

# Women's Economic Empowerment in Selected MENA Countries

THE IMPACT OF LEGAL FRAMEWORKS IN ALGERIA, EGYPT, JORDAN, LIBYA, MOROCCO AND TUNISIA

## KEY FINDINGS





## THE OECD AND THE MENA REGION: partnering to advance women's economic empowerment

Achieving women's equality is a global challenge that no country in the world has yet met. Yet the stakes are high: it is estimated that raising women's labour force participation rates to that of men could add USD 12 trillion, or 26% to global GDP by 2025. And when women are active economic participants, societies and families benefit.

To tackle this daunting challenge, the OECD has made women's economic and social empowerment a core priority of its work. In 2010, the Organisation launched the OECD Gender Initiative, which has led to the creation of numerous standards and guidance to help members and partners enact policy reforms to close the gender gap in their countries. We have also worked closely with international instances such as the G20 and the G7 to help define targets for reducing gender gaps in labour force participation and creating a more gender-responsive economic environment. The OECD is actively working with the UN to support the achievement of the SDGs on gender, recently launching – in partnership with the ILO and UN Women – the Equal Pay International Coalition (EPIC) to achieve equal pay for men and women by 2030.

The MENA region has also demonstrated its growing commitment to building more inclusive societies. The six countries covered in this report have all reformed their constitutions to enshrine the principle of gender equality and adhered to international conventions that safeguard women's rights. In recent years, many countries in the MENA region have advanced new legislation and initiatives to widen the scope for women's economic participation. Governments are increasingly realising that in a such a young and dynamic region – where over half of the population is under 25 – leveraging the energy and talent of all of its potential workforce will be key for building a prosperous future.

The close partnership that the OECD and the MENA region have built over the past decade provides a strong foundation for us to collaborate to advance women's economic empowerment in all regions of the world, and create better lives for all.

Yet, achieving women's economic empowerment is only one, albeit critical, part of the equation. Ensuring better lives for all will also mean building more human, family-friendly societies that allow both men and women to enjoy successful professional lives without sacrificing their own personal and family development. This will require policy changes and the right regulatory and legal frameworks. However, more than anything, it will call for a change of mind-set and a societal and cultural revolution to transform the way we understand women's roles and contributions.

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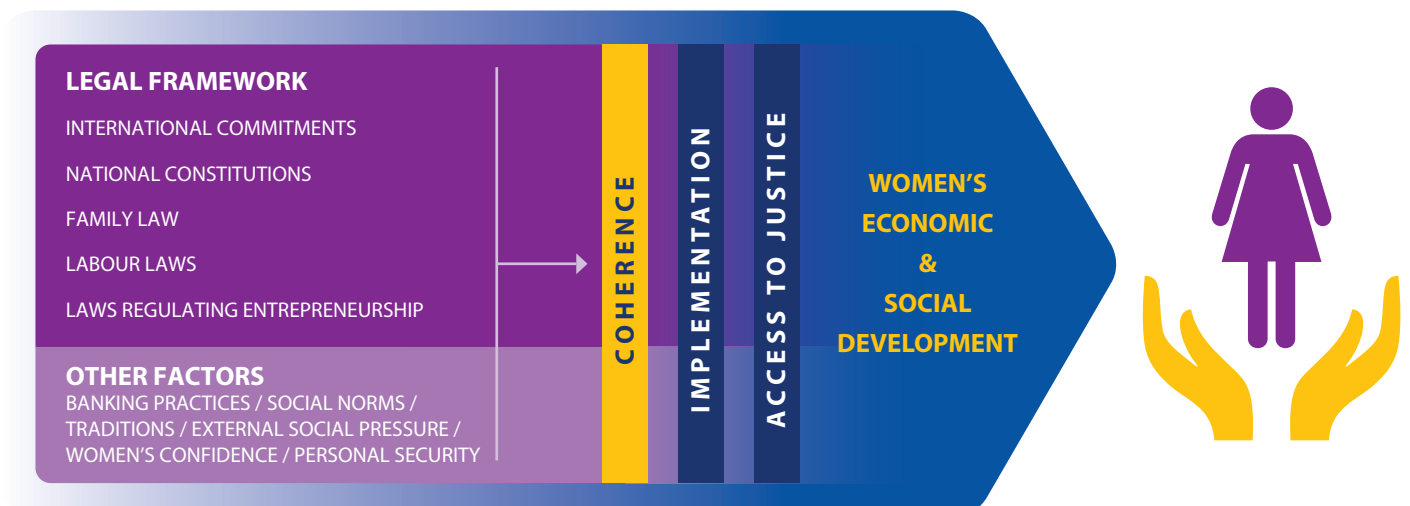
# Key Takeaways

