mainly supported by the Public Authority for Craft Industries (PACI) of the Sultanate of Oman, which promotes the industry, maintains standards through skills training, as well as offering job opportunities in the field.<sup>462</sup> The wide presence of women in the industry is attributed to the increased use of technology in craft industry workshops, which in some ways eliminates any physical strength advantage that men might have. Others consider that this predominance is in fact a historical one. A third interpretation traces this back to the inability of men

460. PWC (2015). Womens careers in the GCC. Available from [http://www.pwc.com/m1/en/publications/documents/pearl\\_initiative.pdf](http://www.pwc.com/m1/en/publications/documents/pearl_initiative.pdf)

461. Congressional Research Service (2016, April 26). Oman: Reform, Security, and U.S. Policy. Available from <https://www.fas.org/sgp/crs/mideast/RS21534.pdf>

462. World Intellectual Property Organization (2010, December). A treasure-trove of Omani crafts. Available from: [http://www.wipo.int/wipo\\_magazine/en/2010/06/article\\_0007.html](http://www.wipo.int/wipo_magazine/en/2010/06/article_0007.html)

in crafts to earn a living due to the low incomes in this sector, thus gradually abandoning these fields to women.<sup>463</sup>

**Table 31:** Oman - Women’s Position in Some Omani Traditional Crafts 2010

Craft type	Number of male craftsmen	Number of female craftsmen	Percentage of male craftsmen	Percentage of female craftsmen
Palm leaves craft	763	722	52	48
Textile	275	1,558	15	85
Pottery	38	239	14	86
Silversmith	1	19	5	95
Perfumes distilling	4	37	10	90
Frankincense	9	167	5	95

Source: Badar Almamari (2015). *What Happens When Women Dominate Traditional Craft Industries: The Omani Case*.

Women’s economic participation in Oman is affected by three main factors that seem to be marked by slow progress. On a structural level, the gender division of labour largely applies in the country. Enrolment and graduation rates indicate an inclination towards specializations that are considered ‘culturally and socially acceptable’ for females (such as academic careers, health or hospitality as part of the services industry). Omanization does not include specific measures and policies to enhance women’s participation. Furthermore, the interdependence of women’s role within the household and in the workplace poses immense challenges, especially with a limited childcare sector.

On an institutional level, a 2008 reform granted women equal rights to obtain government housing loans and land if they were the head of the household.<sup>464</sup> However, much still needs to be done. According to the Women Business and the Law 2016 report, Oman has 19 legal gender differences at an economic level. However, the report highlighted improvements in Oman in the past two years (2014 - 2016) in providing incentives to work.<sup>465</sup> While married women can travel outside the home, choose where to live and be the head of the household, they do not have the same rights as married men in terms of getting a job without permission, travelling outside the country, registering a business, opening a bank account or signing a contract.<sup>466</sup>

At a behavioural level, the glass ceiling is widespread, a reflection of traditional mind-sets and stereotypes that present an impediment to women undertaking jobs beyond certain service sectors that are in fact extensions to traditional gender roles.<sup>467</sup>

463. AlMamari, D. B. (2015, June). What happens when women dominate traditional craft industries: The Omani case.. UN (2011, October 21). Convention on the Elimination of All Forms of Discrimination against Women. Committee on the Elimination of Discrimination against Women, Initial report of Oman, CEDAW/C/OMN/1, 2010

464. The report considers these incentives to be the introduction of free and compulsory primary education.

465. World Bank (2016). Women, business and the law. Available from <http://wbl.worldbank.org/~media/WBG/WBL/Documents/Reports/2016/Women-Business-and-the-Law-2016.pdf>

466. Srilekha Goveas and Neelufer Aslam (2011) Role and contributions of women in the Sultanate of Oman

467. Shweta Belwal and others (2014). Characteristics, motivations, and challenges of women entrepreneurs In Oman’s Al-Dhahira Region.

## Entrepreneurship

On an entrepreneurial level, the focus of female entrepreneurs on service-oriented businesses in Oman is no exception to the Arab region as a whole, with a heavy reliance on traditional sources of funding, notably families, which in turn ties these economic activities to traditional gender and power dynamics within the family. Motivations for undertaking entrepreneurial work vary and include the ability to balance personal life with work, the pursuit of personal and career development, difficulty in securing employment elsewhere and identifying market needs.

Many challenges face women in entrepreneurship, such as insufficient financial resources and limited access to finance.<sup>468</sup> Such challenges, in combination with the cultural barriers faced by women in Omani society regarding employment, can provide an explanation for the stable unemployment rate throughout the past decade. On the other hand, facilitating factors include having some business education, familiarity with business plans, securing authorization and the registration process, as well as having social and family support.<sup>469</sup>

There are no separate funding programmes for female entrepreneurs in Oman. On the government side, several programmes have been implemented, such as Oman Development Bank loans, incubator facilities, equity funding by the Youth Fund and Self-employment and National Autonomous Development (SANAD) programme, which offers support to micro-businesses. *Intilaaqah* is another programme provided by the private sector for business start-ups. However, the main focus of the SANAD Programme and Fund for Development of Youth Projects (*Sharakah*) is promoting and raising awareness about entrepreneurship among both men and women.

SANAD mainly targets unemployed Omani men and women, who could be either looking for jobs or fresh graduates who want to start their own projects. The age range is 18 to 40 years. This programme is the fruit of the efforts devoted by the Ministry of Manpower to further developing small and medium-sized enterprises. The projects should ensure an economic contribution and provide job opportunities. Each person may receive a loan up to a maximum of OMR 5,000 (approximately US\$13,000), and projects may include several persons. The loan is provided by the Oman Development Bank over a period of seven years. SANAD has regional and governorate offices within the departments of the Ministry of Manpower that provide consultancy services and support to all project owners, as well as training in dedicated centres.<sup>470</sup> Between 2002 and 2004, 37% of SANAD's funds were provided to women. The programme also has an incubator centre to train women in the tailoring and fashion design industry.

Since the Sultan has placed the emphasis on SMEs, Omanis have started to focus on this sector, and many women have begun to set up their own projects, particularly in design and fashion, where there is a shortage, as well as catering. Women have their

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468. Shweta Belwal and others (2014). Characteristics, motivations, and challenges of women entrepreneurs In Oman's Al-Dhahira Region.

469 Ibid.

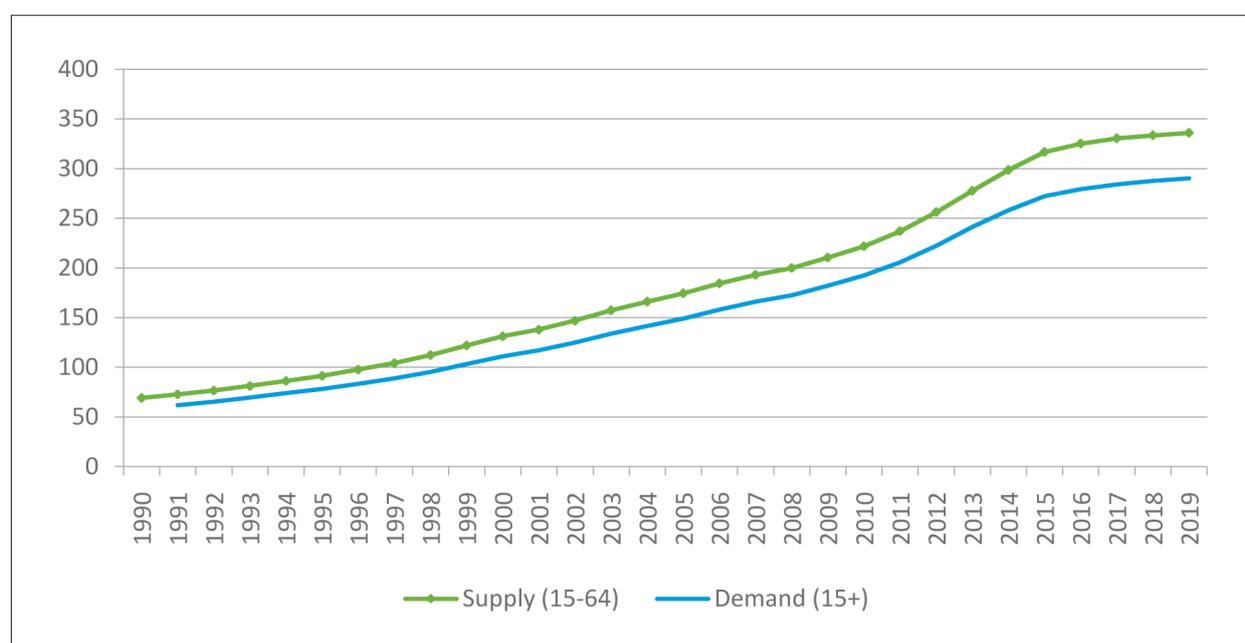
470 Ministry of Manpower.Sanad Fund for supporting and developing small projects . Available from Oman Info: <http://www.omaninfo.com/manpower-and-employment/sanad-fund-supporting-and-developing-small-projects-ministry-manpower.asp>

own restaurants and finance them through loans from the Oman Development Bank. The Bank offers loans for those who are unemployed and want to start their own projects. Moreover, the government “*Sendouk El Raffd*” (Al Raffd Fund), provides funds to entrepreneurs, who first have to be screened by a committee based on set criteria.<sup>471</sup> The priority is for both men and women who do not have a job. However, one of the main objectives is to encourage more women to run their own professional businesses, with a good business plan.

### 4.11.3 Future Prospects

#### Outlook

**Figure 85.** Oman - Supply and Demand for Female Labour 1990-2019



Source: International Labour Organization 2016

Projections of supply and demand for female labour in Oman indicate a relatively small gap. It has been increasing in magnitude, however, since 2014 and is forecast to continue to do so into 2017, as the demand side fails to provide sufficient labour opportunities for the expanding supply side. Furthermore, as educational capacities expand and women’s technical skills continue to develop, bridging this gap will become increasingly difficult in the short term.

There are, however, many current opportunities to expand the focus on women. These include Omanization policies that can incentivize the private sector to expand its share of female employees. Furthermore, the country’s medium and long-term vision needs to address the situation of women in general and more specifically in the economy. Several avenues towards achieving these goals, endemic to the Omani context, are available.

471 Those who retired (60 years old and above) cannot be funded.

In the absence of specific initiatives targeting women's economic participation, solutions need to be developed to remove constraints on women, especially young women, entering the labour market, through the adoption of active labour market policies. These would include a comprehensive approach starting with education for equal opportunities in response to the needs of the jobs market. In the short term, it is recommended that government efforts should focus on facilitating women's access to disciplines where they are under-represented. This also inherently requires a contextual approach that differentiates between the needs of the rural interior and urban areas.

### **Recommendations**

Given the pressures that working women face in the traditional context, development policies and initiatives need to be gender sensitive, highlighting the importance of a work-life balance for Omani women. As such, it is imperative to support or facilitate the provision of childcare services and help establish adequate institutional and social infrastructure.

On a different level, there is a severe gap in data disaggregated by sex, notably in the areas relevant to women's economic participation, such as sector specific data. Data collection capacity, with sex disaggregated data, must be enhanced, together with evaluation practices that help shape a better understanding of the drivers of women's economic participation in the country's economy. This is even more important when it comes to evaluating Omanization practices and pushing for better outcomes for women.

There is no doubt that the private sector is a key player in enhancing women's economic engagement. It could, for example, be encouraged to set up career advancement schemes for women and ensure the accessibility of current programmes.

In areas in which women have achieved some success, initiatives need to provide support to sustain and build on what has been achieved so far. An example is women's predominance in craft enterprises, which can be seen as an entry point to introduce new technologies and capacity building to both advance the sector and further invest in women.

Finally, gender sensitization through awareness flowing from schools to town halls and media communication, particularly in rural areas, is essential to establish women's economic participation as a key element of the prosperity of the country. Such awareness needs to highlight the importance of overcoming old traditions and cultural norms, which limit women's involvement in society. This awareness should be the responsibility of organizations, in collaboration with ministries such as Ministry of Manpower and Education.

## 4.12 Palestine



### 4.12.1 Economic Background

**Table 32:** Palestine - Key Indicators

Indicator	Value
Population (thousand) 2016	4,797.2
Female population (thousand) 2016	2,365.3
GDP (US\$ Current, million) 2015	12,459.0
Real GDP growth (%) 2014-2015	3.2%
Inflation (%) 2015	1.4%
Female unemployment (%) 2014	23.9%
Ease of doing business (Rank) 2015	127
Population under 30 (%) 2015	N/A

Source: Euromonitor International Economies and Consumers 2016

Palestine, consisting of the West Bank and Gaza Strip, is a small economy. It has been marred by periods of intense conflict and war that have severe social, political and economic consequences. The country has around 4.8 million inhabitants, with an additional 1.7 million Palestinians living in Israel and a large diaspora living in the region and beyond. The West Bank and Gaza are some of the most densely populated areas in the world and population growth is on the increase, with more than half of the population aged 24 or below. In 2014, around 2.4 million Palestinians live in Administrative Area A (administered by the Palestinian Authority and Area B, administered by both the Palestine Authority and Israel, while between 180,000 to 300,000 Palestinians live in Area C (administered by Israel).<sup>472</sup> Three-quarters of the population can be classified as urban, with economic activity dominated by the services sector.

In relation to gender concerns, Palestine has a mixed record. In terms of educational outcomes, gender equality measures up relatively well, particularly compared to other countries in the region. However, when it comes to female employment and political gender equality variables, the country performs less well compared to its neighbours in the region. The Palestinian economy is facing a variety of challenges through economic dependence on Israel, as well as being highly aid-dependent. However, the economic structures and challenges facing the West Bank and Gaza need to be analysed separately, particularly since 2005 and Israel's unilateral disengagement from Gaza, which effectively ended economic ties between Israel and Gaza.

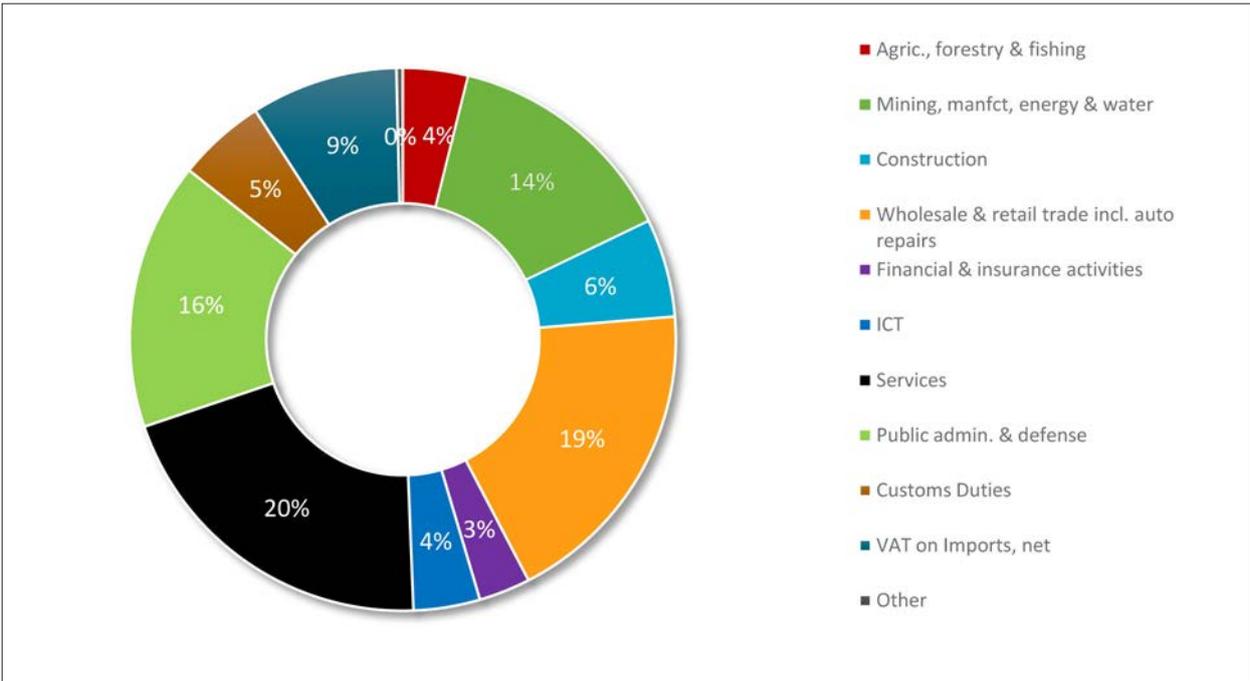
Frequent outbreaks of violence and war have left their mark on the economy of the West Bank and Gaza and have resulted in highly volatile GDP growth rates. Since 2000, GDP growth has clearly followed the path and cycles of war as well as those of aid flows, increasingly driven by government spending and donor aid, leaving limited resources for investment and further reducing the productive base for a self-sustaining economy. Following the

472 B'tselem (2014). What is Area C? Available from [http://www.btselem.org/area\\_c/what\\_is\\_area\\_c](http://www.btselem.org/area_c/what_is_area_c)

2005 disengagement of Israel from Gaza, growth rates turned negative for the subsequent three years, before a dramatic shift to above 20% for 2009, buoyed by large increases in aid. Since then growth rates have fluctuated, before turning negative again in 2013 and 2014, following a reduction in aid flows since their height in 2009.<sup>473</sup> The downward trend in GDP growth since 2009 can also be linked to reductions in foreign direct investment since 2009 and the stagnation of domestic investment since 2000.

The structure of the Palestinian economy is shown in the Figure 86 below. In 2014, the economy was dominated by the services sector (20% of GDP), followed by wholesale and retail trade (18.8%), and public administration and defence (16%). Together, these three sectors made up more than half (55.4%) of Palestinian GDP in 2014. The services sector itself is relatively diversified with education and real estate dominating (7.5% and 5.4% of GDP respectively). The manufacturing sector makes up 14% of GDP while agriculture represents just 3.9% of GDP.<sup>474</sup>

**Figure 86.** Palestine - GDP by Sector 2014

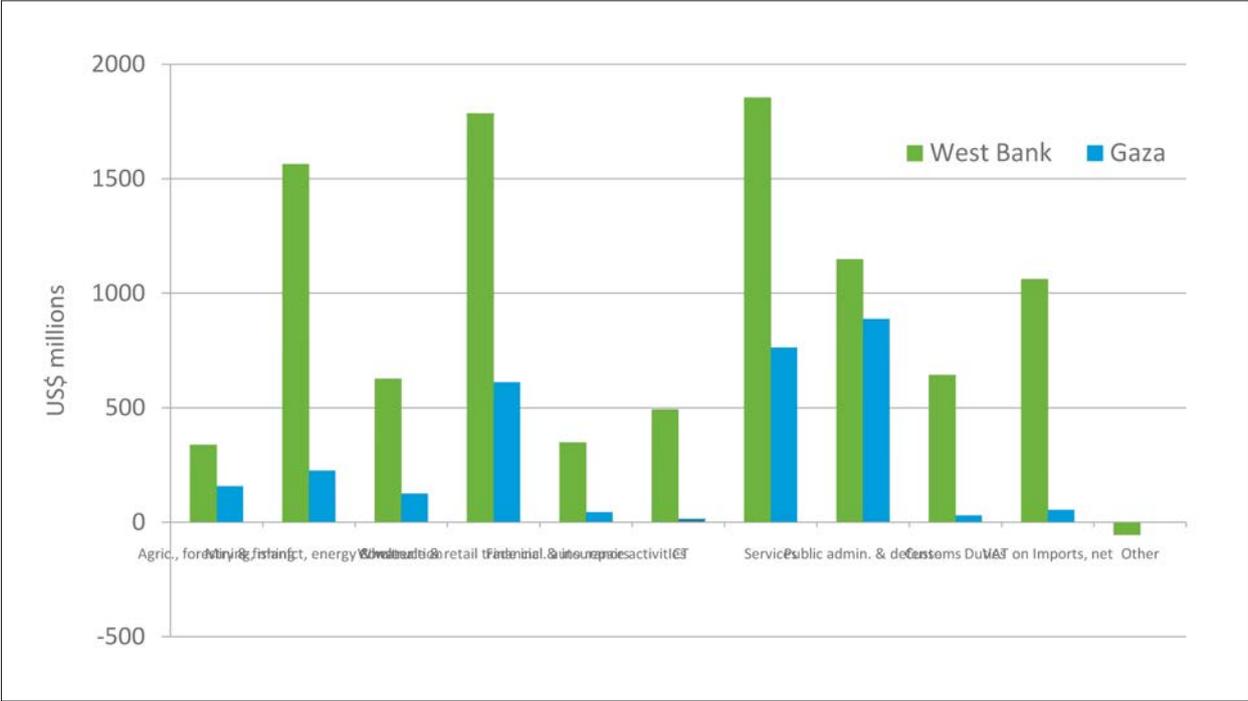


Source: PCBS, 2016, Annual National Accounts Data, <http://www.pcbs.gov.ps/>

Figure 87 shows the structure of the West Bank and Gaza separately. It highlights Gaza’s greater reliance on public administration and defence, services and wholesale and retail trade compared to the West Bank. For Gaza, these three sectors made up over two thirds of GDP in 2014 (77.6%). The West Bank economy, however, is more diversified, with the manufacturing sector, for example, making a significant contribution to GDP (13.5%).

473 UNDP (2014). Development for empowerment. The 2014 Palestine Human Development Report.  
 474 World Bank (2016). World Development Indicators

**Figure 87.** Palestine - GDP by Sector for the West Bank and Gaza Separately 2014



Source: PCBS, 2016, Annual National Accounts Data, <http://www.pcbs.gov.ps/>

The structure of the Palestinian economy has changed significantly over the years. Focusing on the period since 2000, there is a declining relative share of the agricultural sector, and progressive growth in the industrial and services sectors. Important sectors, contributing more than 5% of GDP in 2014, while the largest growth rates since 2000 have been in the wholesale and retail trade, public administration, defence and ICT.

Given the current economic situation in Palestine, prospects for future growth and structural change must be seen within the broader context of political uncertainty and occupation. The latest National Development Plan (NDP) 2014-2016 of the State of Palestine accepts that the current drivers of growth, coming from aid-financed government spending, reflected in the large and growing public administration and defence sectors, as well as the services sectors, are not viable and have not generated the much-needed decent jobs. External assessments<sup>475</sup> concur with this assessment, highlighting the need for political stability and an economic plan that can deliver job-rich growth.<sup>476</sup>

Under various donor initiatives, most recently led by the Office of the Quartet, an Economic Initiative for Palestine has been put together.<sup>477</sup> This focuses on developing eight key sectors that can drive an employment-rich transformation of the economy. These sectors were selected on the basis that they have high potential for growth, driven in particular by the private sector, and that they could act as key enablers of the economy while also being labour-intensive. The eight sectors identified are: tourism, agriculture, energy, water, light manufacturing, information and communication technology (ICT) and construction and building materials. The NDP 2014-16 has aligned itself with the Economic Initiative for Palestine’s eight priority sectors. In addition, the Palestine

475 World Bank (2016). Country Assistance Strategy FY2015-16. Report No. 89503 GZ. Washington D.C.: World Bank.  
 476 IMF (2016). West Bank and Gaza: Report to the Ad Hoc Liaison Committee. April 2016.  
 477 Office of the Quartet (2014). Initiative for the Palestinian Economy.

Investment Fund has launched two initiatives aimed at raising investment in industry, agribusiness, ICT and microfinance (Sharakat) and infrastructure, tourism and natural resources (Inma).

#### 4.12.2 Women in the Economy

##### Legislative Framework

Employment in Palestine is governed by Labour Law No. (7) of 2000. The law promotes equal opportunities to citizens, and covers the majority of the workforce with the exception of government employees and household and care workers. Chapter Seven of the Labour Law specifically focuses on female employees, stipulating that while it is prohibited to discriminate against women, they are not allowed to participate in dangerous or labour-intensive jobs or do night work. The law also contains provisions regarding maternity leave (Article 103), mandating a period of 10 paid weeks if the female employee has completed 180 days at work; no reference to the amount of payment is referred to however. It is also illegal for employers to terminate the contracts of female employees during their maternity leave.<sup>478</sup>

Moreover, as with other Arab countries, females are legally under the guardianship of male kin, which means they are required to get legal consent from fathers, brothers or husbands when it comes to matters related to marriage, divorce and childcare. This, however, is an improvement over the pre-1996 period, when women required male guardian approval to apply for identification papers such as passports.

In another effort to empower women in Palestine, a quota for women was stipulated in 2005 in the General Elections Law, aimed at increasing women's representation to 20% of all candidates. However, the indicators show that women are not strongly represented in elected councils or ruling bodies, but rather concentrated in civil society organizations.

##### Education and Vocational Training Overview

When considering the characteristics of female labour market participants in Palestine, some important features can be identified. Firstly, female labour market participants in general have relatively high levels of education, compared to other developing countries, and compared to their male counterparts (see Tables 33 and 34 below). However, this is not reflected in higher levels of employment, possibly due to the fact that the curriculum is not market-driven, hence women tend to lack market-related skills.

**Table 33:** Palestine - Gender Educational Variables in Context 2010

	West Bank and Gaza	MENA Average	Least Developed Countries Average
Literacy rate, adult female (% of females aged 15 and above)	92.2	72.9	52.6
Secondary education pupils (% female)	50.9	47.4	45.3

Source: World Bank, 2016

478 Palestinian Liberation Organization (2000). Labour Law No. 7. Available from [http://legal.pipa.ps/files/server/ENG%20Labour%20Law%20No\\_%20\(7\)%20of%202000.pdf](http://legal.pipa.ps/files/server/ENG%20Labour%20Law%20No_%20(7)%20of%202000.pdf)

**Table 34:** Palestine - Labour force by education level in West Bank and Gaza

	2001	2013
Labour force with primary education, female (% of female labour force)	25.5	15.3
Labour force with primary education, male (% of male labour force)	55.7	33.7
Labour force with secondary education, female (% of female labour force)	9.7	15.6
Labour force with secondary education, male (% of male labour force)	16.3	44.1
Labour force with tertiary education, female (% of female labour force)	48.1	66.7
Labour force with tertiary education, male (% of male labour force)	17.9	21.7

Source: World Bank, 2016.

Furthermore, a high proportion of those entering the labour market are not able to find employment and are registered as unemployed. Scrutinizing the unemployment data by education level in Table 35 below reveals stark differences between men and women. For men, levels of education of the unemployed do not differ significantly from those of labour market participants in general. For women, however, the data show that the vast majority (over 90%) of those out of work are educated to degree-level or above in 2013.

**Table 35:** Palestine - Unemployment by Education Level in West Bank and Gaza

	2001	2013
Unemployment with primary education, female (% of female unemployment)	12.8	2.0
Unemployment with primary education, male (% of male unemployment)	64.1	37.5
Unemployment with secondary education, female (% of female unemployment)	5.2	6.4
Unemployment with secondary education, male (% of male unemployment)	15.2	45.2
Unemployment with tertiary education, female (% of female unemployment)	78.3	91.4
Unemployment with tertiary education, male (% of male unemployment)	8.8	16.8

Source: World Bank, 2016.

### **Economic Participation**

Behavioural factors and social norms are important in explaining women's economic participation in the Palestinian context. While freedom to travel and live away from home is accepted for young women for the purpose of study, the need to travel for the purposes of work is less socially accepted.<sup>479</sup> In the context of limited job opportunities, the outcome is a restricted labour market for women, with many women opting to remain unemployed or accept work in the informal sector rather than travel outside their immediate locality.

Similar social norms exist around the types of jobs that are seen as acceptable for women. Professions such as teaching and jobs within the public sector are seen as respectable compared to less respectable jobs in traditionally male industries, such as construction. Moreover, these jobs highlight the gender segregation of the labour market by sector and occupation in Palestine. For example, a job in the education sector as a teacher is seen as

479 Riyada Consulting and Training (2013). Research into young women's livelihoods in the Seam Zones, Occupied Palestinian Territory. November 2013.

socially respectable for a woman because it is available within one's locality, requiring less travel time; and working hours are more suited to childcare and other household responsibilities. Such norms have once again combined with broader macroeconomic and structural developments and led to quite perverse outcomes, as the World Bank recently found.

Women are under pressure to join "socially" acceptable jobs and since socially acceptable jobs have become so difficult to find, single women pursue higher education as one way to secure greater access to socially accepted jobs, which is why many of the families expressed a preference for their male rather than female children to drop out of schools and universities.<sup>480</sup> The dominance of women in higher education in the formal labour force indicates that there are limited job opportunities for women outside the service sector in the national non-agricultural economy. Women tend to work in a limited range of occupations, as teachers, nurses, farmers or handicraft workers. Women with low educational qualifications, work in agriculture, mainly in their family-owned lands, and are usually unpaid. Otherwise, women with a non-agricultural background tend to be pushed to work in the informal sector, where they are commonly found. However, they still face challenges in the informal sector in relation to income, status and security.

One area in which social norms around gender in Palestine are shared with other countries and regions involves expectations of caring responsibilities. Responsibility for caring for children, disabled or elderly family members lies firmly with female household members. A recent survey of young men and women in Palestine found that 34.7% of young women and only 0.8% of young men cited family obligations and taking care of children as reasons for not currently working.<sup>481</sup>

The last area in which social norms have important gender implications within the labour market relates to workplace discrimination. The notion of a 'family income' earned by a male breadwinner still holds sway among many employers in Palestine. Consequently, women's incomes are often seen as supplementary to the main income earner, deflating women's wages throughout the economy. It also excludes many female employees from additional non-pecuniary benefits, such as health insurance, as they are not treated as permanent employees.<sup>482</sup> Consequently, a wage gap exists between males and females. All these challenges and constraints limit women's employment opportunities.

## **Entrepreneurship**

Turning to entrepreneurship, data from recent surveys suggests that Palestinian women are less likely to set up their own business or join others in efforts to set up a business.<sup>483</sup> The gap between men and women for the GEM indicator for early stage entrepreneurial activity is one of the largest for the region, with men four times as likely as women to be setting up their own business. Only 3.5% of working age women in Palestine were classified as early stage entrepreneurs in 2012, compared to a figure of 16% for men.<sup>484</sup> Similarly

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480. World Bank (2010). Checkpoints and barriers: Searching for livelihoods in the West Bank and Gaza – Gender and economic collapse. Report. February 2010.

481. Sadeq, T. and S. Elder (2014). Labour market transitions of young women and men in the Occupied Palestinian Territory.

482. World Bank (2010). Checkpoints and barriers: Searching for livelihoods in the West Bank and Gaza – Gender and economic collapse. Report. February 2010.

483. OECD (2013). Gender inequality and entrepreneurship in the Middle East and North Africa: A statistical portrait..

484. GEM (2016). Available from <http://www.gemconsortium.org/>

the percentage of firms with female participation in ownership was just 12.6% for the West Bank and Gaza in 2013, below the Arab region average of 23.2% in 2015.<sup>485</sup> Female entrepreneurship is low, with most women engaged in wage employment in skilled and technical jobs. There are several factors that might explain this. Firstly, the occupation and closely associated economic destruction and decline have resulted in limited new employment and entrepreneurship opportunities for men and women. Secondly, the low levels of labour demand, including the shift to a higher proportion of married women in the labour market over time holding on to their jobs, creates less opportunity for a younger generation of women. Third, there has been a shift from productive sectors in which foreign and domestic investors have been involved, towards small-scale trade and services, reflecting the slow growth of employment opportunities. Both men and women focused their attention on the informal sector to provide for their families. Current institutional structures also play a role. Women have more limited access to the labour market and therefore less opportunity to accumulate assets through incomes or pensions from work. The result is that other channels for accumulating assets become more important for women. In fact, the legal and inheritance systems do not support the transfer of assets from men to women, which further hinders the possibility of women setting up their own businesses or becoming entrepreneurs.<sup>486</sup> A recent survey also found that, despite 65% of Palestinian women reporting that they are willing to launch a business, this is not reflected in outcomes in relation to business ownership and risk taking. Such a discrepancy can be linked to a lack of practical vocational training, inadequate sources of financing and a lack of a supportive environment for entrepreneurship, so that women are discouraged from entering this sector.<sup>487</sup>

The majority of Palestinian women (57.6%) participating in the labour market in 2015 were married, as indicated by Table 36 below. There has been a shift in this respect over time. In 1998, a significantly higher proportion of female labour market participants were single women (43.5%) compared with 2015 (37.0%).

