



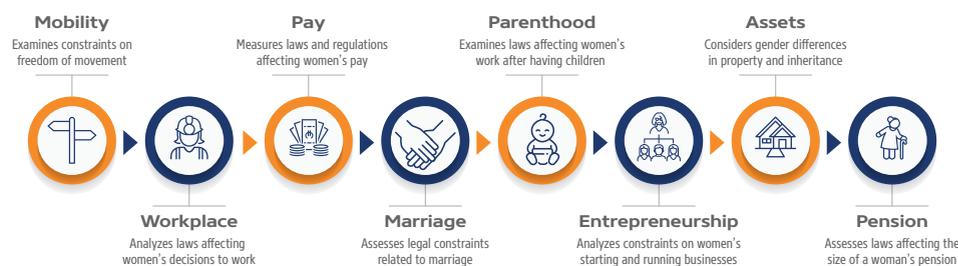
APPENDIX A

Data Notes

Women, Business and the Law measures laws and regulations affecting women's economic inclusion in 190 economies. Although progress has been made over the last 50 years, the data confirm that more work is needed to ensure that women have equality of opportunity when entering the workforce and starting their own business.

To highlight these opportunities for change, *Women, Business and the Law 2021* presents an index structured around the stages of a woman's working life (figure A.1). This framework helps align areas of the law with the economic decisions women make as they experience various milestones. The indicators not only represent women's interactions with the law as they begin, progress through, and end their careers, but also are an easily replicable measure of the legal environment that women face as entrepreneurs and employees. This edition of *Women, Business and the Law* presents an update of the index based on the laws and regulations reformed between September 2, 2019, and October 1, 2020.

FIGURE A.1 | THE EIGHT *WOMEN, BUSINESS AND THE LAW* INDICATORS



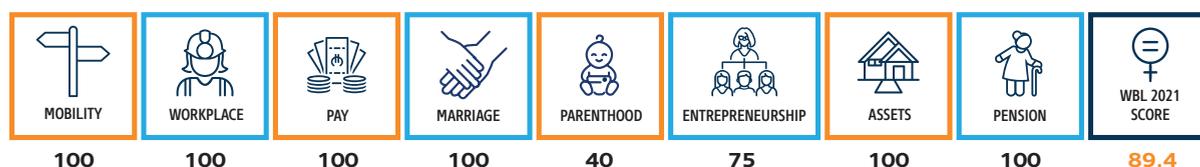
Source: *Women, Business and the Law* team.

Methodology

Women, Business and the Law is based on an analysis of the domestic laws and regulations that affect women's economic opportunities. The indicators were selected on the basis of their association with measures of women's economic empowerment and through research and consultation with experts. They are also inspired by the international legal frameworks set out in the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW); the Committee on the Elimination of Discrimination against Women General Recommendations (CEDAW GR); the UN Declaration on the Elimination of Violence against Women (DEVAW); and the International Labour Organization (ILO) Equal Remuneration Convention, 1951 (No. 100); Maternity Protection Convention, 2000 (No. 183); and Violence and Harassment Convention, 2019 (No. 190).