- When economies are more open to women, they become more competitive and all levels of society benefit. There is great potential for the Middle East-North Africa region to develop if more women are empowered to take part in economic activities.
- Building inclusive societies is a high priority for the six countries studied in this report – Algeria, Egypt, Jordan, Libya, Morocco and Tunisia – which have made notable progress on gender equality in recent years. They have made significant improvements in education, ratified key international conventions that promote women’s rights, and many have either adopted new constitutions or amended them to better reflect international commitments.
- Despite this strong momentum, the countries – and the entire MENA region – still have the world’s lowest rate of women’s participation in the labour force, and women’s entrepreneurship lags far behind men. Are legal and legislative frameworks – coupled with implementation challenges – holding women back instead of paving the way for greater economic participation?
- The new **constitutions** of Morocco (2011), Tunisia (2014) and Egypt (2014), the fundamentally amended constitutions of Jordan (2011) and Algeria (2016), and the provisional constitutional declaration of Libya (2011) all refer to the principle of equality and prohibit discrimination, albeit in different terms.
- **Family law**, however, is not yet in line with countries’

constitutional provisions of equality and non-discrimination, impacting women’s ability to fully participate in the formal labour market and entrepreneurship. Depending on the country, women do not share the same rights as men to make decisions, pursue a profession, travel, marry or divorce, head or lead a family, receive an inheritance or access wealth.

- The **labour codes** of the six countries all refer to equality and non-discrimination. However, “protective” laws that apply only to women – for example on working hours or sectors – combined with social expectations and norms that place the brunt of household and care responsibilities on women’s shoulders result in a preference for hiring and promoting men. Moreover, only men benefit from non-wage social benefits.
- **Women entrepreneurs** face many gender-specific obstacles to business development ranging from access to finance to business registration and freedom of movement.
- The report seeks to better understand the interplay between the different types of legal frameworks, identifying where the main bottlenecks lie. It sets out policy recommendations for improving the legal framework so that more women from all parts of society may engage in the economy. It ultimately aims to ensure that legal reforms in the six countries take full account of the high development potential associated with a stronger involvement of women in the economy.

## KEY FACTORS IMPACTING WOMEN’S AGENCY





# Closing the gender gap: A growth challenge for the Middle East and North Africa

Governments around the world are aware that gender inequalities are a major obstacle to growth. In the Middle East-North Africa region (MENA), the share of women in the workforce increased substantially from 1970 to 1990, and an upward trend continued until 2005. But then women's labour force participation in the world: 24%, compared to 60% in the OECD economies.

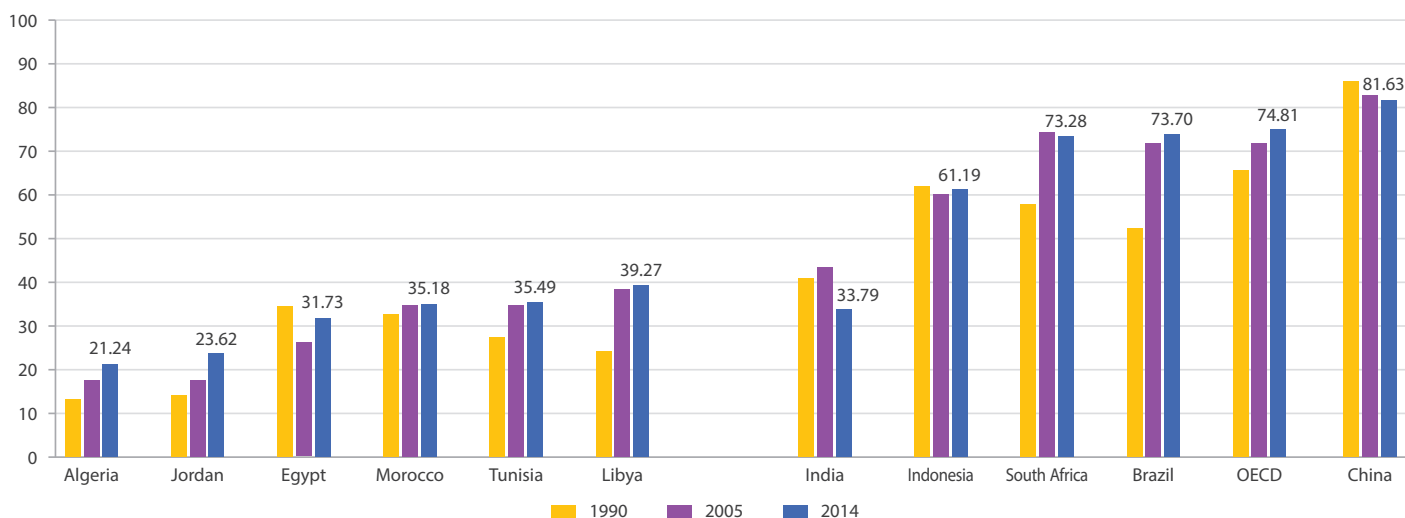
With a growing number of qualified women in the region – thanks to efforts to improve women's access to education – it is all the more important to give women full access to economic participation. Calls for greater social inclusion, notably during the events witnessed across the MENA region in 2011, can be translated into new economic opportunities for women.