**Table 36:** Palestine - Labour Force Participation by Marital Status (%)

	2015	1998
Male		
Never Married	36.7	31.8
Currently Married	62.9	67.8
Other	0.4	0.4
Total	100	100
Female		
Never Married	37.0	43.5
Currently Married	57.6	50.8
Other	5.4	5.7
Total	100	100

Source: Palestine Central Bureau of Statistics 2016. Percentage Distribution of Persons Aged 15 Years and Above Participants in the Labour Force in Palestine by Sex, Marital Status and Age

485 World Bank (2016)

486 UN Women (2013). Building ties towards integrated strategies and policies for empowering Palestinian women.

487 Al Botmeh, Samia (2013) Barriers to female labour market participation and entrepreneurship in the Occupied Palestinian Territory. Centre for Development Studies – Birzeit University and the YWCA of Palestine.

When considering the types of occupations engaged in by men and women in Palestine in 2015, some gender differences can be observed. Table 37 below indicates that roughly half of all employed women are employed as professionals, technicians, associates and clerks. Only 21.5% of men are employed within this category, with similar proportions of men working as service and sales workers, craft and related trade workers, and in elementary occupations.

Data for the public private sector division of employment in Palestine for men and women in Table 38 indicate that, while the public sector has for many years acted as an important source of jobs for women,<sup>488</sup> this has been diminishing. The figures for 2015 suggest only a slight difference in the public-private sector split in favour of the public sector for women. A recent study of youth transitions to work in Palestine, has, however, shown that, despite the relatively fewer opportunities available in the public sector, demand for such jobs remains high, particularly among young women. The attraction of the public sector was due to three factors: status, security and benefits. For young women in the OPT, public sector employment can be the only outlet for finding work. Unfortunately, it is unrealistic to imagine that the public sector could have the capacity to absorb the totality of emerging young graduates.<sup>489</sup>

**Table 37:** Palestine - Distribution of Employed Persons by Sex and Occupation, 2015

	Male	Female
Legislators, Senior Officials & Managers	3.3	3
Professionals, Technicians, Associates and Clerks	21.5	52.9
Service and Sales Workers	20.1	16.3
Skilled Agricultural & Fishery Workers	3.9	10.4
Craft and Related Trade Workers	20.7	7.7
Plant & Machine Operators & Assemblers	10.7	4
Elementary Occupations	19.8	5.7
<b>Total</b>	<b>100</b>	<b>100</b>

Source: Palestine Central Bureau of Statistic 2016. Percentage Distribution of Employed Persons Aged 15 Years and Above from Palestine by Sex, Occupation and Place of Work, 2015.

**Table 38:** Palestine - The Public-Private Sector Divisions of Employment by Sex, 2015

	Male	Female
Public	21%	27%
Private	79%	73%

Source: ILOSTAT, 2016. Employment by sex and institutional sector

485 World Bank (2016)

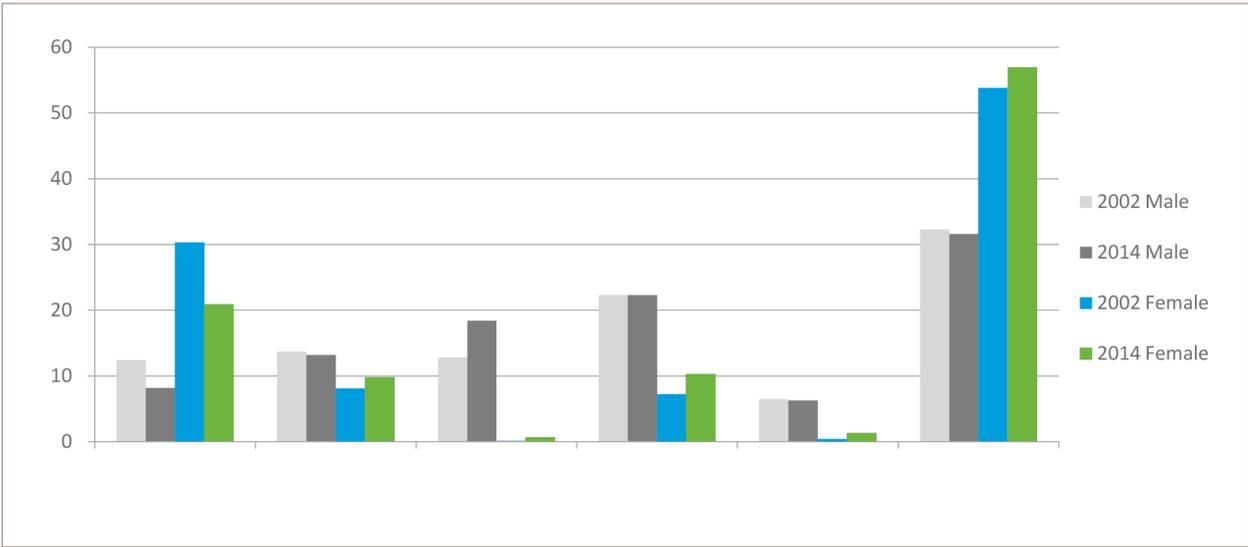
486 UN Women (2013). Building ties towards integrated strategies and policies for empowering Palestinian women.

487 Al Botmeh, Samia (2013) Barriers to female labour market participation and entrepreneurship in the Occupied Palestinian Territory. Centre for Development Studies – Birzeit University and the YWCA of Palestine.

488. World Bank, 2010. "Checkpoints and barriers: Searching for livelihoods in the West Bank and Gaza – Gender and economic collapse," Report. February 2010.

489. Sadeq, T. and S. Elder. 2014. Labour market transitions of young women and men in the Occupied Palestinian Territory. ILO Work4Youth Publication Series No. 20.

**Figure 88.** Palestine - Distribution of Employment by Aggregate Sector (2002 and 2014)



Source: Palestine Central Bureau of Statistic 2016, Percentage Distribution of Employed Persons Aged 15 Years and Above from Palestine by Sex and Economic Activity, 2000-2015.

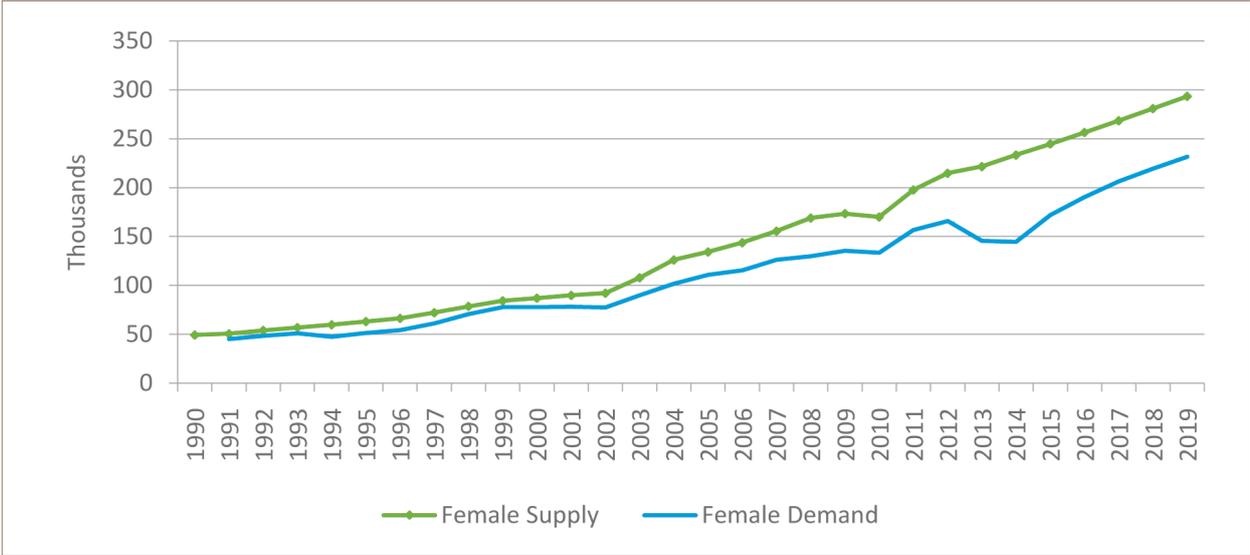
According to Figure 88 above, further disaggregation of sectors reveals that, within the services sector, women are concentrated in education and human health and social services, as well as other services sectors not classified. Their strong presence in the services sector and heavy involvement in unskilled agricultural work are mainly because their education did not equip them with market-related skills. Furthermore, gender stereotypes and conservative perceptions in Palestinian society regarding female employment hinder their career advancement. Limited access to finance also results in a great loss of women’s economic potential.

**4.12.3 Future Prospects**

**Outlook**

Given the current situation for women in Palestine it is important to assess what lies ahead. Figure 89 below provides a baseline estimate of supply and demand for female labour, assuming an unchanging structure of the economy. This suggests that the current large gap between supply and demand for female labour will be maintained for the foreseeable future, posing a real concern for policymakers. The rapid increase in the supply of female labour in Palestine is being driven by demographic changes with a rapidly rising working age population. Such a gap between female supply and demand is concerning, given the general increase in total demand.

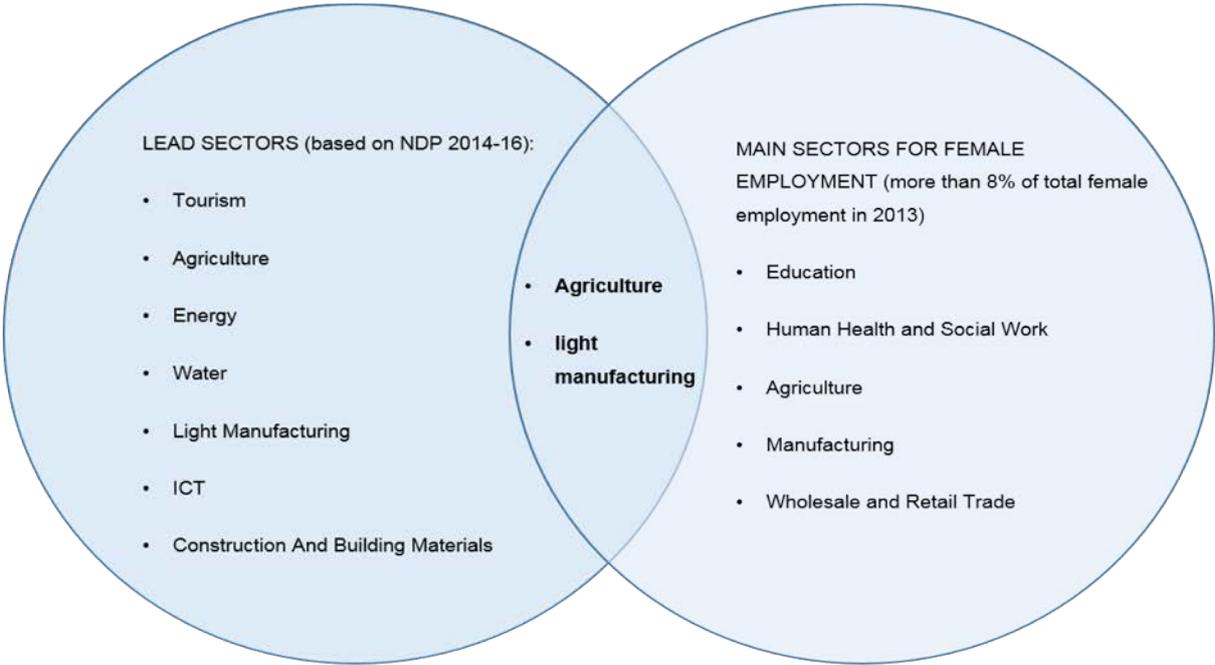
**Figure 89.** Palestine - Supply and Demand for Female Labour 1990-2013, with Projections to 2019



Source: International Labour Organization (ILO) 2016

It is not clear if the implementation of the Government’s National Development Plan on its own, with its focus on eight leading sectors, will be sufficient to increase demand for female labour in the near future. It is therefore worth assessing where the Government’s priority sectors and sectors that favour female employment might coincide. This is shown in Figure 90, which considers the overlaps between NDP 2014-16 priority sectors and sectors in which women currently dominate. In the light of this, the agricultural and light manufacturing sectors appear to hold out the most hope for generating jobs for women.

**Figure 90.** Palestine - Overlaps in Lead Sectors and Female Employment



Source: authors

While the analysis so far, shows some potential areas of growth and expansion, in order to gain a better insight into where the real barriers and opportunities for female employment might lie, the next section uses key informant interviews to enrich the analysis.

Four main issues can be derived from the research into the prospects for further female economic engagement:

Firstly, women's economic engagement in Palestine is higher than that suggested by official statistics, mainly because many work in the informal sector, in work that is not officially registered or recorded by statistical agencies. This includes work on Israeli settlements which is particularly precarious, exploitative and often illegal, but can attract some groups of poorer women because of the relatively higher wages paid by Israeli companies.

A second obstacle to their engagement is the impact of the occupation, not only for having a dampening effect on labour demand in general, but for the restrictions on movement it presents, where social and cultural norms discourage women from travelling long distances on their own for the purpose of work, and where caring responsibilities require them to take jobs close to home. This is in addition to the prevailing traditions and norms that restrict women's roles in society beyond the family and domestic responsibilities. This clearly limits their opportunities to work and makes it difficult to apply policy changes.

The third obstacle is gender inequality, in the form of *vertical* segregation common even in the sectors that employ more women. In the public sector, decision-making power still rests with men, while women perform clerical and secretarial jobs. While, policymaking has focused on increasing the raw numbers of women in specific sectors, it has done little, however, to increase women's influence and decision-making power in different sectors and industries.

The last obstacle is the lack of implementation of gender-related rights and policies. Laws and policies on equal pay, certain maternity rights as well as the minimum wage have been introduced. However, in the private sector, discrimination against employing women remains high, due to these indirect costs and the perception of high staff turnover, as employers assume women will leave once they start a family. Furthermore, employers tend to hire men because they are seen as family breadwinners. When women are employed, they are paid less than men for work of equal worth, despite minimum wage legislation. Therefore, it is important for the Government to support private companies employing women, by helping to shoulder the cost of implementing gender-related policies and enforcing legislation through regular inspections and penalties for non-compliance.

Four areas of the economy show the greatest promise for female economic engagement. Firstly, the IT sector holds a great deal of potential for female employment, particularly for the growing pool of unemployed female graduates. The reasons for this relate to the rising number of female graduates with the correct skills and interest in working in this sector, as well as the possibility of working from home, thus overcoming travel constraints. Finally, providing services through online methods allows companies and their employees to avoid the particularly troublesome border control issues that restrict the trade in goods.

Secondly, the agricultural sector is shrinking, employing ever fewer men and women. Moreover, it is severely impacted by the occupation itself, particularly through trade restrictions and competition for cheaper imports in the domestic market. Despite this, however, agriculture still employs a large proportion of women. Indeed, for many poorer women, with little education and alternative opportunities, the agricultural sector and related activities (such as food processing and domestic retail trade), offers them the only real opportunity to become economically engaged outside the home.

Thirdly, in the current climate of limited jobs, social and cultural norms that do not permit women to work far from home, that assume that the responsibility for unpaid work lies with the woman, and restrictions on movement (both culturally imposed and those imposed by the occupation), setting up their own business offers women increased flexibility, setting their working hours around their responsibilities at home. Moreover, women do not require specific qualifications to set up their own business, which gives many poorer women with lower educational qualifications an economic stake they would not otherwise have.

However, it was clear that the viability and success, including from a gender perspective, of these small, start-up businesses is far from clear. Results from a recent study show promising results for one micro-finance initiative, in terms of the longer-term viability of funded projects,<sup>490</sup> but such success is rarely replicated elsewhere. In order for women to take full advantage of these opportunities, further support is required. Such support needs to include access to finance and assets, business-related skills, additional languages, help with care and household responsibilities and computer literacy, among other things.

A final point worth discussing in relation to prospects for female employment is that larger companies, whether locally or foreign-owned, as well as NGOs and donor-funded projects, often have higher gender-equality standards and better implementation of policies than small and medium-sized enterprises. It is clear that the short-term nature of many donor-funded projects means that such prioritization of gender equality is not sustained or replicated elsewhere in the economy.

## **Recommendations**

The following policy recommendations apply to Palestine. To begin with, close monitoring of female employment beyond the formal sector is crucially important in the Palestinian context, especially with the rising employment of women in the informal sector, self-employment and on Israeli settlements. In addition, some further monitoring and assessment of *vertical* segregation within specific industries and sectors is important from a gender perspective. Such assessments should include the following: potential number of jobs generated, including their level and pay; the conditions and location of the workplace; an assessment of the implications for care and household responsibilities and possible scope for redistributing such responsibilities to other household members or third-party provision; assessing the longer-term career prospects for women in these sectors; training and skills gaps and challenges and risks facing the sector or industry.

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490. AlMarkaz (2012). Listening to clients: Impact assessment of Asala's services in the West Bank and Gaza Strip: Survey Report. Palestinian Business Women's Association (Asala).

Moreover, more work is required from Palestinian policymakers in relation to laws on inheritance and asset ownership and transfer, as well as tackling the provision of care services. To solve the gender discrimination issue within the private sector, policymakers should implement gender policies and support private companies, so that they are not penalized for employing women.

Last but not least, finding ways to further support women seeking to set up their own enterprises should also be a priority. Much of the current support in this area has focused on micro-finance initiatives. However, legal and policy changes, and their enforcement, around asset ownership and inheritance are also needed. In addition, current school and university education needs to teach the business-related skills necessary to run one's own business. This includes basic financial literacy, additional language skills and business negotiation skills, among others. Such skills will further empower women both on a personal and professional level, as their business can be developed and become more sustainable to compete at local, regional and international level.

## 4.13 Qatar

### 4.13.1 Economic Background



**Table 39:** Qatar - Key Indicators

Indicator	Value
Population (thousand) 2016	2,460.7
Female population (thousand) 2016	652.4
GDP (US\$ Current, million) 2015	166,466.5
Real GDP growth (%) 2014-2015	4.2%
Inflation (%) 2015	1.8%
Female unemployment (%) 2014	1.9%
Ease of doing business (Rank) 2015	65
Population under 30 (%) 2015	46.1%

Source: Euromonitor International 2016

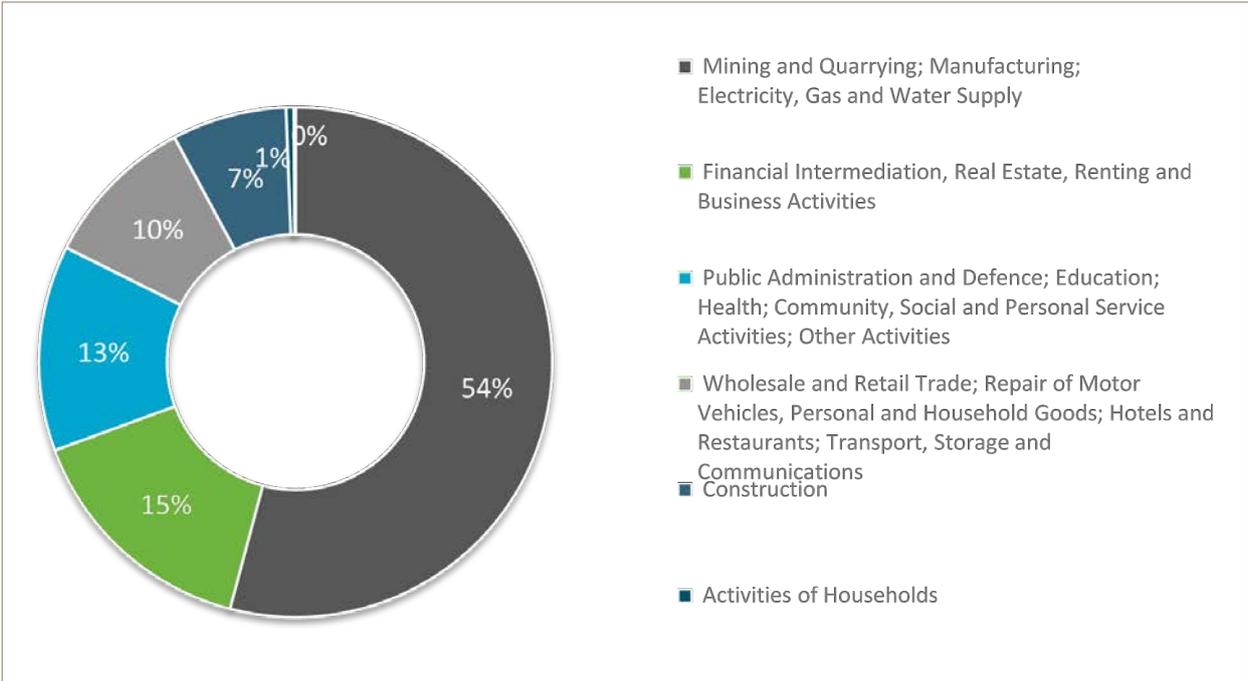
Qatar's economy emerged as one of the most financially secure economies after the oil boom of the 1970s and 1980s. Higher world energy prices and a rise in the production of gas led to a significant increase in the growth of the economy. It has been viewed as a stable oil economy, providing Qatar with robust government-led investment in infrastructure.

Qatar is outperforming other GCC countries due to massive public investment in infrastructure. In 2014, Qatar had the world's highest GDP per capita.<sup>491</sup> However, the current decrease in growth due to a decline in oil prices, led the Government to push forward the non-oil sector, particularly given the reliance on crude and natural gas revenues, which make up 54% of gross value added GDP. Such recent economic developments had an impact on the industry and service sectors. The public sector has been the primary employer of Qatari women. The Government's economic diversification efforts are expected to grow the economy by 9% between 2017 and 2019.<sup>492</sup> By 2022, the non-energy sector is expected to become a major driver of growth and a significant contributor to government expenditure through the non-hydrocarbon sectors.

491. Euromonitor International (2016). Available from: <https://www.portal.euromonitor.com/portal>

492. Ibid.

**Figure 91.** Qatar - GDP by Gross Value Added (GVA) 2015 (% Share)

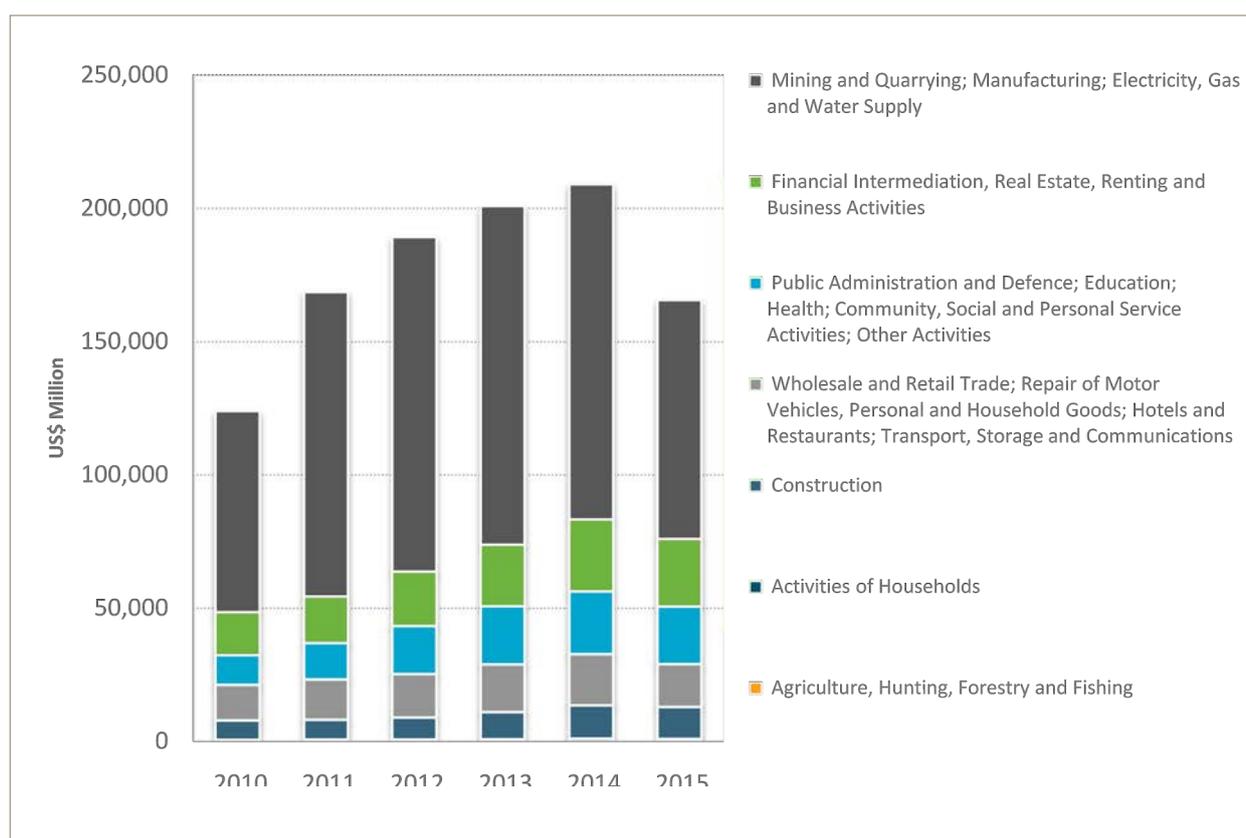


Source: Euromonitor International 2016

In terms of services, Qatar’s business environment is one of the most competitive in the Middle East, supported by legislation to encourage and attract foreign businesses as well as promote the non-oil sector. Some of these incentives include low utility fees, attractive nominal lease rates for industrial real estate, a selective exemption from import taxes and other provisions.<sup>493</sup> This should underpin positive development and will effectively lead to an increase in job opportunities in the private sector and the creation of more subsectors with potential for the inclusion of women. Furthermore, the Qatari National Vision 2030 aims to promote human development, social development, and economic and environmental development. To support this, the Qatar Foundation promotes educational attainment across all levels. The foundation runs Education City and branches of a number of universities, including Georgetown and a Science and Technology Park in Doha.<sup>494</sup>

493. State of Qatar. Available from: <http://www.mofa.gov.qa/en/Qatar/Pages/InvestmentIncentives.aspx>  
 494. The Qatar Foundation. Available from: <https://www.qf.org.qa/>

**Figure 92.** Qatar - GDP by GVA Sectors 2010 - 2015 (Current Prices, Fixed 2015 Exchange Rates)



Source: Euromonitor International 2016

Qatar is developing a long-term and focused national development plan to increase the educational and economic performance of Qatari nationals.<sup>495</sup> The country is in the process of implementing tailored initiatives and programmes to support the presence of Qatari women in the non-oil sector. In the face of a large number of expatriate workers, the Qatari Government is attempting to increase the participation of nationals in the labour market. Moreover, the country’s support for SMEs and entrepreneurial funds is expected to create new jobs for unemployed youth and women. Qatar has shown significant growth in sectoral planning, especially in the energy and education sectors. Projected growth in the targeted sectors is in line with the Qatari National Vision and Qatarization strategies to increase the employability and skills of women in the national workforce.

#### 4.13.2 Women in the Economy

##### Legislative Framework

Articles dedicated to women under Qatar’s Labour Law are similar to those elsewhere in the region, primarily covering provisions on equality, maternal leave, lactation and prohibited work. Article 93 states that a woman shall be paid a wage that is “equivalent to the wage payable to a man if she performs the same work.”<sup>496</sup> Given the predominance of the public

495. Qatar General Secretariat for Development Planning. (n.d.). Qatar National Development Strategy 2011-2016. Available from [http://www.mdps.gov.qa/en/knowledge/HomePagePublications/Qatar\\_NDS\\_reprint\\_complete\\_lowres\\_16May.pdf](http://www.mdps.gov.qa/en/knowledge/HomePagePublications/Qatar_NDS_reprint_complete_lowres_16May.pdf)

496. International Labour Organization. National Labour Codes. Available from <http://www.ilo.org/dyn/natlex/docs/ELECTRONIC/67387/119186/F-1851656538/QAT67387%20Eng.pdf>

sector, this wage gap regulation can be enforced more regularly and with relative ease. For the private sector, however, this may prove more challenging, particularly the second part of the article that states all women “shall be entitled to the same opportunities for training and promotion.”<sup>497</sup> This will be primarily determined at the discretion of the employer and will require additional monitoring mechanisms.

For women who are salaried or wage workers and have been at their place of employment for at least one year, Article 96 of the Qatari Labour Law states that they are entitled to 50 days of paid maternity leave. This leave is in line with the regional average. However, reluctance among employers to hire women who may be absent for a certain period of time is not circumvented by this regulation.

In addition, Article 98 explicitly states that the employer “may not terminate the service contract of a female worker due to her marriage or taking the leave provided for in Article (96) of this Law.”<sup>498</sup> This is a safeguard to deal with cases where the employer terminates a female employee’s contract without a justifiable reason, on grounds of maternity leave or marriage.

Qatar’s private sector also attracts highly skilled foreign labour, which has led the Government to restructure employment nationwide to promote the employment of Qatari nationals. To that end, the Government introduced Qatarization, a comprehensive strategy to increase the presence of Qatari nationals in various industries across public and private sectors.<sup>499</sup> The several Qatarization initiatives have been introduced since the 1970s, targeting administrative posts in the government and education sectors. The mid-1990s witnessed the development of Qatarization in private sector businesses with a system of quotas being set for the employment of Qatari nationals.

### **Education and Vocational Training Overview**

Qatar has consolidated itself as a regional hub for hosting international universities via satellite campuses and branches, thereby providing its communities with the opportunity to study with a global perspective. Elite campuses include Carnegie Mellon University, HEC Paris, Northwestern University, University College London and Georgetown University School of Foreign Service in Qatar. These foreign institutions have encouraged a positive outlook aimed at incorporating all members of society into the academic institutions, with their international standards. Qatar’s educational environment has improved accordingly in terms of gender, a reported 70% of students enrolled in Qatar University are women.<sup>500</sup>

Higher education scholarships have also been of interest to Qatari women. Given that a significant portion of these packages were geared towards international study, social reservations limited Qatari females’ mobility to travel abroad and capitalize on these opportunities. Approximately 80% of these international scholarships in 2012 went to males.<sup>501</sup> Females who did travel abroad to further their studies, via government-sponsored funding,

496. International Labour Organization. National Labour Codes. Available from <http://www.ilo.org/dyn/natlex/docs/ELECTRONIC/67387/119186/F-1851656538/QAT67387%20Eng.pdf>

497. Ibid.

498. Ibid.

499. The Qatar Foundation. Available from: <http://www.qf.org.qa/content/about/jobs/qatarisation>

500. QS. Available from QS Top Universities: <http://www.topuniversities.com/where-to-study/asia/qatar/guide>

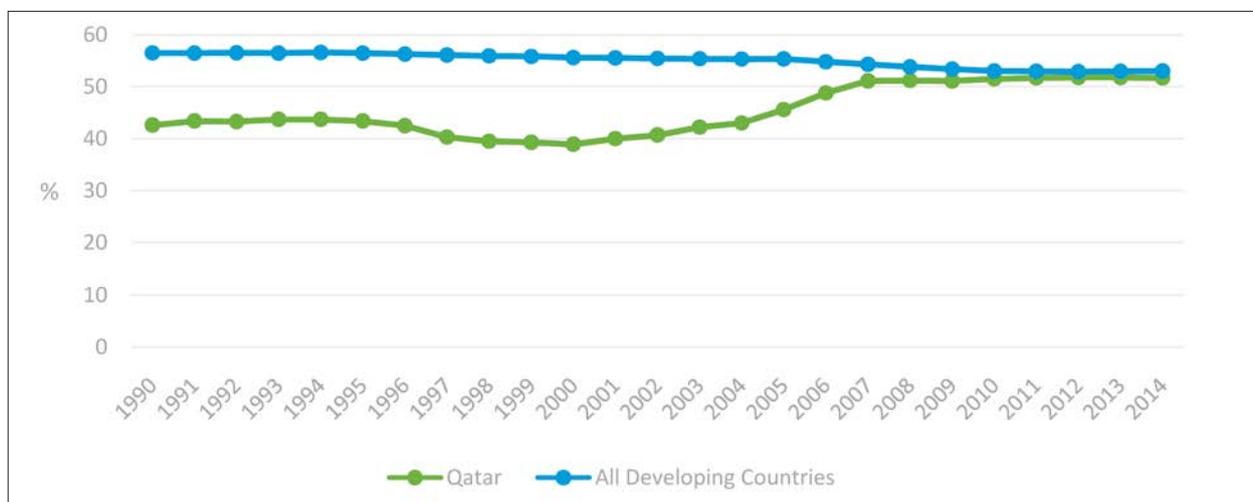
501. Walker, L. (2014, June 12). Female university students in Qatar outnumber men 2:1. Available from Doha News: <http://dohanews.co/female-university-students-outnumber-males-nearly/>

primarily studied business management and economics.<sup>502</sup>

Women in Qatar have been lauded for consistently developing in terms of higher education and gaining more prominence in attaining tertiary qualifications. According to a census by the Qatari Statistics Authority in 2010, the majority of adults with an education degree, 71.7%, were women.<sup>503</sup> Conversely, only 8.6% of adults with an engineering degree were women. Both of the aforementioned trends are in line with other countries' female education trends. However, the successes of Qatar's economic diversification plan have demonstrated a higher involvement of women with increasingly technical degrees. Additionally, 65.7% of adults with a health services degree in 2010 were women, also in line with regional trends.

