

Gender Responsive Socio-Economic Recovery and SDGs

Sub-Regional Forum Session 5
Sustainable, Inclusive and Resilient Economies

3 September 2020



- The pandemic in ECA is deepening pre-existing inequalities, exposing vulnerabilities in social, political and economic systems which in turn amplifies its impact especially for women but also those in vulnerable situations migrants, refugees, women, older persons, persons with disabilities and those on low-income.
- Progress on the SDGs (especially on poverty and hunger elimination), while limited, on gender equality and decent work), has stalled and at risk of sliding backwards.
- But SDGs remain a good roadmap in terms of their breath and focus on sustainability, resilience and inclusivity as basis of economic activities and some of the socio-economic response plans and gender sensitive measures being introduced are rising to the challenge.

Pre-Covid 19 situation – results of B+25 regional review

- Informal employment – 25,1% of all employment in Europe and Central Asia, with variations between Western Europe (14.3%), Eastern Europe (31.5%) and **Central Asia (43.4%)**
- The highest levels of informal employment - in Albania (61%) and Armenia (52.1 %)
- In Central Asia in the agricultural sector, 47.3% of women are employed informally, compared to 41.1% of men.
- A major difference between women and men in informal employment is the proportion of women contributing family workers: more than three times higher among women than men worldwide.

Impact of Covid 19 on Women and Men – Rapid Gender Assessment

- **May 2020 GRA** – 10 Countries - Albania, Bosnia and Herzegovina (BiH), Kosovo, North Macedonia, Azerbaijan, Georgia, Moldova, Kazakhstan, Kyrgyzstan and Turkey
- **Women's economic security hit hard, impacting employment and income.** Over 12% of women lost their jobs; 43% facing reduced paid working hours. Self-employed women suffered the worse consequences. Women and families dependent on remittances particularly impacted
- **Little in-kind assistance from governments and NGOs** in terms of food and personal protection support. Below 10% in all countries, excluding Kyrgyzstan and Turkey
- **Difficulties paying basic expenses** - 60% of women reported difficulties to pay for food supplies, rent and utilities. Women from **Kyrgyzstan, Georgia and Turkey** were also among those most likely to report employment and income downturn, and thus greater challenges in covering basic needs.
- **Women's share of unpaid care and domestic work increased**

Impact of Covid 19 on Women - ECA Region

- In **Azerbaijan**, more than **70,000 people** have lost their jobs and are receiving most of their salaries with government support.
- In **Kazakhstan**, more than **1.6 mln. citizens** and about **12,000 small-and medium-sized businesses** have had loan and credit payments deferred.
- In **Kyrgyzstan**, COVID-19 has had a strong impact on **47% of women owned business respondents** while **13% of businesses** have shut down completely.

New Vulnerable Groups

- **FORMERLY NON-POOR INFORMAL WORKERS** without basic security who have lost any possibility to earn, but do not meet property or other criteria for the guaranteed minimum income
- **OCCASIONAL AND GIG WORKERS**, poor people who receive the guaranteed minimum income, but augment their income through occasional work—which now may also be lost
- **LABOUR MIGRANTS, SEASONAL WORKERS**, who are unable, or will face great difficulties and increased costs to move across borders and to earn money abroad.
- **LONG TERM UNEMPLOYED** who lost the eligibility for accessing unemployment benefits and with diminishing possibilities of finding a job as unemployment increases

Key Areas of Impact

- Informal economy – makes up close to 30% of all employment in ECA.
- Occupational segregation and SME's – women are heavily concentrated in labour-intensive manufacturing (garments, textiles) and in SMEs.
- Remittance flows falling by 27% in ECA - loss of a crucial financing lifeline for many vulnerable households.
- Unpaid Care – huge increase with school/childcare closures

Response Measures

Social Protection - informal economy less likely to have social insurance, sick pay etc. Need to increase coverage and eligibility.

Social Assistance – conditional and unconditional cash transfers

In kind support – food and medical supplies

Family/parental/childcare leave policies: extending paid sick leave and providing cash for care

Gender Focused Measures in ECA - Benefits In Kind

Albania Home delivery of food, medical products and other services. Beneficiaries from this decision are people under the economic aid scheme, people with disabilities, invalids, retired persons. Women compose a considerable number of this beneficiary's category.

Azerbaijan More than 100,000 food and hygiene kits disseminated across the country, especially to women-headed households, IDPs and refugees and other vulnerable groups.

Georgia Food distribution for families hit the hardest by COVID-19 were disseminated across the country to women-headed households, single parents, ethnic minorities, Roma settlements and other vulnerable groups.

Gendered Focused Measures in ECA - Cash Transfers

Turkey:

- Cash transfers targeted for women are increased.
- Conditional cash transfers are increased by 29% for health, postnatal and pregnancy payments.
- Cash transfers for new mothers and newly widowed.

Serbia:

- Expansion of cash transfers allocated for beneficiaries who are carers, have children, or on maternity leave

Gender Focused Measures in ECA - Labour Market/Social Insurance

Georgia - Economic support programmes such as Enterprise Georgia (Women's Economic Empowerment through small grants) expanded:

- some pre-conditions and barriers to applying to the programme were eliminated;
- women-run businesses and women-applicants receive extra points during the assessment.