In this major study, conducted over several years, the OECD seeks to outline the interaction between legal and social norms and their influence on women's economic

involvement in six MENA countries – Algeria, Egypt, Jordan, Libya, Morocco and Tunisia. The report recognises the progress the six countries have made towards gender equality and non-discrimination by adjusting legal frameworks, in particular their constitutions. But it also points to areas that are still holding women back. Provisions in family laws, labour laws and business regulations both impact and result from social values, cultural norms and customs associated with gender-defined roles and relations.

Building inclusive societies remains a high priority for the governments of the six countries. The litmus test lies in how legal progress translates into improvements on the ground. This new study argues that legal reform must be accompanied by implementation strategies and monitoring mechanisms to ensure lasting social change. Combining feedback from focus groups in the region with a nuanced comparative analysis of women's legal rights, and offering recommendations for policy makers, it provides a basis for further reforms.

**FEMALE-TO-MALE LABOUR FORCE PARTICIPATION RATIOS**  
1990-2005-2014 (%)



**Source:** Labour force participation ratio is the proportion of the population aged 15 and older that is economically active: all people who supply labour for the production of goods and services during a specified period. Female-to-male labour force participation measures how many women are active in the labour force for every 100 men.

**Note:** World Bank (2016), World Bank Development Indicators database, Washington, DC, <http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators>.

# Women's participation in the labour market and entrepreneurship

The governments of Algeria, Egypt, Jordan, Libya, Morocco and Tunisia, recognising the untapped promise of women, have enacted measures to strengthen the status of women, notably through institutional and constitutional reforms. Yet it is necessary to ensure that these legal reforms are fully implemented to generate greater economic opportunities for women.

At present, there is a striking gap between women's improved education and their limited participation in economic activities in the six countries:

- Women's labour force participation is the lowest in the world, and unemployment is highest.
- There is a wide pay gap between women and men, particularly in the private sector.
- Women have difficulty accessing senior management positions both in the public and the private sector.
- Women's entrepreneurship lags far behind that of men, and when women do create firms, they are often micro-enterprises active in consumer-oriented sectors. Women are more often entrepreneurs out of necessity rather than opportunity.

In Jordan and Algeria, for example, only 16% of women older than 15 participate in the labour force, while the figure ranges from 25% to 32% in the other four countries. In contrast, men's

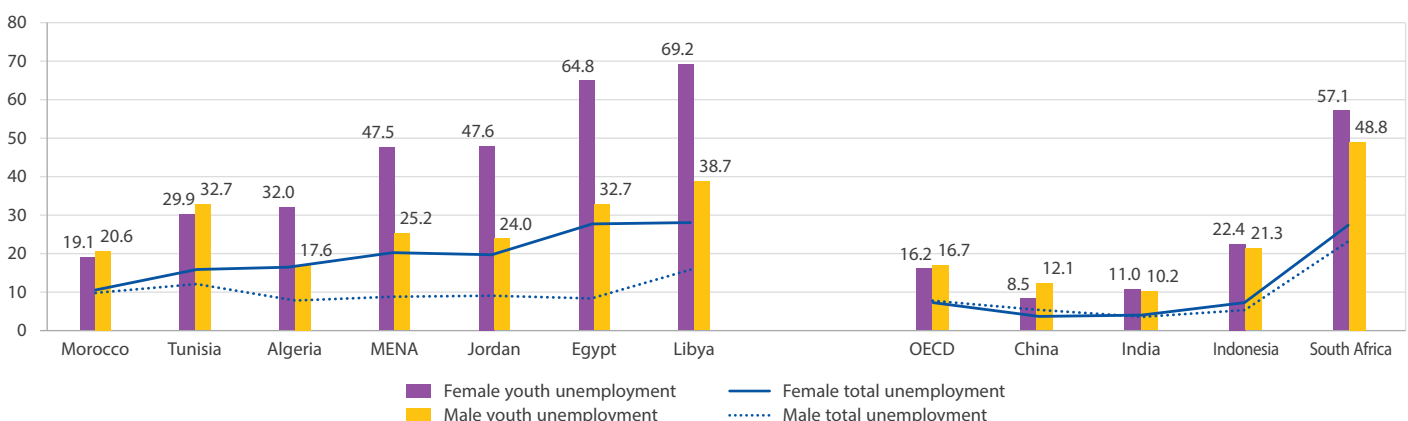
participation in the labour force in the six countries reached 70% or more in 2014. What is holding women back?