### **Economic Participation**

**Figure 93.** Qatar - Labour Force Participation Rate, Female (% of Female Population Aged 15-64)



**Source:**International Labour Organization (ILO) 2016

The Government has made significant progress towards more equal gender opportunities in the labour force. The labour force participation rate of Qatari females is constantly increasing, underscoring the accommodating work environment for females. Qatar has narrowed the gap between the rates of female participation in comparison to the developing world, as shown in Figure 93. This is a very significant step, underscoring the Government's drive to introduce regulations that support women's participation in the private sector. Furthermore, access to education has been a key driving force in the increased presence of women in the workforce. Government support for education and employment has increased significantly, despite societal restrictions that discourage the entry of educated women into the labour market.

Despite Qatar having the highest participation rate for women in the region, at 51.7% in 2014, traditional Qatari society still presents a major barrier for women at work. Moreover, certain

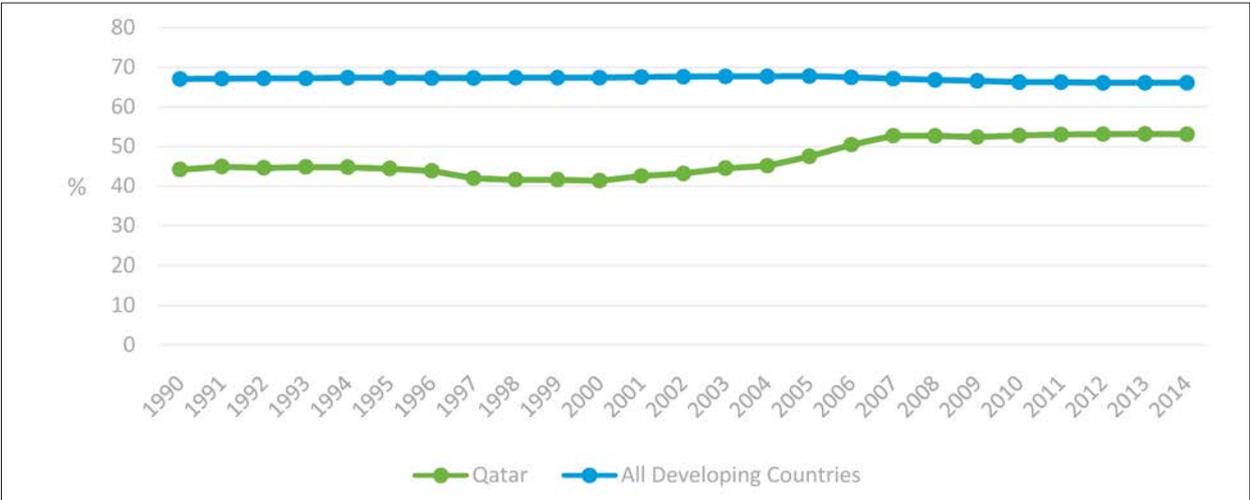
502. Ibid.

503. Statistics Authority.(2009). Census results. Retrieved September 27, 2016, from <http://www.qsa.gov.qa/qatarcensus/Edu.aspx>

occupations, such as fishing and agricultural activities, are seen as inappropriate for women. This had a direct impact on the concentration of women across sectors, especially as, despite their education, most women do not have the opportunity to occupy senior positions. Currently, the above sectors are not pivotal to Qatar’s economic future, but, as economic diversification develops, all sectors will begin to shoulder more responsibility for national growth.

Another inhibitor of women’s participation in the labour force has been workplace segregation. Although workplace segregation in the government and education sectors still occurs, there has been a decrease in workplace segregation in the private sector. This trend is a direct result of education and employment initiatives by prominent female figures, such as former First Lady Sheikha Moza bint Nasser al-Misnad and Buthaina Al Ansari, among others, who are seen as community leaders.<sup>504</sup> This development confirms the government drive to bridge the gap between the large numbers of highly educated women and their absence from the workforce.

**Figure 94.** Qatar - Ratio of Female to Male LFPR %



Source: International Labour Organization (ILO) 2016

The Supreme Council of Family Affairs (SCF) in Qatar promotes the family role within the community and focuses on the issues of women and children. The Council also contributes to raising awareness among women about their role in the economic and social development process. The main driving force behind these initiatives is Sheikha Moza bint Nasser al-Misnad, who heads the Supreme Council. The SCF has collaborated with the Government to promote equal opportunities for women by providing equal access to quality education, training and development of leadership skills. This adds positive value to employment and will increase opportunities for women entering the private sector, particularly given their lack of concentration in certain technical domains. The potential economic loss from not fully utilizing the female workforce, driven by a perceived mismatch between skills and market needs as well as social perceptions, might prevent Qatar and the region from further economic growth, according to studies conducted by the RAND Corporation.<sup>505</sup>

504. Arabian Business.com(2000). 100 most powerful Arab women 2012. Available from <http://www.arabianbusiness.com/100-most-powerful-arab-women-2012-448295.html?view=profile&itemid=448199#.V8VydFf780o>  
 505. Felder,D. and M. Vuollo(2008). Qatari women in the workforce.RAND:Qatar. Available from [https://www.rand.org/content/dam/rand/pubs/working\\_papers/2008/RAND\\_WR612.pdf](https://www.rand.org/content/dam/rand/pubs/working_papers/2008/RAND_WR612.pdf)

Traditionally, Qatari women are largely present in the public sector due to its cultural perception as providing acceptable roles for women once married. In that respect, the public sector is seen to offer flexible maternity leave policies for women, generally 50 days, as mentioned above. Additionally, the law grants women equal pay for equal work as well as access to promotion. Although there is a strong presence of leading Qatari females in the spheres of education and business, implementation of the amended length and provision of maternity leave in Qatar is a significant incentive to retaining women at work in other sectors as well.

Some private sector companies may face challenges with regard to Qatarization quotas. This may affect the shift of women's employment from traditional sectors, such as education and healthcare, into more diverse industries. In Qatar, many job opportunities for women in the private sector, and their career choices, are a result of government initiatives. . Women have traditionally been employed as teachers, nurses and in government administrative jobs. However, the increased participation of Qatari women in leading sectors such as finance, banking and energy since 2010 reflects a new socio-economic reality. Women are also contributing in the fields of charitable institutions, arts, law, media and policy. Therefore, the growth of Qatar's leading sectors in the non-oil industry will result in greater potential and higher demand for female employees.<sup>506</sup>

The role of women in the fields of investment and financial affairs has also become more prominent during the past decade. As a result, women are more inclined to assume roles offering sustainable career progression. This sector further facilitated women's access to financial services, including credit and rights to conclude business contracts.<sup>507</sup> Moreover, women's involvement in this sector was supported by the establishment of an investment company for women in 1998, a joint venture between a group of Qatari women and Qatar International Bank.<sup>508</sup> This created a supportive environment for women to pursue careers without societal restrictions, as well as effectively contributing to the promotion of female-led finance and business projects. Another development driving women's employability and involvement in the business sector was the establishment of the Qatari Businesswomen Forum by the Qatari Chamber of Commerce.<sup>509</sup> This further contributed to the expansion of a supportive working environment for women, showcasing positions for women in the fields of business and investment. In addition, it also promotes the social value of women's careers across the Qatari society.

Qatarization plans have been developed for the energy and industry sector to support women in technical and vocational jobs. Female participation in private sector companies in the oil and energy sector, such as Shell, has been the focus of Qatarization programmes to equip female employees with leadership and technical skills. A new development in the past year is the admission of females to Qatar Aeronautics College to study aeronautical engineering and air traffic control.<sup>510</sup> These were seen as traditionally male pursuits.

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506. Euromonitor International Trade Interviews, 2016.

507. UN Women (2015). Qatar. Available from <http://spring-forward.unwomen.org/en/countries/qatar>

508. Public Works Authority (2016). Women and the community. Available from <http://www.ashghal.gov.qa/en/AboutQatar/Pages/Women.aspx>

509. Qatar Chambers (2015, December 3). Qatar Chamber supports Heya fashion expo. Available from <http://qatarchamber.com/3780>

510. Public Works Authority (2016). Women and the community. Available from <http://www.ashghal.gov.qa/en/AboutQatar/Pages/Women.aspx>

Additionally, the banks support the Qatarization policy and provide significant work opportunities, especially for women and youth. Thus, the labour market situation in Qatar is largely determined by the provision of inclusive working conditions. Although many technical positions are largely male dominated, government-led initiatives are expected to ensure an increase in the female share.

## **Entrepreneurship**

The share of women in the entrepreneurship scene in Qatar is rising. Despite conservative societal attitudes that restrict women's employment, 32% of the female population claim to have start-up intentions compared to 40% of men, according to a study by AT Kearney.<sup>511</sup> Qatar's entrepreneurship sector is expected to increase as a result of the opportunities provided by SME funds, such as the recent allocation of US\$825 million by public authorities in 2016.<sup>512</sup>

In 2005, the number of female entrepreneurs active in their businesses accounted for about 16.8% of the total.<sup>513</sup> Important areas within the entrepreneurial sector have so far focused on services and retail.

The gender gap between entrepreneurs in Qatar is gradually narrowing due to the introduction of several training initiatives, skills workshops and entrepreneurship funds presenting Qatari women with a supportive socioeconomic environment. Sheikha Al Thani is the chairperson and founder of Al Faleh Group, an organization that provides educational products and services under the Doha Academy.<sup>514</sup> These help equip female graduates, as well as women at work, with leadership capabilities to actively contribute to the national workforce. Silatech, Qatar's largest business incubator, has several women in senior positions, helping Qatari women to break through the glass ceiling in the workplace.<sup>515</sup> This involves assisting them in establishing and sustaining successful income-generating projects through the necessary training and guidance.<sup>516</sup>

Besides the aforementioned financial support, the Qatari Government has supported nationals in setting up SMEs in other ways. The programme helps people set up their own businesses, in particular young Qatari women who have been interested in running businesses in retail and cosmetics. Moreover, the Qatar Business Incubation Centre (QBIC) is the leading entrepreneurship hub in Qatar, offering female entrepreneurs local, regional and international recognition platforms.<sup>517</sup> The QBIC has grown to encompass 63 companies, with a total investment of US\$1.9 million that generates returns of US\$13 million. QBIC offers a financing method for each one of its companies, which has led to expansion

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511. AT Kearney (2016, March 12). Growing number of Qatar women show startup intentions. Available from <http://www.qatarisbooming.com/article/kearney-growing-number-qatar-women-show-startup-intentions>

512. Arabian Business.com(2000). New funds for SMEs in Qatar. Available from <http://www.arabianbusiness.com/new-funds-for-smes-in-qatar-624339.html#V-Ec4SF97IU>

513. Felder,D. and M. Vuollo(2008). Qatari women in the workforce.RAND:Qatar. Available from [https://www.rand.org/content/dam/rand/pubs/working\\_papers/2008/RAND\\_WR612.pdf](https://www.rand.org/content/dam/rand/pubs/working_papers/2008/RAND_WR612.pdf)

514. Reach Out Asia (2016). Dr Sheikha Aisha bint Faleh bin Nasser Al-Thani. Available from <https://www.reachouttoasia.org/en/aboutus/dr-sheikha-aisha-bint-faleh-bin-nasser-al-thani>

515. Private Sector Qatar Team (2013, May 30). Silatech, Bedaya and Maersk oil launch the career development forum.Available from <http://privatesectorqatar.com/english/2013/05/silatech-bedaya-and-maersk-oil-launch-the-career-development-forum/>

516. Silatech. Inspiring Ambition. Available from Silatech: <http://www.silatech.com/what-we-do/enterprise-development>

517. Founded by Qatar Development Bank (QDB) and Social Development Center (SDC)

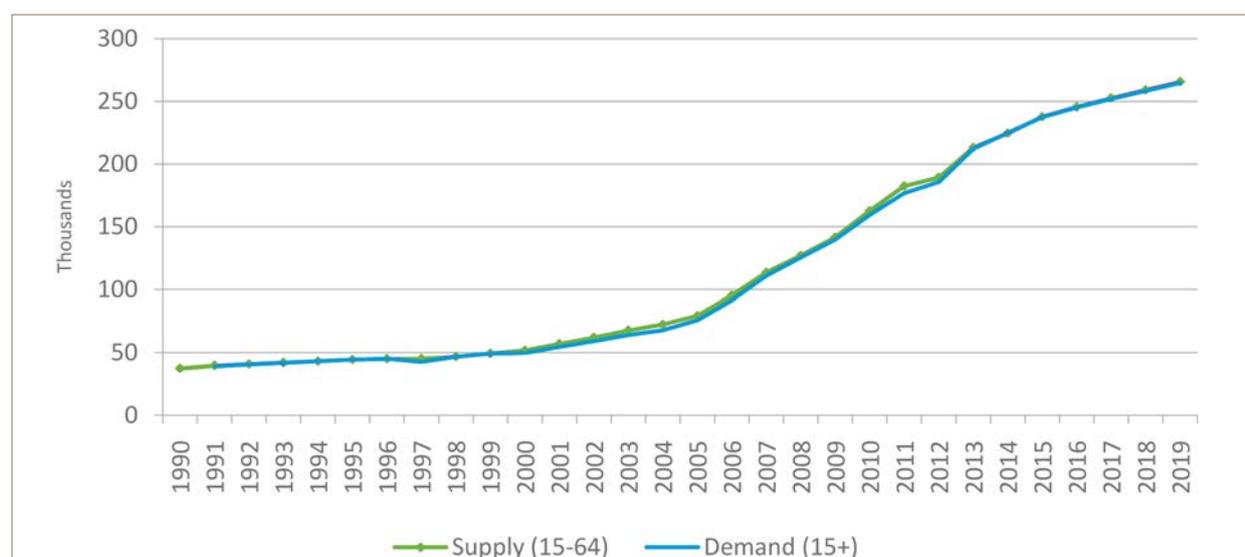
of 15 companies while the rest are start-ups. This has been a much-needed alternative for women with traditional family responsibilities, providing an opportunity to get involved in economic activities. Moreover, women do not need to face a restrictive culture or struggle to adapt to environments that are more conducive to male employees. This has resulted in an increase in female entrepreneurs, who make up one third of QBIC applicants, setting up businesses in various fields.

Local female entrepreneurs have been successful in launching start-ups in technical and industrial design, luxury and media services industries. The incubation scheme offers women training programmes, marketing and event management and support services as the start-ups gain international exposure. For example, a recent forum in February 2015 for start-up creators showcased the presence of young women running many of the new companies.<sup>518</sup> The emergence of success stories of young women starting up their companies, with a focus on promoting national vision and “Made in Qatar” products, shows young women’s awareness of new opportunities and new avenues of employment within Qatar’s vision and national employment.

Nonetheless, female entrepreneurs still face more challenges when setting up businesses than their male counterparts. Women struggle with balancing work responsibilities and family responsibilities in Qatar’s traditional society. Despite the labour law stipulating equal pay for men and women, women are still culturally restricted from entering certain professions. In that regard, as Qatar is establishing a regional reputation in the entrepreneurship sector, career guidance to help women overcome negative bias and stereotyping in the business environment could have a direct effect on women’s entrepreneurial potential.<sup>519</sup>

### 4.13.3 Future Prospects

**Figure 95.** Qatar - Supply and Demand for Female Labour 1990-2019



**Source:** International Labour Organization (ILO) 2016

518. Daily Mail. (2015, March 7). Qatar women launch start-ups despite social constraints. Available from <http://www.dailymail.co.uk/wires/afp/article-2983933/Qatar-women-launch-start-ups-despite-social-constraints.html>

519. McKinsey and Company (2014). GCC women in leadership – from the first to the norm. Available from: file:///C:/Users/bassam.aoun/Downloads/GCC\_Women\_In\_Leadership\_FINAL.pdf

## Outlook

The Qatari economy is projected to continue to develop a strong private sector that is expected to bridge the minimal gap in supply and demand for female employment. Figure 94 above shows an overlap between supply and demand that is projected to persist in the near term with an increase in demand for female labour. The significant growth in the demand for women in leading sectors reflects the need for the introduction and implementation of gender policy provisions to maintain inclusion of women in employment. The introduction of various initiatives targeting women, Qatarization, qualifications and quotas are key factors that leading sectors should incorporate in the recruitment and employment of Qatari women.

The presence of women in the new leading sectors, i.e. banking, finance and energy, will prove instrumental in increasing women's presence across various regions. The growth of the banking sector will lead to an increase in demand for women with a technical education. The facilitation of access to training that upgrades women's management and leadership skills is key to the inclusion of women in healthcare, finance and the oil and energy sectors. Women are less inclined to enter jobs that do not have positive career prospects. This suggests a need for more incentives to ensure equal provisions in those sectors.

Moreover, the Government has recognized the importance of part-time work for the promotion of work-life balance. This will ensure flexible working alternatives for women, ideally with revised but similar social protection provisions, given the lack of distinction in the labour law between full-time and part-time work. Although, the leading sectors in part-time jobs are limited to customer care and retail, nevertheless this represents a positive development from traditional public sector employment. Adding further support for childcare will assist in alleviating the lack of part-time employment opportunities for women. In early 2014, a law regulating existing childcare centres was predicted to raise costs for these establishments significantly, further emphasising the need for government support. Additionally, the introduction of mentorship, as well as flexible working, will positively promote and enable women's contribution to the economy.

The female labour force participation rate within the private sector is on the rise, particularly in the identified leading sectors. The Education and Training Sector Strategy 2011-16 aims at producing 31 projects as a result of a holistic approach to education training. This expansion will result in increased participation of women in the economy. To that end, the Qatari Government introduced gender quotas in national employment as part of its Qatarization strategies. Women's colleges and vocational institutes are also collaborating with the private and public sector by introducing training and sponsorship programmes in the public and private sectors. The digital literacy curriculum programme, for example, is a collaboration between Microsoft and the Qudurat Centre. The programme provides women with basic IT concept training and IT courses.<sup>520</sup> There are collaborative initiatives across several industries in the private sector, introducing sponsorship and training programmes in alignment with Qatarization strategies. The Roudha Centre's programmes and advocacy efforts are directed at facilitating women's businesses.<sup>521</sup> Moreover, Carnegie Mellon University Qatar is an example of an education institution encouraging women to focus on leadership and mentorship programmes.

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520. Arya, A. S. (2012, April 19). Initiatives to make women tech savvy. Available from <http://privatesectorqatar.com/english/2012/04/initiatives-to-make-women-tech-savvy/>

521. Roudha Center for Entrepreneurship and Innovation. Roudha Qatar. Available from <http://www.roudha.org/>

Education and employment initiatives represent a positive development and are expected to increase in the coming years. The aims of these education initiatives are to offer training courses, internships, financial sponsorship for graduates and vocational training. However, the long-term impact of these initiatives is constrained by a conservative society that undermines women's participation in the economy. Women are also disadvantaged by negative stereotypes and institutional practices that hinder their advancement in certain sectors. These working conditions limit women's ability to negotiate better employment opportunities.

### **Recommendations**

Female participation in the Qatari labour force is gradually increasing, despite the restrictions of a conservative society. The central position of the father in deciding the outcome of their daughters' employment reinforces the patriarchal nature of Qatar's society.

Having said this, the successful implementation of Qatar's Economic and Education Vision will require the incorporation of gender-sensitive social and educational reforms. The introduction of macro policies pushed women forward in Qatar and showed that there is a strong positive link between employability and the quality of education, when skills and labour market needs match.

Although Qatar is leading the region in terms of increased rates of female labour force participation, there is still much work to be done to close the gender gap in the labour market, especially in relation to the integration of women into more senior positions. The banking sector is proving receptive to government initiatives and is creating space for an increase in female employment. These initiatives will often lead to women assuming more senior and technical roles in the bank, as in neighbouring Gulf countries.

Yet, despite the increase in female employment across leading sectors, maternity leave provisions hinder women's economic participation. Although Qatar is one of the world's wealthiest countries, maternity leave provisions still fall short compared to international standards. Additionally, there is no law implementing any form of paternity leave. Both the limited number of days available and the lack of legal provisions act as a deterrent to the supply of women across various entry levels and their career progression.

The decrease in social barriers to women's employment will support increased female participation in the economy. Qatari women's strong participation in areas such as education, health, finance and the arts, highlights the importance of further developing gender-inclusive policies. The introduction of gender quotas, remote and part-time work, as well as mentorship programmes in those sectors, could provide women with more flexible work options to meet the growing demand for employment.

In the long term, as the non-oil sector becomes the main driver for the Qatari economy, there will be a growing need to attract and retain both men and women. Job placement programmes and public-private partnerships providing a direct link between education institutions and the labour market are important for the support of women in the workforce. As the country's long-term vision for job creation is heavily reliant on the proliferation of these initiatives, partnerships and entrepreneurial incubators will develop female capabilities in unconventional fields and offer them opportunities to exhibit their potential.

## 4.14 Syria

### 4.14.1 Economic Background

**Table 40:** Syria - Key Indicators

Indicator	Value
Population (thousand) 2016	18,563.6
Female population (thousand) 2016	9,176.4
GDP (US\$ Current, million) 2015	32,040.1
Real GDP growth (%) 2014-2015	-16.0%
Inflation (%) 2015	30.0%
Female unemployment (%) 2014	28.2%
Ease of doing business (Rank) 2015	173
Population under 30 (%) 2015	64.5%



Source: Euromonitor International 2016

Syria was cautiously liberalizing the country's economy between 2000 and 2011. During that time, the private sector expanded and the State started to phase out subsidies. The Government was criticized because increasing fuel prices put pressure on Syrian citizens, as well as the profit margins of the smugglers who used to sell the subsidized fuel from Syria at a higher price in Lebanon, Turkey, and Jordan.<sup>522</sup> Nevertheless, large parts of the economy remained regulated. Since the outbreak of violence, however, the economy has effectively ceased to function and estimates suggest that over 80% of the population now live in poverty.<sup>523</sup> In 2012, real GDP declined by 22.4% and fell by another 24.7% in 2013. After reported growth of merely 0.4% in 2014, the economy contracted by another 16.0% in 2015.<sup>524</sup> This was due to a steep decline in oil production from 368,000 barrels per day in 2010 to around 40,000 barrels per day in 2015. Consequently, the country's currency also depreciated significantly during that time. In addition to the oil sector's decline, agricultural exports, a second major source of income, fell. The Syrian Government has subsequently become highly dependent on financial aid and loans from Russia and Iran.<sup>525</sup>

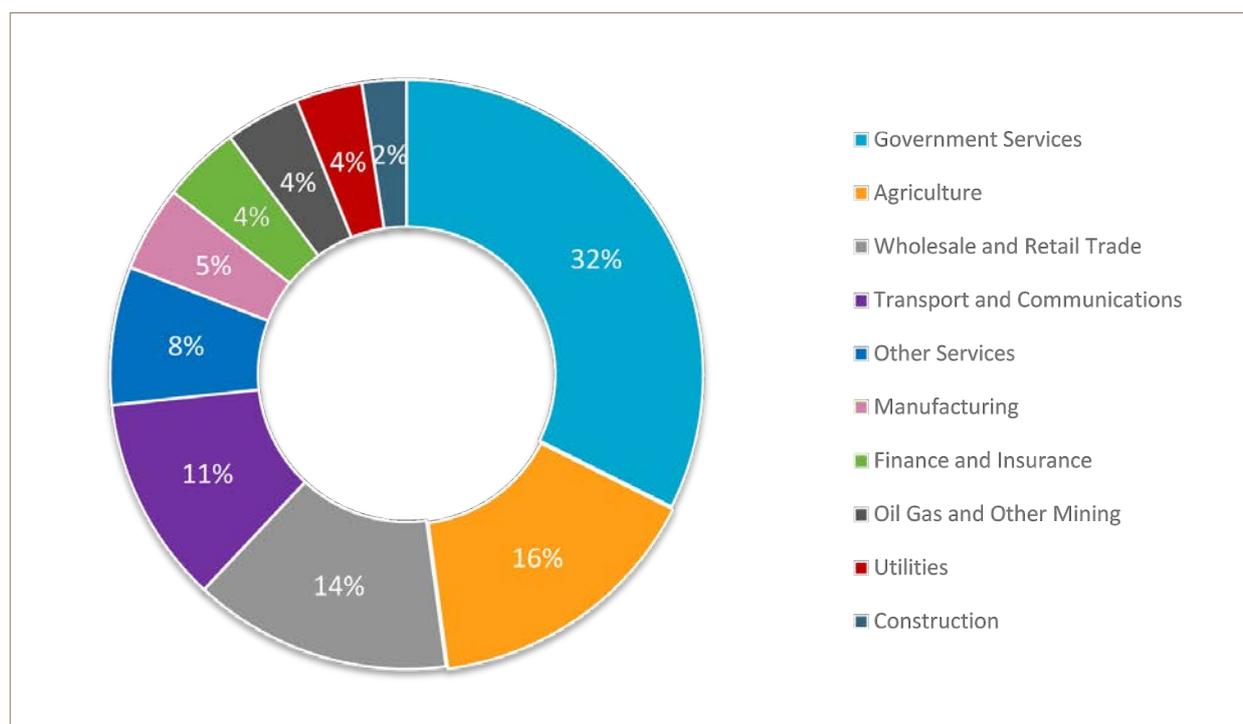
522. Butter, D. (2015). Syria's economy picking up the pieces. Available from <https://www.acaps.org/sites/acaps/files/key-documents/files/20150623syriaeconomybutter.pdf>

523. Euromonitor International. (2016). Syria Country Report.

524. Ibid.

525. Ibid.

**Figure 96.** Syria - GDP by Gross Value Added (GVA) 2015 (% Share)



Source: Euromonitor International 2016

Furthermore, the progressive transition from agriculture to industry and services, as well as the growing importance of the private sector prior to 2011, effectively came to a standstill.<sup>526,527</sup> Even though agriculture contracted in real terms between 2010 and 2015, it remained relatively stable in terms of importance. The sector declined only slightly from 17% of GDP in 2010 to 16% in 2015.<sup>528</sup> Government services, on the other hand, witnessed a substantial increase in terms of importance, from 14% in 2010 to 32% in 2015.<sup>529</sup> In real terms, however, the sector also witnessed a decline.

Syria today is, de facto, divided into various separate political and military entities, which have established autonomous economic spheres. These separate entities are dependent on aid from external sources, be it in terms of official support from other countries, anonymous donors or aid agencies.<sup>530</sup> Furthermore, all have established military units, which have become an important source of employment throughout Syria. While the military sector is rapidly expanding, other important public services, such as healthcare and education are operating on a limited basis.<sup>531</sup> The education sector is suffering in particular, with 25% of all schools in Syria being damaged, destroyed or used as shelter for displaced people.<sup>532</sup> Public sector employees are also suffering from the depreciation of the Syrian currency, as income

526. International Labour Organization (2016). Table A1. Background indicators: Macroeconomic (2000-20101) and Table 4a. Employment by aggregate sector (by sex) (1998-2007)

527. Chatham House - The Royal Institute of International Affairs (2015, June). Syria's economy picking up the pieces. Available from [https://www.chathamhouse.org/sites/files/chathamhouse/field/field\\_document/20150623SyriaEconomyButter.pdf](https://www.chathamhouse.org/sites/files/chathamhouse/field/field_document/20150623SyriaEconomyButter.pdf)

528. UNRWA (2013). The Syrian catastrophe: Socioeconomic monitoring report. Available from <http://www.unrwa.org/user-files/2013071244355.pdf>

529. Euromonitor International (2016). GDP Contribution by Sector. Syria.

530. Chatham House - The Royal Institute of International Affairs (2015, June). Syria's economy picking up the pieces. Available from [https://www.chathamhouse.org/sites/files/chathamhouse/field/field\\_document/20150623SyriaEconomyButter.pdf](https://www.chathamhouse.org/sites/files/chathamhouse/field/field_document/20150623SyriaEconomyButter.pdf)

531. World Bank (2015, September 29). Country Overview - Syria. Available from <http://www.worldbank.org/en/country/syria/overview>

532. Ibid

levels in real terms have decreased in line with the currency's loss of value since 2010.<sup>533</sup> The private sector, on the other hand, is diminishing, as several businesses have closed or relocated to neighbouring countries in the face of the growing instability, insecurity and destruction. Exports have fallen significantly as a result of the collapse of oil production within government-held areas. The destruction of agriculture and manufacturing units has also exacerbated the decline of those sectors. Various sources, therefore, suggest a sizable increase in unemployment since 2011.<sup>534</sup> The country is witnessing the emergence of a strong war economy; informal trade is on the rise and reports suggest that broad smuggling operations of various goods, including but not limited to oil, to neighbouring countries have emerged in many areas.<sup>535</sup> Furthermore, kidnapping and ransom demands are regularly used by various military entities across the country to ensure financial liquidity.

Various economic challenges await a stable Syria in the future. Internally displaced people (6.6 million) as well as refugees (4.8 million) returning from neighbouring countries will need support for resettlement.<sup>536537</sup> Whole cities and large parts of the infrastructure throughout the country have been destroyed and will have to be rebuilt. This will also include the reconstruction of critical facilities in public sector institutions, such as health-care and education. The country will also face challenges concerning the re-integration of military personnel into the regular labour force, as well as children into the education system.

The economic recovery as well as its pace will also depend on developments and decisions made outside Syria. A resumption of official trade relations with neighbouring countries could support the re-establishment of certain sectors, particularly oil and gas and agricultural activities. Broad international aid plans could speed up development and help with the reconstruction process. Leading sectors in such post-conflict scenarios are expected to be construction, necessary to rebuild the country's infrastructure, as well as retail trade, which usually benefits from stability, and a resumption of import and export routes. In an attempt to boost much-needed fiscal liquidity, the resumption of oil production and exports will also be a primary post-conflict focus for the Government.

#### 4.14.2 Women in the Economy

##### Legislative Framework

The Syrian Constitution guarantees legal equality between men and women. Nevertheless, women are not allowed to work night shifts or undertake harmful or immoral jobs. Moreover, female employees are legally entitled to receive particular benefits upon the completion of six months' employment. These include fully-paid maternity leave (120 days

533. The Century Foundation (2016, May 13). A fistful of dollars: The dwindling value of Syrian state salaries. Available from <https://tcf.org/content/commentary/fistful-dollars-dwindling-value-syrian-state-salaries/>

534. Central Intelligence Agency (2016, September 20). The World Factbook. Available from <https://www.cia.gov/library/publications/the-world-factbook/geos/sy.html> and Chatham House - The Royal Institute of International Affairs (2015, June). Syria's economy picking up the pieces. Available from [https://www.chathamhouse.org/sites/files/chathamhouse/field/field\\_document/20150623SyriaEconomyButter.pdf](https://www.chathamhouse.org/sites/files/chathamhouse/field/field_document/20150623SyriaEconomyButter.pdf) and Euromonitor International. (2016). Syria Country Report. Euromonitor International.