TABLE A.1 WOMEN, BUSINESS AND THE LAW INDICATORS	
Mobility (0–100)	
1.	Can a woman choose where to live in the same way as a man? (Yes = 1, No = 0)
2.	Can a woman travel outside her home in the same way as a man? (Yes = 1, No = 0)
3.	Can a woman apply for a passport in the same way as a man? (Yes = 1, No = 0)
4.	Can a woman travel outside the country in the same way as a man? (Yes = 1, No = 0)
Workplace (0–100)	
1.	Can a woman get a job in the same way as a man? (Yes = 1, No = 0)
2.	Does the law prohibit discrimination in employment based on gender? (Yes = 1, No = 0)
3.	Is there legislation on sexual harassment in employment? (Yes = 1, No = 0)
4.	Are there criminal penalties or civil remedies for sexual harassment in employment? (Yes = 1, No = 0)
Pay (0–100)	
1.	Does the law mandate equal remuneration for work of equal value? (Yes = 1, No = 0)
2.	Can a woman work at night in the same way as a man? (Yes = 1, No = 0)
3.	Can a woman work in a job deemed dangerous in the same way as a man? (Yes = 1, No = 0)
4.	Can a woman work in an industrial job in the same way as a man? (Yes = 1, No = 0)
Marriage (0–100)	
1.	Is there no legal provision that requires a married woman to obey her husband? (Yes = 1, No = 0)
2.	Can a woman be head of household in the same way as a man? (Yes = 1, No = 0)
3.	Is there legislation specifically addressing domestic violence? (Yes = 1, No = 0)
4.	Can a woman obtain a judgment of divorce in the same way as a man? (Yes = 1, No = 0)
5.	Does a woman have the same rights to remarry as a man? (Yes = 1, No = 0)
Parenthood (0–100)	
1.	Is paid leave of at least 14 weeks available to mothers? (Yes = 1, No = 0)
2.	Does the government administer 100% of maternity leave benefits? (Yes = 1, No = 0)
3.	Is paid leave available to fathers? (Yes = 1, No = 0)
4.	Is there paid parental leave? (Yes = 1, No = 0)
5.	Is dismissal of pregnant workers prohibited? (Yes = 1, No = 0)
Entrepreneurship (0–100)	
1.	Does the law prohibit discrimination in access to credit based on gender? (Yes = 1, No = 0)
2.	Can a woman sign a contract in the same way as a man? (Yes = 1, No = 0)
3.	Can a woman register a business in the same way as a man? (Yes = 1, No = 0)
4.	Can a woman open a bank account in the same way as a man? (Yes = 1, No = 0)
Assets (0–100)	
1.	Do men and women have equal ownership rights to immovable property? (Yes = 1, No = 0)
2.	Do sons and daughters have equal rights to inherit assets from their parents? (Yes = 1, No = 0)
3.	Do male and female surviving spouses have equal rights to inherit assets? (Yes = 1, No = 0)
4.	Does the law grant spouses equal administrative authority over assets during marriage? (Yes = 1, No = 0)
5.	Does the law provide for the valuation of nonmonetary contributions? (Yes = 1, No = 0)
Pension (0–100)	
1.	Is the age at which men and women can retire with full pension benefits the same? (Yes = 1, No = 0)
2.	Is the age at which men and women can retire with partial pension benefits the same? (Yes = 1, No = 0)
3.	Is the mandatory retirement age for men and women the same? (Yes = 1, No = 0)
4.	Are periods of absence due to childcare accounted for in pension benefits? (Yes = 1, No = 0)

Source: *Women, Business and the Law* database.

FIGURE A.2 | ECUADOR SCORES 89.4 ON THE WOMEN, BUSINESS AND THE LAW INDEX

Source: *Women, Business and the Law* database.

The data set and analysis can be used to support research and policy discussions on the ways in which the legal environment influences women's economic activity. Thirty-five data points are scored across eight indicators composed of four or five binary questions, with each indicator representing a different phase of a woman's life (table A.1). Indicator-level scores are obtained by calculating the unweighted average of responses to the questions within that indicator and scaling the result to 100. Overall scores are then calculated by taking the average of each indicator, with 100 representing the highest possible score.

Examining the data for one economy illustrates how scoring works in the index. In figure A.2, Ecuador receives a score of 100 for Mobility, Workplace, Pay, Marriage, Assets, and Pension, which indicates that no legal constraints were found in the areas measured under these indicators.

Under Parenthood, however, the lack of paid maternity leave of at least 14 weeks, government-administered maternity leave benefits, or paid parental leave results in a score of 40. The score for Entrepreneurship is 75 because the law does not prohibit gender-based discrimination in access to credit.

Based on this information, the overall score for Ecuador is calculated as the unweighted average of all eight indicator scores on a scale of 0–100, with 100 representing the best score overall. Ecuador thus scores 89.4 on the *Women, Business and the Law* index.

Strengths and limitations of the methodology

To construct the index, *Women, Business and the Law* relies on the feedback of over 2,000 respondents with expertise in family, labor, and criminal law, including lawyers, judges, academics, and members of civil society organizations working locally on gender issues. Besides filling out written questionnaires, respondents provide references to relevant legislation. The *Women, Business and the Law* team then collects the texts of these laws and regulations and verifies questionnaire responses for accuracy. Responses are validated against codified sources of national law, including constitutions, codes, laws, statutes, rules, regulations, and procedures in areas such as labor, social security, civil procedure, violence against women, marriage and family, inheritance, nationality, and land. The data reflect legislation enacted as of October 1, 2020, unless otherwise indicated.