Overall, labour dynamics in the region have not favoured women's progress. Women tend to work in the public sector – considered more socially acceptable – but the number of available public sector jobs has declined since the 1980s without a sufficient increase in private sector jobs to compensate for the drop. In the private sector, women continue to work in a more restricted range of professions than men, in jobs with low pay and few responsibilities. They are often employed in the informal sector without any labour contract, job security or social benefits and perform the bulk of unpaid care work in the household.

One factor impeding the enactment of informed policies is a lack of gender-disaggregated data on women's labour force participation and entrepreneurship in the region.

**The OECD recommends that governments seek more detailed data for better policy making and monitoring of progress. They could also assess the impact of laws and policies that support female employment and entrepreneurship – both at the national and international level – to determine which are most effective in spurring female labour force participation.**

YOUTH UNEMPLOYMENT AND TOTAL UNEMPLOYMENT RATES BY GENDER (15-24), 2014



Source: World Bank (2016), World Bank Development Indicators database, <http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators>.



## International and constitutional commitments

The enhanced protection of women's rights at the international and constitutional levels can have a major impact on women's empowerment, and in particular their access to economic activities, which is in turn a factor for growth.

Algeria, Egypt, Jordan, Libya, Morocco and Tunisia have ratified key international conventions, such as the United Nations Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), under which they agree to incorporate the principles of non-discrimination and equality of men and women into their legal systems, to establish monitoring bodies and to ensure the elimination of all acts of discrimination against women. They have also progressively lifted various reservations to CEDAW. However all of the countries – except for Jordan – still maintain general reservations indicating that states will apply measures to prevent discrimination to the extent that they are not in conflict with the Sharia law. The six countries have also committed to achieving the 2030 Agenda for Sustainable Development, for which gender equality and women's empowerment is an objective and a pre-condition.

The new constitutions of Morocco (2011), Tunisia (2014) and

Egypt (2014) and the fundamentally amended constitutions of Jordan (2011) and Algeria (2016), as well as the provisional constitutional declaration of Libya (2011), refer to the principle of equality and prohibit discrimination, albeit in different terms. The constitutions of Egypt, Jordan and Libya prohibit discrimination, but not explicitly discrimination based on gender. Morocco's constitution foresees the establishment of an "Authority for Parity and the Struggle against All Forms of Discrimination"; the enacting law was passed in August 2017.

But real progress depends on the inclusion of these commitments to equality and non-discrimination into domestic legal frameworks and ensuring their effective implementation.

**The OECD encourages governments to ensure that international conventions and related commitments are incorporated into the constitution and embedded in the national legal system. Governments are also encouraged to include a definition of gender-based discrimination, and an explicit prohibition of such discrimination, in their constitutions and domestic legislation when this has not been done.**

### STATUS OF RATIFICATION AND RESERVATIONS TO CEDAW

	Algeria	Egypt	Jordan	Libya	Morocco	Tunisia
Ratification	1996	1981	1992	1989	1993	1985
Optional Protocol	1996	1981	1992	2004	2016	2008
Reservations to Art. 2 (application of the convention / general declaration)	Yes <sup>1</sup>	Yes <sup>2</sup>	No	Yes <sup>3</sup>	Yes <sup>4</sup>	Yes <sup>5</sup>
Reservations to Art. 9 (rights to nationality)	Yes (removed in 2008)	Yes (removed in 2008)	Yes (article 9 para. 2)	No	Yes (removed in 2011)	Yes (removed in 2014)
Reservations to Art. 15 (women's equality with men and legal capacity)	Yes (para. 4 on freedom of movement)	No	Yes (removed in 2009)	No	Yes (para. 4 on freedom of movement)	Yes (removed in 2014)
Reservations to Art. 16 (marriage, family relations)	Yes	Yes	Yes, para 1(c)(d)(g) <sup>6</sup>	Yes, para 1(c) and (d) <sup>7</sup>	Yes (removed in 2011)	Yes (removed in 2014)

Source: Author's own research based on CEDAW.  
Information on all footnotes is available in the on-line publication



## Women's access to justice

The existence of rights can contribute to the real strengthening of women's status only if violations of their rights are punished, and this requires effective enforcement by the justice system. Women in Algeria, Egypt, Jordan, Libya, Morocco and Tunisia have equal access to justice in principle, but in practice they still face various barriers.

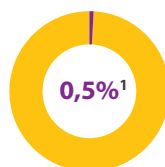
The international conventions to which the six countries are parties provide a vision for attaining women's empowerment through their ability to exercise their rights, make decisions for themselves and generate income. The constitutions of the six countries now integrate core concepts of gender equality and non-discrimination, the right to participate in public and private life, and the protection of women's physical integrity.