535. Georgetown Institute for Women (2016, January). Women's economic participation in conflict-affected and fragile settings. Available from [https://giwps.georgetown.edu/sites/giwps/files/occasional\\_paper\\_series\\_volume\\_i\\_-\\_womens\\_economic\\_participation.pdf](https://giwps.georgetown.edu/sites/giwps/files/occasional_paper_series_volume_i_-_womens_economic_participation.pdf) and Chatham House - The Royal Institute of International Affairs (2015, June). Syria's economy picking up the pieces. Available from [https://www.chathamhouse.org/sites/files/chathamhouse/field/field\\_document/20150623SyriaEconomyButter.pdf](https://www.chathamhouse.org/sites/files/chathamhouse/field/field_document/20150623SyriaEconomyButter.pdf)

536. 11 million fled from Syria since the beginning of the war in March 2011.

537. Syrian Refugees (2016). The Syrian refugee crisis and its repercussions for the EU. Available from <http://syrianrefugees.eu/>

for the birth of the first child, 90 days for the second child and 75 days for the third child), permission to take maternity leave during the last two months of pregnancy, in addition to an extra unpaid month. Female workers also cannot be dismissed during maternity leave. However, if she is found to be working for another employer, the current employer has the right to recover the full amount of wages paid.

For 24 months, working mothers are entitled to two daily nursing breaks of at least 30 minutes each. These are not included in the working hours and cannot be deducted from the wage. In addition, in firms with more than 15 employees, working mothers are allowed to take one year of unpaid leave for childcare purposes, with the right to return to the same job at the end of the period. Unpaid leave is only allowed up to three times throughout the employment period. However, when taking such leave, female workers have to pay social security contributions.<sup>538</sup>

Employers must also provide childcare facilities, such as day care centres, when there are at least a 100 female workers with at least 25 children under the age of five on the same premises. If the latter condition is not met, companies with more than 20 married female workers must provide a childcare facility supervised by a qualified nurse, if there are a minimum of 10 children below the age of five.<sup>539</sup>

However, the Criminal Code, Personal Status Law and laws regarding nationality do conceal discriminating elements. The Personal Status Law allows marriage for women at the age of 17, and 18 for men. However, judges may allow marriages at a younger age (13 for girls and 15 for boys) with the approval of male legal guardians. Early marriages are increasing because families use it as protection for their daughters from social and economic pressures. Women also face discrimination during marriage formalities, for instance in marriage contracts, a 'special conditions' section is dedicated for the spouse to specify his own conditions (for example, not allowing his wife to work after marriage). Many women only see these conditions after marriage. Regarding child custody, fathers get legal custody and have to provide medical treatment, education, career guidance and marriage consent, which fall under his guardianship responsibilities. If a woman is granted custody, her responsibilities are limited to providing the child with basic needs. In the event of divorce, Muslim women are granted custody of sons until they are 13 and daughters until they are 15 (although the father retains guardianship).<sup>540</sup>

Inheritance laws are listed by the Sharia. Women may inherit from different family members, but their share may be half as much as men. Women in rural areas are unaware of their inheritance rights and may be even convinced to assign their share to their male relatives, with the excuse of keeping property under the family's protection. However, Catholic women are the only ones who do not abide by Sharia Law, and follow the Catholic Personal Status law (issued in 2006), which grants men and women equal inheritance rights.

Furthermore, there are no complaint mechanisms in place and, in many cases, women do not know where or how to complain, therefore often give in to family pressure.<sup>541</sup> The

538. ILO (2010). Labour Law No 17/2010. Available from [http://www.ilo.org/wcmsp5/groups/public/---ed\\_protect/---protrav/---ilo\\_aids/documents/legaldocument/wcms\\_145645.pdf](http://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---ilo_aids/documents/legaldocument/wcms_145645.pdf)

539. Ibid.

540. Social Institutions and Gender Index (2016). Syrian Arab Republic. Available from <http://www.genderindex.org/country/syrian-arab-republic>

541. CARE (2016, March). Women, work and war: Syrian women and the struggle to survive five years of conflict. Available from [http://www.care.org/sites/default/files/documents/Syria\\_women\\_and\\_work\\_report\\_logos\\_07032016\\_web.pdf](http://www.care.org/sites/default/files/documents/Syria_women_and_work_report_logos_07032016_web.pdf)

greatest barriers, however, are traditional cultural norms and values, limiting women’s public interactions and employment after marriage.<sup>542</sup>

### **Education and Vocational Training Overview**

Education prospects, for both women and men, have been significantly dampened. The education of Syria’s youth, particularly, has been drastically inhibited by the current conflict. From 2008 to 2012, the youth literacy rate among males and females was high, albeit higher among males. Prior to 2012, UNICEF estimated that 97% of primary school children were attending school.<sup>543</sup> With regard to secondary school, the net enrolment ratio for males and females was almost equal but lower at primary school level.

**Table 41:** Syria - Enrolment Breakdown by Sex (2013)

<b>Education</b>	
Youth (15-24 years) literacy rate (%) 2008-2012, male	96.4
Youth (15-24 years) literacy rate (%) 2008-2012, female	94.1
Primary school participation, Net enrolment ratio (%) 2008-2012, male	99.5
Primary school participation, Net enrolment ratio (%) 2008-2012, female	99.7
Secondary school participation, Net enrolment ratio (%) 2008-2012, male	67.9
Secondary school participation, Net enrolment ratio (%) 2008-2012, female	67.8

Source: UNICEF 2013<sup>544</sup>

In 2013, school attendance in some of the hardest hit areas, such as Idlib and Aleppo, dropped to 30%, further contributing to the long-term negative effects of the lack of schooling for these youth on the labour market in the future. Furthermore, over half a million refugee children abroad are not enrolled in school either, facing difficult conditions in neighbouring countries, where they fled to escape the violence. The effects have been similar for tertiary education. The Institute of International Education estimated that in 2015, approximately 450,000 university-age Syrians, a quarter of them qualified for enrolment, had been displaced by the conflict.<sup>545</sup>

542. In 2008, 41.2% were unfavourable concerning women working outside the home in all cases (International Labour Organization. Gender, employment and the informal economy in Syria. Available from [http://www.ilo.org/wcmsp5/groups/public/---dgreports/---gender/documents/publication/wcms\\_144219.pdf](http://www.ilo.org/wcmsp5/groups/public/---dgreports/---gender/documents/publication/wcms_144219.pdf)) and trade interviews suggest that these numbers increase for married women and especially after child bearing.

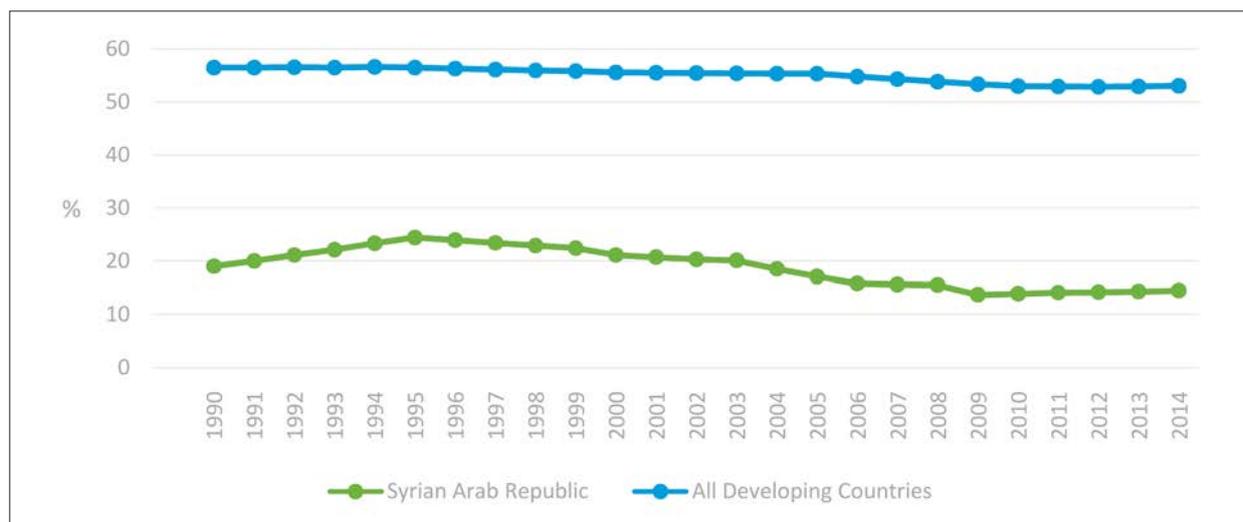
543. UNICEF (2013). Infographic: Education crisis in Syria. Available from <https://www.unicefusa.org/stories/infographic-education-crisis-syria-statistics>

544. UNICEF (2013). At a glance: Syrian Arab Republic. Available from [http://www.unicef.org/infobycountry/syria\\_statistics.html#117](http://www.unicef.org/infobycountry/syria_statistics.html#117)

545. WENR (2016). Education in Syria. Available from <http://wenr.wes.org/2016/04/education-in-syria>

## Economic Participation

**Figure 97.** Syria - Labour Force Participation Rate, Female (% of Female Population Aged 15-64)



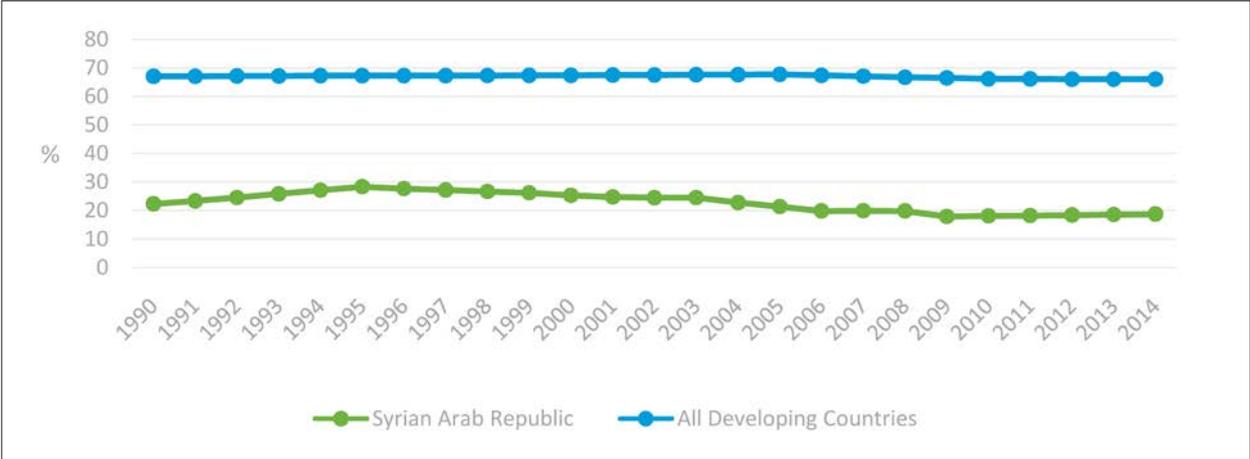
*Source:* International Labour Organization 2016

Syria featured the lowest labour force participation rate of women in the region, even before 2011. Furthermore, from 1995 to 2009, the country saw a year-on-year decline in female labour force participation. In 2003, 20.1% of all women aged 15-64 years were either working or actively looking for work. This number decreased to 14.5% in 2014 (see Figure 97). This trend was not driven by a decrease in wage and salaried employment, which remained around 16% between 2000 and 2016, but mainly due to a decrease in contributing family employment in agriculture.<sup>546</sup> Agriculture as a whole saw a decline in its importance following a series of droughts in the 2000s. The expansion of the industrial and service sectors at the same time could not fill in the gap and provide enough jobs to absorb the large number of job applicants from rural areas. As a result, while the loss of employment within agriculture for men was largely offset by new opportunities in the industrial and service sectors, female employment could only partially be compensated by public sector employment. Prior to the conflict, women represented 59% of the agricultural labour force and produced around 50% of the food grown in Syria. While their tasks were usually time-consuming and labour-intensive, they were often unpaid in subsistence food production.<sup>547</sup>

546. Euromonitor International Trade Interviews, 2016

547. CARE (2016, March). Women, work and war: Syrian women and the struggle to survive five years of conflict. Available from [http://www.care.org/sites/default/files/documents/Syria\\_women\\_and\\_work\\_report\\_logos\\_07032016\\_web.pdf](http://www.care.org/sites/default/files/documents/Syria_women_and_work_report_logos_07032016_web.pdf)

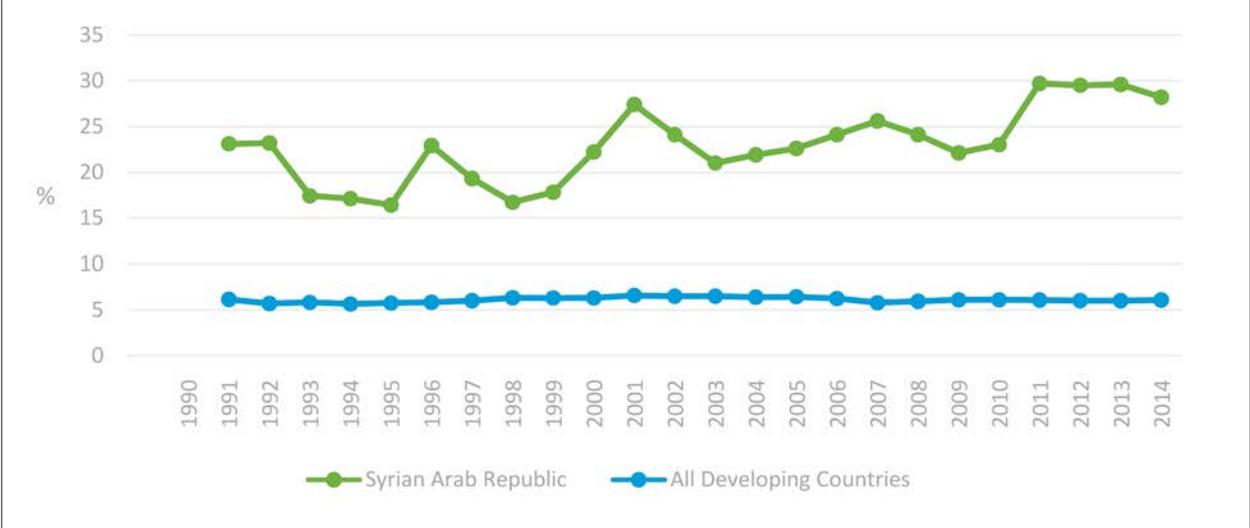
**Figure 98.** Syria - Ratio of Female to Male LFPR % (1990-2014)



Source: International Labour Organization 2016

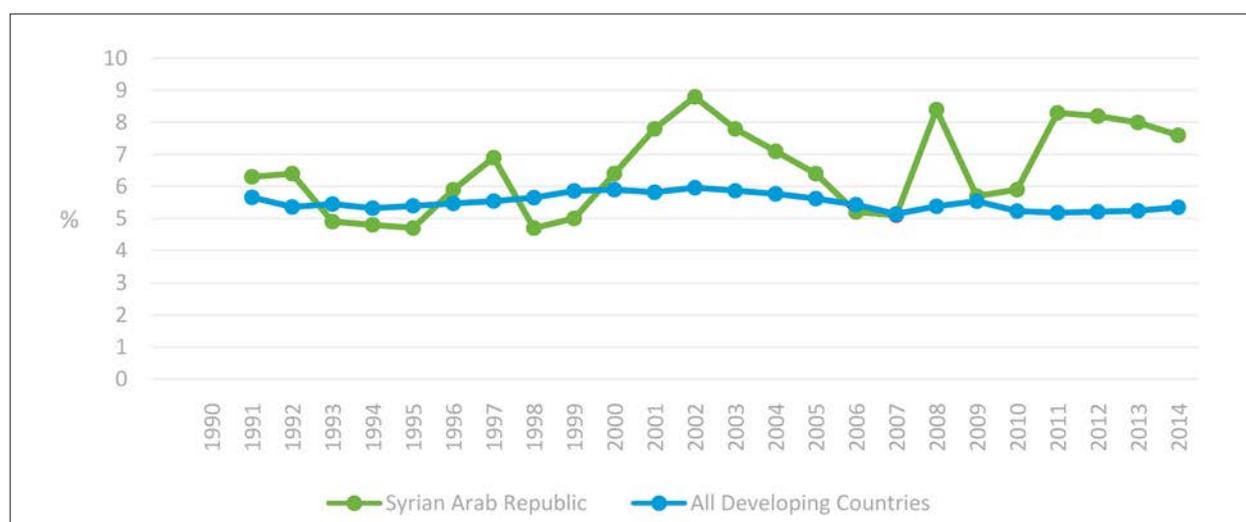
Disparate dynamics are expected to have shaped the labour market in Syria since 2011. ILO estimates suggest that the female participation rate as a percentage of all women aged between 15 and 64 saw a slight increase after 2011, growing from 13.9% in 2010 to 14.5% in 2014. However, considering the chaotic situation in the country in the face of recent events, data estimates from 2010 onwards are unlikely to be accurate and cannot give a comprehensive picture. The situation is also expected to differ immensely between areas, depending on the general situation and the worldview of the respective ruling faction.

**Figure 99.** Syria - Unemployment, Female (% of Female Labour Force)



Source: International Labour Organization 2016

**Figure 100.** Syria - Unemployment, Male (% of Male Labour Force)



**Source:** International Labour Organization 2016

The unemployment rates ranging from 29.7% to 28.2% between 2011 and 2014 estimated by the ILO are similarly unreliable.<sup>548</sup> This is further evidenced by alternative reports, suggesting significantly higher rates of more than 50% since 2011.<sup>549</sup> Nevertheless, reliable data on unemployment before 2011 showed strong differences between men and women and recent events are likely to have further widened this gap, at least in terms of formal employment. Based on ILO estimates, unemployment rates among women reached 23% in 2010, but stood at only 5.9% among men.<sup>550</sup> Major sources for female employment in Syria were the education and healthcare sectors. In 2011, 40% of employment for women was in the education sector and 12% in healthcare and social work.<sup>551</sup> Unfortunately, as a result of the violence throughout the country, many schools and healthcare facilities have been destroyed, damaged or used for other purposes and many families have not allowed women to resume their work outside the home due to security risks.

Overall, formal female employment is, therefore, expected to have decreased significantly since then. Reports suggest, however, that female employment in the informal sector might have seen a boost due to economic hardship and the need for alternative income streams. Women are said to have taken on duties and tasks within informal humanitarian services. In the absence of health or rehabilitation centres and schools, women often provide support from home.<sup>552</sup> Military units are on the rise across the country and remain a predominantly male domain; the country has compulsory conscription for men in the Syrian Armed Forces and conservative approaches to female participation in military units are prevalent in most opposition-held territories.<sup>553</sup> While this might

548. Euromonitor International (2016). Syria Country Report. International Labour Organization . (2016). Table 9a. Total unemployment (ILO estimates and projections; by sex)

549. Central Intelligence Agency (2016, September 20). The World Factbook. Available from <https://www.cia.gov/library/publications/the-world-factbook/geos/sy.html> and Euromonitor International. (2016). Syria Country Report.

550. International Labour Organization (2016). Table 9a. Total unemployment (ILO estimates and projections; by sex)

551. Ibid.

552. CARE (2016, March). Women, work and war: Syrian women and the struggle to survive five years of conflict. Available from [http://www.care.org/sites/default/files/documents/Syria\\_women\\_and\\_work\\_report\\_logos\\_07032016\\_web.pdf](http://www.care.org/sites/default/files/documents/Syria_women_and_work_report_logos_07032016_web.pdf)

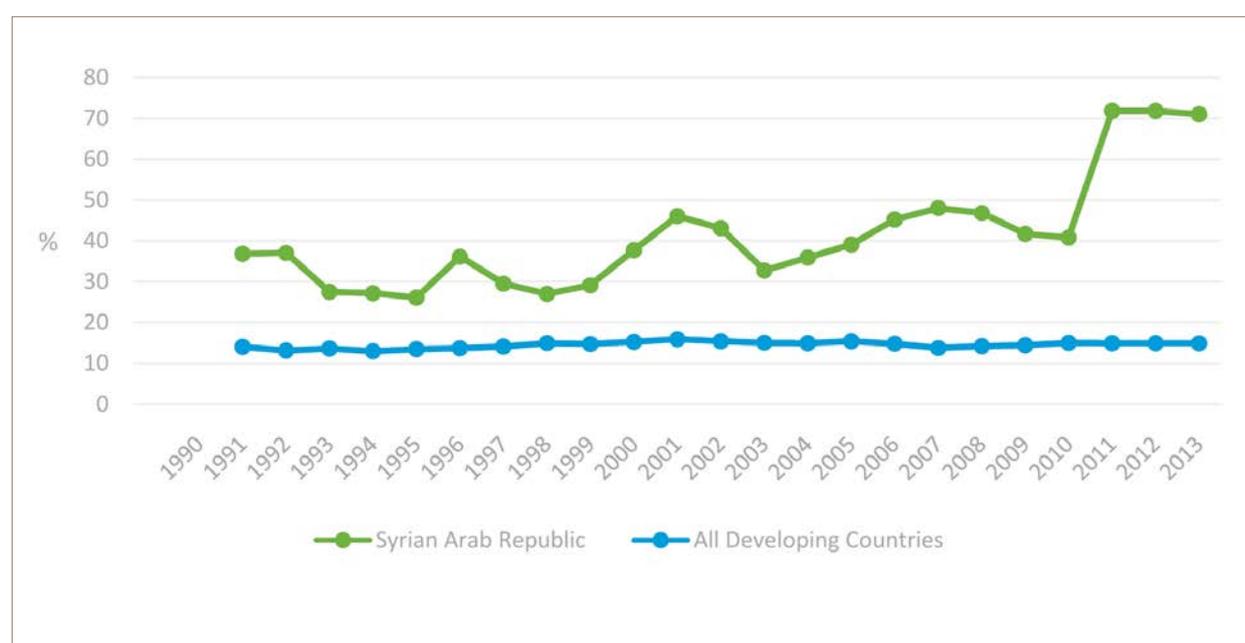
553. An exception remain the northern territories under the control of the YPG, as Kurdish women have been actively involved in military activities on the ground. Dearden, L. (2015). 'Isis are afraid of girls': Kurdish female fighters believe they have an unexpected advantage fighting in Syria. Available from <http://www.independent.co.uk/news/world/middle-east/isis-are-afraid-of-girls-kurdish-female-fighters-believe-they-have-an-unexpected-advantage-fighting-a6766776.html>

increase official male employment statistics, it also puts men more in danger of injury and death, which in turn changes the role of women in the household. In the absence of a husband, women are often forced to generate income to provide for the family.<sup>554</sup>

## Entrepreneurship

The Syrian Government introduced economic reforms in 2005 to support the private sector. These included various measures to ease the process of opening and maintaining a business. Promoting entrepreneurship was seen as an important part of the transition from a centrally planned economy to a liberal market approach. However, many barriers, such as high levels of corruption and limited access to external financing options, remain and most Syrians have retained a cautious approach towards entrepreneurship.

**Figure 101.** Syria - Unemployment, Youth Female (% of Female Labour Force Aged 15-24)



Source: International Labour Organization 2016

A Syria-specific report published by the Global Entrepreneurship Monitor (GEM) suggests that 3% of the adult population tried to start a business in 2009, while only 5% were successful owners of a new business. Business owners with a commercial entity older than 42 months, which the report considers established, formed 7% of the adult population.<sup>555</sup> Furthermore, Syria had one of the largest gender gaps in the region for early stage entrepreneurial activity (TEA). The TEA rate among men in 2009 was 13.6%, while the rate among women was only 3.1%, reflecting the generally conservative attitude towards the female labour force. In terms of female ownership of larger firms with a minimum of five employees, female ownership was relatively high, at 14.4%. Furthermore, most women owned the firm individually and more than 60% of female business owners were also managing their enterprises. This suggests that female ownership in Syria was more pragmatic

554. CARE. (2016, March). Women, Work and War: Syrian Women and the Struggle to Survive Five Years of Conflict. Available from [http://www.care.org/sites/default/files/documents/Syria\\_women\\_and\\_work\\_report\\_logos\\_07032016\\_web.pdf](http://www.care.org/sites/default/files/documents/Syria_women_and_work_report_logos_07032016_web.pdf)

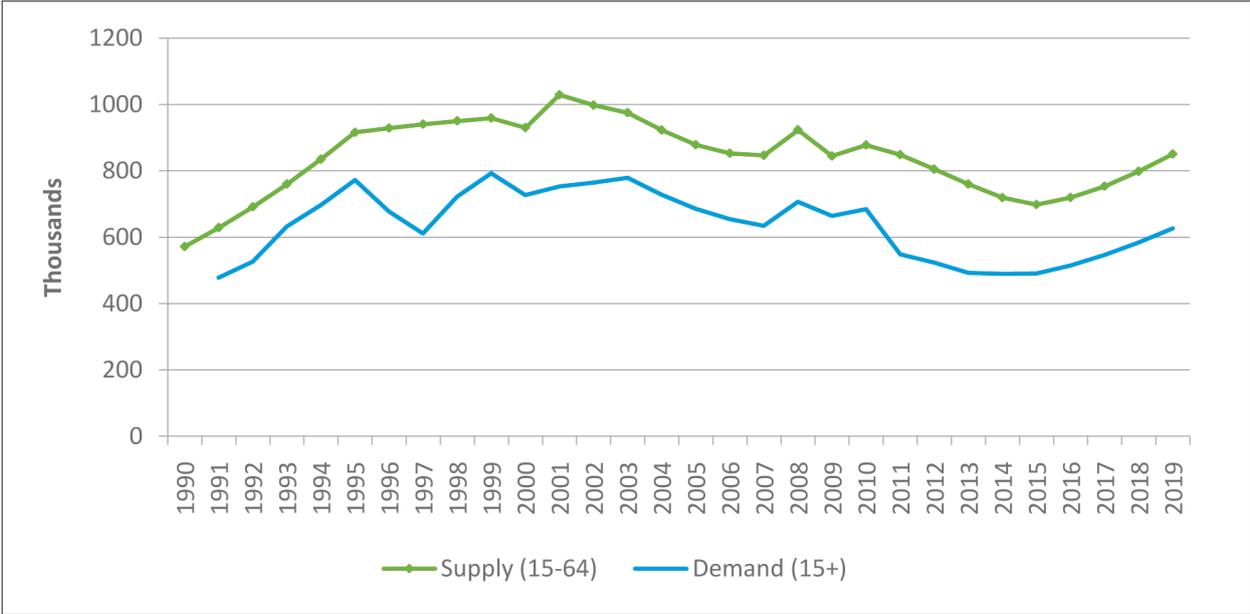
555. Global Entrepreneurship Monitor (2009). GEM Syria 2009 report. Available from (<http://www.gemconsortium.org/country-profile/133>)

and active rather than a paper formality.

An accurate picture of female entrepreneurship and women in business after 2011 is difficult to ascertain. Many enterprises closed down or relocated to neighbouring countries in the face of widespread violence and destruction. Consequently, formal entrepreneurship is expected to have effectively halted.

### 4.14.3 Future Prospects

**Figure 102.** Syria - Supply and Demand for Female Labour 1990-2019



Source: International Labour Organization 2016

### Outlook

The conflict and widespread violence is expected to further shape female employment and labour force participation. The military is set to remain the only growing formal sector. The number of households headed by women is expected to increase in line with violent hostilities, as many women deprived of their husbands will try to earn a living to secure the survival of the family. The female labour force supply is therefore expected to increase significantly. Demand, on the other hand, will be primarily generated as vulnerable employment by the informal sector. In extreme cases, this might include dangerous tasks, such as smuggling or prostitution for survival.<sup>556</sup>

Nevertheless, these developments also serve to incite a change in attitude towards female employment, which might help in the creation of a new role for women in a post-conflict scenario. Furthermore, the sheer need for a labour force in a reconstruction process may act as a potential trigger for female employment within formerly male-dominant domains. While it appears unlikely that women will take over physical tasks in construction, their skills

556. CARE (2016, March). Women, work and war: Syrian women and the struggle to survive five years of conflict. Available from [http://www.care.org/sites/default/files/documents/Syria\\_women\\_and\\_work\\_report\\_logos\\_07032016\\_web.pdf](http://www.care.org/sites/default/files/documents/Syria_women_and_work_report_logos_07032016_web.pdf)

may be honed as technical professionals, such as engineers or architects. Furthermore, women might gain more visibility within a reviving retail segment, due to a lack of males and a need to generate income.

The violence in Syria is not expected to end soon, with devastating consequences for the economy and formal employment. The country is facing continuous large-scale destruction, a demographic catastrophe and a de facto division of the country into small political and economic units. Skilled labour and capital has left Syria, while private and public investments have come to a standstill. The instability and insecurity have led to the establishment of a war economy. Furthermore, the activities under this war economy depend primarily on violence, while the income generated is often used to continue this violence. In this environment, female participation in the labour force is expected to follow current dynamics. Women will become heads of households and primary income earners for the first time. The social barriers of conservative Syrian society are therefore expected to soften over time. Optimistically, this may lead to broader acceptance of female labour force participation. As a means of survival, women are also expected to increasingly enter male domains in terms of employment, challenging traditional values even further.

While this might change attitudes in the long term, it also places women at further risk. Formal employment options are expected to diminish further and many women will have to turn to informal employment. While informal humanitarian structures might be a good opportunity for women to experience work outside their household, many other tasks might include significant risks in terms of security or direct abuse and exploitation.

### **Recommendations**

Female employment in Syria followed conservative patterns before 2011 and work was not seen as an option for many. As widespread violence and economic hardship force women into a new role, programmes and initiatives should focus on immediate protection as well as a post-conflict scenario.

While direct support and protective measures for informal female labour force participation inside Syria may be difficult currently, women living as refugees in neighbouring countries could benefit from such programmes and initiatives. Furthermore, most women in informal employment inside and outside Syria are in vulnerable positions and need protection from exploitation, abuse and household conflict. Domestic violence has reportedly increased, as men are experiencing a feeling of emasculation in the face of changing economic roles.<sup>557</sup>

Protecting basic rights and creating a violence-free environment are therefore perceived as priorities to support female employment in Syria and among female Syrian refugees in neighbouring countries. Furthermore, growing up in a conservative society, where female employment was suppressed by traditional social norms, many Syrian women lack the confidence and practical skills to even search for appropriate employment options. Offering training programmes and support will help protect women from exploitation and abuse in potential employment. This might also help to shape a new role for women in a post-conflict scenario.

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557. Ibid

Government initiatives and economic frameworks in post-conflict scenarios traditionally focus on the reconstruction of the country's infrastructure as well as the revival of income-generating industries, such as oil production. Private initiatives, on the other hand, usually focus on small-scale retail businesses that do not require large investment. Support programmes in a post-conflict scenario should therefore attempt to integrate women into these formerly male-dominated sectors. This could include easy access to micro-loans as well as gender-specific conditions for outside financial aid during a reconstruction process.

