



## CHAPTER 1

# Findings

- Better performance in the areas measured by the *Women, Business and the Law* index is associated with a more narrow gender gap in development outcomes, higher female labor force participation, lower vulnerable employment, and greater representation of women in national parliaments.
- On average, women have just three-quarters of the legal rights afforded to men.
- Ten economies—Belgium, Canada, Denmark, France, Iceland, Ireland, Latvia, Luxembourg, Portugal, and Sweden—score 100 on the *Women, Business and the Law* index.
- Since 2019, 27 economies from all regions have enacted reforms increasing gender equality.
- Most reforms introduced or amended laws affecting pay and parenthood. There were no reforms addressing gender differences in property and inheritance as measured by the Assets indicator.
- The Middle East and North Africa and Organisation for Economic Co-operation and Development (OECD) high-income economies improved their laws the most in 2019/20.
- Over the last 50 years, three regions—OECD high income, Latin America and the Caribbean, and Sub-Saharan Africa—have seen a record gain in their average scores of more than 30 points.

Although much progress has been made over the past 50 years, global gender equality had not yet been achieved when crisis struck in 2020. COVID-19 has directly and disproportionately jeopardized women's social and economic capabilities. Because they make up the majority of health, social service, and unpaid care workers, women are uniquely susceptible to the effects of the pandemic. In addition, women continue to earn less than men for the same work, as well as face a higher risk of violence in their homes.

It may be impossible to fully prepare for such a situation, but governments take an important step toward safeguarding their economies when the legal environment encourages and incentivizes women's work. The importance of legal equality is not limited to disaster preparedness or mitigating the effects of a pandemic. When women are given the same opportunities as men, they enter and remain in the labor force, strengthening economies and enabling development. Gender equality in the law is also associated with better development outcomes, such as lower rates of vulnerable employment and extreme poverty among female workers.<sup>1</sup>

### BOX 1.1 WHAT'S NEW IN THIS EDITION?

This edition of *Women, Business and the Law* updates the data for 190 economies to October 1, 2020. It considers reforms of laws and regulations that occurred over the last year and presents analysis of new and recurring trends.

Chapter 1 reviews the relevant literature, presents associations with outcomes to make the case for equality of opportunity, and describes data insights by region and indicator.

Chapter 2 summarizes data collected on how governments and societies have addressed challenges faced by women during the COVID-19 pandemic. This information does not affect the *Women, Business and the Law* index, but instead details measures and services implemented worldwide in response to COVID-19.

Chapter 3 highlights two topics that *Women, Business and the Law* would like to further explore for possible addition to the index in future editions. It first examines access to affordable and quality childcare, which is fundamental to ensuring women's ability to enter and remain in the labor force. The chapter also presents background research on the importance of implementing laws through justice sector institutions. Each area has proved critical in efforts to close persistent gender gaps in women's economic inclusion. *Women, Business and the Law* aims to develop research and collect data that will highlight good practices in these two areas.

Yet despite progress, discriminatory laws across the world continue to threaten not only women's fundamental human rights, but also their economic security. Barriers to employment and entrepreneurship at every stage of life limit equality of opportunity, failing to adequately support working women. Women face these challenges in even the most developed economies. Worldwide they have, on average, just three-quarters of the rights of men. Governments must take urgent action to close this gap or risk worsening the effects of the pandemic.

By presenting a data set and an index highlighting opportunities for reform, *Women, Business and the Law 2021* is an important tool in the pursuit of women's economic empowerment. The seventh in a series, this study examines progress toward gender equality by measuring the laws and regulations that restrict women's economic inclusion in 190 economies. It also presents compelling findings on gender-sensitive government responses to COVID-19, as well as pilot research on both childcare and enhancing women's access to justice (box 1.1).

*Women, Business and the Law* provides policy makers with actionable benchmarks on women's economic opportunity and further evidence of the relationship between legal gender equality and economic outcomes. In particular, this edition finds that in economies where women face less discrimination under the law, greater progress has been made in closing the gender gap in such outcomes. Authorities in several economies have taken note of this finding: despite a global pandemic, 27 economies in all regions and income groups enacted reforms across indicators and increased good practice legislation in 45 instances.<sup>2</sup>

## Measuring laws and regulations that affect women's economic empowerment

Since its inception in 2009, *Women, Business and the Law* has collected data on the laws and regulations that restrict women's economic opportunities. In 2020, the project

began examining these data by means of an index structured around a woman’s working life. This perspective aligns different areas of the law with the decisions women make as they begin, progress through, and end their careers.

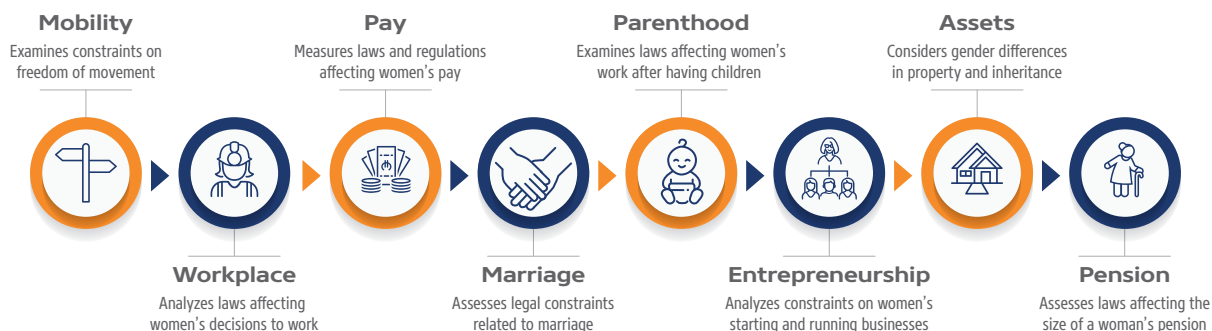
The eight *Women, Business and the Law* indicators coincide with the various milestones a typical woman might experience or achieve in her lifetime (figure 1.1). The indicators were chosen based on statistically significant associations with outcomes related to women’s economic empowerment, such as women’s labor force participation rates. They measure explicit gender-based differences in the law, as well as the presence of certain nondiscrimination and other good practice legislation that incentivizes women’s employment and entrepreneurship.

The Pay indicator, for example, measures legislation on remuneration and job restrictions—factors likely to influence a woman’s decision to enter the workforce and her choice of career. Each indicator looks at a specific set of regulations and the ways in which they affect women’s economic participation as entrepreneurs and employees. Policy makers interested in improving equality of economic opportunity can look at their economy’s scores on each indicator as a starting point for legal reform.

The *Women, Business and the Law* index relies on a series of assumptions to ensure comparability across economies. For example, the woman in question is assumed to reside in the main business city of her economy and to be employed in the formal sector. To remain actionable, the data set is also constructed using only laws and regulations in force. Unless they are codified, religious and customary laws are not considered. Finally, although it is critical to ensuring women’s economic inclusion, implementation of laws is also not currently measured. Instead, *Women, Business and the Law* identifies legal differences between men and women as one step toward a better understanding of where women’s economic rights may be restricted in practice. Future *Women, Business and the Law* research will consider how to include de facto indicators to complement the set of de jure indicators developed and presented in this report. (For the complete methodology of *Women, Business and the Law* indicators, see the data notes in appendix A.)