However, although women can file claims in court, provided they are aware of their rights, access to justice remains

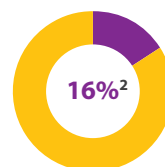
problematic. Barriers include legal formalities that are not always favourable to women and the cost of going to court as well as social pressure, with many women dissuaded from claiming their rights for fear of scandal, social exclusion and stigma. For this reason, action is needed both on the demand side – raising women's awareness of their legal rights and demanding proper enforcement of the law – and on the supply side – strengthening the response capacity of the legal system.

**The OECD encourages governments to reinforce knowledge across the judicial community about the conventions they have ratified and to strengthen monitoring to ensure that gender-equality legislation is implemented. A greater number of women throughout the court system is essential to ensuring the application of rights without gender bias. Action is also needed to raise women's awareness of their rights.**

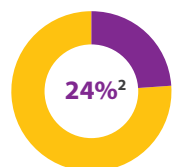
### PERCENTAGE OF WOMEN JUDGES



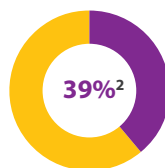
Egypt



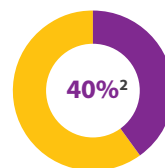
Jordan



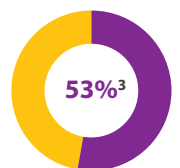
Morocco



Tunisia



Libya



OECD average

Source:

<sup>1</sup> Report by Egyptian government, "Egyptian women vision 2030: Women national empowerment strategy" (available in Arabic)

<sup>2</sup> Country reports, Women's Economic Empowerment in Selected MENA Countries: The Impact of Legal Frameworks in Algeria, Egypt, Jordan, Libya, Morocco and Tunisia

<sup>3</sup> OECD (2017), Government at a Glance 2017, OECD Publishing, Paris.

[http://dx.doi.org/10.1787/gov\\_glance-2017-en](http://dx.doi.org/10.1787/gov_glance-2017-en)



# Family law and the legacy of gender roles

The personal status laws of Algeria, Egypt, Jordan, Libya, Morocco and Tunisia regulate relations within the family and influence social values and norms, which in turn impact economic laws and public policies.

Legislators in the six countries have introduced changes to family law that aim to increase gender equality. Algeria, Morocco and Tunisia have done away with women's obligation to obedience and instituted reciprocal spousal duties. Laws regulating polygamy have also been changed in some countries: Tunisia abolished it in 1956 and more recently, Morocco, Algeria and Jordan have sought to limit polygamy by creating more constraining pre-conditions.

Yet, legal differentiation between men and women persists in all six countries. To differing extents, women in the six countries do not share the same rights as men to autonomously make decisions, pursue a profession, travel, marry or divorce, head or lead a family, receive an inheritance or access wealth. Indeed, family law provisions are not yet consonant with the equality and non-discrimination principles set forth in international conventions and incorporated, to various degrees, into the respective constitutions.

Women and men still have unequal capacities to exercise agency in the family, and current provisions constrain women's autonomy. This is particularly the case when they must obtain authorisation from their husbands or fathers to work, as is the case in Egypt, Jordan and Libya. In all six countries, women also do far more unpaid work than men by engaging in unremunerated housework and care of children and the elderly, which impacts negatively their availability for paid work. These factors can impact employers' decision to hire women.

Limits on women's property rights and assets also represent a considerable barrier to their economic development. Access to

family assets and ownership remains discriminatory in all six countries. Separation of assets remains the default marriage regime in the six countries, rather than community property; joint-title matrimonial agreements are optional but extremely rarely used. And inheritance – which in other parts of the world is usually equally shared – remains discriminatory against women, with male heirs generally receiving twice as much as female heirs.<sup>1</sup>

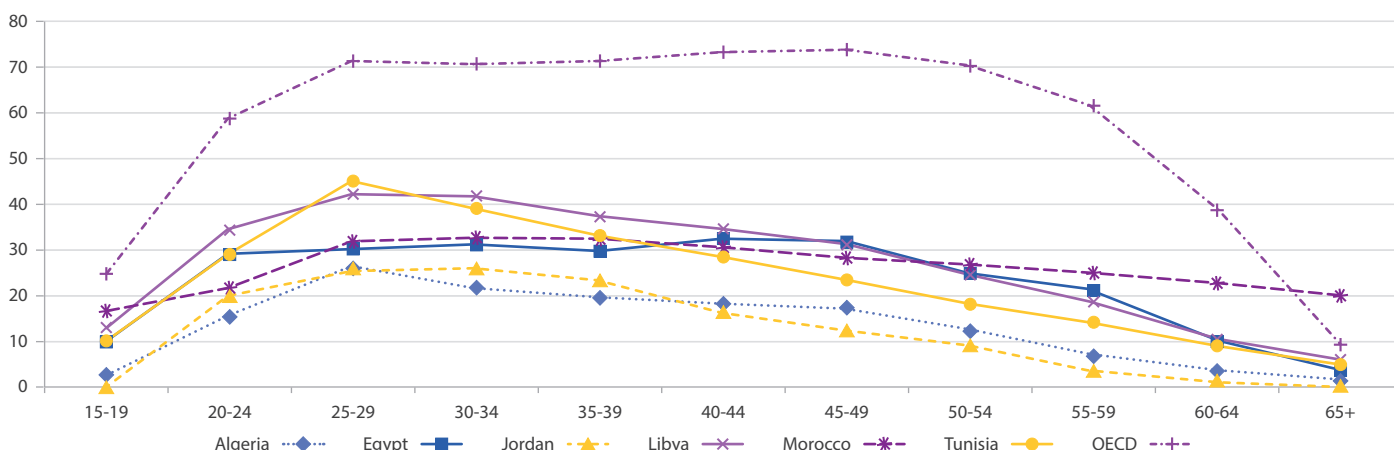
Some progress has been made toward greater equality between men and women in the right to ask for divorce, in particular in Tunisia, Algeria and Morocco. In the other countries, divorce procedures are still easier for men. In many cases, the financial consequences of the dissolution of marriage weaken women's economic and social status.