## 4.15 Tunisia



### 4.15.1 Economic Background

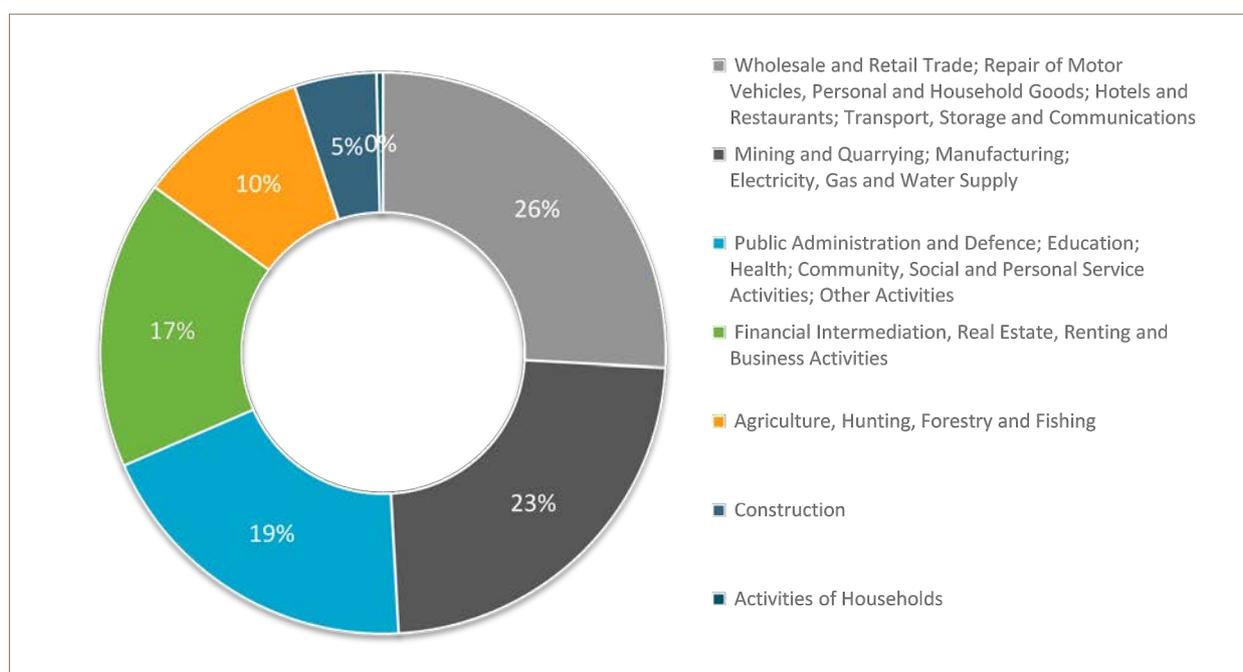
**Table 42:** Tunisia - Key Indicators

Indicator	Value
Population (thousand) 2016	11,351.0
Female population (thousand) 2016	5,734.7
GDP (US\$ Current, million) 2015	43,019.5
Real GDP growth (%) 2014-2015	0.9%
Inflation (%) 2015	4.9%
Female unemployment (%) 2014	15.8%
Ease of doing business (Rank) 2015	75
Population under 30 (%) 2015	47.9%

Source: Euromonitor International Economies and Consumers, 2016

Until the late 2000s, Tunisian economic growth was associated with increased investment including FDI, strong export performance and a decline in the contribution of agriculture. In 2015, agriculture was ranked as the fifth-most valuable contributor to GDP. The economy is now primarily dependent on service-oriented retail industries, such as tourism and restaurants. Mining and quarrying as well as manufacturing and other heavy industries accounted for 23% of GDP by GVA in 2015, indicating a gradual modernization of the economy away from agricultural activities.

**Figure 103.** Tunisia - GDP by Gross Value Added (GVA) 2015 (% Share)



Source: Euromonitor International 2016

After the global financial crisis, exports slumped while energy and agricultural output fell. While personal living standards grew steadily between 2010 and 2016, the government savings ratio fell and public debt rose to reach 54% of GDP by 2015.<sup>558</sup> Growth was negative in 2011 due to the political turmoil of that time. Tourism was badly affected and revenues continued to fall after two terrorist attacks in 2015 and renewed political protests in 2016.

Despite the growth of private industry, the share of the public sector in total employment rose from 22% in 2006-2011 to 25% in 2013.<sup>559</sup> Mechanical and electronics manufacturing and automotive components have been the most dynamic export sectors since the 1990s, outstripping the previously dominant textiles and clothing sector. The latter sector saw its share of all merchandise exports decline from 42% in 2004 to 27% in 2008. In contrast, the share of exports of electronics and chemicals increased to 30%.<sup>560</sup> Together with agro-food production, these are the pillars of productive capacity in manufacturing.

The industrial sector is more closely linked to the international economy than the services sector, which, excluding tourism, is dominated by health, education and public administration. In 2007, the three major manufacturing subsectors attracted more than 60% of FDI and created more than 80% of new private sector jobs.<sup>561</sup> An over-concentration of exports on EU markets, especially those in the South, had implications for the female labour force, given that 43% worked in manufacturing (i.e. exported goods).<sup>562</sup>

Tunisia's "Jasmine" or "Dignity" Revolution of 2011 raised hopes for a new political and economic direction. Subsequent political upheavals, however, combined with the global recession, led to deteriorating economic conditions. In the wake of the Revolution, investment declined sharply in almost all sectors; FDI flows decreased by 29% in 2011 and 182 foreign firms, Italian, French, and German, closed down, leading to the loss of 10,930 jobs.<sup>563</sup> The decline of FDI was also severe in the tourism sector. Tunisia is heavily reliant on travel and tourism, which accounted for 11.5% of jobs and 12.6% of GDP in 2015, despite the contraction since 2011.<sup>564</sup>

In 2016, the Tunisian Government reached an agreement with the IMF for a US\$2.8 billion bailout to cope with economic and political transition and to help fund its new 2016-2020 Development Plan.<sup>565</sup> The Plan, endorsed by the IMF, sets a number of goals for the productive capacity of the economy. Some of the primary goals include promoting modern agriculture, food processing and food security, protecting natural resources and promoting a knowledge economy, including transforming 50% of the universities into STEM (science, technology, engineering and maths) institutions.

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558. Euromonitor International. (2016). Available from: <https://www.portal.euromonitor.com/portal>

559. Boughzala, Mongi. 2013. "Youth Unemployment and Economic Transition in Tunisia." Washington, DC: Brookings Institution, Global Economy and Development Working Papers no. 57 (January). See "Aiwa (yes) minister: Arab bureaucracies", *The Economist*, Nov. 14th, 2015, p. 47. Public sector employment is as high as 78% in Kuwait and 62% in Saudi Arabia and as low as 19% in Lebanon and just 10% in Morocco. The OECD average is 21%.

560. Ayadi, Mohamed and Wided Mattoussi. 2014. "Scoping of the Tunisian Economy." Helsinki: WIDER Working Paper 2014/074.

561. Jaud, MéliSe and Caroline Freund. 2015. "Champions Wanted: Promoting Exports in the Middle East and North Africa." Washington DC: The World Bank Group: Directions in Development.

562. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang-en/index.htm> (Accessed: August 2016)

563. Ayadi, Mohamed and Wided Mattoussi. 2014. "Scoping of the Tunisian Economy." Helsinki: WIDER Working Paper 2014/074.

564. World Travel & Tourism Council. (2016, March). Travel & Tourism Economic Impact Tunisia 2016. Available from <http://www.wttc.org/-/media/files/reports/economic-impact-research/countries-2016/tunisia2016.pdf>

565. République Tunisienne. 2014. Recensement en Chiffres / Statistique Tunisienne. Available from <http://census.ins.tn/fr/recensement>.

Thus, the leading sectors proposed for policy interventions are the knowledge economy, health and social care, tourism and modern agriculture. For manufacturing, the Government's note to the IMF states that the existing development model, which is based on pervasive state intervention that led to an economy dependent on low value-added exports, excessive regulation and limited competition, will be changed swiftly.<sup>566</sup> The Plan is to provide incentives and allow competition for "backbone services" such as telecoms, transport services or professional services, where Tunisia is seen as having significant export potential.<sup>567</sup>

## 5.14.2 Women in the Economy

### Legislative Framework

Tunisia's Personal Status Code (or family law) has been quite liberal since its introduction in 1956. Nonetheless, according to the Code, the household head is the man who "must provide for his wife and children within his means ... the wife must contribute to family expenses if she has assets." Moreover, inheritance laws continue to follow Sharia law: women inherit half that of their brothers. Among other consequences, this has implications for women's ability to set up a business.<sup>568</sup>

The Labour Law differentiates between the public and private sectors. In the public sector, social insurance is provided, women are entitled to paid maternity leave of two months and workplaces with more than 50 workers offer on-site childcare facilities.<sup>569</sup> There are also special provisions for mothers of young or disabled children. Private sector employers are not required to provide paid maternity leave, although the law stipulates leave of 30 days, and new mothers are granted daily leave to breastfeed during working hours for a year after the birth of their child. Employers are required to provide childcare facilities if their employees number 50 or more.<sup>570</sup> Small enterprises are exempt from these requirements. Although there is no gender distinction in social security provisions, the mandatory requirements only apply to civil servants, which may explain why 86% of those in health and public administration are covered.<sup>571</sup>

In 2014, a new Constitution was adopted. However, its harmonization with existing laws and adoption of new ones is yet to take place. Additionally, there is an increasingly visible presence of a number of vocal women's rights organizations and women's policy agencies, which conduct research and advocacy on women's participation and rights.<sup>572</sup> Many leading women researchers and activists are lawyers and academics themselves. Interviews with these activists indicated that there is a need for:

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566. République Tunisienne. 2014. Recensement en Chiffres / Statistique Tunisienne. Available from <http://census.ins.tn/fr/recensement>.

567. Ibid.

568. Ibid.

569. Moghadam, V.M. (2006). Maternalist Policies vs Economic Citizenship? Gender Social Policy in Iran. pp. 87-108 in Shahra Razavi and Shireen Hassim (eds), Gender and social policy in a global context: Uncovering the gender structure of 'the social'.

570. Ben Salem, Lilia (2010). Tunisia. Pp. 487-516 in Sanja Kelly and Julie Breslin (eds.), Women's rights in the Middle East and North Africa: Progress amid resistance.

571. Ibid. Bernard-Maugiron, Nathalie (2015). Supporting women as economic actors in the Middle East and North Africa region, draft report of Experts Meeting, (1st July). Programme MENA-OCDE Pour l'Investissement.

572. Examples include Femmes Démocrates, AFTURD, UNFT, CREDIF and CAWTAR.

- constitutional guarantees, in the form of new laws, to protect women's participation, rights and working conditions, especially in the private sector
- development plans and budgets that focus on the economic activation of marginalized women in the interior of the country
- incentives to allow women to establish and sustain their own enterprises.

### **Education and Vocational Training Overview**

Approximately 38.4% of women in the labour force have completed secondary school; 22% are university-educated and 29.6% have completed primary school only. The proportion of women with higher education qualifications nearly quadrupled between 1994 and 2014.<sup>573</sup> Although women with secondary schooling make up the largest proportion of female workers, the highest female labour force participation rates, along with the highest unemployment rates, are found among university-educated women.

Tunisia's higher education system has attracted an ever-larger proportion of the female population. By 2010, female enrolment exceeded that of males at secondary and tertiary levels. The female-male ratio at the tertiary level was 120:100.<sup>574</sup> Tunisia has the highest level of university enrolment in the region among both sexes, but especially among women.<sup>575</sup> In the cohort of women born in 1989, 33% of women versus 23% of men were post-secondary graduates.<sup>576</sup>

Until the end of the 1980s, university graduates were easily absorbed by the labour market, primarily by government and public sector institutions, and the rate of unemployment for graduates was well below 5%. This pattern began to change in the 1990s and reached alarming levels in the mid-2000s, with a rapid rise in the number of graduates and low levels of demand, especially for skilled labour.<sup>577</sup> Moreover, private universities rely mostly on temporary rather than permanent teaching staff.<sup>578</sup> A recent study found that "over-education is common in diverse low- and middle-level country contexts, [...] and over-educated tertiary workers do not use all of their skills, potentially wasting valuable human capital and educational resources."<sup>579</sup>

Additional complications arise out of the need for female students who may, due to existing deficiencies in social services, be required to give up their education in order to care for sick family members. Conversely, an improvement in the coverage and quality of social services could significantly increase female labour force participation.

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573. République Tunisienne (2014). Recensement en Chiffres/Statistique Tunisienne. Available from <http://census.ins.tn/fr/recensement>.

574. World Bank (2013). Figure 1.4. The source does not distinguish between universities and technical and vocational colleges within the tertiary sector. Instruction at Tunisian universities is in French.

575. World Bank (2013) Opening doors: Gender equality and development in the Middle East and North Africa.

576. Assaad, Ragui and others (2016). Where has all the education gone? Analyzing trends in labor force participation in MENA. Paper prepared for the 22nd annual conference of the Economic Research Forum (Cairo, March).

577. Boughzala, Mongi and others (2016). Aligning incentives for reforming higher education in Tunisia. ERF Working Paper 578. No. 1031 (July). The quality of education in MENA is a contentious issue (see World Bank 2008; Karshenas, Moghadam, Alami 2014; various ERF papers). Boughzala and others (2016) also note that the emergence of private higher-education institutions has not improved the (low) quality of educational outcomes in Tunisia. But this problem need not be gender discriminatory.

579. Ibid.

## Economic Participation

Compared with other Arab countries, Tunisia boasts a more gender-responsive regulatory environment. Many women work as lawyers and judges: 28% of lawyers were women in 2010, as well as 43% of constitutional judges.<sup>580</sup> Successive governments have presented themselves as the champion of women's rights. These factors place Tunisia at the top of the region in terms of the UNDP's 2013 Gender Inequality Index, at 46.<sup>581</sup>

While Tunisia's female labour force participation rate (27.5% in 2014) is about half that of developed OECD countries, it sits in the mid-range of Arab countries and at the upper end compared to GCC countries. Structural change in the Tunisian economy, away from agriculture, offered some wage employment opportunities for women, who accounted for 15% of all employees in 1980 (a level that has nearly doubled over the past decade), rising to 28.6% in 2014.<sup>582</sup>

The female unemployment rate (15.8%) is three percentage points above that of men and is concentrated among the young and university-educated women.<sup>583</sup>

Despite some enabling factors, the economic situation for women in Tunisia is weak. This is partly due to the evolution of the economy, which has not favoured increased participation by women because of the fixed division of labour by gender and the rigid legacies of a rentier economy (not based on oil in this instance).

Social factors, however, have also contributed to the relatively weak economic situation for women in Tunisia. Socio-cultural views on gender roles have also changed less than the secular nature of the State might suggest. According to the sixth wave (2010-14) of the World Values Survey (WVS), 71% of respondents agreed that "when jobs are scarce, men should have more right to a job than women." The gender breakdown suggested that many more men (82%) than women (58%) agreed. However, fewer than half (48.7%) of women respondents with full-time jobs agreed, while over 30% disagreed (World Values Survey).<sup>584</sup> This suggests that despite the Government championing women's equality, society's views on gender roles have not evolved at the same pace.

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580. OECD (2014). Women in public life: Gender, law and policy in the Middle East and North Africa. Women in political decision making and public life in MENA countries. Available from <http://www.oecd.org/gov/women-in-public-life-9789264224636-en.htm>

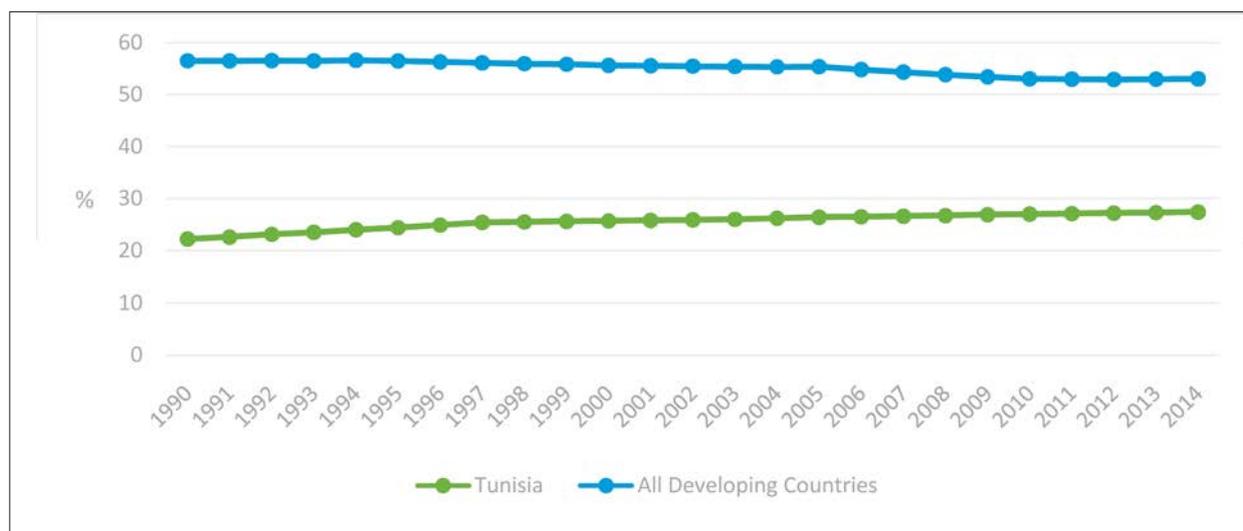
581. UNDP (2013). Human Development Report 2013: The Rise of the South.

582. République Tunisienne. 2014. Recensement en Chiffres/Statistique Tunisienne. Available from <http://census.ins.tn/fr/recensement>.

583. The World Bank. (2016). Unemployment, female (% of female labour force) (modelled ILO estimate). Available from <http://data.worldbank.org/indicator/SL.UEM.TOTL.FE.ZS>

584. World Values Survey: <http://www.worldvaluessurvey.org/WVSONline.jsp>

**Figure 104.** Tunisia - Labour Force Participation Rate, Female (% of Female Population Aged 15-64)



Source: International Labour Organization (ILO) 2016

The female labour force participation rate in Tunisia has been in the 23-28% range for at least two decades. Younger women have by far the highest propensity to participate. Female labour force participation peaks with those aged 24-29 with a rate of 45%, then declines to 23% for those aged 45-49.<sup>585</sup> As in other Arab countries, marriage and childbearing appear to be a significant factor in the steep fall in women's involvement in the labour market after about 30 years of age.<sup>586</sup> The average age at first marriage is 27.

Participation varies by education. The university-educated female labour force participation rate is about 56%, compared to 20-25% for women with primary or secondary schooling.<sup>587</sup> Consequently, women have formed an increasing share of total employees, starting from a very low base in the 1970s.

As noted above, women are much more affected by unemployment than men. In 2012, the female unemployment rate reached 16.7% for women compared with 12.4% for men. Government figures show a similar gender gap in unemployment in 1994 (19% female against 14.3% male), suggesting a stagnant longevity in the disparity. The gap decreased to a degree after 2004, but was met with a substantial decline in employment opportunities for women in Tunisia since 2006 lasting up until 2011.<sup>588</sup> While unemployment affected about 11% of all working men in 2008, with a spike to 17.1% in 2011, women's unemployment rate rose from 14.6% in 2008 to 15.8% in 2014, peaking at 21.6% in 2011.

Within that unemployment total, the experiences of young women and the most-educated women (not completely overlapping groups) have been the most negative. Well-qualified, university-educated women have the highest unemployment rate of any group in the pop-

585. OECD (2014). Women in public life: Gender, law and policy in the Middle East and North Africa. Women in political decision making and public life in MENA countries. Paris: OECD. Available from <http://www.oecd.org/gov/women-in-public-life-9789264224636-en.htm>

586. World Bank (2013). Opening doors: Gender equality and development in the Middle East and North Africa.

587. World Bank (2013). Jobs for shared prosperity: Time for action in the Middle East and North Africa.

588. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang-en/index.htm> (Accessed: August 2016)

ulation, at nearly 44%, compared to 21% among similarly qualified men in 2012. University-educated women experienced a sharp decline in the probability of obtaining government employment in recent years; it nearly halved over the course of 2005-2013 for both never-married and sometime-married women.<sup>589</sup>

Large numbers of young women, who wish to enter the labour market out of economic need (especially girls from working-class households who have attained secondary schooling or less) or to pursue a professional career, find that lack of demand blocks their entry into the workforce.

According to ILO data, most of Tunisia's female labour force is found in manufacturing (43%), followed by professional, scientific, and technical/public administration, social services, health and social work activities (19.4%), and just 12.3% in agriculture, forestry and fisheries. Only 7.7% of women are found in wholesale and retail trade. In terms of occupational distribution, the female labour force is concentrated in professional fields (24%); clerical, service and sales workers (20%); with 51% in blue-collar occupations (see Table 43 below).

**Table 43:** Tunisia - Occupational Breakdown, Female Labour Force, 2012

	Number (000's)	%
Managers	31.542	4.0
Professionals	80.694	10.1
Technicians and associate professionals	110.978	13.9
Clerical and support workers	88.96	10.5
Service and sales workers	79.721	10
Skilled agricultural, forestry and fishery workers	76.526	9.6
Craft and related trades workers	35.663	4.5
Plant and machine operators, and assemblers	154.77	19.4
Elementary occupations	142.275	17.9
<b>Total</b>	<b>796.129</b>	<b>99.6%</b>

Source: International Labour Organization (ILO) 2016

According to Ben Salem (2010), women made up 39% of staff in the civil service,<sup>590</sup> while within the health field, women made up 42% of doctors, 72% of pharmacists and 57% of dental surgeons. These figures suggest the extent to which public and private services depend on women, but Ben Salem (2010) notes studies showing that many employed women find it difficult to balance work and family life. ]In the 1980s and 1990s, manufacturing was by far the most female-intensive sector of the economy and the labour force.<sup>591</sup> Production of clothing in Tunisia had close links with enterprises abroad through FDI, foreign contracting and localization in export-processing zones. As with other countries, such firms

589. Assaad, Ragui and others (2016). Where has all the education gone? Analyzing trends in labor force participation in MENA. Paper prepared for the 22nd annual conference of the Economic Research Forum (Cairo, March). Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm> (Accessed: August 2016)

590. Ibid.

591. Ben Salem, Lilia (2010). Tunisia, pp. 487-516 in Sanja Kelly and Julie Breslin (eds.), Women's rights in the Middle East and North Africa: Progress amid resistance.

employed a relatively high share of women workers. The success of the Tunisian clothing industry was, however, contingent on special trade policies giving it preferential access to the EU market. Once other countries (mostly in Eastern Europe) received similar treatment and Tunisia lost its privileged position, the performance of the clothing industry worsened. The Great Recession also took a toll, mainly due to the sector's dependence on southern EU markets. Other manufacturing employers did not increase their share of women in the workforce, and the share of women in the overall industrial workforce declined thereafter.

Moreover, the economic restructuring that has occurred in Tunisia in recent times has not created similarly supportive types of employment for women in the formal private or the public sector, where jobs are secure, limited in their hours, covered by social security and offering associated maternity and related benefits. This has led to the expansion of the informal sector, which is not covered by social protection but still offers an outlet for economic participation to several demographic groups. According to the Tunisian Union of Industry, Trade and Handicrafts, 85% of locally-owned enterprises are owned by women.<sup>592</sup> The manufacturing industries that remain female dominated are textiles and clothing and fur (with more than a 60% female share). Women make up a significant proportion of the workforce in the production of medical, precision and optical instruments and watches.<sup>593</sup> A diversification of the manufacturing sector away from assembly-line production and towards more dynamic and improved forms of production could have a major impact on employment overall, for both men and women, while yielding increased tax revenues for the Government.

Education, health and social services are female dominated (57.7% and 67% female respectively). Other sectors where women make up a significant proportion are recycling, telecoms, postal services, insurance, financial and insurance auxiliaries and IT.<sup>594</sup>

In terms of employment status, ILO data shows that in 2012, of Tunisia's 796,000 working women, 80% were wage earners and salaried workers and 158,000 (or 19.8%) were classified as self-employed, but this included own-account workers and contributing family workers, which the ILO deems "vulnerable". These figures are actually better than those for men: in 2012, 68.6% of men were wage earners and salaried workers, while 31.4% were self-employed. Furthermore, while women's vulnerable employment has been declining from a peak of 28.2% in 2005, men's has remained roughly the same.

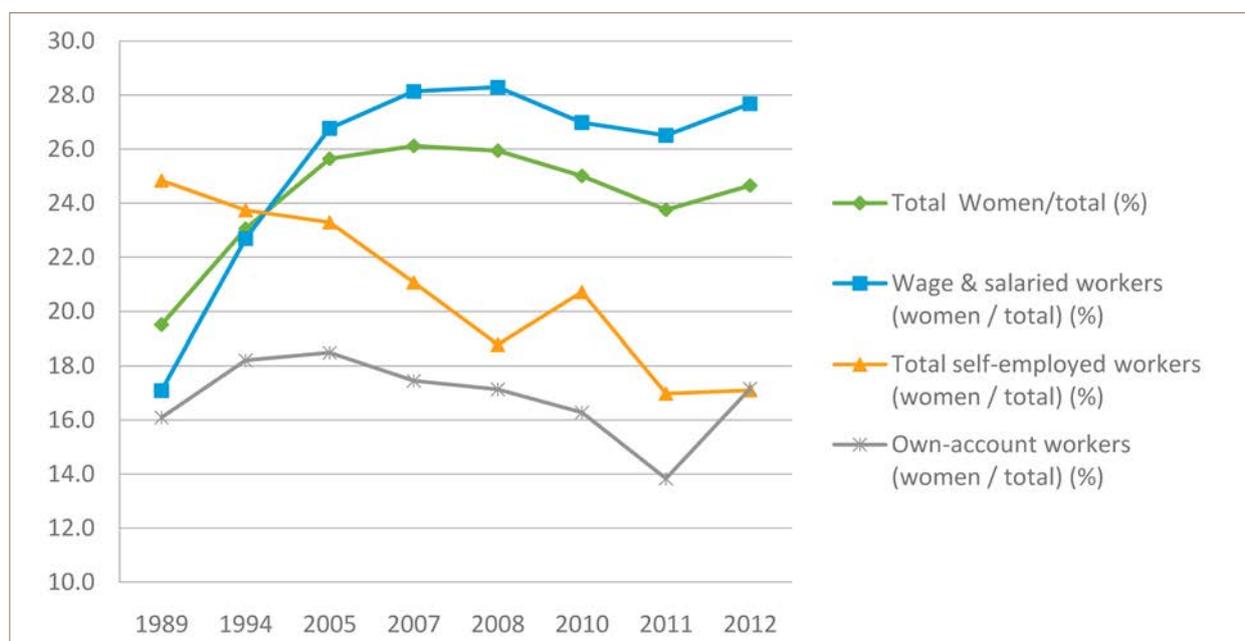
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592. Design Routes. Available from <http://designroutes.org/tunisia-made/>

593. Boughzala, Mongi (2013). Youth unemployment and economic transition in Tunisia. Brookings Institution, Global Economy and Development Working Papers No. 57 (January).

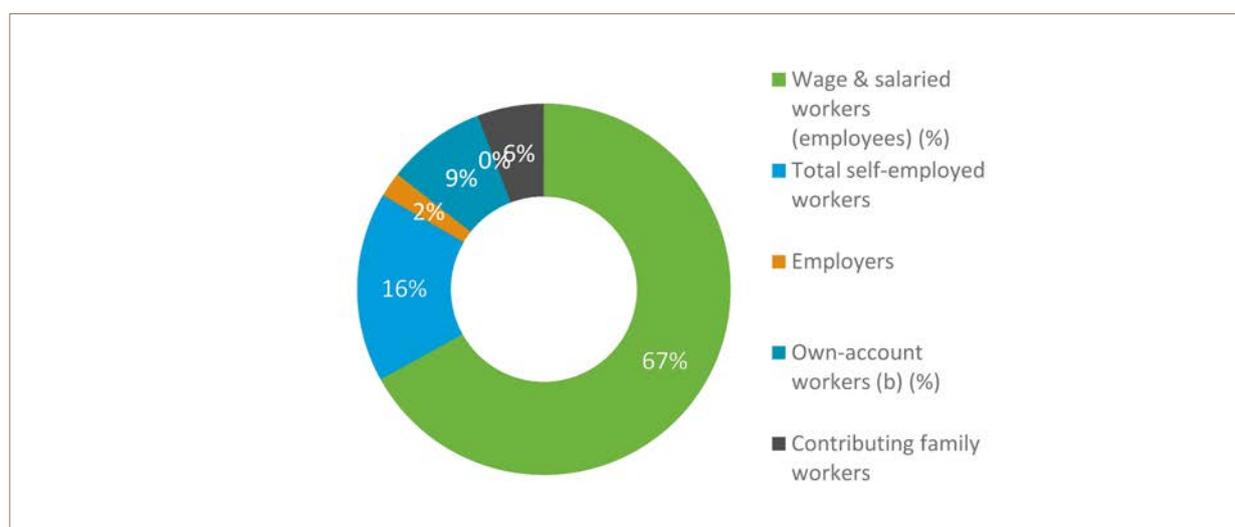
594. Ibid.

**Figure 105.** Tunisia - Change in Women's Employment Status (%), 1989 - 2012



Source: International Labour Organization (ILO) 2016

**Figure 106.** Tunisia - Employment Status, 2012, Women



Source: International Labour Organization (ILO) 2016

With respect to wages, global trends indicate that there is less discrimination in the public sector than the private sector. Very little is known about wage differentials in Tunisia's private sector. As in other Arab countries, there are no legal sanctions against employers paying women less than men for similar work.

Women working in the private sector are concentrated in low-skilled employment.<sup>595</sup> Flexible forms of employment are widespread, such as job rotation, short-term contracts, part-time work, flexible work hours, weekend work, night work and overtime work. Some

595. Ayadi, Mohamed and Wided Mattoussi (2014). Scoping of the Tunisian economy. WIDER Working Paper 2014/074.

of these features are prohibited for women in light of their family obligations and mobility constraints, especially working at night.

### **Entrepreneurship**

Across the region, women entrepreneurs are concentrated in services, particularly retail, and their activities are less diversified and less capital-intensive than those of men.<sup>596</sup> There has been some discussion in development literature on women's entrepreneurship as a way of out poverty as well as a pathway to their economic empowerment.<sup>597</sup> A distinction is made between subsistence micro-enterprises and productive businesses, while acknowledging that women face difficulties in obtaining credit, loans and training. This is further complicated by the absence of a transparent and accessible legal and regulatory environment as well as business and industry networks.

The Government has proposed regrouping the existing 289 microcredit associations into 24 institutes (one per region), to be governed by a new microfinance strategy.<sup>598</sup> If successful, this should better serve women's entrepreneurship, especially in the country's interior, where female labour force participation is very low and unemployment rates very high.

Research on global patterns by the World Bank suggests that the more unfavourable the climate for starting and expanding a business, the lower the proportion of female-owned businesses.<sup>599</sup> In other words, businesswomen's prospects are more negatively affected than men's by a poor business climate. Tunisia ranks 74 out of 189 countries in terms of business climate (better than many other countries in the region) and has a somewhat larger number of female-owned businesses (even on a broad definition). Tunisia was, however, recently reported to be a top ten up-and-coming destination for basing a start-up, with its proximity to Europe being cited as a key advantage, as well as the rapid growth of its financial, coaching and mentoring sectors, which facilitate the establishment of start-ups.<sup>600</sup> For intermediate-stage and developed businesses, however, a glass ceiling remains. According to a report in the *International Journal of Business and Management*, most female managers tend to be clustered in lower level posts and rarely make it to an advanced executive level.<sup>601</sup> Women who hold the Chief Executive Officer position in Tunisian companies represent less than 5%, which is significantly low, when comparing it to the world average of 25%.<sup>602</sup>

Gaining family and social approval may be crucial to the success of woman entrepreneurs. Social barriers to female entry into business may be declining, but women, given lesser property rights, still rely relatively more on their social networks and connections,

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596. CAWTAR (2007). Women entrepreneurs in the Middle East and North Africa: Characteristics, contributions, and challenges. CAWTAR and World Bank, IFC.

597. Atlan-Okay, Ozlem (2014). Entrepreneurial subjectivities and gender complexities: Neo-Liberal citizenship in Turkey. *Feminist Economics*. 20(4): 235-259.

598. IMF (2016). Tunisia: Request for an extended arrangement under the extended fund facility – Press Release; Staff Report; and Statement by the Executive Director for Tunisia. IMF Country Report No. 16/138 (June).

599. Chamlou, N. (2008). The environment for women's entrepreneurship in the Middle East and North Africa. World Bank/IFC, Women, business and the law 2014. Removing restrictions to enhance gender equality. .