In this study, 35 questions are scored across the eight indicators. Overall scores are then calculated by taking the average of each indicator, with 100 representing the highest possible score (see table 1.1 for an example using Ecuador). The final *Women,*

**FIGURE 1.1 | LAWS AFFECT WOMEN THROUGHOUT THEIR WORKING LIVES**



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

TABLE 1.1		EXAMPLE OF HOW THE <i>WOMEN, BUSINESS AND THE LAW</i> INDEX IS CONSTRUCTED, ECUADOR		
Indicator	Question	Answer	Indicator score	WBL economy score
 Mobility	1. Can a woman choose where to live in the same way as a man?	Yes = 1	100	89.4
	2. Can a woman travel outside her home in the same way as a man?	Yes = 1		
	3. Can a woman apply for a passport in the same way as a man?	Yes = 1		
	4. Can a woman travel outside the country in the same way as a man?	Yes = 1		
 Workplace	1. Can a woman get a job in the same way as a man?	Yes = 1	100	
	2. Does the law prohibit discrimination in employment based on gender?	Yes = 1		
	3. Is there legislation on sexual harassment in employment?	Yes = 1		
	4. Are there criminal penalties or civil remedies for sexual harassment in employment?	Yes = 1		
 Pay	1. Does the law mandate equal remuneration for work of equal value?	Yes = 1	100	
	2. Can a woman work at night in the same way as a man?	Yes = 1		
	3. Can a woman work in a job deemed dangerous in the same way as a man?	Yes = 1		
	4. Can a woman work in an industrial job in the same way as a man?	Yes = 1		
 Marriage	1. Is there no legal provision that requires a married woman to obey her husband?	Yes = 1	100	
	2. Can a woman be head of household in the same way as a man?	Yes = 1		
	3. Is there legislation specifically addressing domestic violence?	Yes = 1		
	4. Can a woman obtain a judgment of divorce in the same way as a man?	Yes = 1		
	5. Does a woman have the same rights to remarry as a man?	Yes = 1		
 Parenthood	1. Is paid leave of at least 14 weeks available to mothers?	No = 0	40	
	2. Does the government administer 100% of maternity leave benefits?	No = 0		
	3. Is paid leave available to fathers?	Yes = 1		
	4. Is there paid parental leave?	No = 0		
	5. Is dismissal of pregnant workers prohibited?	Yes = 1		
 Entrepreneurship	1. Does the law prohibit discrimination in access to credit based on gender?	No = 0	75	
	2. Can a woman sign a contract in the same way as a man?	Yes = 1		
	3. Can a woman register a business in the same way as a man?	Yes = 1		
	4. Can a woman open a bank account in the same way as a man?	Yes = 1		
 Assets	1. Do men and women have equal ownership rights to immovable property?	Yes = 1	100	
	2. Do sons and daughters have equal rights to inherit assets from their parents?	Yes = 1		
	3. Do male and female surviving spouses have equal rights to inherit assets?	Yes = 1		
	4. Does the law grant spouses equal administrative authority over assets during marriage?	Yes = 1		
	5. Does the law provide for the valuation of nonmonetary contributions?	Yes = 1		
 Pension	1. Is the age at which men and women can retire with full pension benefits the same?	Yes = 1	100	
	2. Is the age at which men and women can retire with partial pension benefits the same?	Yes = 1		
	3. Is the mandatory retirement age for men and women the same?	Yes = 1		
	4. Are periods of absence due to childcare accounted for in pension benefits?	Yes = 1		

Source: Women, Business and the Law team.

*Business and the Law* index score presents the share of good laws in each economy weighted by the indicators. Thus, the index serves as an easily replicable way to gauge the regulatory environment for women as entrepreneurs and employees.

By measuring progress toward gender equality over time, *Women, Business and the Law* offers policy makers a benchmarking tool that exposes potential challenges, identifies good practices, and presents lessons learned. The narrow focus of the indicators provides a basis for equality of opportunity in the areas measured that can be complemented with additional data to fit the needs of a particular economy. By informing research and policy discussions about the state of women's economic opportunities, *Women, Business and the Law* emphasizes the work still to be done to ensure equal economic opportunities for all.

## Does equality under the law matter for closing gender gaps?

A significant body of research links legal reforms aimed at achieving gender equality to women's economic outcomes. Women's economic empowerment benefits the wider economy by reducing income inequality and increasing diversity and economic resilience.<sup>3</sup> Furthermore, gender gaps in entrepreneurship and employment are associated with lower levels of income and productivity.<sup>4</sup> Economies at higher levels of economic development have, in general, greater levels of gender equality. In fact, in the relationship between economic development and legal gender equality, the causality likely runs in both directions.<sup>5</sup>

As is common in emerging fields of analysis, however, not all studies have found positive effects. For example, extended periods of family leave for female employees after childbirth have been associated with a drop in female employment and earnings in the short run.<sup>6</sup> In India, a legislative reform that granted unmarried daughters equal inheritance rights has been associated with a range of positive outcomes, including greater investment in girls' education, delayed age of marriage, increased financial inclusion, and more investment in sanitation.<sup>7</sup> Nonetheless, other studies have uncovered some unintended consequences of this reform. These include parents circumventing the law so that daughters will not receive an inheritance, higher female infant mortality and feticide, and a higher suicide rate driven by a rise in marital conflicts.<sup>8</sup> Unintended consequences can arise in contexts where multiple constraints exist and perpetuate gender inequality, thereby pointing to the need for a more holistic approach to addressing such a deep-rooted issue.<sup>9</sup>

Another concern that often emerges is that where gendered social norms are deeply entrenched or where legal reform goes against customary law, changes to the law will not improve women's circumstances. Indeed, reforms of discriminatory laws have not always been well implemented, leaving women to suffer the consequences.<sup>10</sup> Moreover, even when legal reforms are implemented, cultural and economic factors may pose challenges to women exerting their rights.<sup>11</sup>

Ideally, laws reflect the values of a society, but both laws and social norms need to change over time to adapt to their circumstances and contexts. That said, the relationship between laws and culture is complex. In some cases, laws precede social norms, and in others social behavior changes first, while laws are slower to adapt. Studies have shown that when laws conflict strongly with social norms, they do not

achieve their intended effect and are more difficult to enforce.<sup>12</sup> Some argue that the importance of informal rules has often been underestimated. The same is true of the monitoring and transactions costs associated with the codification of formal laws.<sup>13</sup>

Thus it is not necessarily true that just one or the other matters. Changing formal and customary laws may be a mutually reinforcing process.<sup>14</sup> Research suggests that legal reform can have a magnetic effect, drawing norms in the same positive direction.<sup>15</sup> Analyses of specific legislative changes that granted women more economic rights, such as India's 2005 Hindu Succession Amendment Act and Rwanda's 1999 Succession Law, have found evidence that legal reform is important.