Women interviewed for the report noted that the reforms that have been made so far have not yet translated into new social norms. This in turn has a major bearing on the implementation of other economic laws and public policies affecting women's autonomy, social roles and self-confidence, and represents a considerable barrier to their economic development.

**The OECD encourages governments to ensure that family law conforms to international and constitutional commitments, and in particular that it meets the principle of gender equality and is not discriminatory in nature. Governments may consider establishing an expert task force to examine the economic implications of family law on women's ability to engage in the economy. The impact of men's level of responsibility on the country's competitiveness could also be studied.**

<sup>1</sup> Of note, however, is a call by the Tunisian President in August 2017 for the establishment of a task force to examine the possibility of amending the law to mandate equality in inheritance

FEMALE LABOUR FORCE PARTICIPATION RATES BY AGE GROUPS, 2013 (%)



Source: International Labour Office (2016), ILOSTAT/ ILO database of labour statistics.





## Women's labour rights

The labour codes of Algeria, Egypt, Jordan, Libya, Morocco and Tunisia provide for non-discrimination on the basis of gender and for equal pay for men and women. Yet equal treatment and opportunities between men and women remains a challenge in relation to hiring, wages or career development as the low rates of women's labour force participation suggest.

Women in the six countries receive inferior wages for equal work, with disparities particularly high in rural areas and in the private sector. Women rarely hold senior management positions or sit on company boards of directors.

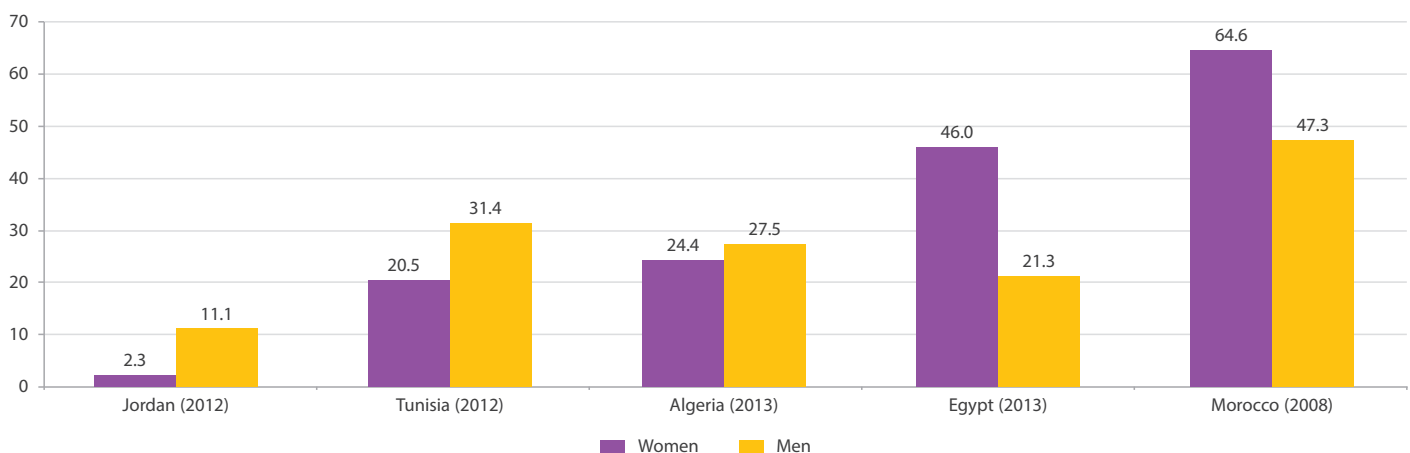
Restrictive provisions aimed at protecting women curb their formal job opportunities. Labour codes limit women's work at night and in specific "hazardous" activities. Measures specifically targeting women – such as nursing and day-care at the work place or early retirement – carry costs and exert a negative influence on women's employment by private employers, who prefer recruiting and promoting men. Only Morocco has ratified the ILO 2000 Maternity Protection Convention and grants maternity leave entirely financed by the social security system. And some sectors and activities fall outside of

any labour regulations, driving women into informal, unprotected work.