600. <http://www.seedstarsworld.com/blog/2015/10/top-10-countries-in-the-world-to-launch-a-startup/>

601. <http://www.ccsenet.org/journal/index.php/ijbm/article/viewFile/49087/27541>

602. Agence Tunis Afrique Press (2016). Tunisia: Percentage of female CEOs is 5%. Available from <http://www.tap.info.tn/en/Portal-Top-Slide-EN/8298234-tunisia-percentage-of-female-ceos-is-5->

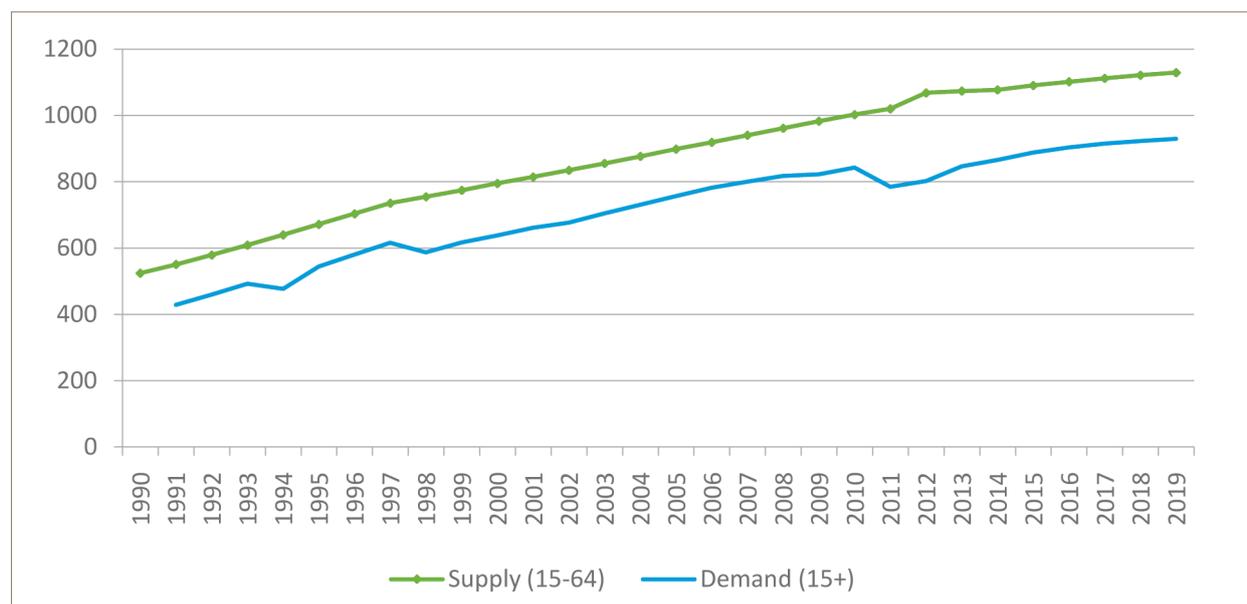
or “social capital” than men.<sup>603</sup> Such social networks consist of family, relatives and community; for middle-class professional women they also consist of professional connections. Working-class and poor women, who are excluded from professional networks and ties, may be situated in more patriarchal contexts and their social networks have fewer resources for investment. The support of government agencies and aid programmes becomes more critical for such women. Aid programmes that aim to empower rural and marginalized women in Tunisia have highlighted the need for better access to social services, better roads between villages and urban centres and the need to establish effective and accountable local monitoring committees.<sup>604</sup>

### 4.15.3 Future Prospects

#### Outlook

Projections of female labour force participation and overall employment trends up until 2019 indicate that the gender gap is likely to widen. Even if the Government attains its goal of increasing female labour force participation to 35% by 2020, the gap could widen more unless there is improvement on the demand side. It will be vital to support an upward shift in the proportion of women in the workforce, to attain the more important goal of increased female labour force participation (see Figure 107 below).

**Figure 107.** Tunisia - Female Labour Supply and Demand 1990-2013, Tunisia, with Projections to 2019.



Source: International Labour Organization (ILO) 2016

It is encouraging that the Government’s 2016-2020 Development Plan aims to remove legislative barriers to female labour force participation and improve the business climate. In the case of some of the leading sectors, increases in women’s employment may follow without further policy measures. For example:

603. Yetim, Nalam (2008). Social Capital in Female Entrepreneurship. *International Sociology* 23, No. 6 (November): 864-885).

604. Elrahi, Nay (2015). Rural women in Tunisia: ‘we have been silent for too long’. *Guardian.com*, 30 March 2015.

- In modernizing agriculture and expanding food processing, women could be employed as production workers, mobilized as producers and linked into international value chains (individually or in co-operative groupings).
- Young people and local residents could be mobilized and trained for work in natural resource protection, through social enterprises.
- Young women who are ICT could become better integrated into IT occupations, especially where foreign investment and high-skill requirements, at a graduate level, are present. As of 2011, women account for 41% of workers in ICT, although given the rise in female ICT graduates, this number is likely to have increased since then. International call centres employ many women, but working conditions need to be more attractive.<sup>605</sup>
- In industry, a larger share is envisaged for mechanical and electronic exports; here too, women could be trained for both production and non-production jobs.
- One area where government policy is clearly disposed to provide jobs for women is in expanding parts of the formal care economy, including remote and rural areas that have not previously been reached. Increasing kindergarten enrolments from 35% in 2015 to 53% in 2020 could have a large impact on the scale of jobs for women, as could the expanding care for the elderly through social services.
- The emphasis on culture, education and media could generate many jobs for educated women.
- The expansion of the health sector could also be very helpful to female employment, given the high enrolment rates of women in sciences and medicine.

Tunisia's interior lacks the infrastructure, knowledge transfer and information networks that the northeast and the coastal areas enjoy. There is potential for development in these areas, especially for youth, including young women, in IT, clerical and administrative positions. Healthcare needs are largely unmet in low-income areas such as Jendouba, Le Kef, Kasserine and Gafsa. Some 60% of women suffer from health problems and just 10% have access to healthcare.<sup>606</sup> Here too, women can make an important contribution to improving services; the training of local health workers should become a priority. Youth illiteracy and dropout rates are also significant in these areas; 40% of women are illiterate in these locations.<sup>607</sup> Teacher training is therefore another area where women can be deployed, and, indeed, teacher numbers have expanded.

If the economy were rebalanced in the ways suggested in the 2016-2020 Development Plan, the gap between the growth of, and demand for, female labour could be narrowed through the financing and growth of public services (including schools and pre-schools) and the social services sector (including childcare and elderly care). Food processing (especially for women in

605. European Training Foundation (ETF) (2011). Women and work in Tunisia: Tourism and ICT Sectors: A Case Study. Available from European Training Foundation: [http://www.etf.europa.eu/webatt.nsf/0/300DDD6D021DB90FC125797C0040FD1C/\\$file/Women%20&%20work\\_Tunisia\\_EN.pdf](http://www.etf.europa.eu/webatt.nsf/0/300DDD6D021DB90FC125797C0040FD1C/$file/Women%20&%20work_Tunisia_EN.pdf)

606. Elrahi, Nay (2015). Rural women in Tunisia: 'we have been silent for too long'. Guardian.com, 30 March 2015.

607. Ibid.

the interior) and manufacturing (to maximize wages for women workers and thus the amount of tax revenues received by the Government) are also intervention areas with much potential.

### **Recommendations**

The Tunisian Government's 2016-2020 Development Plan contains provisions that favour employment generation for educated young people, and young women in particular, assuming that financing is available and is spent wisely. For example, the Ministry of Women created a credit institution in the Banque Tunisienne de Solidarité to enhance access to finance.<sup>608</sup>

There are many historical examples of the mobilization of young people for development goals, including the Iranian and Vietnam model of training of rural healthworkers and the US Teach for America programme, where college graduates spend one or two years teaching in schools in low-income districts.

Strategies should be designed to draw on existing expertise, while also training young people for specific tasks. Tunisia's women's organizations, professional associations and trade unions are well placed to put their weight behind development strategies, social policies and education reform. Formidable challenges remain, but Tunisia's democratic policy has enabled the launching of a process of social dialogue. A new government, formed in August 2016, includes young people, trade unionists and eight female cabinet ministers (out of a total of 40 ministers), including a new female Finance Minister.

Additionally, stakeholder feedback highlighted the concerns that students feel for their careers after graduation. Feedback from this survey indicated that students are unsure that the quality of their education is adequate, while teaching staff highlighted the need for curricular reform geared to enhancing and promoting links with the labour market's needs, with an additional focus on soft skills and improving the quality of instruction and facilities. In other words, university education cannot be seen as a solution to increasing professional employment in Tunisia if it is not accompanied by infrastructure improvements, stronger ties to potential employers and more demand for educated and skilled labour.

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608. <http://www.bts.com.tn/credit-professionnel/>

## 4.16 United Arab Emirates

### 4.16.1 Economic Background

**Table 44:** UAE - Key Indicators

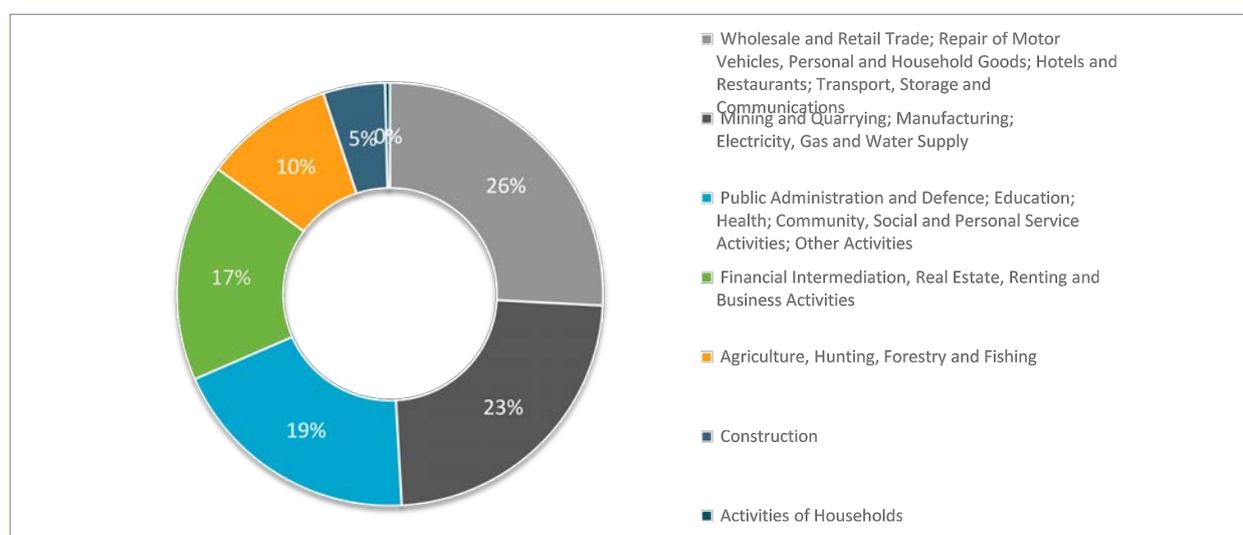


Indicator	Value
Population (thousand) 2016	8,708.0
Female population (thousand) 2016	2,350.6
GDP (US\$ Current, million) 2015	345,483.2
Real GDP growth (%) 2014-2015	3.9%
Inflation (%) 2015	4.1%
Female unemployment (%) 2014	8.6%
Ease of doing business (Rank) 2015	32
Population under 30 (%) 2015	40%

Source: Euromonitor International Economies and Consumers, 2016

The United Arab Emirates (UAE) was established as a federation of seven Emirates in 1971 (Ras-al-Khaimah joined in 1972) and has witnessed a transformation to a modern state with cosmopolitan cities, a modernized infrastructure and high living standards. Emirati nationals enjoy broad benefits and securities throughout the country. However, the federal system allowed the Emirates to remain relatively independent, leading to very diverse development and economies in Abu Dhabi, Dubai, Sharjah, Ajman, Fujairah, Ras-al-Khaimah and Umm Al-Qaiwan. Dubai for example established a diversified economy due to broad absence of oil within its borders, while other Emirates show a significantly higher dependency on that resource. Nevertheless, the overall GDP contribution of oil and gas is just 23%, significantly lower than in other GCC countries.<sup>609</sup> Two primary contributors, the retail and private services sector (26%) and financial intermediation (17%), are exemplary of the UAE's advanced economic diversification in the region.

**Figure 108.** UAE - GDP by Gross Value Added (GVA) 2015 (% Share)



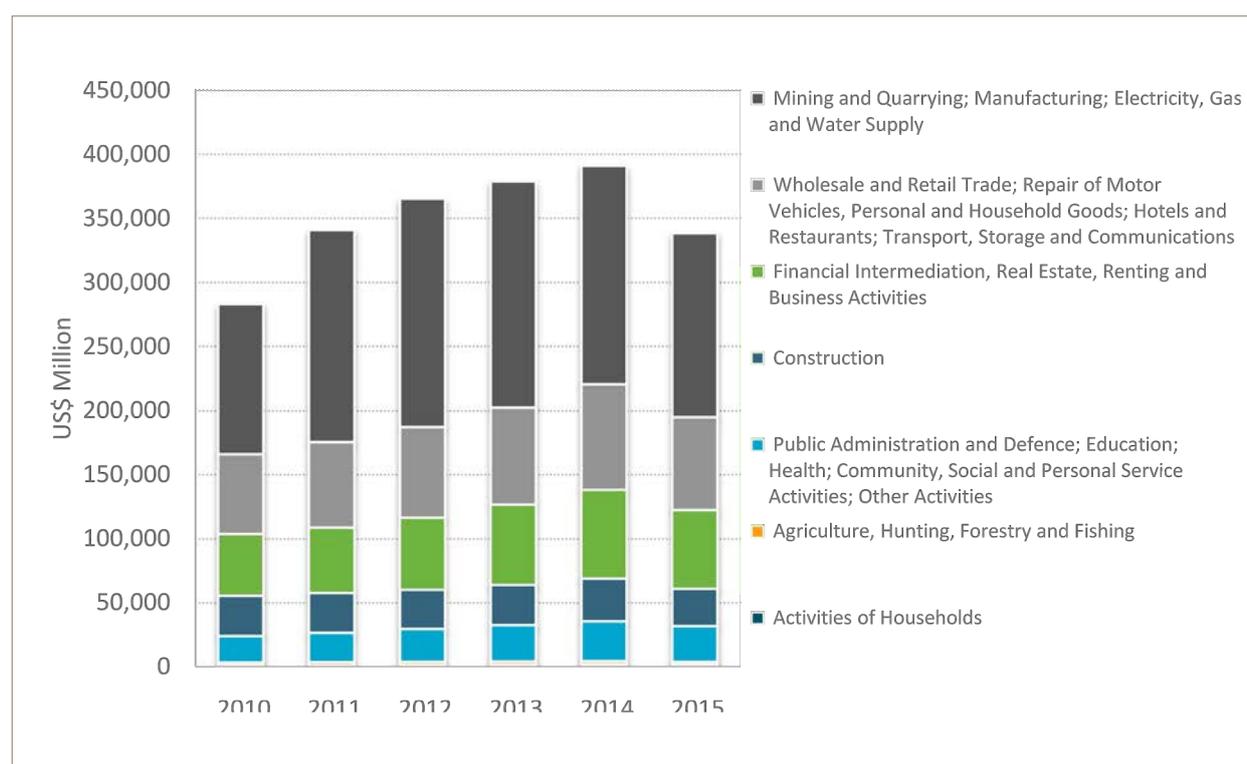
Source: Euromonitor International 2016

609. <http://www.bts.com.tn/credit-professionnel/>

The UAE is also seen as the regional economic hub, attracting investors and foreign capital through its business-friendly environment and attractive infrastructure. Furthermore, of its population, the majority (approximately 85%) are expatriates, whose residence is tied to work visas.<sup>610</sup> In case of a termination of the work visa, foreign employees are given a grace period of 30 days to leave the country. Under this system, the supply of labour in the United Arab Emirates automatically follows economic demand. A broad demand for low-skilled workers within construction and domestic employment led to a 20% share of the labour force with less than primary education in 2005. However, the country is also home to a large number of highly educated workers: 30% of the labour force in 2005 had a tertiary certificate.<sup>611</sup>

The country's national strategy for the future is laid out in the UAE Vision 2021, launched in 2010. The vision identified six national priorities for government action, with some of them having a direct impact on the economic way forward. A major focus was put on the transition to a competitive knowledge-based economy,<sup>612</sup> which involves high-technology investments as well as support for research, development, education and training.<sup>613</sup> The plan also mentions a first-rate education system, world-class healthcare, a sustainable environment and infrastructure as major focus areas.<sup>614</sup> Investment to achieve these goals is expected to either increase the number of jobs or lead to high-end opportunities based on the qualitative improvements.

**Figure 109.** UAE - GDP by GVA Sectors 2010 - 2015 (Current Prices, Fixed 2015 Exchange Rates)



Source: Euromonitor International 2016

610. <http://www.bts.com.tn/credit-professionnel/>

611. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm> (Accessed: August 2016)

612. Vision 2021. Competitive Knowledge Economy. Available from <https://www.vision2021.ae/en/national-priority-areas/competitive-knowledge-economy>

613. Organization for Economic Co-Operation and Development. The Knowledge-based economy. Available from <https://www.oecd.org/sti/sci-tech/1913021.pdf>

614. Ibid.

The country is currently witnessing an economic slowdown, however (see Figure 109), the recent slump in oil prices caused a deflationary downturn in the market between 2014 and 2015. This in turn is hindering the realization of this ambitious vision. The global drop in oil prices has had an impact on various sectors, while others felt the impact of a tourism low. These trends emerged despite authorities' efforts to boost tourism, such as providing visa-on-arrival facilities for Chinese citizens.<sup>615</sup> The number of Russian tourists dropped significantly in 2015, due to the country's currency depreciation.<sup>616</sup> European tourists, especially Germans, spent less time in the country as the Euro lost value.<sup>617</sup> These developments not only affected the tourism industry directly, but also the retail sector, as many tourists come to Dubai for the city's famous luxury shopping opportunities.<sup>618</sup> Furthermore, exports, which account for over 80% of the country's GDP, dropped by 21% in 2015.<sup>619</sup> The country is used as a regional hub, with significant re-exports in various sectors. It therefore felt the economic slowdown in neighbouring countries as well. Notable economic areas that were particularly hard-hit include household activities and oil and gas dominated sectors, mining and quarrying; manufacturing; electricity, gas and water supply.<sup>620</sup>

The country is still expected to follow the Vision 2021 guidelines. Education and healthcare as well as information and communication technologies are expected to remain focus areas for government support in the future. Furthermore, the Vision 2021 also mentions further female participation as a goal in its national development.<sup>621</sup>

#### 4.16.2 Women in the Economy

##### Legislative Framework

The country's Constitution provides equality for all individuals under the law. It should be noted, however, that several articles do not promote gender equality explicitly.<sup>622</sup> Additionally, many laws actually contain elements that define the primary role of women as wives and mothers, while husbands and fathers take a guardian role. Similar to other nations' labour codes in the region, women are exempted from certain jobs by the labour law, which for example states that no women shall be employed in any job that is hazardous, arduous or physically or morally detrimental.<sup>623</sup> The labour law also does not apply to domestic employment, which is a major source of female labour in the country.<sup>624</sup> Although improvements are being made, the case currently is that the legislative system does not

615. Gulf News (2016, September 4). Visas on arrival in UAE for Chinese visitors. Available from: <http://gulfnews.com/news/uae/government/visas-on-arrival-in-uae-for-chinese-visitors-1.1890575>

616. Haider, H. (2015, August 12). Russian tourists to UAE decline. Available from: <http://www.khaleejtimes.com/business/economy/russian-tourists-to-uae-decline>

617. Euromonitor International (2016). Available from Euromonitor International Passport Database: <https://www.portal.euromonitor.com/portal>

618. Williams, S. (2015, June 3). Russian tourist spend in UAE drops 52%. Available from: <http://www.arabianbusiness.com/russian-tourist-spend-in-uae-drops-52--594830.html#.V-yw9Ch9600>

619. Euromonitor International (2016). Available from: <https://www.portal.euromonitor.com/portal>

620. Ibid.

621. UAE Ministry of Cabinet Affairs (2016). Mohammed bin Rashid assigns the UAE Gender Balance Council to oversee the implementation of the "Gender Inequality Index" - See more at: <Http://www.Uaecabinet.Ae/en/details/news/mohammed-bin-rashid-signs-the-uae-gender-balance-council-to-oversee-the-implementation-of-the-gender-inequality-index#sthash.IWVWC7S7.Dpuf>

622. United Arab Emirates's Constitution of 1971 with Amendments through 2004. Available from: [https://www.constituteproject.org/constitution/United\\_Arab\\_Emirates\\_2004.pdf](https://www.constituteproject.org/constitution/United_Arab_Emirates_2004.pdf)

623. GulfTalent (2007). UAE Labour Law. Available from [https://www.gulftalent.com/repository/ext/UAE\\_Labour\\_Law.pdf](https://www.gulftalent.com/repository/ext/UAE_Labour_Law.pdf)

624. International Labour Organization. United Arab Emirates. Available from: [http://www.ilo.org/labadmin/info/WCMS\\_150919/lang--en/index.htm](http://www.ilo.org/labadmin/info/WCMS_150919/lang--en/index.htm)

protect domestic employment. Women within this sector are therefore vulnerable and at high risk of exploitation, as they do not enjoy the protection guaranteed to all other employees by law. The system of *Kafala* adds further complications to this situation, due to the personal nature of sponsorship for domestic workers. *Kafala* describes the current system regulating migration to the UAE. Expatriates, in general, can only gain residency through a sponsor, in most cases the employer. This sponsorship is usually a work visa and in case of termination, the expatriate also loses residency rights. Spouses and other family members can be sponsored by a resident, if certain conditions, such as a minimum wage, are met. However, the majority of expatriates currently reside in the UAE on a work visa.

The country's maternity leave is very low by international standards, at only 45 days in the private sector and 60 days in the public sector, while paternity leave does not exist.<sup>625</sup> However, the article regulating maternity leave is currently being reviewed and slight improvements are expected in the near future. A positive development was a ministerial decision in 2006 that government departments and public institutions have to provide childcare centres.<sup>626</sup> However, few institutions have yet complied with the law, as awareness is low among female workers as well as government entities themselves.<sup>627</sup>

The labour law also features a paragraph demanding wage equality for similar work. Even though equal pay has not yet been achieved, the UAE still ranks high in comparison to other countries in the region. Based on findings in the Gender Gap Report of the World Economic Forum, women's wages for similar work are 77% of the corresponding wages for men and the country is ranked 19th worldwide.<sup>628</sup> Another positive development expected is quotas for women on corporate boards, as is already the case in government entities, where at least one member has to be female.<sup>629</sup> The Emirate of Dubai is also home to a government entity focusing on women in the labour force. Established in 2006, the Dubai Women Establishment is working to find measures and provide tools to increase the participation of Emirati women in the workforce.<sup>630</sup>

## **Education and Vocational Training Overview**

Access to education in the United Arab Emirates varies between Emirati nationals and foreign workers. Emirati nationals benefit from free education and broad support mechanisms, such as access to scholarships to continue their studies abroad. Education for the country's citizens is laid out as a top priority in the UAE Vision 2021 and the Ministry of Education has developed detailed strategies for qualitative improvements in the coming five years.<sup>631</sup> Furthermore, in terms of education, women in the UAE have a strong position and have received broad support. Sheikh Zayed, the founder and first president of the country, promoted the idea that both men and women must contribute to build a strong economy, and

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625. Emirates Diary (2016, January 27). Maternity Leave as per UAE Labour Law. Available from: <http://emiratesdiary.com/job-tips/maternity-leave-per-uae-labour-law>

626. Dubai Women Establishment(2009). National Child Care Standards. Available from [www.dwe.gov.ae/downloadform.aspx?id=4](http://www.dwe.gov.ae/downloadform.aspx?id=4)

627. Salem, O. (2014, March 23). Women in UAE told to demand their right for workplace nurseries. Available from: <http://www.thenational.ae/uae/government/women-in-uae-told-to-demand-their-right-for-workplace-nurseries>

628. Global Entrepreneurship Monitor (GEM). Global Reports. Available from: <http://gemconsortium.org/report>

629. Euromonitor International Trade Interviews, 2016.

630. Dubai Women Establishment. National corporate child care project (NCCP). Available from: <http://www.dwe.gov.ae/projectdetail.aspx?id=5>

631. UAE Interact. Education. Available from: <http://www.uaeinteract.com/society/education.asp>

lack of education was identified as a major barrier for Emirati women.<sup>632</sup> Enrolment rates of Emirati women in tertiary education institutions inside the UAE are significantly higher than rates for men, with reports suggesting that 72% of students in government tertiary-level institutions are female.<sup>633</sup> While these numbers do not reflect the overall attainment of tertiary education among Emirati men, as more men study abroad than women, it is still a good indicator of strong equality in the education sphere.<sup>634</sup>

As is the case in many countries, expatriates in the UAE do not have the same access to education as the national population and, as such, fees generally apply for all stages of education, given the Government's focus on its constituent population. Relying mostly on a private education sector, the quality can therefore differ significantly between institutions and an ability to afford high fees is often key to accessing high-end education. Gender-specific differences are insignificant among the expatriate population. Schooling until ninth grade is compulsory for both sexes and among the community of higher-income expatriates who can afford to raise their children inside the country, access to tertiary education is often supported for both genders.<sup>635</sup>

For higher education graduates, the distribution within Emirati nationals follows a similar trend to those in the region, although a certain degree of parity between sexes has been achieved. For example, in 2014, while male graduates are predominantly majoring in engineering and business administration (23.6% and 31.8% of male students respectively) female graduates can also claim those two majors to be their primary fields of study.<sup>636</sup> This bodes well for the Government's economic diversification plan, which involves women potentially participating in leading sectors such as information and communication technology and banking.

While engineering and business administration account for 42.4% of Emirati female graduates' majors in 2014, humanities and social sciences, and also mass communication and public relations, also retained a significant 21.5% share.<sup>637</sup> By contrast, expatriate women graduating from tertiary institutions tended towards other fields of study. For example, in 2014, medical sciences and environmental and health sciences accounted for 9.0% and 11.1% of female expatriate graduates, respectively. This share is more than double the corresponding share for Emirati graduates.

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632. Global Entrepreneurship Monitor (GEM). Global Reports. Available from: <http://gemconsortium.org/report>

633. UAE Interact. Education. Available from: <http://www.uaeinteract.com/society/education.asp> N.B. Source suggests that 72% of students in government tertiary-level institutions are female.

634. United Arab Emirates Ministry of Higher Education and Scientific Research (2014). The UAE Higher Education Factbook. Available from <https://www.mohe.gov.ae/En/ServicesIndex/Documents/UAE-factbook24Feb-en-CDversion.pdf>

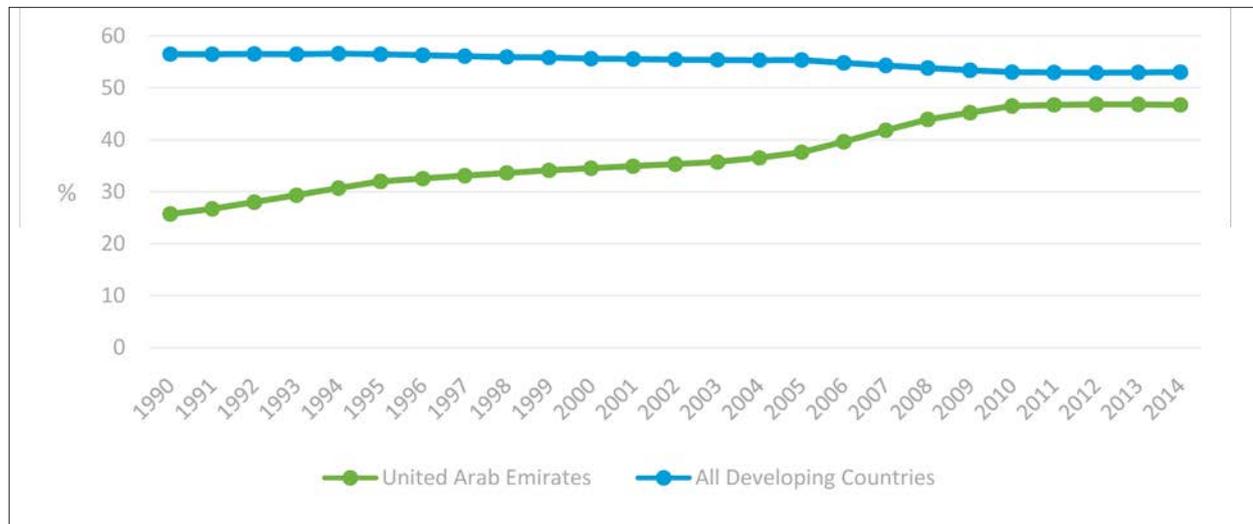
635. UAE Interact. Education. Available from UAE Interact: <http://www.uaeinteract.com/society/education.asp>

636. United Arab Emirates Ministry of Higher Education and Scientific Research (2014). The UAE Higher Education Factbook. Available from <https://www.mohe.gov.ae/En/ServicesIndex/Documents/UAE-factbook24Feb-en-CDversion.pdf>

637. Ibid.

## Economic Participation

**Figure 110.** UAE - Female Labour Force Participation Rate 1990-2014 (% of Female Population Aged 15-64)



Source: International Labour Organization (ILO) 2016

The female labour force participation rate stood at 46.7% in 2014, significantly higher than the average for the region.<sup>638</sup> However, this rate is strongly supported by the employment of foreign domestic workers in private households, which in turn explains the importance of the services sector for women in the UAE. In 2009, work in services accounted for 93.5% of female employment in the country but just 68% of male employment. Accordingly, female labour force participation in the industrial sector is relatively low at only 6.4%<sup>639</sup> and nearly non-existent within the generally tiny agricultural sector (0.1%).

**Figure 111.** UAE - Unemployment, Female (% of Female Labour Force)



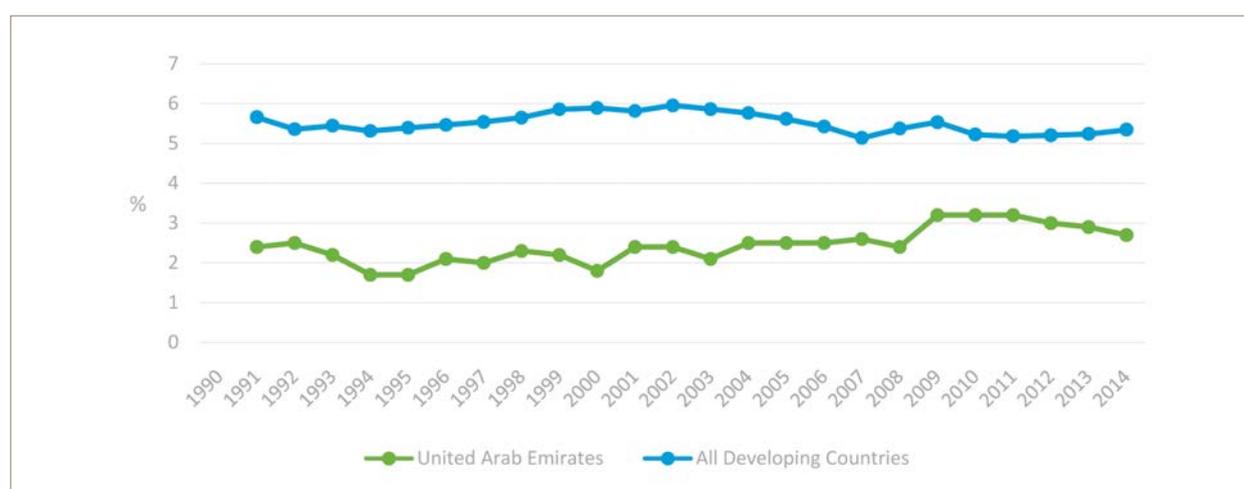
Source: International Labour Organization (ILO) 2016

638. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm> (Accessed: August 2016)

639. The industrial sector accounts for 27% of male employment in comparison.

Furthermore, 99% of employed women were categorized as wage and salaried workers in 2005, 2008 and 2009, suggesting similar rates for more recent years as well.<sup>640</sup> These high rates are supported by the significance of foreign labour. Residence visas are tied to work visas, which require formal employment and regular wage payments. This very specific system and the dominance of migrant workers in the country's economy is also a reason for the generally low unemployment rates and a very different picture between male and female unemployment. Unemployment rates among women stood at 8.6% in 2014, (see Figure 111 above), with the rate for men significantly lower at only 2.7% (see Figure 112 below). Expatriates mainly reside in the country on the basis of a work visa. Unemployment rates are therefore mainly generated by spouses looking for jobs, while residing in the UAE under a family visa. In most such cases, these spouses are wives following their husbands who came to the country due to good work opportunities. In these cases finding a job is also less urgent, as residency is guaranteed through the husband's sponsorship.