This unique approach has both strengths and limitations (table A.2). Because the indicators are binary, they may not reflect the nuances or details of some of the policies measured. Indicators are also based on standardized assumptions to ensure comparability across economies. For example, an assumption used for questions on

TABLE A.2		
METHODOLOGICAL STRENGTHS AND LIMITATIONS		
Feature	Strength	Limitation
Use of standardized assumptions	Data are comparable across economies, and methodology is transparent.	Scope of data is smaller; only regulatory reforms in the areas measured can be systematically tracked.
Coverage of largest business city only	Data collection is manageable, and data are comparable.	In federal economies, data could be less representative where there are differences in laws across locations.
Focus on the most populous group	Data are comparable across economies where there are parallel legal systems prescribing different rights for different groups of women.	Restrictions that apply to minority populations may not be covered.
Emphasis on the formal sector	Attention remains centered on the formal economy, where regulations are more relevant.	The reality faced by women in the informal sector, which may be a significant population in some economies, is not reflected.
Measure of codified law only	Indicators are actionable because the law is what policy makers can change.	Where systematic implementation of legislation is lacking, regulatory changes alone will not achieve the desired results; social and cultural norms are not considered.

Source: *Women, Business and the Law* database.

maternity leave is that the woman in question has one child. Although maternity leave benefits often differ for multiple births, only data for individual births are captured. Another assumption is that the woman in question is located in the largest business city of the economy. In federal economies, laws affecting women can vary by state or province. Even in nonfederal economies, women in rural areas and small towns could face more restrictive local legislation. Such restrictions are not captured by *Women, Business and the Law* unless they are also found in the main business city. Finally, where personal law prescribes different rights and obligations for different groups of women, the data focus on the most populous group, which may mean that restrictions applying only to minority populations are missed.

Although it ensures comparability of the data, this use of standardized assumptions is limited in its ability to fully reflect the diversity of women's experiences. *Women, Business and the Law* recognizes that the laws it measures do not apply to all women in the same way. Women face intersectional forms of discrimination based on gender, sex, sexuality, race, gender identity, religion, family status, ethnicity, nationality, disability, and a myriad of other grounds. *Women, Business and the Law* therefore encourages readers to interpret the data in conjunction with other available research.

Women, Business and the Law also focuses solely on the ways in which the formal legal and regulatory environment determines whether women can work or open their own business. Although many women in developing economies are employed by the informal sector, a goal of this project is to define some of the features of the legal framework that make it more difficult for women to transition from the informal to the formal economy.

This project also recognizes the often-large gaps between laws on the books and actual practice. One reason for these gaps may be poor implementation of legislation stemming from weak enforcement, poor design, or low institutional capacity. Nonetheless, identifying legal differences is one step toward better understanding where women's economic rights may be restricted in practice.

Women, Business and the Law acknowledges that equal opportunities for women in business and the workplace depend on an interplay of economic, social, and cultural factors. For example, unless women are able to get an education or build their skills, equalizing laws affecting entrepreneurship and employment could mean little. Other factors, such as infrastructure, also may affect the ability and desire of women to work. In addition, social and cultural norms may prevent women from running a business or working outside the home. Within this overall picture, *Women, Business and the Law* recognizes the limitations of its assumptions and its focus on statutory law. Even though such assumptions may come at the expense of specificity, they also ensure data comparability across economies.

Indicators and questions

This section looks more closely at the 35 scored binary questions, grouped by indicator (box A.1).

Answers to the questions are based on codified law only. Customary law is not taken into account unless it has been codified. Where the answer differs according to the legal system (for example, in mixed legal systems where different laws govern different groups of people within an economy), the answer used is the one that applies to the majority of the population. Supranational law, such as that enacted by the Organization for the Harmonization of Business Law in Africa (OHADA), is not considered when domestic law contravenes supranational rules and limits the legal capacity of women. Some questions take into account the enactment date of laws and regulations and some the

BOX A.1 ASSUMPTIONS USED TO ENSURE COMPARABILITY

The woman in question

- resides in the economy's main business city.
- has reached the legal age of majority and is capable of making decisions as an adult, is in good health, and has no criminal record.
- is a lawful citizen of the economy being examined.
- is a cashier in the food retail sector in a supermarket or grocery store that has 60 employees.
- is a cisgender, heterosexual woman in a monogamous first marriage registered with the appropriate authorities (de facto marriages and customary unions are not measured).

(continued on next page)

BOX A.1 ASSUMPTIONS USED TO ENSURE COMPARABILITY (CONTINUED)

- is of the same religion as her husband.
- is in a marriage under the rules of the default marital property regime, or the most common regime for that jurisdiction, which will not change during the course of the marriage.
- is not a member of a union, unless membership is mandatory. Membership is considered mandatory when collective bargaining agreements cover more than 50 percent of the workforce in the food retail sector and when they apply to individuals who were not party to the original collective bargaining agreement.