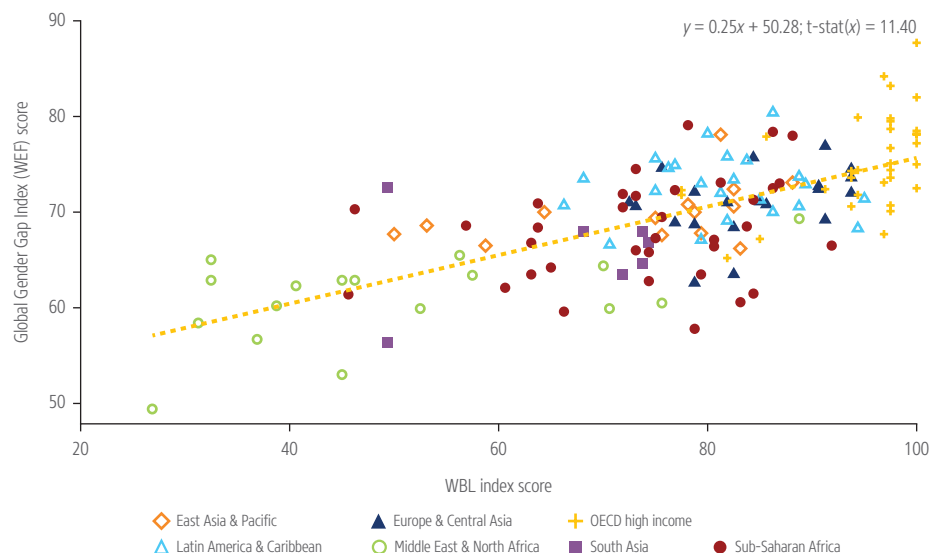
Indeed, growing research shows that reforms in the areas captured by the *Women, Business and the Law* index are associated with a range of better outcomes for women, including more entrepreneurship, better access to finance, a more abundant female labor supply, and a reduction in the gender wage gap.<sup>16</sup> Removing barriers that restrict the ability of women to move freely, sign contracts, and work outside the home has also been correlated with a larger female labor supply.<sup>17</sup> Fewer legal barriers are associated with access to better jobs for women, such as those requiring higher skill levels, offering higher wages, or presenting an opportunity to manage others.<sup>18</sup> It is also well documented that granting women the right to control assets, most notably land, may result in more bargaining power for them within their households. The implications of this include greater agency in household and marital matters<sup>19</sup> and investment in better agricultural practices.<sup>20</sup> Research has found that women's ability to own and manage land is positively associated with their access to finance.<sup>21</sup> More broadly, land rights may play an important role in establishing more equal gender relations within households and boosting women's status in society.<sup>22</sup>

New research based on the *Women, Business and the Law* data provides further evidence of a positive relationship between women's economic rights and their economic inclusion and opportunities.<sup>23</sup> This analysis looks at the relationship between legal gender discrimination and a range of metrics of women's economic inclusion and empowerment. The general pattern of results reveals that where women face fewer legal barriers, they are more empowered.

Whereas the *Women, Business and the Law* index tracks progress toward closing gender-based gaps in legislation, the World Economic Forum's Global Gender Gap Index tracks progress made by economies in closing gaps between women and men in opportunities and outcomes.<sup>24</sup> It measures gender-based gaps in economic participation and opportunity, health outcomes, educational attainment, and political empowerment. The aggregate index score captures the percentage of gender gaps in opportunities and outcomes closed to date. According to the most recent results, that percentage is 68.6% globally.<sup>25</sup>

*Women, Business and the Law* data reveal that greater progress has been made in closing gender gaps in legislation, suggesting that, on average, legal reforms may precede improvements in women's opportunities and outcomes. However, the range of economy scores shows greater variation between achievement of legal gender parity: the lowest *Women, Business and the Law* index score is 26.3 and the highest, 100. The Global Gender Gap Index 2020 ranges between 49.4 and 87.7. Correlating the two measures shows that where women face less discrimination under the law, greater progress has been made in closing gender gaps in opportunities and outcomes (figure 1.2).

**FIGURE 1.2 | A COMPARISON OF TWO INDEXES BY REGION: LEGAL GENDER EQUALITY (WBL INDEX) VERSUS EQUALITY IN OPPORTUNITIES AND OUTCOMES (WEF INDEX)**



Sources: *Women, Business and the Law* (WBL) database; Global Gender Gap Index (WEF 2019).

Note: The figure presents the correlation between the WBL index score and the Global Gender Gap Index of the World Economic Forum (WEF) based on data for 2019. The Global Gender Gap Index score represents the progress made in closing gender-based gaps in opportunities and outcomes. Each point represents a single economy. A fitted regression line is also included. Although the graph presents a simple correlation, the relationship remains positive and statistically significant after controlling for income, measured as the gross domestic product (GDP) per capita provided in the World Bank's World Development Indicators (WDI) database (<https://databank.worldbank.org/source/world-development-indicators>), and economy-level and time fixed effects. This statistical relationship should not be interpreted as causal. The regression of the Global Gender Gap Index on the WBL index includes 151 economies for the period 2006–19, as determined by data availability. OECD = Organisation for Economic Co-operation and Development; WEF = World Economic Forum.

Analysis also shows that greater equality under the law is associated with more women participating in the labor force (figure 1.3). In the relationship between the *Women, Business and the Law* index and specific metrics of women's economic inclusion and empowerment, one of the most fundamental outcomes is the female labor force participation rate.

A deeper dive into the relationship between the *Women, Business and the Law* index and women's economic inclusion shows that legal equality is associated not only with more female employment in the aggregate, but also with fewer female workers in vulnerable employment.<sup>26</sup> Vulnerable employment refers to those workers who either are self-employed without any employees or are unpaid family workers. This is a noteworthy association: vulnerable employees are those who are least likely to have access to social protection and safety nets or to be able to save, leaving them exposed to economic shocks and at the greatest risk of poverty. On average, women are more likely than men to be engaged in vulnerable employment, and women's relative risk of vulnerable employment is higher in low- and lower-middle-income economies. The relationship between legal equality and women in vulnerable employment varies notably by region and warrants further study.

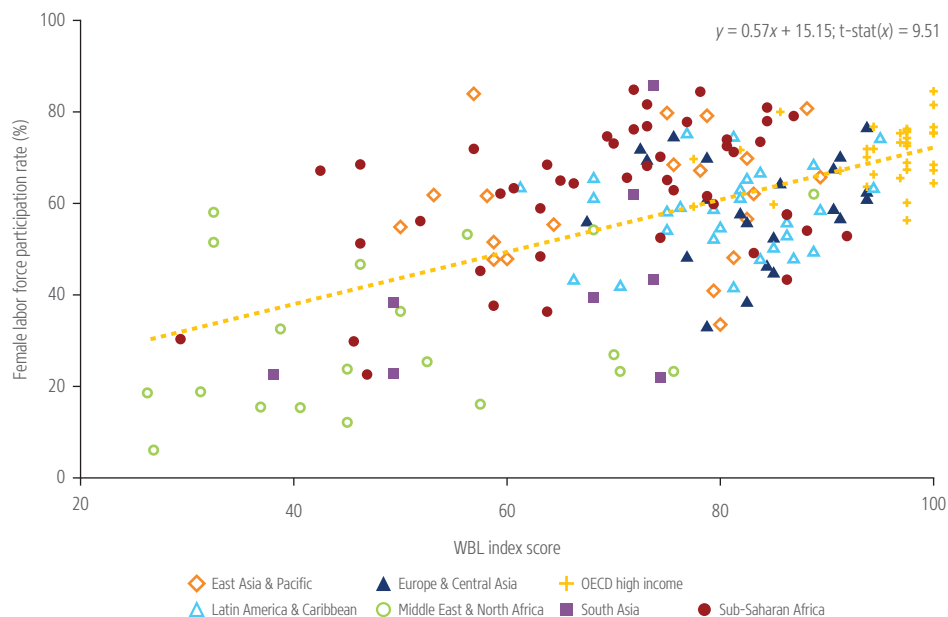
Women's political representation may also have important outcomes for women's rights. Research has revealed that economies with greater female representation in the

national legislature are more likely to pass laws on sexual harassment, rape, divorce, and domestic violence.<sup>27</sup> According to data from the Inter-Parliamentary Union (IPU), on average 25% of seats in national lawmaking bodies are held by women. In only four economies are at least half of legislative seats held by women: Rwanda (61%), Cuba (53%), Bolivia (53%), and the United Arab Emirates (50%).<sup>28</sup>

As women’s economic rights increase, so, too, does their representation in national lawmaking bodies (figure 1.4). However, even in the economies that receive the highest scores in the *Women, Business and the Law* index, the average proportion of legislative seats held by women is only about one-third. The relationship between legal equality and women’s legislative representation could go in either direction—as noted earlier, previous research has shown that having more female legislators is associated with an improved legal environment for women.

