

In Washington DC

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Washington, September 26, 2011—A new report from the World Bank and IFC released today finds that women still face legal and regulatory hurdles to fully participating in the economy.

Women, Business and the Law 2012: Removing Barriers to Economic Inclusion finds that while 36 economies reduced legal differences between men and women, 103 out of 141 economies studied still impose legal differences on the basis of gender in at least one of the report's key indicators. The report also identifies 41 law and regulatory reforms enacted between June 2009 and March 2011 that could enhance women's economic opportunities.

Globally, women represent 49.6 percent of the population but only 40.8 percent of the workforce in the formal sector. Legal differences between men and women may explain this gap. The report shows that economies with greater legal differentiation between men and women have, on average, lower female participation in the formal labor force.

"Competitiveness and productivity have much to do with the efficient allocation of resources, including human resources," said Augusto Lopez-Claros, Director, Global Indicators and Analysis, World Bank Group. "The economy suffers when half of the world's population is prevented from fully participating. It is certainly no surprise that the world's most competitive economies are those where the opportunity gap between women and men is the narrowest."

The report measures such things as a woman's ability to sign a contract, travel abroad, manage property, and interact with public authorities and the private sector. In all economies, married women face more legal differentiations than unmarried women. In 23 economies, married women cannot legally choose where to live, and in 29 they cannot be legally recognized as head of household.

Every region includes economies with unequal rules for men and women, although the extent of the inequality varies widely. On average, high-income economies have fewer differences than middle- and low-income economies. The Middle East and North Africa have the most legal differences between men and women, followed by South Asia and Africa. In Africa, a notable exception is Kenya, which leads globally with the most gender-parity reforms during the past two years. Regionally, the most improvements in gender parity occurred in Latin America and the Caribbean, Eastern Europe and Central Asia.

Eastern Europe and Central Asian economies do not impose many legal restrictions on women. None of these economies restrict a woman's ability to sign a contract, open a bank account, travel abroad or manage her property. In these economies only labor regulations are gender differentiated. However, gender differentiated retirement ages are very prevalent in this region. Out of the 23 economies in the region, only Armenia, Bosnia and Herzegovina, Kosovo, and Latvia do not have gender differentiated retirement ages. This region is also more likely to give better access to justice through small claims courts and better access to credit, by having credit bureaus and registries with wider coverage; only Tajikistan does not have a credit bureau or registry in this region that covers at least 0.1 percent of the adult population.

Seven economies in Eastern Europe and Central Asia made changes over the past year and a half that affected the indicators in Women, Business and the Law. Those economies are: Albania, Azerbaijan, Belarus, Bulgaria, Latvia, Moldova and Romania.

- **Albania** passed a new law “on protection from discrimination” mandating non-discrimination in hiring practices on the basis of gender, and its credit bureau now collects information from microfinance institutions.
- **Azerbaijan’s** credit bureau now includes information from microfinance institutions. In Azerbaijan, the retirement age has been rising by 6 months every year since January 2010: to age 63 by 2012 for men, and age 60 by 2016 for women. This change is neutral to gender parity, because it maintains the currently unequal retirement age for men and women.
- **Belarus** introduced a small claims court or procedure.
- **Bulgaria** increased the number of days for maternity leave.
- **Latvia** temporarily reduced the percentage of wages paid during maternity leave in response to the global financial crisis. This change is considered neutral to gender parity due to its temporary nature.
- **Moldova** introduced a credit bureau.
- **Romania** introduced a small claims court or procedure.

The report can be accessed at wbl.worldbank.org.

About the Women, Business and the Law Project:

The project measures how regulations and institutions differentiate between women and men in ways that may affect women’s incentives or capacity to work or to set up and run a business. *Women, Business and the Law* objectively measures such legal differentiations on the basis of gender in 141 economies around the world, covering six areas: accessing institutions, using property, getting a job, providing incentives to work, building credit, and going to court. While the project provides a clear picture of gender gaps based on legal differences in each economy, it is a simple snapshot measuring only legal differentiation. It does not capture the full extent of the gender gap, nor does it indicate the relative importance of each aspect covered. For a collection of national legal provisions impacting women's economic status in 183 economies, please visit the [Gender Law Library](#).

About the World Bank Group

The World Bank Group is one of the world’s largest sources of funding and knowledge for developing countries. It comprises five closely associated institutions: the International Bank for Reconstruction and Development (IBRD) and the International Development Association (IDA), which together form the World Bank; the International Finance Corporation (IFC); the Multilateral Investment Guarantee Agency (MIGA); and the International Centre for Settlement of Investment Disputes (ICSID). Each institution plays a distinct role in the mission to fight poverty and improve living standards for people in the developing world. For more information, please visit www.worldbank.org, www.miga.org, and www.ifc.org.