Ensuring that both men and women have equal access to wage and non-wage benefits, provisions enabling more flexible or part-time work arrangements and actions to increase women's security in transport to and within the work place, would provide strong incentives for women to join the labour force. Affirmative-action programmes would also help attract women, thus expanding the talent pool and spurring wider private sector development.

**Few amendments have been made to the labour laws of the six countries in recent years, and they need to be further brought into line with national constitutions. The OECD encourages governments to update these laws to combat discrimination against women in all types of work throughout their working lives and to unleash countries' economic development. Governments should also reinforce monitoring and sanctioning to bridge gaps between labour laws and practices. They may examine to what extent the interaction between labour-related provisions and bargaining power in the household may push women out of the labour market and possibly into informality.**

**FEMALE AND MALE VULNERABLE EMPLOYMENT (AS % OF TOTAL MALE/FEMALE EMPLOYMENT), LATEST AVAILABLE DATA BY COUNTRY**



Source: World Bank (2016), World Bank Development Indicators database, <http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators>



# Women's Entrepreneurship

Legislation concerning the establishment and management of businesses in Algeria, Egypt, Jordan, Libya, Morocco and Tunisia does not distinguish between men and women. Yet women's entrepreneurship in the six countries lags significantly behind men's, suggesting that women face specific challenges in establishing, managing or developing a business.

Work experience and business contacts are critical for business success, yet both are limited for many women in the region for reasons outlined in the other sections of this brochure.

Access to finance is in principle equal in the six countries. However, different factors – such as unequal inheritance laws and bank requirements that expect husbands to co-sign loans – contribute to women having less available collateral to secure external financing than men. Women may turn to other options such as borrowing from family and friends or microcredit, but both have limitations. This lack of ability to raise external financing as compared to men stifles the potential of women's businesses to innovate and grow.

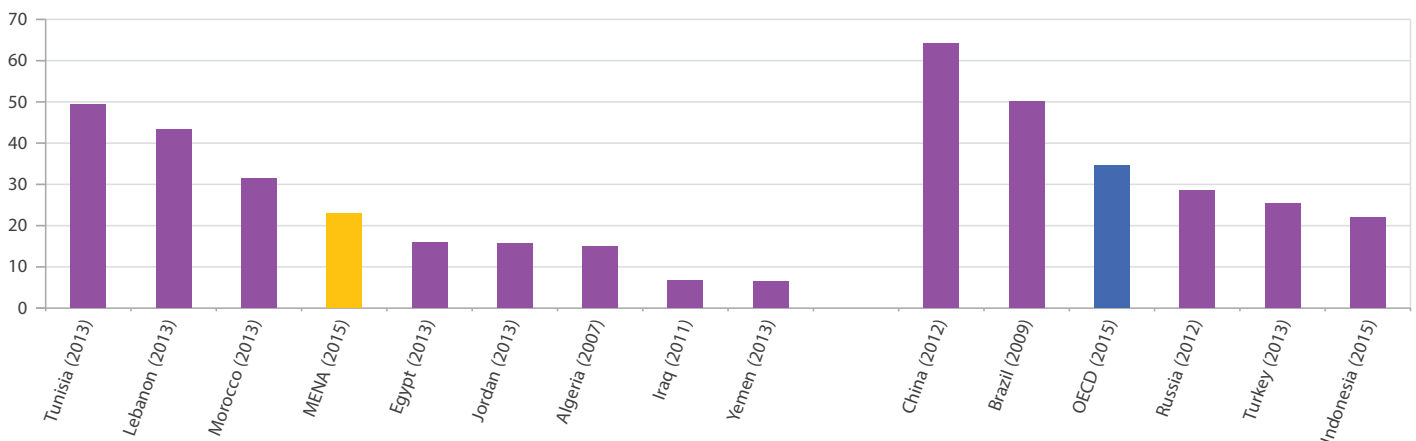
Countries have made a priority of improving their business environments and reducing regulatory burden, which divert

scarce resources to administrative procedures. And from a legal standpoint, men and women face the same conditions in registering a business. Yet in practice, women face additional challenges in business registration and licensing procedures. This stems from their lack of work experience, access to networks, and difficulties in identifying and physically accessing the relevant agencies via safe transportation. Support structures for women entrepreneurs are insufficient, and information is scarce.