In contexts in which multiple constraints perpetuate gender inequality, the need for a more holistic approach to addressing deep-rooted issues will, of course, be necessary. More evidence is needed of the role and limitations of the law in affecting women’s economic outcomes. However, the results presented here highlight some of the ways in which greater legal equality is correlated with greater empowerment for women. More research is under way to uncover the pathways through which legal reforms can help women reach their full potential, as well as to better understand how more progress can be made in removing legal barriers.

**FIGURE 1.3 | LEGAL GENDER EQUALITY AND FEMALE LABOR FORCE PARTICIPATION**

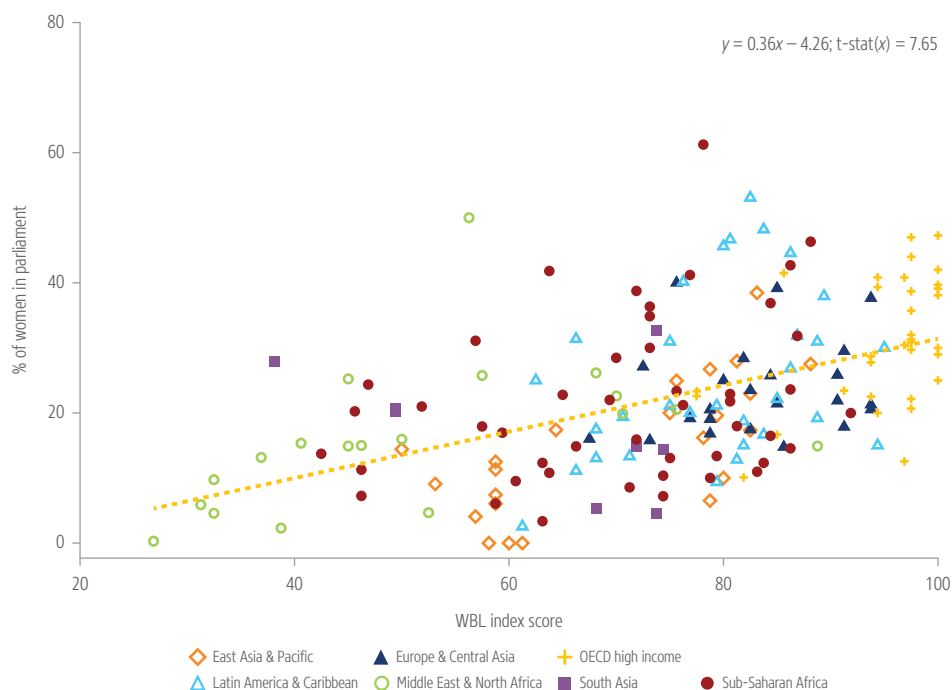


Sources: *Women, Business and the Law* (WBL) database; World Development Indicators (WDI) database, World Bank, <https://databank.worldbank.org/source/world-development-indicators>; International Labour Organization (ILO), <https://ilostat.ilo.org/>.

Note: The figure presents the correlation between the WBL index score and the female labor force participation rate for women aged 15–64 in 2019, according to modeled estimates from the International Labour Organization (ILO). Each point represents a single economy. A fitted regression line is also included. Although the graph presents a simple correlation, the relationship remains positive and statistically significant after controlling for income, measured as gross domestic product (GDP) per capita provided in the World Bank’s World Development Indicators (WDI) database (<https://databank.worldbank.org/source/world-development-indicators>), and economy-level and time fixed effects. This statistical relationship should not be interpreted as causal. The regression of the female labor force participation rate on the WBL index includes 176 economies for the period 1991–2019, as determined by data availability. OECD = Organisation for Economic Co-operation and Development.



**FIGURE 1.4 | LEGAL GENDER EQUALITY AND THE PROPORTION OF SEATS IN PARLIAMENT HELD BY WOMEN**



Sources: *Women, Business and the Law* (WBL) database; Inter-Parliamentary Union (IPU).

Note: The figure presents the correlation between the WBL index score and the percentage of parliamentary seats held by women based on data for 2019. Each point represents a single economy. A fitted regression line is also included. The relationship between the WBL index and the proportion of seats held by women in parliament remains positive and statistically significant after controlling for income, measured as gross domestic product (GDP) per capita provided in the World Bank's World Development Indicators (WDI) database (<https://databank.worldbank.org/source/world-development-indicators>), and economy-level and time fixed effects. This statistical relationship should not be interpreted as causal. The regression of the proportion of seats held by women in parliament on the WBL index includes 183 economies for the period 1997–2019, as determined by data availability. OECD = Organisation for Economic Co-operation and Development.

## Data insights

*Women, Business and the Law 2021* updates the index presented in its previous edition by capturing reforms that occurred between September 2, 2019, and October 1, 2020. In 2020, the average global score is 76.1 out of 100 (above the average 75.5 in 2019), indicating that the world has achieved about three-quarters of good practice legislation as measured by the indicators. Up from eight in 2019, ten economies—Belgium, Canada, Denmark, France, Iceland, Ireland, Latvia, Luxembourg, Portugal, and Sweden—score 100, meaning that women are on an equal legal standing with men across all areas measured (table 1.2). (For the complete *Women, Business and the Law* data set, please see the economy data in appendix B.)

Of the 39 economies with scores higher than 90, 28 are OECD high-income economies, and seven are in Europe and Central Asia. The remaining four are in Latin America and the Caribbean, East Asia and the Pacific, and Sub-Saharan Africa. No economy in the Middle East and North Africa or South Asia scores 90 or higher.