For the questions on maternity, paternity, and parental leave, it is assumed that

- the woman gave birth to her first child without complications on October 1, 2020, and her child is in good health. Answers will therefore correspond to legislation in force as of October 1, 2020, even if the law provides for changes over time.
- both parents have been working long enough to accrue any maternity, paternity, and parental benefits.
- if maternity benefit systems are not mandatory or they were not in force as of October 1, 2020, they are not measured.

For the questions on inheritance rights, it is assumed that

- the deceased has not left a will, so the rules of intestate succession apply.
- when determining the inheritance rights of spouses, male and female surviving spouses do not have any living children.

For the questions on retirement and pensions, it is assumed that

- the woman gave birth without complications to two healthy children.
- the woman ceased all paid activity during periods of childcare. If the period covered by a pension credit is conditioned on the age of the child, the period until the child reaches age one is counted.
- if transitional provisions gradually change the retirement age, the answer will reflect the retirement age as of October 1, 2020, even if the law provides for changes over time.
- if a mandatory contributory pension system applicable to the private sector and a noncontributory universal pension system coexist, the answers will correspond with the rules applicable to the mandatory contributory pension system.
- if pension systems are not mandatory or were not in force as of October 1, 2020, they are not measured.

Source: *Women, Business and the Law* database.

date of enforcement, whereas a few consider the state of implementation. For example, questions that measure the provision of a benefit such as paid leave or old age pension consider only laws that are in force and systems through which benefits are paid that are in place and operational. No changes to the *Women, Business and the Law* methodology were made for this edition.

Mobility

The Mobility indicator measures constraints on a woman's agency and freedom of movement, both of which are likely to influence her decision to enter the labor force and engage in entrepreneurial activity.¹ This indicator has four components that measure:

- **Whether a woman can choose where to live in the same way as a man.** A score of 1 is assigned if there are no restrictions on a woman choosing where to live. A score of 0 is assigned if there are explicit restrictions on a woman choosing where to live, if the husband chooses the family residence, if a woman's domicile automatically follows that of her husband, or if the husband has more legal weight than the woman in determining where the family will live.
- **Whether a woman can travel outside her home in the same way as a man.** A score of 1 is assigned if there are no restrictions on a woman traveling alone domestically. A score of 0 is assigned if permission, additional documentation, or the presence of her husband or guardian is required for a woman to travel alone domestically. A score of 0 is also assigned if a woman must justify her reasons for leaving the home, or if leaving the home without a valid reason is considered disobedience with legal consequences, such as loss of right to maintenance.
- **Whether a woman can apply for a passport in the same way as a man.** This question considers actual application forms available at the relevant agency or on official government websites, regardless of what the law specifies. A score of 1 is assigned if there are no gender differences in passport application procedures. A score of 0 is assigned if an adult woman needs the permission or signature of her husband, father, or other relative or guardian to apply for a passport. A score of 0 is also assigned if passport application procedures or forms require a woman to provide details about her husband, father, or other relative or guardian, or additional documents such as a marriage certificate, whereas the same is not required for a man.
- **Whether a woman can travel outside the country in the same way as a man.** A score of 1 is assigned if there are no restrictions on a woman traveling alone internationally. A score of 0 is assigned if permission, additional documentation, or the presence of her husband or a guardian is required for a woman to leave the country. A score of 0 is also assigned if the law requires a married woman to accompany her husband out of the country if he wishes her to.



Workplace

The Workplace indicator analyzes laws affecting women's decisions to enter the labor market, including women's legal capacity and ability to work, as well as protections in the workplace against discrimination and sexual harassment. Antidiscrimination legislation is positively associated with women's employment and earnings, whereas sexual harassment can negatively influence women's career trajectories.² This indicator has four components that assess:

- **Whether a woman can get a job in the same way as a man.** A score of 1 is assigned if there are no restrictions on a woman's legal capacity and ability to get a job or pursue a trade or profession. A score of 0 is assigned if a husband can prevent his wife from working, or if permission or additional documentation is required for a woman to work but not a man. A score of 0 is also assigned if it is considered a form of disobedience with legal consequences, such as loss of maintenance, for a woman to work contrary to her husband's wishes or the interests of the family.
- **Whether the law prohibits discrimination in employment based on gender.** A score of 1 is assigned if the law prohibits employers from discriminating based on sex or gender or mandates equal treatment of women and men in employment. A score of 0 is assigned if the law does not prohibit such discrimination or only prohibits it in one aspect of employment, such as pay or dismissal.
- **Whether there is legislation on sexual harassment in employment.** A score of 1 is assigned if legal provisions specifically protect against sexual harassment in employment, including unwelcome verbal or physical conduct of a sexual nature. A score of 0 is assigned if there is no such legislation. A score of 0 is also assigned if the law addresses harassment in general but makes no reference to acts of a sexual nature or contact, or if it states only that the employer has a duty to prevent sexual harassment but no provisions prohibit it or provide sanctions or other forms of redress.
- **Whether there are criminal penalties or civil remedies for sexual harassment in employment.** A score of 1 is assigned if the law establishes criminal sanctions, such as fines or imprisonment, for sexual harassment in employment. A score of 1 is also assigned if the provision in the criminal code provides for reparation or damages for offenses covered by the code, or if the law provides for civil remedies or compensation for victims of sexual harassment in employment or the workplace, even after dismissal of the victims. A score of 0 is assigned if the law establishes neither criminal sanctions for sexual harassment in employment nor civil remedies or compensation for victims of sexual harassment in employment or the workplace. A score of 0 is also assigned if the law only prohibits sexual harassment in employment and sets forth that the employer should apply discretionary sanctions.