In addition, due to stereotypes and gender roles, women who set out to become entrepreneurs can face resistance from their own families, according to participants in focus groups. This is particularly problematic in rural areas, where a woman who leaves the home to work risks damaging her reputation.

**Governments could encourage women's entrepreneurship through policies that support better access to finance and prohibit discrimination based on gender or marital status. Other positive steps could include the development of credit registries and bureaus, the creation of guarantee mechanisms to compensate for women's limited assets and programmes to increase women's financial education.**

**FIRMS WITH FEMALE PARTICIPATION IN OWNERSHIP (% OF FIRMS)**  
2015 (or latest available data)



Source: World Bank (2016), World Bank Development Indicators database, <http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators>.

Note: Firms with female participation in ownership refers to the percentage of firms with a woman among the principal owners. Data for Libya is not available.

# Closing gender gaps in the economy and society is a priority for the OECD

Building on its expertise, the OECD launched the **2010 Gender Initiative** and set a number of standards on policy reforms to enhance gender equality. The *Council Recommendation on Gender Equality in Education, Employment and Entrepreneurship* was adopted in 2013, followed by the OECD 2015 Recommendation of the *Council on Gender Equality in Public Life* and by the 2015 update of the *G20/OECD Principles of Corporate Governance*.

In 2017, recent policy developments on gender equality were reported to the OECD Ministerial Council Meeting. They are discussed in detail in the OECD publication *The Pursuit of Gender Equality: An Uphill Battle* which illustrates that progress in OECD countries has been slow and that there is a strong need for further policy action to close gender gaps in education, employment, entrepreneurship and public life.

The OECD's engagement to advance gender equality spans a variety of OECD committees and regional initiatives such as the G20 and the **MENA-OECD Initiative on Governance and Competitiveness for Development**. The work by the MENA-OECD Programmes on Competitiveness and Governance are complementary and build on each other's findings to supporting gender equality in the MENA region. Going forward, they will increasingly collaborate and develop synergies.

[www.oecd.org/gender](http://www.oecd.org/gender)

[www.oecd.org/mena](http://www.oecd.org/mena)

The **MENA-OECD Competitiveness Programme** has been working for over a decade to advance women's economic empowerment in the region. Building on the 2007 *Declaration on Fostering Women's Entrepreneurship* (English | and the 2009 *Action Plan on Fostering Women's Entrepreneurship and Employment*, the Programme created a OECD-MENA Women's Business Forum (WBF), which grew to become a network of over 700 participants from MENA and OECD countries governments, the private sector, academia and civil society.

A new **MENA-OECD Women's Economic Empowerment Forum (WEEF)** will be launched in 2017. It will follow on this work, seeking to address critical issues such as: equal access to economic opportunities, challenges in implementing legal reforms, gendered data collection, and achieving Sustainable Development Goals and benefit from the input of reputed experts from other regional and international organisations.

[www.oecd.org/mena/competitiveness](http://www.oecd.org/mena/competitiveness)

In the framework of the **MENA-OECD Governance Programme**, the MENA-OECD Gender Focus Group has provided a forum for policy dialogue and capacity building since its inception in 2009. It promotes legal equality as well as equality of opportunity and political voice, building on the 2015 *OECD Council Recommendation on Gender Equality in Public Life*.

The OECD publication "*Women in Public Life: Gender, Law and Policy in the Middle East and North Africa*" provides recommendations on how to eliminate gender-based discrimination, strengthen the institutional framework for gender equality and enable women's access to decision making posts in the public sector.

The OECD *Policy Toolkit for Gender in Governance* targets OECD member and partner countries while aiming to support them in the implementation of the OECD Recommendation on Gender Equality in Public Life. The Toolkit draws a road map to strengthen gender equality results through putting in place good governance frameworks and tools; for each Recommendation's provision it provides: a priority checklist; a set of self-assessment questions; a rationale explaining the importance of various governance aspects to achieve gender equality; key actions and pitfalls to avoid; and good practice examples.

[www.oecd.org/governance](http://www.oecd.org/governance)



## **The OECD: supporting women's economic empowerment in the MENA region and across the world**

All countries stand to gain from empowering women to use their full economic potential: it directly impacts growth, competitiveness and social well-being. This remains a key challenge in the Middle East-North Africa region, where women's participation in the labour force is lowest in the world.

In a ground-breaking new study, the OECD reports on the current situation in six Middle East-North Africa countries – Algeria, Egypt, Jordan, Libya, Morocco and Tunisia – and offers policy recommendations for boosting gender equality.

The study is based on a detailed analysis of women's legal rights and on discussions with experts and focus groups in the six countries. This methodology has allowed the collection of rich and unique input following extensive research.

As we aim to build better policies for a better world, promoting approaches that unleash the talent and dynamism of women in the Middle East-North Africa region and beyond will mean better lives for us all.

[www.oecd.org/mena](http://www.oecd.org/mena)

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