When economies are classified by income level, high-income ones score the highest, with an average score of 85.9 out of 100. Upper-middle-income economies

TABLE 1.2   WOMEN, BUSINESS AND THE LAW 2021 INDEX									
Economy	Score	Economy	Score	Economy	Score	Economy	Score	Economy	Score
Belgium	100.0	Romania	90.6	Singapore	82.5	Belarus	75.6	Nigeria	63.1
Canada	100.0	Ecuador	89.4	Turkey	82.5	China	75.6	Dominica	62.5
Denmark	100.0	Hong Kong SAR, China	89.4	United Arab Emirates ✓	82.5	Morocco	75.6	Mali	60.6
France	100.0	Bolivia	88.8	Colombia	81.9	Cambodia	75.0	Cameroon	60.0
Iceland	100.0	El Salvador	88.8	Japan	81.9	Ghana	75.0	Papua New Guinea	60.0
Ireland ✓	100.0	Malta	88.8	Vietnam ✓	81.9	Honduras	75.0	Niger	59.4
Latvia	100.0	Mexico	88.8	Bahamas, The	81.3	Trinidad and Tobago	75.0	Myanmar	58.8
Luxembourg	100.0	Uruguay	88.8	Tanzania	81.3	Gambia, The	74.4	Palau	58.8
Portugal ✓	100.0	Lao PDR	88.1	Zambia	81.3	India	74.4	Tonga	58.8
Sweden	100.0	Montenegro ✓	88.1	Grenada	80.6	Madagascar ✓	74.4	Vanuatu	58.1
Estonia	97.5	South Africa	88.1	Israel	80.6	Maldives	73.8	Algeria	57.5
Finland	97.5	Guyana	86.9	Kenya	80.6	Suriname ✓	73.8	Gabon	57.5
Germany	97.5	Zimbabwe	86.9	Nepal	80.6	Angola	73.1	Solomon Islands	56.9
Greece	97.5	Cabo Verde	86.3	Rwanda ✓	80.6	Burundi	73.1	Bahrain ✓	55.6
Italy	97.5	Dominican Republic	86.3	Chile ✓	80	Russian Federation	73.1	Pakistan ✓	55.6
Netherlands	97.5	Namibia	86.3	Samoa	80	Uganda	73.1	Brunei Darussalam	53.1
New Zealand ✓	97.5	Nicaragua	86.3	San Marino	80	Bhutan	71.9	Lebanon	52.5
Spain	97.5	São Tomé and Príncipe	86.3	Saudi Arabia ✓	80	St. Kitts and Nevis	71.3	Equatorial Guinea	51.9
United Kingdom	97.5	Georgia	85.6	Belize	79.4	Guatemala	70.6	Libya	50.0
Australia	96.9	Switzerland	85.6	Burkina Faso	79.4	Uzbekistan ✓	70.6	Malaysia	50.0
Austria ✓	96.9	Bosnia and Herzegovina	85.0	Panama	79.4	South Sudan	70.0	Bangladesh	49.4
Hungary	96.9	Brazil ✓	85.0	Ukraine	79.4	Eritrea	69.4	Congo, Rep.	49.4
Norway	96.9	Korea, Rep.	85.0	Azerbaijan	78.8	Kazakhstan	69.4	Mauritania	48.1
Slovenia ✓	96.9	North Macedonia	85.0	Congo, Dem. Rep.	78.8	Sierra Leone ✓	69.4	Jordan ✓	46.9
Peru	95.0	Slovak Republic ✗	85.0	Kiribati	78.8	Djibouti	68.1	Somalia	46.9
Paraguay	94.4	Venezuela, RB	85.0	Philippines	78.8	Jamaica	68.1	Eswatini	46.3
Croatia	93.8	Moldova	84.4	Tajikistan	78.8	Marshall Islands ✓	68.1	Egypt, Arab Rep.	45.0
Czech Republic	93.8	Togo	84.4	Lesotho	78.1	St. Vincent and the Grenadines	68.1	Iraq	45.0
Lithuania	93.8	Liberia	83.8	Thailand	78.1	Tunisia	67.5	Guinea-Bissau	42.5
Poland	93.8	Puerto Rico (US) ✓	83.8	Benin ✓	77.5	Senegal ✓	66.9	Afghanistan	38.1
Serbia	93.8	St. Lucia	83.8	Malawi	77.5	Antigua and Barbuda	66.3	Syrian Arab Republic	36.9
Kosovo	91.9	Costa Rica ✓	83.1	Barbados	76.9	Chad	66.3	Oman	35.6
Mauritius	91.9	Côte d'Ivoire	83.1	Central African Republic	76.9	Sri Lanka	65.6	Iran, Islamic Rep.	31.3
Albania	91.3	Timor-Leste	83.1	Ethiopia ✓	76.9	Comoros	65.0	Qatar	29.4
Cyprus	91.3	Armenia	82.5	Kyrgyz Republic	76.9	Indonesia	64.4	Sudan	29.4
Taiwan, China	91.3	Fiji ✓	82.5	Argentina	76.3	Botswana	63.8	Kuwait ✓	28.8
United States	91.3	Mongolia	82.5	Guinea	76.3	Haiti	63.8	Yemen, Rep.	26.9
Bulgaria	90.6	Mozambique	82.5	Seychelles	76.3	Micronesia, Fed. Sts.	63.8	West Bank and Gaza	26.3

Source: Women, Business and the Law database.

Note: Economies with a green check mark (✓) saw an improvement in score due to reforms in one or more areas. The economy with a red X (✗) implemented at least one change reducing its score.

are 10.6 points behind, with an average score of 75.3. Lower-middle- and low-income economies have average scores of 70.8 and 66.1, respectively. These scores demonstrate that the average low-income economy has about two-thirds of good practice legislation identified by the indicators. The gap in the average score between high-income economies and the rest of the world is 14.3 points.

By region, OECD high-income economies score the highest, followed by Europe and Central Asia, Latin America and the Caribbean, and East Asia and the Pacific (figure 1.5). Economies in Sub-Saharan Africa have an average regional score of 71, while economies in South Asia score 63.7. Economies in the Middle East and North Africa have the lowest average score, 51.5. The performance of economies within each region varies. Middle East and North Africa and Sub-Saharan Africa economies have the largest variation in scores—more than 60 points difference between the best- and worst-scoring economies.

More than half of the economies in Sub-Saharan Africa score higher than the regional average score of 71 (figure 1.6). Mauritius has a score of 91.9, the highest in the Sub-Saharan Africa region. As of 2020, Mauritius scores 100 in six of the eight *Women, Business and the Law* indicators: Mobility, Workplace, Pay, Marriage, Entrepreneurship, and Assets. The remaining gaps to close are in the Parenthood and Pension indicators. Under Parenthood, Mauritius is still lacking paid parental leave, and maternity leave benefits are not 100% administered by the government. Under Pension, Mauritius has not accounted for periods of absence due to childcare in pension benefits. Every region has examples of economies whose governments are implementing good practice laws and those that still have room to improve. These examples can inspire other governments in the region looking to reform.