**Figure 112.** UAE - Unemployment, Male (% of Female Labour Force)



Source: International Labour Organization (ILO) 2016

With regard to the current sector distribution of female employment in the UAE, even though vulnerable employment as defined by the ILO is very low, due to the highly regulated environment for expatriate workers, workers' rights issues are regularly reported in certain sectors. Employment in private households is often cited here. The sector, dominated by foreign workers classified as maids, is said to account for nearly half of female employment in the country. The last available data for this showed a rate of 46% for 2009, up from 41% in 2000.<sup>641</sup> Wages for maids can be as low as AED750 (approximately US\$200)<sup>642</sup> per month, making it an attractive option for Emirati families with children, as costs for childcare facilities in combination with transport are often significantly higher. Employment in this sector, however, is based on a private sponsorship visa, which contains significant risks for the employee,

640. Male rates in comparison varied between 95% and 96% in these years, as the status of being an employer rather than an employee was higher among men.

641. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm> (Accessed: August 2016) N.B: The importance of employment within private households for men on the other hand is insignificant, accounting for merely 3% of male employment in 2009, up from 2% in 2000. Men within this sector are usually employed as drivers or technical support for house and garden.

642. Mannan, M. (2015, May 27). How much should people pay maids in the UAE? Available from: <http://7days.ae/how-much-should-people-pay-maids-in-the-uae>

especially in combination with the current lack of labour law protection in this field.<sup>643</sup>

A more positive picture is presented in the education sector, which accounted for approximately 12% of female employment in 2009, a rate likely to have increased even further since then. The country was hit hard by the global economic crisis in 2008/2009 and many expatriates had to leave the country as a consequence of losing their jobs. However, as the economy started to recover in 2010, an increasing influx of families was reported, which in turn is expected to have had a positive impact on the education sector. Recent estimates also suggest that over 40% of employees in the education sector are women, as they dominate employment within nurseries, primary and secondary schools.<sup>644</sup>

Furthermore, national strategies, such as the UAE Vision 2021, as well as the latest initiatives of the Ministry of Education, show a significant public effort to support widespread quality education among Emirati nationals. This is also expected to support employment in education, forecast to become a leading sector.

Other important areas for female employment in the UAE are wholesale and retail trade, as well as public administration and healthcare, each accounting for approximately 6-7% of female employment in 2009.<sup>645</sup> Healthcare is seen as an interesting sector, offering good opportunities for women in higher positions. Female doctors and pharmacists are culturally accepted among most communities residing in the UAE as well as local society. The Government also identified healthcare as an important sector for support within the UAE Vision 2021. Retail trade on the other hand is currently facing difficulties, as currency depreciation and economic problems led to a drop in tourist numbers from Russia, China and certain European countries, the main drivers of growth within this segment.

Public administration is dominated by Emirati nationals. Emirati women, in particular, traditionally search for jobs within this segment. Regulated working hours, a broad spectrum of benefits and general security are often more attractive than opportunities within the private sphere. Furthermore, many families accept that their educated girls work for their country, which will be perceived as a noble and patriotic act. Nevertheless, the UAE has strengthened its efforts to change the strong preference for public employment and promoted a higher presence of Emirati citizens within various private sector occupations. The Government is a major stakeholder in large companies operating in banking, tourism and information and communication technologies (ICT) and was therefore able to push for well-developed and structured Emiratization programmes in these sectors.

Educational initiatives, sponsorship programmes and attractive incentives for young Emiratis are increasingly offered by large companies such as Du, Emirates Group and various national banks.<sup>646</sup> While the banking sector and the tourism sector have suffered in recent years, ICT is seen as a promising short and long-term opportunity. The country has witnessed a drop

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643. International Trade Union Confederation (ITUC). Facilitating exploitation: A review of labour laws for migrant workers in Gulf Cooperation Council Countries. Available from [http://www.ituc-csi.org/IMG/pdf/gcc\\_legal\\_and\\_policy\\_brief\\_domestic\\_workers\\_final\\_text\\_clean\\_282\\_29.pdf](http://www.ituc-csi.org/IMG/pdf/gcc_legal_and_policy_brief_domestic_workers_final_text_clean_282_29.pdf)

644. Euromonitor International Trade Interviews, 2016.

645. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm> (Accessed: August 2016)

646. Masar Sponsorship Programme. Available from <http://www.du.ae/about-us/careers/masarprogramme/Masar-Sponsorship-Programme>

in tourist numbers since 2014 due to economic problems in their respective home countries, while the banking sector suffered from a slow-down of economic growth due to low oil prices.<sup>647</sup> The telecommunication sector, on the other hand, has seen moderate growth, with total telecommunications revenues expanding by an average of 3.1% per year from 2013 to 2015.<sup>648</sup> As mentioned previously, an important strategic focus of the country is the development of a knowledge-based economy and a fully IT-literate population.<sup>649</sup> The country features one of the best infrastructures in this field and is benefiting from a large expatriate population in need of good and fast means of communication to stay in touch with friends and families at home.<sup>650</sup> Even though Emiratization programmes usually do not target women specifically, many are benefiting from them. The strong support for female education led to a pool of well-educated Emirati women, eager to participate in such programmes.

## **Entrepreneurship**

The latest report on entrepreneurship in the UAE by the Global Entrepreneurship Monitor (GEM) was published in 2009, suggesting that most figures may be slightly understated, as the country was facing economic problems during that time. While the 2009 research already showed a positive picture of entrepreneurial activity in the UAE, figures are expected to have further improved in line with the general economic recovery. The United Arab Emirates is seen as a haven for economic activity in the region, as the country provides a business-friendly environment: various economic free zones, the absence of taxes, a well-developed and attractive infrastructure and a favourable labour law in combination with relatively low labour costs and general stability and security, all these make it an ideal hub for entrepreneurship and business in the Middle East.

The country is also said to have enjoyed positive economic conditions due to the influx of business investors and Arab expatriates who fled their home countries during the Arab Spring. Businesses and capital moved to the UAE, as the country was seen as a safe and stable environment for many businessmen in the region. Nevertheless, following the trend before 2009, it is expected that women have become even more important in terms of entrepreneurship. This is further positively contextualized by the fact that women were already in a good position, as the ratio of one woman to 2.5 men entrepreneurs was above the global average in 2009.<sup>651</sup> Furthermore, the relatively high female youth unemployment rate (see Figure 113) will incentivize young Emirati women to look more towards capitalizing on the conducive economic environment with their own entrepreneurial ventures rather than continue the job search for formal employment.

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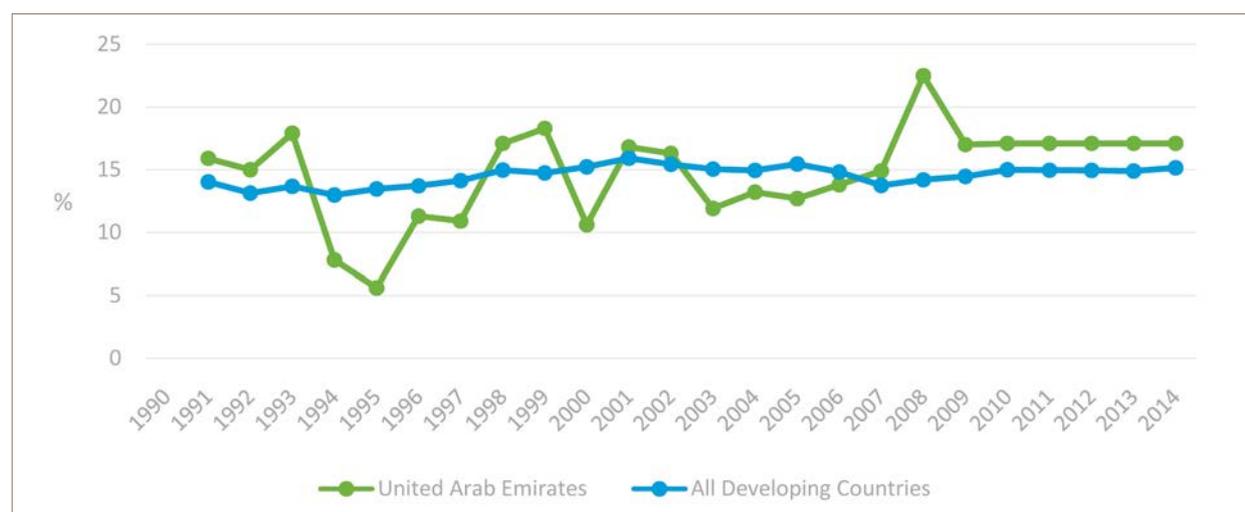
647. AMEInfo (2016, April 19). UAE banking job cuts exceed 1,100 as Emirates NBD lets go of 300 staff. Available from: <http://ameinfo.com/money/banking-finance/uae-banking-job-cuts-exceed-1100-as-emirates-nbd-lets-go-of-300-staff/>

648. Euromonitor International (2016). Available from: <https://www.portal.euromonitor.com/portal> 649. Telecommunications Regulatory Authority (2015, September). UAE telecommunications sector developments and indicators 2011 – 2014. Available from: <https://www.tra.gov.ae/assets/Zfubghck.pdf.aspx>

650. Euromonitor International Trade Interviews, 2016.

651. Global Entrepreneurship Monitor (GEM). Global Reports. Available from: <http://gemconsortium.org/report>

**Figure 113.** UAE - Unemployment, Youth Female (% of Female Labour Force Aged 15-24)



Source: International Labour Organization (ILO) 2016

Government-led initiatives primarily directed towards the national population also exemplify the positive entrepreneurial environment currently being developed in the UAE. Dubai SME, for example, is an agency that promotes entrepreneurship by awarding the annual Mohammed Bin Rashid Award for Young Business Leaders, which recognizes exemplary business ventures. Further to its gender-focused efforts, two of its award categories are the Female Entrepreneur of the Year and Best Supporting Initiative to Women Entrepreneurs. A similar institution operates in the capital, Abu Dhabi, the Khalifa Fund for Enterprise Development. In 2013, 35% of the projects it supported were run by women.<sup>652</sup>

In terms of legislative reform, the UAE Government has been active in implementing change. In 2012, for example, a law was passed mandating women's representation in all government bodies. For SMEs, significant legislation was enacted in 2012 whereby authorities were to allocate 10% of procurement towards SMEs, and in 2014, a new SME law established a National Programme for SMEs and a SME Council at federal level. Thus far, efforts have proved effective. By 2013, women represented 10% of Emirati entrepreneurs, more than doubled from the previous year.<sup>653</sup>

One barrier to female entrepreneurship appears to be a lack of confidence, as only 50% of women felt that they had the necessary skills to start their own business, compared to 80% of men.<sup>654</sup> Furthermore, a comparison between 2007 and 2009 also showed that women are more inclined to give up on their business. While business start-ups increased during that period, young business activity rates for women actually showed a decline. Even though the economic crisis might have had some impact on this development, the growth for young business activity rates among men between 2007 and 2009 indicated a broad gender gap in terms of developing a business.<sup>655</sup> This is even more worrying, as the fear of failure is higher among women than among men. National women often experience family

652. Dubai SME. Mohammad Bin Rashed Award for Young Business Leaders. Available from <http://www.smeawards.ae/index.aspx>

653. Dubai SME (2011). The role of government in supporting entrepreneurship and SME development. Available from <http://www.oecd.org/mena/competitiveness/47246782.pdf>

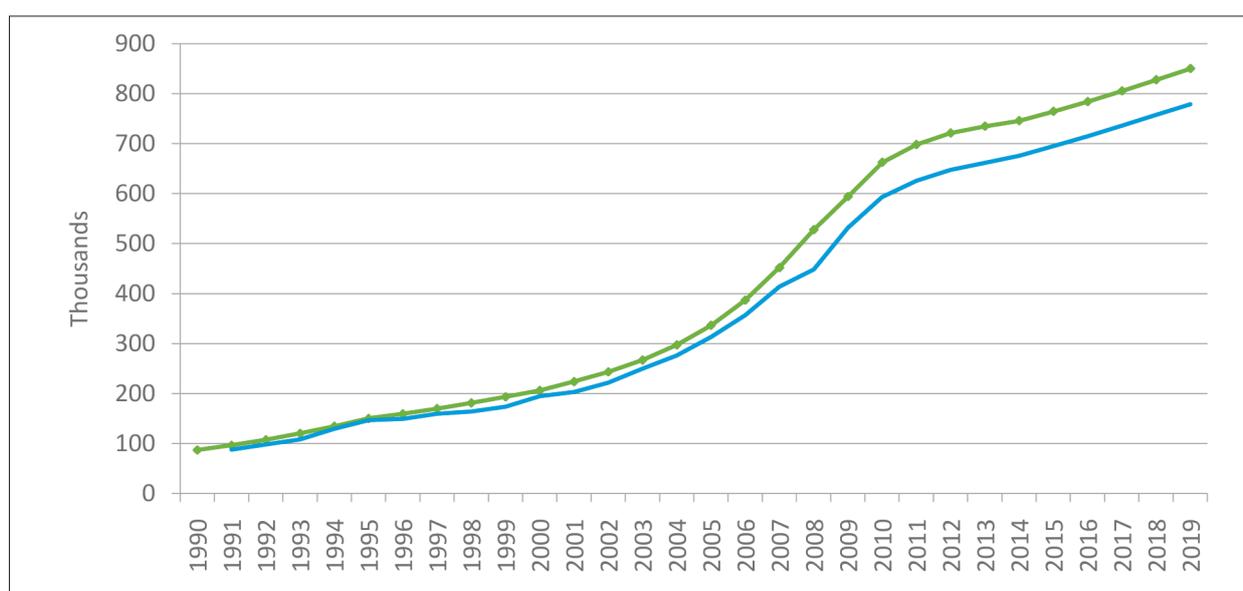
654. Ibid.

655. Ibid.

pressure, where acknowledgment for work can only be achieved through success. The risky nature of establishing their own business is therefore a huge barrier. Furthermore, women often lack the knowledge and experience on how to get funds or how to set up and operate a business. Ideas for businesses among women often develop based on personal interests or hobbies, which ensures that they have a passion for the project. However, the barriers they face prevent many women from starting their own business or continuing with a business that does not show immediate results.<sup>656</sup>

### 4.16.3 Future Prospects

**Figure 114.** UAE - Supply and Demand for Female Labour 1990-2019



*Source:* International Labour Organization (ILO) 2016

### Outlook

The gap between demand and supply of female labour is already narrow in the UAE due to the fact that obtaining residency as a foreigner is tied to a work visa. The only demand, therefore, is Emirati nationals, who form a minority in the country, or wives of residents looking for work, while sponsored by their husbands under a family visa. Most of these women have followed their husbands to the UAE without having secured a job in advance and many are very selective in searching for a job. In all other cases, demand dictates supply, as only employment can secure residency and former employees have to leave the country within 30 days of termination of their contract. Nevertheless, the current expatriate community is expected to experience some pressure under the economic stagnation in most sectors, with equal effects on men and women. Emirati nationals, especially women, are expected to be less affected by this development, due to their strong presence in the public sector.

The UAE Vision 2021 identified healthcare and education as important sectors for develop-

656. Euromonitor International Trade Interviews, 2016.

ment.<sup>657</sup> Even though the main objective within this plan is better education and healthcare for the national population, it also implies improvements for these sectors as a source of employment. One of the main objectives for the education sector is the development of a broad pre-school system, which will increase employment opportunities. The document also envisages internationally accredited teaching staff for all schools and the integration of smart systems and devices into schools and universities. Such developments would support opportunities for a highly trained labour force.

In healthcare, improvements to existing healthcare facilities to meet international quality standards and preventative healthcare are mentioned as key targets. This suggests a need for highly educated personnel and more healthcare professionals, training programmes and widespread initiatives to spread awareness about healthy lifestyles. As women, expatriate women in particular, already have an important share of employment in these two sectors, expansion and development is expected to benefit female employment.

Another major objective of the Government is the transition to a knowledge-based economy, which implies a continuous technical modernization process. The ICT sector is therefore expected to gain further importance. The Government is set to show support by increasing the digitalization of processes and the provision of a strong and modern infrastructure in this field. In combination with the natural demand for communication technologies from a large number of expatriates, this is set to boost entrepreneurship and expansion within this field. Furthermore, based on recent estimates, 25% of all tech companies in the UAE are already founded by women.<sup>658</sup> Since this is traditionally a male dominated sector, this suggests that former boundaries are already broken. The share of women within this sector is therefore expected to increase even further in the coming years.

The Government will also continue its Emiratisation process within the private sector, as well as its support for Emirati entrepreneurship, by offering various funding, training and support options. Major initiatives and institutions within this field include the National Human Resources Employment Authority (Tanmia),<sup>659</sup> the Human Resources Authority (HRA),<sup>660</sup> and the Emirates Nationals Development Programme (ENDP).<sup>661</sup> However, an expansion of such programmes is currently unlikely, as government spending is limited due to difficult economic conditions. Furthermore, while women are encouraged through all these programmes, cultural barriers and social expectations, especially after marriage, are set to remain a huge barrier for many Emirati women planning to actually make use of these tools.<sup>662</sup>

## **Recommendations**

Female employment in the United Arab Emirates is well established and the Government has shown strong support for Emirati women in acquiring higher education and becoming part of

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657. UAE Vision 2021. National agenda. Available from: <https://www.vision2021.ae/en/national-priority-areas/world-class-healthcare>

658. Euromonitor International Trade Interviews, 2016.

659. United Arab Emirates Ministry of Human Resources and Emiratisation. Available from: <https://tanmia.gov.ae/English/Pages/default.aspx>

660. Abu Dhabi E-government. Human Resources Authority (HRA). Available from: [https://www.abudhabi.ae/portal/public/en/departments/department\\_detail?docName=ADEGP\\_DF\\_446\\_EN&\\_adf.ctrl-state=ing63m3pq\\_4&\\_afrLoop=8629197282589129#!](https://www.abudhabi.ae/portal/public/en/departments/department_detail?docName=ADEGP_DF_446_EN&_adf.ctrl-state=ing63m3pq_4&_afrLoop=8629197282589129#!)

661. Emirates Nationals Development Programme. Available from <http://www.endp.ae/en/default.aspx>

662. Euromonitor International Trade Interviews, 2016.

the country's labour force. However, social barriers still exist and employment within the private sector as well as female entrepreneurship are not often encouraged by family and friends. Furthermore, most Emirati women associate entrepreneurship and employment with financial incentives and hence only prioritize it contingent on their family conditions. Supporting the employment of Emirati women within the private sector, and the courage to start entrepreneurial activities, therefore requires a targeted approach to change general attitudes.

Starting a business as an Emirati woman should be promoted as a source of pride. The education sector could therefore play an important role. Universities and even schools should promote the idea of starting a business, spread awareness about support and funding programmes as well as training opportunities. A favourable starting point might be interests or hobbies, as this would guarantee a general passion and motivation for the project. Furthermore, a continuation of work after marriage and childbearing should be encouraged. Childcare facilities should be promoted as a great source of early learning and social interaction, beneficial for the child and the mother.

Even though Emirati citizens will clearly remain the focus of government initiatives, the sheer size of the expatriate community suggests an expansion of efforts to target long-time residents as well. Building upon existing systems, such as facilities to resolve labour disputes and wage protection systems, is key.<sup>663</sup> Systematic support and training of expatriates would give foreign workers the chance to develop within the country, which in turn could have a positive impact on the economy as a whole. Various studies have shown that employee support and development is beneficial for companies and results in higher productivity rates, general loyalty and better sales growth.<sup>664</sup> In the long-term, such spill over effects can also be expected at country level.

Initiating training and development programmes for personnel within the education sector, for example, could benefit employees and students alike. The opportunity to grow and develop would motivate existing staff and attract highly qualified professionals. The quality of education will therefore rise naturally and significantly. This will lead to the emergence of a highly educated labour force, a prerequisite for developing a knowledge-based economy. Such training and development programmes could follow the UAE Vision 2021, with existing staff trained in the effective use of smart devices and the latest learning and teaching methods.

A similar approach could be developed for the healthcare sector. Many residents, including Emirati nationals, currently choose treatment abroad in European countries, such as Germany, in preference to existing facilities in the UAE, a phenomenon seen in most GCC countries.<sup>665</sup> Supporting and developing staff in combination with the excellent technical facilities many healthcare centres already have, will inspire loyalty and attract highly qualified professionals. In the long term, this could lead to the establishment of a regional healthcare hub. Instead of being a source of medical tourism, the UAE could become a destination for medical tourists from surrounding countries. Even though such measures

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663. Khaleej Times (2013, June 22). UAE provides protection for expatriate workforce. Available from: <http://www.khaleejtimes.com/nation/government/uae-provides-protection-for-expatriate-workforce>

664. Valcour, M. (2014, January 23). If you're not helping people develop, you're not management material. Available from: <https://hbr.org/2014/01/if-youre-not-helping-people-develop-youre-not-management-material>

665. International Medical Travel Journal (IMTJ). Available from: <https://www.imtj.com/country/DE/#horizontalTab5>

regarding the education and healthcare sectors might not specifically target women, they would naturally support female employment, given that the share of female labour force is already high in these sectors.

Another area for improvement is the current system of domestic employment. Domestic employment is not covered by the regulations and safeguards in the country's labour law. Given the fact that domestic employment is the largest source of female employment inside the country, many women are therefore exposed to vulnerable conditions of work and potential exploitation. Regulating employment in private households, and ensuring an efficient system to report abuse, could ensure a professional and fruitful relationship between employer and employees in this field. This in turn could have a positive effect on the productivity of domestic workers as well as the quality of their work.

## 4.17 Yemen



### 4.17.1 Economic Background

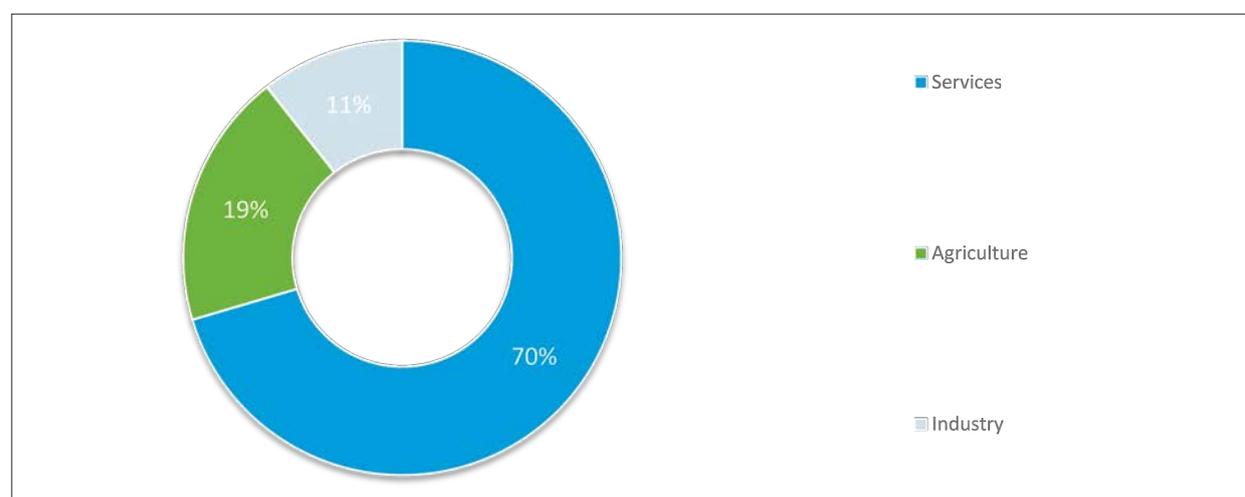
**Table 45:** Yemen - Key Indicators

Indicator	Value
Population (thousand) 2016	27,477.6
Female population (thousand) 2016	13,600.8
GDP (US\$ Current, million) 2015	31,653.4
Real GDP growth (%) 2014-2015	-28.1%
Inflation (%) 2015	30.0%
Female unemployment (%) 2014	39.2%
Ease of doing business (Rank) 2015	165
Population under 30 (%) 2015	71.4%

Source: Euromonitor International 2016

Yemen's economy was in a crippled state and growth was insufficient to reduce poverty or unemployment even before the outbreak of widespread violence in 2015. With estimates suggesting that approximately 50% of the population live below the poverty line, Yemen is facing an economic tragedy in the light of the continually deteriorating conditions.<sup>666 667</sup>

**Figure 115.** Yemen - GDP by Gross Value Added (GVA) 2015 (% Share)



Source: Euromonitor International 2016

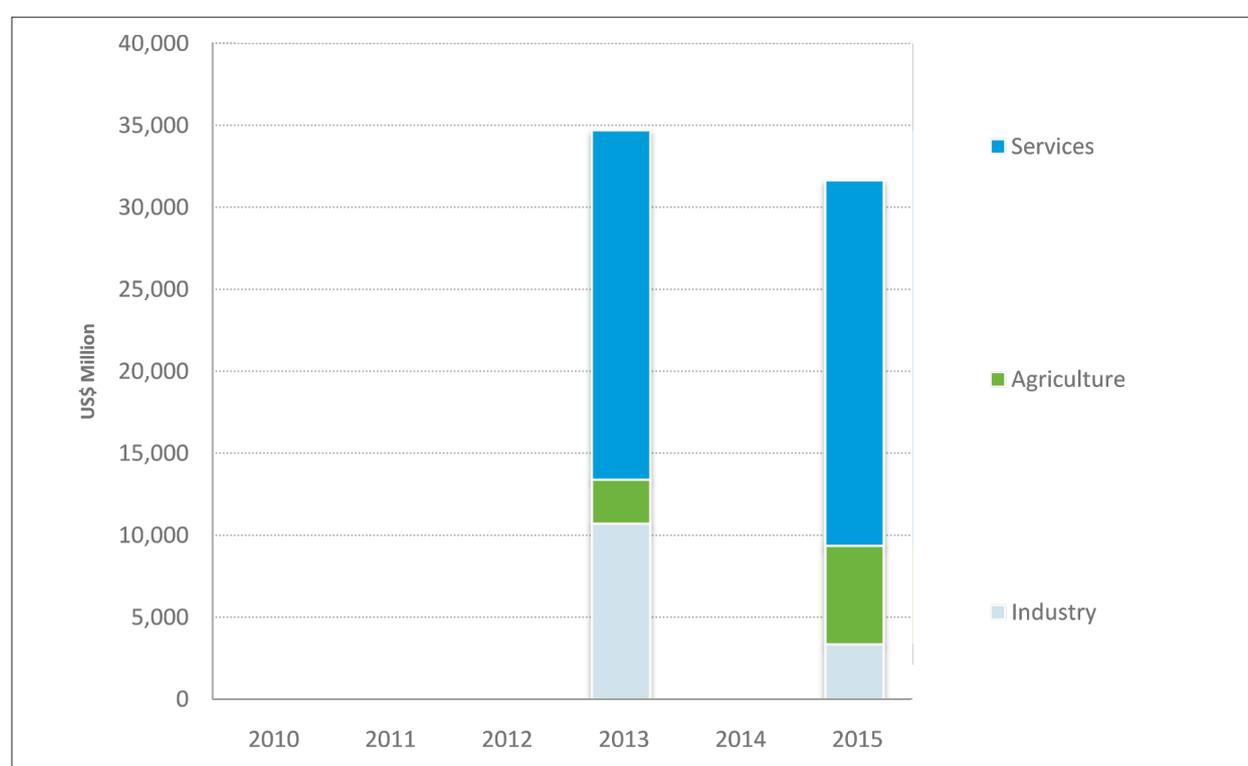
Apart from generic growth barriers often found in underdeveloped markets, such as low levels of education and security, widespread corruption, the high cost of business start-ups and high reliance on remittances, Yemen also faced two very country-specific problems. Firstly, a strong dependence on declining oil resources: oil and gas accounted for approximately 65% of government revenues before exports came to a standstill in

666. Euromonitor International (2016). Available from: <https://www.portal.euromonitor.com/portal>

667. World Bank (2016). Yemen Overview. Available from: <http://www.worldbank.org/en/country/yemen/overview>

2015.<sup>668</sup> This dependence was maintained over the years, even though crude oil resources are expected to be exhausted within the next ten years.<sup>669</sup> Secondly, the spread of the qat plant, which is classified as a drug by the World Health Organization.<sup>670</sup> Qat had a strong effect on society as well as the agricultural sector. Qat is considerably more profitable than other crops and therefore the preferred choice for most farmers. The expansion of qat farming used scarce water resources and replaced the cultivation of essential food crops, such as wheat, and agricultural exports, particularly coffee, in most regions. The country therefore became increasingly dependent on food imports and vulnerable to price fluctuations.<sup>671</sup> The wheat dependency rate in Yemen was close to 95% in 2015, up from 92% in 2010 and 91% in 2005.<sup>673</sup> This is particularly alarming, as the escalation of the conflict in 2015 hugely limited transport networks and access points, such as harbours and airports, making it difficult to receive and distribute imports.<sup>674</sup>

**Figure 116.** Yemen - GDP by GVA Sectors 2010 - 2015 (Current Prices, Fixed 2015 Exchange Rates)



**Source:** Euromonitor International 2016

668. Central Intelligence Agency CIA. The World Factbook – Middle East:: Yemen. Available from: <https://www.cia.gov/library/publications/the-world-factbook/geos/ym.html>

669. Haykel, B. (2013) The state of Yemen's oil and gas resources, Norwegian peace building resource centre. Available from: [http://www.peacebuilding.no/var/ezflow\\_site/storage/original/application/1630404e1a2c92bff47e10ff0a8f92cc.pdf](http://www.peacebuilding.no/var/ezflow_site/storage/original/application/1630404e1a2c92bff47e10ff0a8f92cc.pdf)

670. World Health Organization (WHO) (2008) Khat chewing in Yemen: turning over a new leaf. Bulletin of the World Health Organization, (10), pp. 737-816.

671. Ibid.

672. World Bank (2007) Yemen towards qat demand reduction. Country Department III, Sustainable Development Department Middle East and North Africa Region, Report No. 39738-YE. Available from: <http://documents.worldbank.org/curated/en/500871468183253500/pdf/397380YE.pdf> (Accessed: August 2016)

673. Food and Agriculture Organization (FAO)(2016) GIEWS Country Briefs – Yemen. Available from: <http://www.fao.org/giews/countrybrief/country.jsp?code=YEM>

674. UNDP (2015) Satellite images of Yemen indicate level of destruction and implication for recovery. Available from: <http://www.ye.undp.org/content/yemen/en/home/presscenter/pressreleases/2015/06/23/satellite-images-of-yemen-indicate-level-of-destruction-and-implication-for-recovery-.htm>

Before oil exports came to a standstill in 2015, Yemen witnessed an employment migration from the agriculture sector towards jobs within the industry and the services sectors. While employment in the agricultural sector accounted for 43.9% of all jobs in 1999, it witnessed a significant drop in importance; accounting for only 31% in 2004 and even less at 24.7% in 2010. The industry sector on the other hand, strongly supported by oil and gas, grew significantly and accounted for 18.8% of employment in 2010, up from 16.3% in 2004 and 13.6% in 1999. Services saw a similar development, becoming the most important sector over the years in terms of employment, at 56% in 2010, up from 52% in 2004 and 42% in 1999.<sup>675</sup> In terms of GDP composition by sector, however, the picture is very different, with industry and services being far more important than agriculture. Agriculture accounted for merely 8% of GDP in 2013, while the industrial sector accounted for 31% and services 61%.<sup>676</sup>

The outbreak of violence, a de facto division of the country and a devastated infrastructure has put an end to any significant positive economic development since 2015.<sup>677</sup>

Yemen's economy is in a dire state, after armed hostilities escalated in March 2015. The country witnessed a real GDP decline of 28.1% in 2015 and is expected to see its economy contract even further over the coming years, as a lasting end to the conflict, or even a ceasefire, is nowhere in sight.<sup>678</sup> Oil and gas exports, the country's major source of income, were suspended in the second quarter of 2015.<sup>679</sup>

Virtually all private and public investment has stopped and most foreign companies, as well as many profitable Yemeni companies, have either closed down or migrated operations out of the country.<sup>680</sup> Public resources are also in a dismal state. Yemen's central bank reserves dropped from US\$5.2 billion before the conflict to US\$1.5 billion in 2016 and both imports and exports witnessed a huge decline from 2014 to 2015.<sup>681 682</sup>

While sectoral employment data are currently not available, estimates for 2015 GDP distribution by sector suggest a huge change, even in terms of employment compared to the years before the war. In 2015, the importance of agriculture was significantly higher than before, contributing 19% of the country's GDP. Industry on the other hand dropped to 11%, following the recent suspension of oil and gas exports, while services accounted for 70%.<sup>683</sup>

Various initiatives by international players and the national government to improve the country's economy have failed in the past and the eruption of violence has put an end to any further attempts.<sup>684 685</sup> As the fighting continues and public revenues are close to zero,

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675. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm>

676. Central Intelligence Agency CIA.. The World Factbook – Middle East:: Yemen. Available from: [https://www.cia.gov/library/publications/the-world-factbook/geos/print/country/countrypdf\\_ym.pdf](https://www.cia.gov/library/publications/the-world-factbook/geos/print/country/countrypdf_ym.pdf).