Pay

The Pay indicator measures laws affecting occupational segregation and the gender wage gap. Restrictions on certain jobs have been found to be negatively correlated with female employment.³ This indicator has four components that assess:

- **Whether the law mandates equal remuneration for work of equal value.** “Remuneration” refers to the ordinary, basic, or minimum wage or salary and any additional emoluments payable directly or indirectly, whether in cash or in kind, by the employer to the worker and arising from the worker’s employment. “Work of equal value” refers not only to the same or similar jobs but also to different jobs of the same value. A score of 1 is assigned if employers are legally obliged to pay equal remuneration to male and female employees who perform work of equal value in accordance with these definitions. A score of 0 is assigned if the law limits the principle of equal remuneration to equal work, the same work, similar work, or work of a similar nature. A score of 0 is also assigned if the law limits the broad concept of “remuneration” to only basic wages or salary, or if the law limits the principle of equal remuneration for work of equal value to the same place of business or same employer.
- **Whether a woman can work at night in the same way as a man.** A score of 1 is assigned if nonpregnant and non-nursing women can work at night in the same way as men. A score of 1 is also assigned when restrictions on women’s ability to work at night do not apply to the food retail sector, women’s consent to work at night is required, or an employer needs to comply with safety measures (such as providing transportation). A score of 0 is assigned if the law broadly prohibits women, including those with children over the age of one, from working at night or limits the hours women can work at night. A score of 0 is also assigned if the law gives the relevant authority the power to restrict or prohibit women’s night work, regardless of the content of any decisions issued by that authority.
- **Whether a woman can work in a job deemed dangerous in the same way as a man.** A score of 1 is assigned if no laws prohibit or restrict nonpregnant and non-nursing women from working in a broad and subjective category of jobs deemed “hazardous,” “arduous,” or “morally inappropriate.” A score of 0 is assigned if the law prohibits or restricts women from working in jobs deemed hazardous, arduous, or morally inappropriate. A score of 0 is also assigned if the employer or relevant authority can determine whether particular jobs are too hazardous, arduous, or morally inappropriate for women but not for men, regardless of the content of any decisions issued by that employer or authority.
- **Whether a woman can work in an industrial job in the same way as a man.** A score of 1 is assigned if nonpregnant and non-nursing women can work in the mining, construction, manufacturing, energy, water, agriculture, and transportation industries

in the same way as men. A score of 0 is assigned if the law prohibits women from working in these industries. A score of 0 is also assigned if women's employment in the relevant industries is restricted in any way, such as by prohibiting women from working at night in "industrial undertakings," or by giving the relevant authority the power to prohibit or restrict women from working in certain jobs or industries, regardless of the content of any decisions issued by that authority.



Marriage

The Marriage indicator measures legal constraints related to marriage and divorce. Legal discrimination against women, including limits on their ability to be head of household, has been found to be negatively correlated with labor force participation.⁴ Unequal rights in marriage and divorce can also have negative effects on women's intrahousehold bargaining power and jeopardize their financial security when a divorce is finalized.⁵ This indicator has five components that measure:

- **Whether there is no legal provision that requires a married woman to obey her husband.** A score of 1 is assigned if there is no provision requiring a married woman to obey her husband. A score of 0 is assigned if there is an explicit provision stating that a married woman must obey her husband, or if disobedience of a husband has legal ramifications for his wife, such as loss of her right to maintenance.
- **Whether a woman can be head of household in the same way as a man.** A score of 1 is assigned if there are no restrictions on a woman being head of household or head of family. A score of 0 is assigned if there is a provision designating the husband as head of household or stipulating that the husband leads the family. A score of 0 is also assigned if a male is designated as the default family member who receives the family book or equivalent document that is needed for access to services. Gender restrictions under tax law are not measured by this question.
- **Whether there is legislation specifically addressing domestic violence.** A score of 1 is assigned if there is legislation addressing domestic violence that includes criminal sanctions or provides for protection orders for domestic violence. A score of 0 is assigned if there is no legislation addressing domestic violence, if the domestic violence legislation does not provide for sanctions or protection orders, or if only a specific category of women or family member is protected. A score of 0 is also assigned if there is only a provision that increases penalties for general crimes covered in the criminal code if committed between spouses or within the family.
- **Whether a woman can obtain a judgment of divorce in the same way as a man.** A score of 1 is assigned if the process to obtain a judgment of divorce is equal for women and men or provides additional protections for women, such as prohibiting a husband from initiating divorce proceedings while his wife is pregnant. A score of 0 is assigned if there are procedural or evidentiary differences for women, if only men can initiate divorce proceedings, or if divorce is legally prohibited.
- **Whether a woman has the same rights to remarry as a man.** A score of 1 is assigned if women and men have equal rights to remarry. A score of 0 is assigned if provisions limit a woman's right to remarry, such as requiring a waiting period before remarriage to which a man is not subject. A score of 0 is also assigned if divorce is legally prohibited.



Parenthood

The Parenthood indicator examines laws affecting women's work during and after pregnancy. Women are more likely to return to work if the law mandates maternity leave.⁶ This indicator has five components that measure:

- **Whether paid leave of at least 14 weeks is available to mothers.** A score of 1 is assigned if mothers are legally entitled to at least 14 weeks (98 calendar days) of paid leave for the birth of a child through maternity leave, parental leave, or a combination of both. A score of 0 is assigned if the law does not establish paid leave for mothers, or if the length of paid leave is less than 14 weeks.
- **Whether the government administers 100% of maternity leave benefits.** A score of 1 is assigned if leave benefits are fully administered by a government entity, including compulsory social insurance schemes (such as social security), public funds, government-mandated private insurance, or employer reimbursement of any maternity leave benefits paid directly to an employee. A score of 0 is assigned if any of the cost is shared by the employer. A score of 0 is also assigned if contributions or taxes are mandated only for female employees, if the social insurance scheme that provides maternity leave benefits is optional, or if no paid leave is available to expectant and new mothers.
- **Whether paid leave is available to fathers.** A score of 1 is assigned if fathers are legally entitled to at least one day of paid paternity leave for the birth of a child, or if the law reserves a portion of paid parental leave specifically for fathers—that is, through “use-it-or-lose-it” policies or fathers’ quotas. A score of 1 is also assigned if fathers are individually entitled to paid parental leave. A score of 0 is assigned if the law does not guarantee fathers any paid paternity leave or other specific leave for the birth of a child. A score of 0 is also assigned if allowances for the birth of a child must be deducted from annual or sick leave.
- **Whether there is paid parental leave.** A score of 1 is assigned if parents are legally entitled to some form of full-time paid parental leave, either shared between mother and father or as an individual entitlement that each can take regardless of the other. A score of 0 is assigned if the law does not mandate any form of paid parental leave.
- **Whether dismissal of pregnant workers is prohibited.** A score of 1 is assigned if the law explicitly prohibits the dismissal of pregnant women, if pregnancy cannot serve as grounds for termination of a contract, or if dismissal of pregnant workers is considered a form of unlawful termination, unfair dismissal, or wrongful discharge. A score of 0 is assigned if there are no provisions prohibiting the dismissal of pregnant workers, or if the law only prohibits the dismissal of pregnant workers during maternity leave, for a limited period of the pregnancy, or when pregnancy results in illness or disability.



Entrepreneurship

The Entrepreneurship indicator measures constraints on women starting and running a business. Having access to a bank account is strongly correlated with women's labor supply.⁷ This indicator has four components that measure:

- **Whether the law prohibits discrimination in access to credit based on gender.** A score of 1 is assigned if the law prohibits discrimination by creditors based on sex

or gender or prescribes equal access for both men and women when conducting financial transactions or entrepreneurial activities or receiving financial assistance. A score of 1 is also assigned if the law prohibits gender discrimination when accessing goods and services (and services are defined to include financial services). A score of 0 is assigned if the law does not prohibit such discrimination, or if the law does not provide for effective remedies.