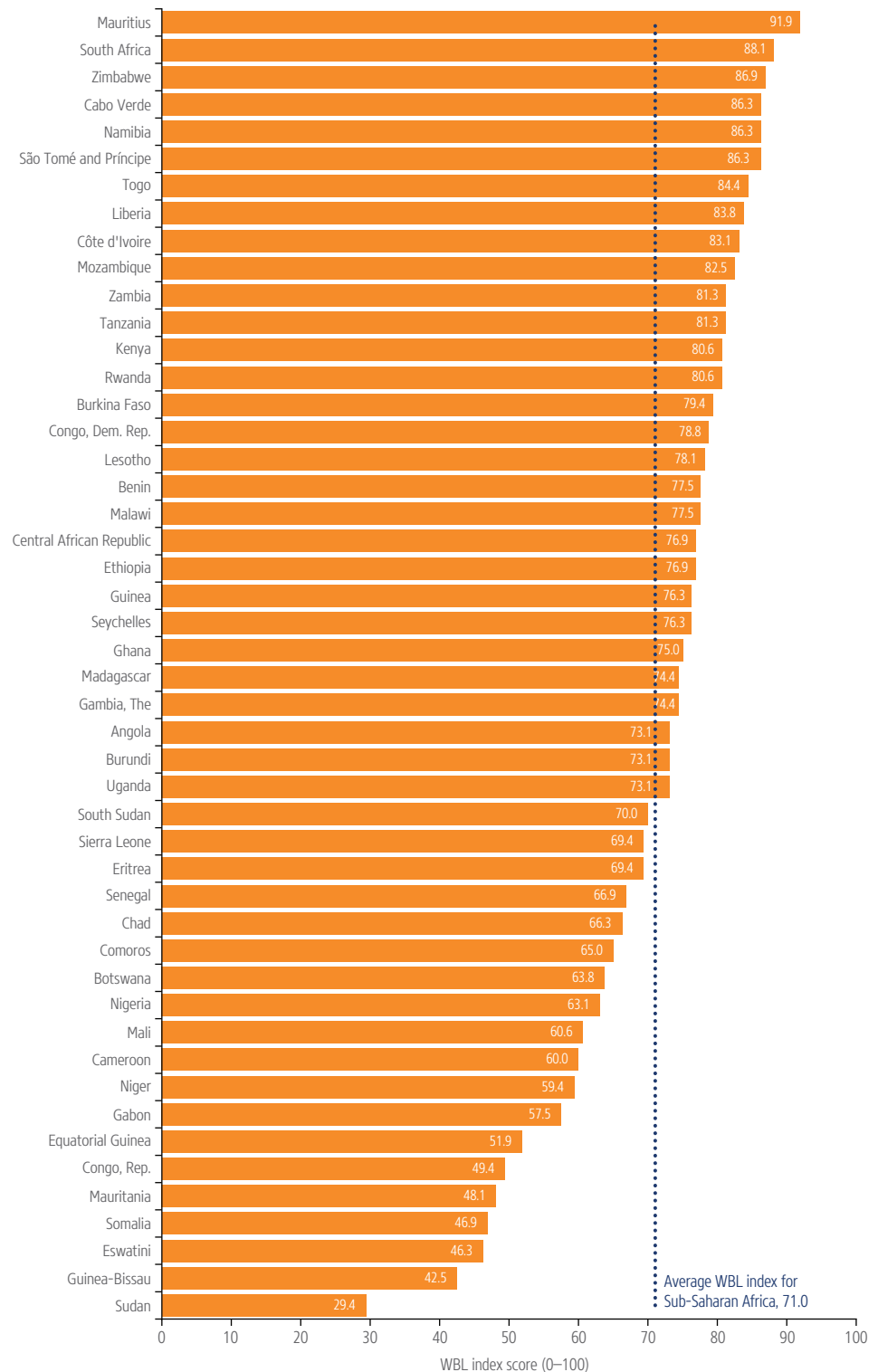
**FIGURE 1.5 | AMONG REGIONS, OECD HIGH-INCOME ECONOMIES SCORE THE HIGHEST ON THE WBL INDEX**



Source: *Women, Business and the Law* (WBL) database.

Note: OECD = Organisation for Economic Co-operation and Development.

**FIGURE 1.6 | ECONOMIES IN SUB-SAHARAN AFRICA HAVE LARGE VARIATION IN WBL INDEX SCORES**



Source: Women, Business and the Law (WBL) database.

## Where do economies stand on each indicator?

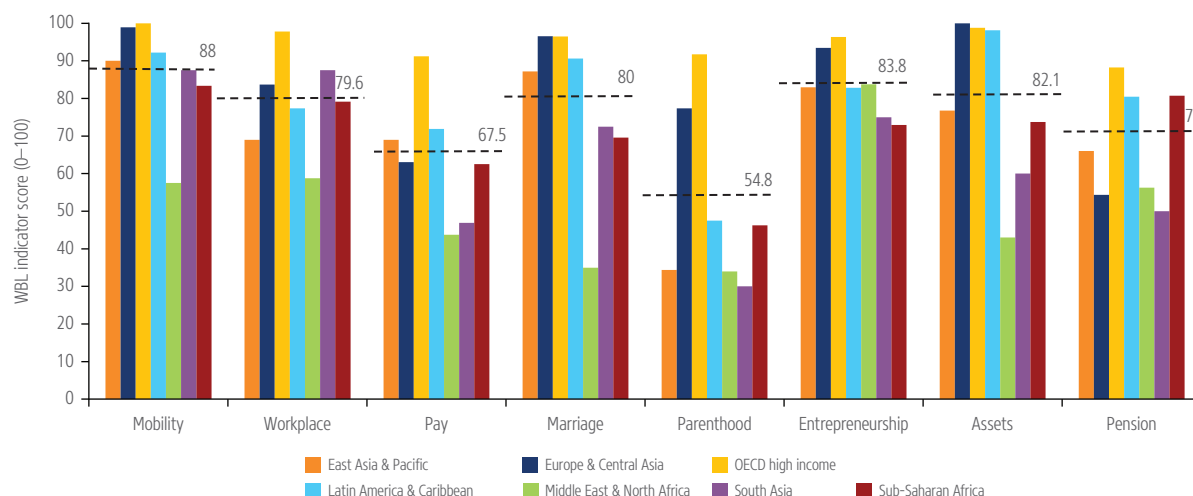
The Mobility, Workplace, Marriage, Entrepreneurship, and Assets indicators have an average global score above 75, meaning economies have implemented many of the good practices measured by these indicators (figure 1.7). By contrast, average scores are lower for the Pay, Parenthood, and Pension indicators. Regional performance on each of these also varies, with OECD high-income economies performing above average on all indicators. All other regions have more diverse performances and room to improve, especially economies in South Asia and the Middle East and North Africa.

Parenthood, with an average score of 54.8, remains the indicator with the most room to improve. It measures whether paid maternity leave of at least 14 weeks is available to mothers, whether maternity benefits are 100% administered by the government, whether any paid leave is available to fathers, whether there is paid parental leave, and whether dismissal of pregnant women is prohibited.

Although more than half of the economies measured mandate paid leave specifically for fathers, the global median duration of that leave is just seven calendar days in the economies that have it. Fathers in East Asia and the Pacific, Europe and Central Asia, and OECD high-income economies receive the longest paid leave. Only 44 economies have paid parental leave. In 2019, the European Union (EU) passed a new directive aimed at increasing the amount of leave available to both parents and at redistributing childcare responsibilities between men and women. EU states now have three years to adopt legislation complying with the directive. Because of this advance, *Women, Business and the Law* expects more reforms in this area among the top-scoring economies.

The second-lowest performance is on the Pay indicator, with an average score of 67.5. Should a woman successfully enter and remain in the labor force, it is imperative that she not face job restrictions or receive lower pay than a man holding

**FIGURE 1.7 | ECONOMIES HAVE THE LOWEST SCORES ON THE PARENTHOOD INDICATOR**



Source: *Women, Business and the Law* (WBL) database.