677. Gardner, F. (2015). Torn in two: Yemen divided. Available from: <http://www.bbc.com/news/world-middle-east-35160532>

678. Euromonitor International. (2016). Available from: <https://www.portal.euromonitor.com/portal>

679. World Bank (2016). Yemen's economic outlook – Spring 2016. Available from: <http://www.worldbank.org/en/country/yemen/publication/economic-outlook-spring-2016>

680. Euromonitor International. (2016). Available from: <https://www.portal.euromonitor.com/portal>

681. Central Intelligence Agency CIA. The World Factbook – Middle East:: Yemen. Available from: <https://www.cia.gov/library/publications/the-world-factbook/geos/ym.html>

682. Euromonitor International. (2016). Available from: <https://www.portal.euromonitor.com/portal>

683. Ibid.

684. Ibid.

685. World Bank (2015) World Bank suspends operations in Yemen. Available from: <http://www.worldbank.org/en/news/press-release/2015/03/11/world-bank-suspends-operations-in-yemen>

due to the suspension of oil and gas exports, Yemen is not expected to see any public or private investment to improve the economy until a lasting peace agreement, ceasefire or end to the current conflict is in place. In a possible post-conflict Yemen, the revival of the oil industry and oil exports is expected to be a priority for an immediate income boost (Ministry of Planning and International Cooperation, 2016). Another focus would be the reconstruction of infrastructure. A huge challenge will be the re-integration of fighters into a post-conflict labour market. However, rebuilding the country and stabilizing its economy will only be possible with significant international assistance.<sup>686</sup>

#### **4.17.2 Women in the Economy**

##### **Legislative Framework**

Yemen's legal framework, the Constitution, Personal Status Law, Criminal Code, the Citizenship Law and Evidence Law all contain discriminating elements. The Constitution, in particular, defines the role of women as being "the sisters of men." Discrimination against women is also visible in the Labour Code. Although Article 42 states that women shall be "equal with men in relation to all conditions of employment and employment rights, duties and relationships, without any discrimination. Other articles set out the conditions for pregnant women and the work environment for women.

However, further provisions of the Labour Code significantly limit women's participation. For example, Article 46 states that "it shall be prohibited to employ women in industries and occupations which are hazardous, arduous or harmful to their health or social standing."<sup>687</sup> Furthermore, women are not allowed to work at night, with few exceptions, and maternity leave is relatively low, at only 60 days.

Despite the explicit section of the Labour Code directed towards women, primarily those who are salaried and wage workers, studies show that these provisions are not always enforced. Social ambivalence towards women participating in the economy has been exhibited by a primarily patriarchal society, in disregard for the legislative framework implemented by the Yemeni authorities.

##### **Education and Vocational Training Overview**

Gross enrolment figures for tertiary education are not fully up to date for Yemen. Primary and secondary estimates, however, indicate a less than favourable educational environment for the nation's youth. While the gross enrolment ratio for primary schooling was 97% for 2014, below the world average, the adjusted net enrolment ratio for primary schooling for females is 78%.<sup>688</sup> This is significantly lower than the corresponding figure for males, at 92%. For secondary schooling, both the gross enrolment ratio for women (49%) and net enrolment ratio (42%) are well below their global averages.<sup>689</sup> The current conflict has exacerbated all of these indicators, as mass internal displacement has hampered school attendance.

686. Central Intelligence Agency CIA. The World Factbook – Middle East:: Yemen. Available from: <https://www.cia.gov/library/publications/the-world-factbook/geos/ym.html>

687. Ibid

688. World Bank Group (WBG). World Development Indicators. Available from <http://data.worldbank.org/products/wdi>

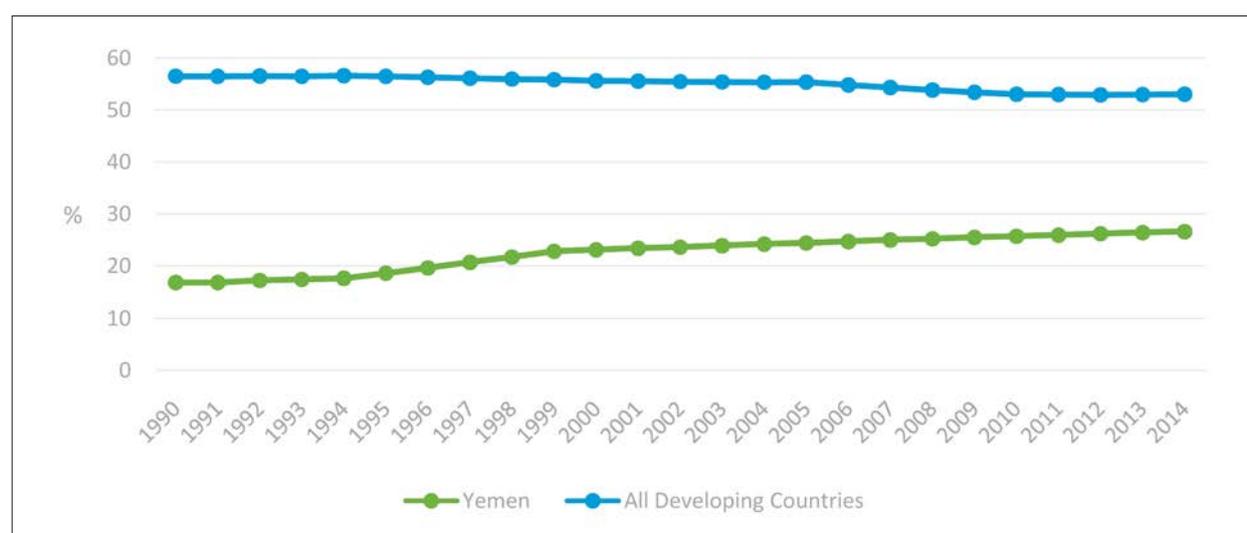
689. Ibid.

A primary deterrent to young girls' enrolment is the deep cultural gender gap in Yemen's national teaching staff. Particularly in rural areas, conservative families will not allow their daughters to be in the same room as a male teacher. In order to mitigate this problem, the Yemeni Government launched a plan for contracting female teachers in rural areas in 2007, a project funded by the World Bank.<sup>690</sup> Since then, the programme has trained 550 teachers, accounting for approximately 12% of the gap estimated by the Yemeni Government in 2013.<sup>691</sup>

Access to even basic education for women is often barred by financial and cultural barriers. Families in rural areas often disapprove of female education, especially where teachers are male.<sup>692</sup> In many cases, widespread poverty also forces families to make use of the zero-cost labour force provided by female family members, even at an early stage of their life. As the rural population accounts for more 65% of the overall population, the impact of the agricultural sector on women's employment as well as education in Yemen is sizable.<sup>693</sup>

### Economic Participation

**Figure 117.** Yemen - Labour Force Participation Rate, Female (% of Female Population Aged 15-64)



**Source:**International Labour Organization (ILO) 2016

Women's employment and participation in the labour force in Yemen, which was half the average share for developing countries in 2013, also differs widely between rural and urban areas. In rural areas, most women work in the agricultural sector, many as contributing family workers rather than wage and salaried workers. Such vulnerable employment in the informal segment always carries a high risk that even fundamental workers' rights are undermined. In Yemen, where society is characterized by strong gender disparity and widespread compliance with traditional social norms, this risk is especially high.

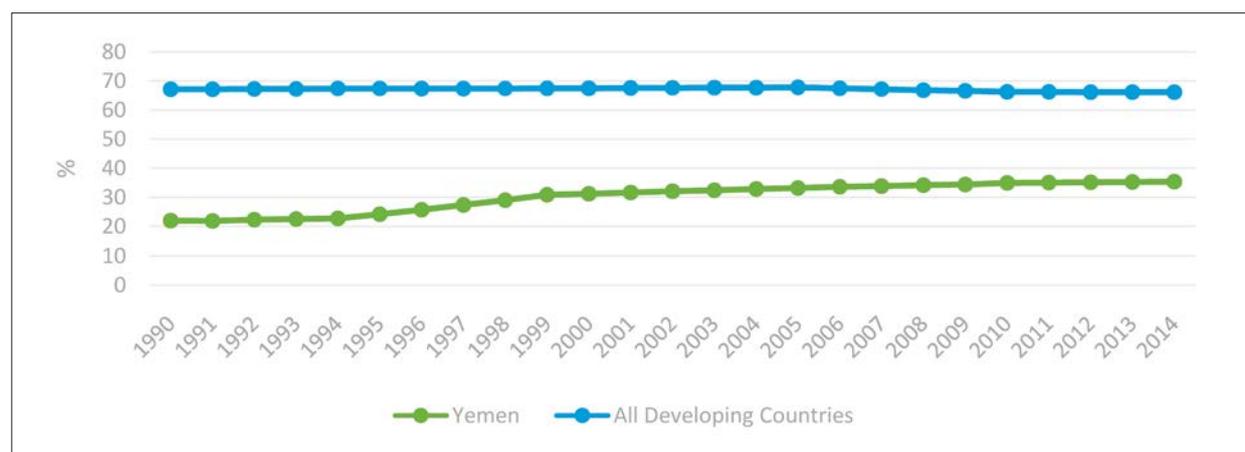
690. World Bank Group (WBG) (2013, April 15). In Yemen, breaking barriers to girls' education. Available from <http://www.worldbank.org/en/news/feature/2013/04/11/yemen-breaking-barriers-to-girls-education>

691. Ibid.

692. Ibid.

693. Euromonitor International. (2016). Available from: <https://www.portal.euromonitor.com/portal>

**Figure 118.** Yemen - Ratio of Female to Male LFPR %



**Source:** International Labour Organization (ILO) 2016

The ratio of female to male labour force participation, although rising in late 1990s, lost momentum as it approached 2014. This was partially a product of the sectors that are significant to the Yemeni economy. Based on official statistics, employment in agriculture accounted for 28% of the overall female labour force in 2010, while the female labour force with no access to any kind of schooling in their life was estimated at 40%.<sup>694 695</sup> While the agricultural sector lost significance in terms of overall employment as well as employment for women before the outbreak of violence, hostilities are likely to have boosted its significance. As armed hostilities have taken place in the major cities of Sanaa, Aden and Taiz, the country has witnessed a wave of migration from urban to rural areas to escape the violence, approximately 2.5 million displaced people.<sup>696697</sup> Furthermore, as food imports have become increasingly expensive and difficult to distribute, pressure on local production has increased.<sup>698</sup>

By contrast, in urban areas, female employment and labour force participation in general, as well as educational levels among women, presents a very different picture from that seen in rural areas. Before the outbreak of violence, an increasing number of urban middle-class families accepted and supported their daughters in their attempt to continue their education after high school. This further boosted the female labour force participation rate in urban areas and especially in sectors requiring more highly educated personnel.<sup>699</sup>

In 2010, 12.7% of the Yemeni female labour force over the age of 15 had attained tertiary level education certificates, with a rate of 25.7% among the female labour force in the 25-34 year age range. Both rates were significantly higher compared to rates among the male labour force. Only 7.5% of the male labour force in Yemen had completed tertiary education in 2010, and just 11% of men in the 25-34 year age group.<sup>700</sup>

694. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm>

695. Bruni, M. and others (2014). Demographic and labour market trends in Yemen. Available from: [http://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms\\_358144.pdf](http://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms_358144.pdf)

696. The World Bank (2016). Yemen Overview. Available from: <http://www.worldbank.org/en/country/yemen/overview>

697. Euromonitor International Trade Interviews, 2016.

698. Food and Agriculture Organization (FAO) (2016). Yemen Crisis. Available from: <http://www.fao.org/emergencies/crisis/yemen/intro/en/>

699. Euromonitor International Trade Interviews, 2016.

700. Bruni, M. and others (2014). Demographic and labour market trends in Yemen. Available from: [http://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms\\_358144.pdf](http://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms_358144.pdf)

Many private companies, international organizations and public institutions showed an increasing demand for well-educated women before the violence erupted. Women were increasingly seen as more reliable, efficient and committed to their work, due to widespread qat consumption among Yemeni men. Another important incentive to hire female personnel was the significantly lower wages traditionally paid to women in comparison to their male counterparts.<sup>701</sup> Based on estimates in the World Economic Forum’s Global Gender Gap report, the average salary for a Yemeni woman in 2013 was just 65% of a man’s for similar work and positions.<sup>702</sup>

Despite all of this, conservative prejudices among employers remained widespread, hindering many companies from hiring female personnel. Women are also still limited to certain job fields seen as culturally acceptable, further helping to maintaining unemployment rates among women at significantly higher levels than men.<sup>703</sup> The disparity throughout recent years varied substantially; between 2000 and 2014, unemployment rates among women ranged between 12% and 41%, while rates among men ranged between 10% and 14%, according to ILO estimates.<sup>704</sup>

Furthermore, unemployment rates among women saw a spike in 2010 and 2011, when the country entered a state of uncertainty, after widespread demonstrations resulted in the end of the Saleh regime. Unemployment rates for men, on the other hand, fell during the same period.<sup>705</sup> This shows that, in times of uncertainty and perceived insecurity, jobs for women are more under pressure than jobs for men. Female youth unemployment was even higher during this period, peaking at 56.7% in 2011.

**Figure 119.** Yemen - Unemployment, Youth Female (% of Female Labour Force Aged 15-24)



Source: International Labour Organization (ILO) 2016

Another barrier to women’s employability and participation in Yemen has been the lack of

701. Euromonitor International Trade Interviews, 2016.

702. World Economic Forum (2015). Global Gender Gap Report 2015. Available from: <https://www.weforum.org/reports/global-gender-gap-report-2015/>

703. Euromonitor International Trade Interviews, 2016.

704. Kilm/International Labour Organization (ILO) Data (2014). Available from: <http://www.ilo.org/global/statistics-and-databases/research-and-databases/kilm/lang--en/index.htm>

705. Ibid.

part-time opportunities. Most jobs require a full-time commitment, and in 2010, 97.0% of the overall labour force, as well as 94.0% of employed women, worked 49 hours per week or more.<sup>706</sup>

Nevertheless, and even though gender inequality within the economic system remains widespread, the employment situation for women saw enormous improvements between 2000 and the escalation of the conflict in 2015. Official statistics show a trend away from vulnerable employment, especially in agriculture, towards wage and salaried employment for women, rising from a mere 14.0% in 1999 to 58.0% in 2010.<sup>707</sup>

Multiple sectors considered to be suitable for women have therefore seen a rise in their female participation rate. The education sector, for example, did not gain in importance in terms of the total workforce, accounting for just 7% in 1999 and in 2010. However, the percentage of employed women working in education grew rapidly, rising from 17% in 1999 to 23% in 2010. Similar developments occurred in occupations in the healthcare sector, as well as in public administration. What is particularly interesting in the healthcare sector is that women are also assuming higher positions; in addition to nurses and midwives, Yemeni women are also being employed as gynaecologists and paediatricians. Female employment within manufacturing, on the other hand, only increased in line with the overall growth in contribution from this sector.

All of these developments, however, came to an abrupt halt with the eruption of violence in March 2015. Even though statistical data for female employment by sector in 2015 and 2016 is currently not available, recent events suggest a dramatic change. Without the income from oil and gas exports, salaries in public institutions could not be paid, with huge effects on employment in public services, education and healthcare.<sup>708</sup>

Within the healthcare sector, Yemen has received external support from the International Committee of the Red Cross (ICRC) and Médecins Sans Frontières (MSF), two of the few organizations still present in the country. Both organizations have implemented widespread programmes to keep the healthcare sector alive, either through newly established health facilities, contributions in kind or by paying full or partial salaries.<sup>709,710</sup> This ensured further employment for female nurses in many parts of the country. Female doctors, however, are less supported than male doctors, as many of the most needed specializations, particularly surgeons, are a traditionally male domain.

Another important barrier to female employment, since 2015, has been the suspension of many transport systems. The shortage of oil in large parts of the country and the widespread destruction of infrastructure has limited women's mobility as a whole. As the use of motorcycles and bicycles is only accepted among men, women are limited to cars, taxis or buses. These means of transport are only rarely available at present, leaving many without an opportunity to travel large distances, even in the absence of violence.

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706. Ibid.

707. Ibid.

708. Euromonitor International Trade Interviews, 2016.

709. Reuters (2016) Yemen's war not just killing civilians with bullets – MSF. Available from: <http://in.reuters.com/article/yemen-war-civilians-idINKCN0ZV1TX> (Accessed: August 2016)

710. Euromonitor International Trade Interviews, 2016

Furthermore, many internally displaced Yemenis are women and children. Seen as being more vulnerable than men, many were sent to rural areas for security reasons.<sup>711</sup> While the agricultural sector lost importance in recent years in terms of female employment, it is due to this migration towards rural areas that an opposing trend emerged in 2015, when agriculture appears to have seen a strong boost.

## **Entrepreneurship**

Data on entrepreneurship in Yemen from 2009 is ambivalent. The country had the highest level of nascent activity among the countries surveyed by the Global Entrepreneurship Monitor (GEM), but the lowest level of so-called baby businesses<sup>712</sup>. This implies a generally positive attitude towards entrepreneurship, but high barriers to actual implementation. Furthermore, entrepreneurial activities in Yemen were mostly necessity-driven and most entrepreneurs showed low levels of education and income. Under such conditions the intention of opening a business is often a “survival strategy” due to economic hardship. Such businesses are often destined to fail because of a lack of financial means. However, they are also more likely to show a low gender gap, as both genders will seize every opportunity to survive. Comparing the gender gap among nascent entrepreneurs, new business owners and established business owners, female-led business start-ups appeared to be more successful in the long term.<sup>713</sup>

In terms of larger businesses, which are usually opportunity-driven, a very different picture is presented. In 2010, female participation in ownership showed one of the lowest rates in the region, at 6.4% and only 0.2% of firms surveyed had a senior female manager.<sup>714</sup> Female entrepreneurship in Yemen, therefore, appears to be based on small initiatives to secure survival. Nevertheless, certain initiatives scattered throughout the country have been working towards boosting the skills required for women to get involved in entrepreneurship. For example, Partners Global is working to build entrepreneurship and women’s rights in parallel via workshops geared towards leadership development and raising community-level awareness.<sup>715</sup> Unfortunately, similar measures have not been undertaken by the Yemeni Government - a recent news article by the *Yemen Times* in 2014 stated bluntly that entrepreneurship is “not seen as a priority by the Government.”<sup>716</sup>

Furthermore, entrepreneurship as a whole is said to have come to a standstill in 2015 because of the widespread violence and insecurity in the country’s main cities, as well as the destroyed infrastructure and extensive import and export limitations.

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711. World Health Organization WHO (2015) Yemen – Internally displaced people in Yemen face increasingly critical health risks. Available from: <http://www.emro.who.int/yem/yemen-news/yemenis-face-critical-health-risks.html>

712. Global Entrepreneurship Monitor GEM (2009) Yemen. Available from: <http://www.gemconsortium.org/country-profile/134> (Accessed: August 2016)

713. Global Entrepreneurship Monitor GEM (2009) Yemen. Available from: <http://www.gemconsortium.org/country-profile/134>

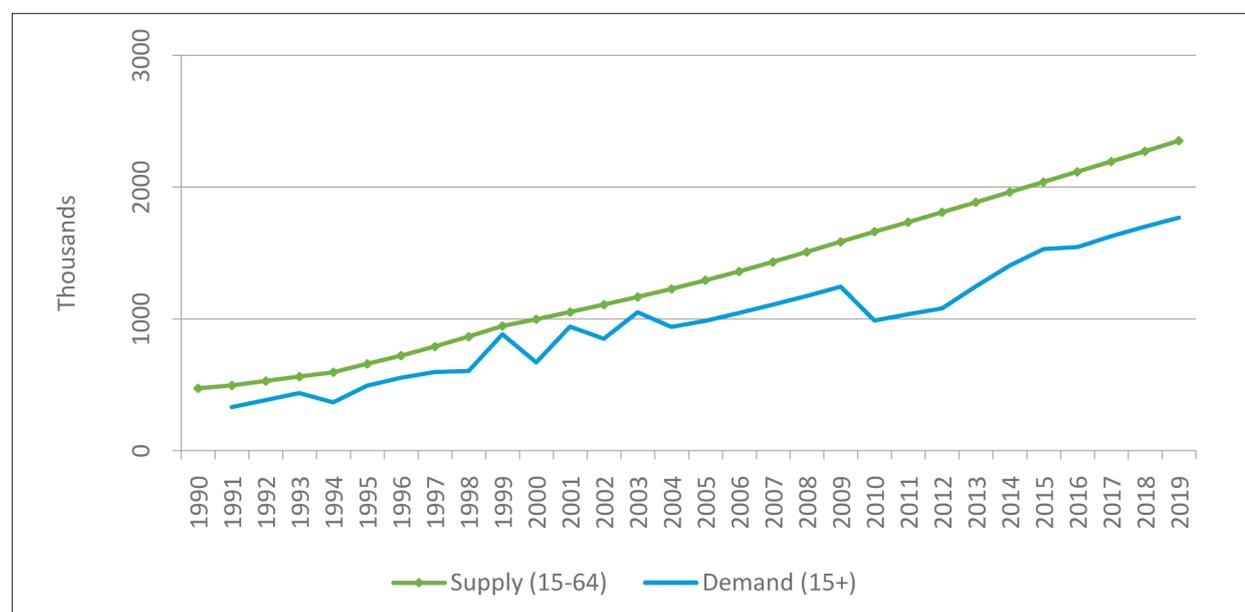
714. World Bank (2016). Gender. Available from: <http://www.enterprisesurveys.org/Data/ExploreTopics/gender>

715. Partners Global (2015). Building entrepreneurship in Yemen. Available from <http://www.partnersglobal.org/success-stories/building-entrepreneurship-in-yemen/>

716. Qassem, A. (2014, December 18). To build an entrepreneurship ecosystem in Yemen. Available from: <http://www.yementimes.com/en/1843/business/4709/To-build-an-entrepreneurship-ecosystem-in-Yemen.htm>

### 4.17.3 Future Prospects

Figure 120. Yemen - Supply and Demand for Female Labour 1990-2019



Source: International Labour Organization (ILO) 2016

### Outlook

Female employment in Yemen is likely to be further impacted by the current political situation. The recent migration from vulnerable employment in agriculture in rural areas towards wage and salaried workers in urban areas came to an end in 2015, when many civilians fled to escape the violence in the cities. As these internally displaced people sought the safe environment of villages, pressure on the agricultural sector, the main source of income in rural areas, increased dramatically.<sup>717</sup> A sudden return of these civilians to urban areas is unlikely and continued violence could lead to further waves of migration. The labour force seeking employment within the agricultural sector is therefore expected to increase naturally and in line with such migratory movements. Furthermore, a shortage of food imports and difficulties in distributing food around the country is likely to boost local agriculture even further. On the other hand, traditionally female-dominated sectors, such as public administration, education and healthcare, are expected to shrink even further in the coming years, due to the hostilities and because the State is unable to pay regular salaries.<sup>718,719</sup>

While the security situation remains unstable, external assistance will be limited and can only cover a small portion of what is necessary. In addition, foreign companies, which may have gender-based employment policies, closed down or moved their operations to other countries when the violence erupted.<sup>720</sup> Education for girls and women is also expected to reach a low, as economic hardship is often met first and foremost by suspending education

718. Al Qalisi, M. (2015). Yemen war sends city professionals back to the land. Available from: <http://www.thenational.ae/world/middle-east/yemen-war-sends-city-professionals-back-to-the-land>

719. Oraby, M. and Y. Rayes (2016). Yemen is running out of cash. Available from: <http://www.themedialine.org/top-stories/yemen-running-cash/>

720. Alaly, H. (2015). Yemen war deprives children of their education. Available from: <https://www.alaraby.co.uk/english/features/2015/6/3/yemen-war-deprives-children-of-their-education>

for the girls and women of the family or, in some cases, by arranging an early marriage, which in most cases puts an end to any hopes of female education.<sup>721722</sup> In other cases, security concerns for the family, as well as a lack of transport, are preventing a continuation of education or work. Additional risks include the potential rise of forced prostitution in the future.<sup>723</sup>

As a failed conservative state in the Middle East, with a known presence of ISIS and Al Qaeda, Yemen is also at risk of becoming a breeding ground for radicalism.<sup>724</sup> Such a development could have a devastating impact on women's employment post-conflict. Women's status within these organizations is restricted to the private sphere and any attempt to participate in the public area through work or education is met with a violent reaction. In such an environment, many families might be too frightened to send their daughters to school, university or out to work.

Even in a stable scenario of a post-conflict Yemen, active initiatives to support women's employment and participation are unlikely. In most post-conflict scenarios, the economic reconstruction process focuses on macro-stabilization and market reforms rather than gender equality. The emphasis in such a scenario is likely to be funnelled towards employment schemes largely directed at men. A re-integration of former fighters into the labour market is seen as essential to restore security and will therefore likely be a priority.

Construction is also expected to become an important subsector in any post-conflict scenario, due to the broad destruction of buildings and infrastructure throughout the country. While construction is traditionally seen as a sector only suitable for men, the sheer need for a large number of construction professionals, such as engineers and architects, could actually help women to find employment within these fields and, in a positive scenario, change general attitudes in the longer term.<sup>725</sup> This is supported by the fact, that such technical degrees are already widespread among women in Yemen. Seen as an indicator of intelligence rather than an accumulation of skills, many women chose to study architecture or engineering in the past, while opting afterwards for jobs seen as more suitable for women.<sup>726</sup> Based on need and economic hardship for many families, this could change in a post-conflict Yemen, with women taking up a stronger presence in these fields. In the face of extreme poverty, cultural barriers could soften and lead to a gradual acceptance of female employment within typically male domains.

In the long term, taking an optimistic view, a stable post-conflict Yemen could witness a continuation of the positive developments seen prior to the outbreak of violence in 2015. This would mainly include the migration of women from vulnerable employment within agriculture towards wage and salaried work, as well as an expansion of women's education.

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721. Raghavan, S. (2016). Campaign to stop child marriages in Yemen disrupted by war. Available from: <http://gulfnews.com/news/gulf/yemen/campaign-to-stop-child-marriages-in-yemen-disrupted-by-war-1.1858677>

722. Reliefweb (2016). Futures on the line: Yemen's children missing an education. Available from: <http://reliefweb.int/report/yemen/futures-line-yemen-s-children-missing-education-enar>

723. U.S. Department of State (2016). 2016 Trafficking in Persons Report – Special Case: Yemen. Available from: <http://www.state.gov/j/tip/rls/tiprpt/countries/2016/258893.htm>

724. Euromonitor International. (2016). Available from: <https://www.portal.euromonitor.com/portal>

725. UNDP (2002). Gender approaches in conflict and post-conflict situations. Available from: <http://www.undp.org/content/dam/aplaws/publication/en/publications/womens-empowerment/gender-approaches-in-conflict-and-post-conflict-situations-/gendermanualfinalBCPR.pdf>

726. Euromonitor International Trade Interviews, 2016.

## **Recommendations**

Supporting female employment in the current situation should follow an approach of damage control, while focusing on a post-conflict scenario. The huge number of internally displaced women and children are at risk of exploitation and abuse and an early end to their educational aspirations. An increase in vulnerable employment as well as a decrease in educational attendance appears inevitable in the short term. Immediate initiatives should therefore focus on two preliminary goals: firstly, setting up educational platforms in rural areas for displaced children, with a special focus on girls, and secondly, initiatives to prevent the exploitation and abuse of displaced women and girls through informal work in agriculture or forced prostitution.

Once the conflict comes to an end, construction and oil production are expected to become the most important sectors. Another focus, in a post-conflict scenario could be to actively encourage and support female participation in these male-dominated industries. The economic hardship brought about by the conflict could help to overcome the traditional attitude that such jobs are only suitable for men. Furthermore, a peaceful environment in the cities and renewal of imports is expected to revive the retail industry. Female entrepreneurship has seen a positive outcome in the past and retailing is generally accepted as an appropriate field for female employment. Women should therefore be encouraged and supported in opening their own retail outlets in a post-conflict scenario. Access to funding and training for female entrepreneurs appears to be key in terms of support.

Yemen will also need extensive foreign assistance during the reconstruction process. This gives the international community an opportunity to tie aid to certain conditions. Such conditions could include programmes or targets for gender equality within the economy and the education system.

## 5. Appendix A: Glossary of Terms

Term	Working Definition
Economically active population	Persons currently involved, or seeking to become involved, in activities that generate (monetary) income in exchange for application of their labour and skills; generally covers those aged 15-65.
Labour force	The total labour power available to the production economy, including employed and unemployed persons.
Labour force participation	Persons who are economically active either in employment or unemployed.
Female labour force participation rate (FLFPR)	The proportion of women of working age defined (or estimated to be) part of the labour force.
Unemployment/unemployment rate	Persons seeking employment/the proportion of those in the labour force who are not currently employed but seeking employment.
Work force (or workforce)	Employed persons in an economic sector or enterprise. Unemployed persons cannot be attributed to particular sectors, therefore, unlike the labour force, the work force does not include any unemployed persons.
Not in the labour force	Students, subsistence workers, housewives/care workers, retirees and the compulsory military conscripted.
Employment	Persons in employment do work that generates monetary income for themselves or others (employers).
Employment status	Refers to status in a work relationship: salaried worker/employee, employer, own-account worker, contributing family member, self-employed or employer, entrepreneurs and business owners.
Employee	A person in a contractual relationship (which may or may not be written) working for another, paid wages or unpaid; roughly equivalent to wage worker.
Entrepreneurial activity	The pursuit of the generation of value through the creation or expansion of economic activity, by identifying and exploiting new products, processes or markets.
Unpaid worker	A person conducting work that generates income for others, for the commercial benefit of a household or enterprise, but for which the worker is not individually remunerated in cash or in kind.
Informal worker	A person carrying out activities not subject to taxation or eligible for social insurance. Includes own account and contributing family work, may or may not be on a contract.
Subsistence worker	A person doing work that results in products for the worker's own or his/her household's consumption. Not included in the labour force.
Vulnerable employment	Includes non-contractual, seasonal, own-account and contributing family work; mainly without social security coverage (e.g. retirement pensions, injury, health, unemployment compensation etc.).
Care work (unpaid)	Work in support of the health, feeding and support of household members, including children, the elderly and handicapped persons, that ensures the capacity and reproduction of the labour force. Not included in the labour force.

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Gender Parity Index calculated based on data from SIO

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United Nations Entity for Gender Equality  
and the Empowerment of Women



## Spring Forward for Women Programme

*European Commission and UN Women joint regional programme for the Southern Mediterranean region  
"The Spring Forward for Women", programme implemented with funding by the European Union*