- **Whether a woman can sign a contract in the same way as a man.** A score of 1 is assigned if a woman obtains full legal capacity upon reaching the age of majority and there are no restrictions on her signing legally binding contracts. A score of 0 is assigned if a woman has limited legal capacity to sign a contract or needs the signature, consent, or permission of her husband or guardian to do so.
- **Whether a woman can register a business in the same way as a man.** A score of 1 is assigned if there are no restrictions on a woman registering a business. A score of 0 is assigned if a woman has limited legal capacity to register a business. This includes situations in which she needs her husband's or guardian's permission, signature, or consent to register a business. A score of 0 is also assigned if the registration process at any stage requires a woman to provide additional information or documentation that is not required of a man.
- **Whether a woman can open a bank account in the same way as a man.** A score of 1 is assigned if there are no restrictions on a woman opening a bank account. A score of 0 is assigned if a woman has limited legal capacity or is required to provide any additional permission or documentation that is not required of a man. A score of 0 is also assigned if legal provisions limit the ability of a woman to open a bank account, such as stating that only a married woman who is separately employed from her husband may open a bank account in her own name.

Assets

The Assets indicator examines gender differences in property and inheritance law. Improving property and inheritance rights is positively associated with female earnings and employment⁸ as well as women's access to housing and land.⁹ This indicator has five components that measure:

- **Whether men and women have equal ownership rights to immovable property.** A score of 1 is assigned if there are no restrictions on women's legal capacity and rights to immovable property. A score of 0 is assigned if women's rights to own or administer property are legally restricted. A score of 0 is also assigned if there are gender differences in the legal treatment of spousal property, such as granting the husband administrative control of marital property. This includes instances in which legal systems are supported by custom and judicial precedent.
- **Whether sons and daughters have equal rights to inherit assets from their parents.** A score of 1 is assigned if sons and daughters have the same rights to inherit assets from their parents. A score of 0 is assigned if there are gender-based differences in the recognition of children as heirs to property.

- **Whether male and female surviving spouses have equal rights to inherit assets.** A score of 1 is assigned if surviving spouses of either gender with no living children have the same inheritance rights. A score of 0 is assigned if there are gender-based differences in the inheritance rights of surviving spouses with no living children.
- **Whether the law grants spouses equal administrative authority over assets during marriage.** A score of 1 is assigned if spouses retain administrative power over the assets each brought to the marriage or acquired during marriage, and their accrued value, without the need for spousal consent. A score of 1 is also assigned if spouses administer their separate property, but for major transactions, such as selling or pledging the property as collateral, spousal consent is required, or if both spouses have equal rights in the administration and transaction of joint property. A score of 0 is assigned if the husband has administrative rights over all property, including any separate property of the wife.
- **Whether the law provides for the valuation of nonmonetary contributions.** Nonmonetary contributions include caring for minor children, taking care of the family home, or any other nonmonetized contribution from a stay-at-home spouse. A score of 1 is assigned if there is an explicit legal recognition of such contributions and the law provides for equal or equitable division of the property or the transfer of a lump sum to the stay-at-home spouse based on nonmonetary contributions. A score of 1 is also assigned if the default marital property regime is full community, partial community, or deferred community of property because these regimes implicitly recognize nonmonetary contributions at the time of property division and benefit both spouses regardless of who purchased the property or holds title to it. A score of 0 is assigned if the default marital property regime is not full or partial community or deferred full or partial community, and there is no explicit legal provision providing for equal or equitable division of property based on nonmonetary contributions.



Pension

The Pension indicator assesses laws affecting the size of a woman's pension. Early retirement can widen the potential gender gap in pension levels and increase women's risk of poverty in old age.¹⁰ This indicator has four components that measure:

- **Whether the age at which men and women can retire with full pension benefits is the same.** A score of 1 is assigned if the statutory age at which men and women can retire and receive an irrevocable minimum old-age pension is the same. A score of 0 is assigned if there is a difference in the statutory age or if there is no mandatory pension scheme implemented for private sector workers.
- **Whether the age at which men and women can retire with partial pension benefits is the same.** Partial pension benefits refer to a reduced or proportional minimum old-age pension payable to workers who did not accumulate enough work experience or periods of contribution or have not reached the statutory age to qualify for a minimum old-age pension. A score of 1 is assigned if the age at which men and women can retire and receive partial pension benefits is the same, or if the age at which men and women can retire and receive partial benefits is not mandated. A score of 0 is

assigned if the age at which men and women can retire and receive partial pension benefits is different, or if there is no mandatory pension scheme implemented for private sector workers.