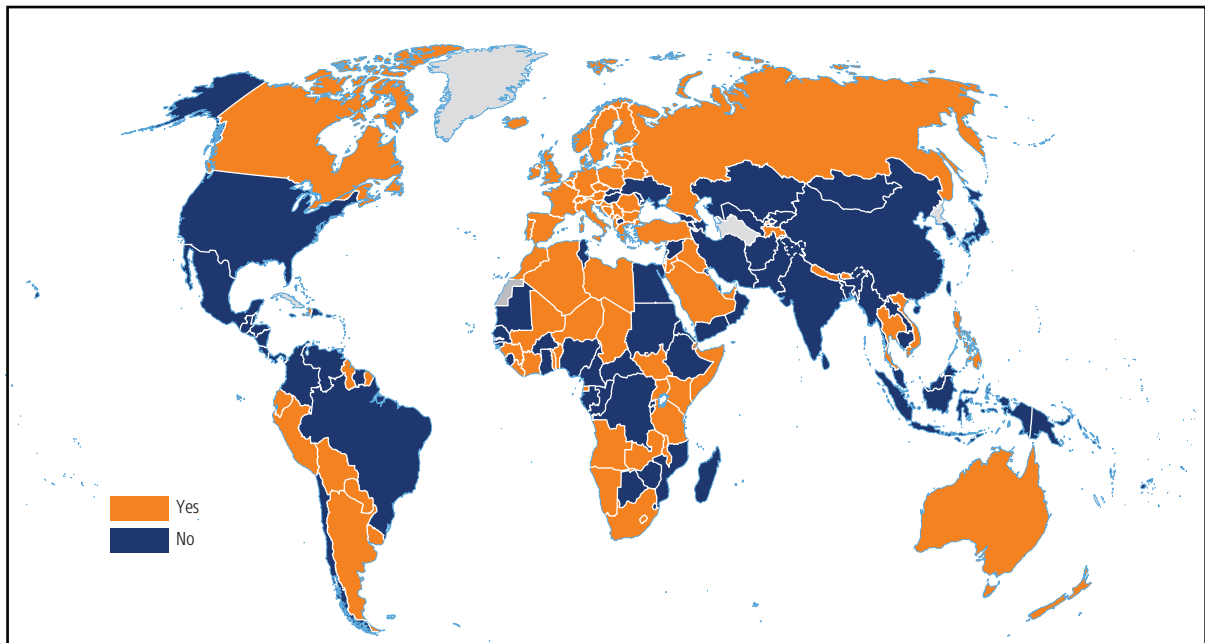
Note: OECD = Organisation for Economic Co-operation and Development.

the same position. Under the Pay indicator, the data reveal that more than half of the good practice legislation achieved is related to laws that affect women's pay. Yet 88 economies still restrict the jobs women can hold.

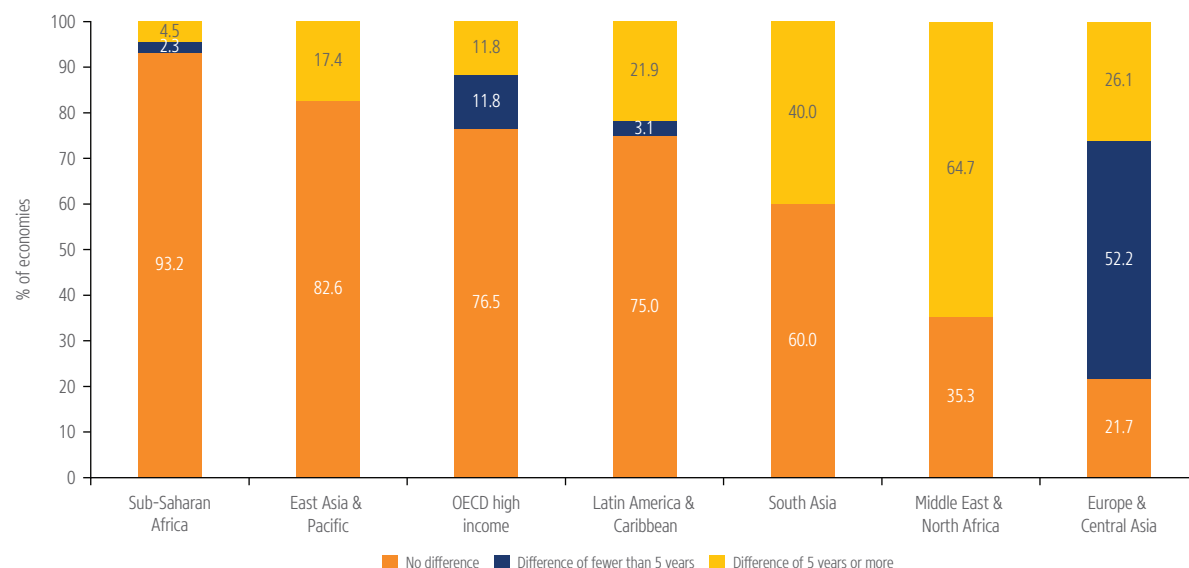
Removing laws that prohibit women from working in certain jobs is not the only legislative approach to tackling the gender pay gap: legally mandating employers to provide men and women who perform work of equal value with the same remuneration is also critical. Today, fewer than half of economies worldwide (90) have mandated equal remuneration for work of equal value. Most of them are OECD high-income economies, with the fewest mandating equal remuneration for work of equal value in East Asia and the Pacific, South Asia, and Middle East and North Africa (map 1.1).

Leaving the workforce to take care of family members is one reason women are left with smaller pensions at the end of their working life. Another reason is laws that mandate different retirement ages for men and women. Retirement ages remain unequal in close to one-third of the economies covered, with a difference of five or more years between women and men in more than half of the economies in the Middle East and North Africa, including Algeria, Djibouti, the Islamic Republic of Iran, Libya, Oman, and the Republic of Yemen (figure 1.8). Despite a significant effort by governments to gradually equalize retirement ages between men and women across Europe and Central Asia, a difference of five years remains across 26% of economies in the region, including Belarus, Georgia, the Kyrgyz Republic, the Russian Federation, Tajikistan, and Uzbekistan. By contrast, of the 44 economies covered with mandatory pension systems in Sub-Saharan Africa, women's statutory retirement age is five years earlier than men's only in Cabo Verde and Mozambique.

**MAP 1.1 | NINETY ECONOMIES MANDATE EQUAL REMUNERATION FOR WORK OF EQUAL VALUE**



IBRD 45488 | JANUARY 2021

**FIGURE 1.8 | DIFFERENCES IN THE RETIREMENT AGE OF MEN AND WOMEN STILL EXIST IN ALL REGIONS**

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

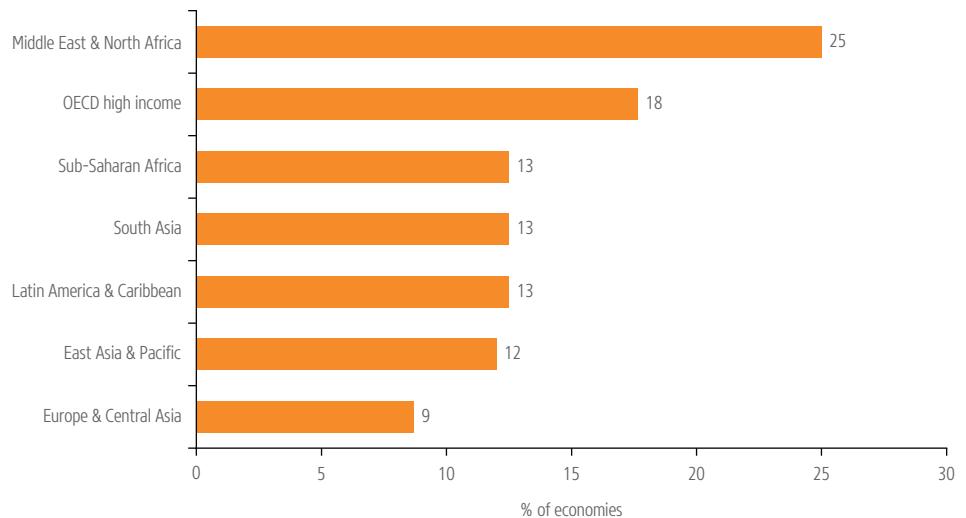
Note: The gap in retirement age is calculated as the deduction of a woman's retirement age from a man's retirement age. The total number of economies in the sample is 178: East Asia and Pacific, 23; Europe and Central Asia, 23; Latin America and Caribbean, 32; Middle East and North Africa, 17; OECD high income, 34; South Asia, 5; Sub-Saharan Africa, 44. Twelve economies have no mandated pension systems. OECD = Organisation for Economic Co-operation and Development.