Armenia:

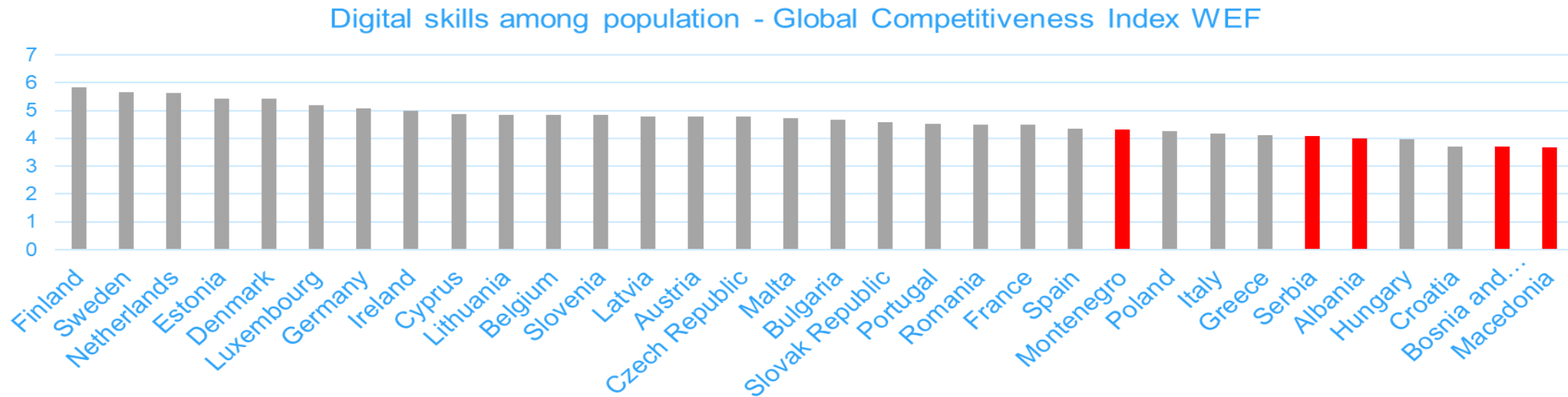
- assistance to families with children under 14, who face bottlenecks due to the shrinking labor market (formal employees) - lump sum payment for every child;
- support to persons in formal employment who lost their job in the amount of monthly minimum wage;
- lump sum payment to pregnant women whose husband lost their job;
- support to hired workers and individual entrepreneurs (formal employment) in private sector most affected (hotels, public catering, tourism, barber shops and beauty parlors, retail trade).

Moving forward for gender responsive recovery

- **Emergency and short term** gender focused responses encouraging. The majority of gendered measures (aside from VAWG) are social assistance and in kind support. There are less labour market measures and almost none that address unpaid care.
- **Unconditional cash transfers are a crucial aspect of the gendered response to the crisis**
- **Medium and longer term** - to move beyond safety nets and from fragmentary approaches to sustainable, inclusive economies through comprehensive interventions to achieve the SDGs.
- The challenge is to achieve sustained growth while addressing inequalities. Gender inequality a key component which means among other things ensuring representation and consultation in planning & decision-making; gender data and analysis, expanding specific gender based measures to socio-economic recovery and resilience building.
- As ECA region moves from response to recovery - priority areas include digitalization and fiscal stimulus packages.

“The worst is behind us and hardest is yet to come,”
Christine Lagarde, President ECB

Invest in transition to digital platforms



- The low level of digitalization of businesses and digital skills make these Western Balkan economies particularly vulnerable to shocks and will hamper their recovery efforts. Investments needed to close the digital divide - it will reap benefits across education, health and innovation but also ensure emergency short term/or longer cash transfers can more effectively reach their intended targets.

Engendering Fiscal Stimulus Packages

- Currently no lack of financing/huge liquidity but focus needs to be on the allocation of resources as well as the type of finance for long-term innovation.
- Need to attach conditions to stimulus funds (and debt relief) to incentivize gender equality.
- Priority – social infrastructure and public services, including development of care economy (CSW63)

Example – Kyrgyzstan (pre-COVID-19 assessment of costs of childcare services):

- *Closing the deficit is estimated to 3% of GDP for the SDG-based scenario and requires a two- to three-fold increase in total care spending which was in 2018 at approximately 1% of the GDP.*
- *Total job creation under the SDG-based scenario is over 120,000 jobs (5.1% of total employment in Kyrgyzstan. Almost 97,000 new jobs to be created in the childcare sector and 24,000 indirect jobs;*
- *Long-run economic returns - enhanced human capital, higher labour productivity and sustainable growth.*
- Investment in education and skills (incl. digital ones) to address:
 - Inequalities and gender gaps in education before the pandemic;
 - 54% of students in CA with IT skills lower the standards for labour skills (WB, 2018)
 - 7 mln. students will withdraw from schools/universities in 2-3 years in CA (WB, 2020)