- **Whether the mandatory retirement age for men and women is the same.** A score of 1 is assigned if the legally established age at which men and women must retire is the same, or if there is no mandatory retirement age. A score of 0 is assigned if the age at which men and women must retire is different.
- **Whether periods of absence from work due to childcare are taken into account in pension benefits.** A score of 1 is assigned if pension contributions are paid or credited during maternity or parental leave, or the leave period is considered a qualifying period of employment used for the purpose of calculating pension benefits. A score of 1 is also assigned if there are mechanisms to compensate for any contribution gaps and to ensure that the leave period does not reduce the assessment base or pension amounts, or if there are no mandatory contributory pension schemes, but there is a noncontributory universal social pension conditioned on noncontributory requirements with no means test attached. A score of 0 is assigned if there are no compensating pension arrangements for periods of childcare, or if there is no mandatory contributory pension scheme for private sector workers and no noncontributory universal social pension.

Reforms

Each year, *Women, Business and the Law* indicators capture changes to domestic laws and regulations that affect women's economic opportunities. Summaries of such changes are listed in the annex that follows chapter 1, thereby acknowledging the legal reform efforts undertaken by governments during the period reviewed. Any legislative or regulatory change that affects the score assigned to a given economy on any question under the eight indicators is classified as a reform. A final reform count is then calculated from the number of changes per indicator per economy.

For questions that refer to legal rights, the change must be mandatory, meaning that women can enforce their rights in court or sanctions can be leveled by a regulatory body such as a central bank, employment tribunal, national human rights commission, or other enforcement body, including the police. For questions that refer to benefits, such as maternity, parental, or pension benefits, women must be able to obtain the benefit as of the cutoff date. Policies, guidelines, model rules, principles, and recommendations are excluded, as are ratified international conventions when they have not been incorporated into domestic law. Reforms affecting the *Women, Business and the Law* indicators include but are not limited to amendments to or the introduction of a new constitution, labor law, family or personal status law, penal code, or administrative procedure.

Proposed methodological changes

The following changes in methodology have been proposed for future studies:

- **Date of reform.** Some *Women, Business and the Law* questions measure impediments to women's economic opportunity, whereas others analyze the provision of benefits. Because of the differences in these types of questions, those on impediments consider

the enactment date of laws and regulations, whereas questions that measure the provision of a benefit such as paid leave or pension consider only laws that are in force and operational. To better measure implementation of the law, *Women, Business and the Law* proposes in future cycles to begin measuring laws based on their date of enforcement rather than their date of enactment for all questions.

- **Marriage.** Unequal bargaining power within the household puts married women at a disadvantage compared with married men. The question of whether a woman is or is not legally required to obey her husband currently captures only explicit spousal obedience provisions. This approach does not account for the fact that many legal systems establish unequal power dynamics between husband and wife—for example, a woman who abstains from marital relations with her husband may face legal ramifications. *Women, Business and the Law* therefore proposes including under this question provisions that provide exemptions for marital rape or otherwise negatively affect a woman’s decision-making power within the household.
- **Parenthood.** Gender equality in the workplace is not possible without gender equality in the home. Although paternity and parental leave have the potential to redistribute unpaid care work, emerging research shows that the design of leave policies matters more for gender equality than simply their existence. In all economies that provide paid parental leave, women use it significantly more than men. Moreover, very long parental leave policies may negatively affect a woman’s career progression and earnings because she has spent too much time out of the labor force. The key to designing leave policies that do not exacerbate gender inequality may be promoting fathers’ uptake of leave. *Women, Business and the Law* thus proposes establishing longer thresholds for both the question on whether there is paid leave available for the father and the question on whether there is paid parental leave. In addition, *Women, Business and the Law* proposes refining the question on paid parental leave in order to encourage more equitable use of leave policies.
- **Entrepreneurship.** Access to credit is a major barrier to women’s entrepreneurship. *Women, Business and the Law* is seeking to refine the methodology for this indicator and potentially add new questions to better measure women’s financial inclusion.

More detailed data on each economy included in this report appear on the project website at <https://wbl.worldbank.org>. The team welcomes feedback on the methodology and construction of this set of indicators, and it looks forward to improving their coverage and scope. Comments can be offered by contacting the *Women, Business and the Law* team at wbl@worldbank.org.

Notes

1. Htun, Jensenius, and Nelson-Nuñez 2019.
2. McLaughlin, Uggen, and Blackstone 2017; Zabalza and Tzannatos 1985.
3. Ogloblin 1999, 2005; Zveglic and Rodgers 2003.
4. Goldin and Olivetti 2013; Gonzales et al. 2015.
5. Voena 2015.
6. Berger and Waldfogel 2004.
7. Field et al. 2016; Ladd 1982.
8. Heath and Tan 2018; Peterman 2011.
9. Gaddis, Lahoti, and Swaminathan 2020.
10. Burn et al. 2020; Chłoń-Domińczak 2017.

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