The urgent need for reform is even more glaring today because the COVID-19 pandemic has widened the long-existing gender pay gap. Women are more likely than men to take leave from work or resign their positions to care for children in the event of illness or the closure of schools or daycare centers. Even if they manage to hold on to their positions, women are still at higher risk of having to submit to greater earnings penalties as a result of the pandemic.<sup>29</sup> Reforming laws to achieve greater gender equality should remain a priority as governments enact measures to recover from the shocks imposed by this crisis.

## Under what indicators did economies reform in 2019/20?

A surprising number of reforms were recorded even as the pandemic raged throughout much of the period measured. Since 2019, 27 economies have implemented reforms aimed at equality of opportunity across seven of the eight indicators measured, leading to 45 positive data changes. Of these changes, 17 resulted from legal changes enacted by economies in the Middle East and North Africa region. Although it has the lowest scores, the region has advanced the most as a result of its reform efforts, with 25% of the region's economies implementing at least one reform (figure 1.9). Despite having the highest scores, OECD high-income economies continued to reform, with nearly 20% of economies changing at least one law toward gender equality. Progress in the rest of the world was slower during 2020, with other regions recording fewer reforms than in previous years.

**FIGURE 1.9 | THE MIDDLE EAST AND NORTH AFRICA AND OECD HIGH-INCOME REGIONS REFORMED THE MOST IN 2019/20**



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

Note: Figure shows percentage of economies in each region that implemented at least one reform in 2019/20. OECD = Organisation for Economic Co-operation and Development.

### ***Most reforms were implemented in laws affecting women's pay***

The Pay indicator recorded the most improvement in scores, with changes to 11 data points indicating reductions in wage inequality as a result of reforms by eight economies (table 1.3). Bahrain, Montenegro, Saudi Arabia, and Vietnam eliminated restrictions on women's employment in jobs previously deemed dangerous for women. Montenegro and Saudi Arabia also eliminated all restrictions on women's employment in industrial jobs such as mining, construction, manufacturing, and the water sector, setting men and women on equal terms in choice of employment opportunities. Costa Rica and Saudi Arabia lifted bans on women's night work.

The Marshall Islands, New Zealand, and the United Arab Emirates reformed their laws to introduce legislation mandating equal remuneration for men and women who perform work of equal value. The Equal Pay Amendment Act in New Zealand addresses historic inequalities in pay for women and provides a mechanism for equal pay for jobs of equal value, including for different jobs of the same value. The act enables workers or unions to raise a pay equity claim directly with their employer and makes court action a last resort.

### ***Reforms related to parental leave and marriage remain high on economies' agendas***

Laws affecting women's work after having children, as measured by the Parenthood indicator, remained high on the reform agenda. Five economies made reforms in this area, leading to improvements in eight data points. Ethiopia increased paid maternity



TABLE 1.3 ECONOMIES ACROSS ALL REGIONS UNDERTOOK REFORMS TOWARD GENDER EQUALITY IN 2019/20			
Indicator	No. of data points reformed	Economies	Example of reform
Mobility	6	Benin, Fiji, Jordan, United Arab Emirates	Fiji allowed a woman to apply for a passport in the same way as a man.
Workplace	5	Marshall Islands, Senegal, Sierra Leone, United Arab Emirates	Sierra Leone adopted legislation on sexual harassment in employment.
Pay	11	Bahrain, Costa Rica, Marshall Islands, Montenegro, New Zealand, Saudi Arabia, United Arab Emirates, Vietnam	Costa Rica lifted a ban on women's night work.
Marriage	7	Chile, Kuwait, Madagascar, Portugal, Puerto Rico (US), Rwanda, United Arab Emirates	The United Arab Emirates no longer requires a married woman to obey her husband.
Parenthood	8	Austria, Ethiopia, Ireland, Suriname, United Arab Emirates	Ireland introduced two weeks of paid parental leave as an individual entitlement for each parent.
Entrepreneurship	5	Bahrain, Jordan, Marshall Islands, Pakistan, Uzbekistan	Pakistan allowed women to register a business in the same way as men.
Pension	3	Bahrain, Brazil, Slovenia	Slovenia equalized the age at which men and women can retire with full pension benefits.

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

Note: The Assets indicator is not included in this table because no reforms were recorded in the period measured.

leave from 90 to 120 days and guaranteed the right to three days of paid paternity leave for the first time. Suriname, which previously was one of only six economies worldwide without any form of paid leave related to the birth of a child, introduced 16 weeks of paid maternity leave and eight days of paid paternity leave. Austria also introduced paid paternity leave, while Ireland and the United Arab Emirates introduced paid parental leave as an individual entitlement, giving each employee an equal right to paid leave for the birth of a child. The United Arab Emirates is now the first and only economy in the Middle East and North Africa to have paid parental leave.

Paternity leave is one of the most prevalent reforms under the Parenthood indicator because of growing recognition that gender equality in the home is needed to achieve gender equality in the workplace.<sup>30</sup> However, research finds that fathers tend to take paternity leave only when it is highly compensated and specifically allocated to them.<sup>31</sup> For that reason, some economies recently changed their leave policies to promote fathers' uptake of leave. Estonia, which began the process of gradually reconfiguring its leave policies in 2017, abandoned its two-week paternity leave benefits policy and instead introduced one month of paid parental leave for fathers (the "daddy month"). In Iceland, mothers and fathers are now individually entitled to one more month of paid leave each, while the amount of shared parental leave has been reduced by a month. Meanwhile, Spain began gradually increasing paternity leave in 2019 to equalize it with maternity leave by 2021 at 16 weeks each.

With seven positive changes, the third most frequent area of reform is related to laws measured by the Marriage indicator, particularly in the area of domestic violence legislation. Recent studies have emphasized the staggering economic costs of domestic violence.<sup>32</sup> Kuwait and Madagascar introduced specific and comprehensive legislation on domestic violence for the first time. Kuwait's new law not only prohibits any form

of physical, psychological, sexual, or financial domestic abuse, but also provides for protection orders and services for survivors of violence. Specifically, the law calls for shelters, a hotline, counseling services, and legal assistance for survivors of domestic violence. Madagascar's new law establishes criminal penalties for different forms of gender-based violence, such as physical, psychological, emotional, or economic abuse in the private and public spheres, as well as a process to obtain protection orders. Furthermore, the new law stipulates that the state must support survivors through health care, psychological and legal aid services, and allocation of necessary resources.

Also under the Marriage indicator, Chile, Portugal, Puerto Rico (US), and Rwanda abolished the specified time that a woman had to wait before remarrying after finalization of a divorce. New civil codes in Chile and Puerto Rico introduced gender-neutral language allowing both spouses to remarry as soon as a divorce is finalized. Portugal's previous civil code provided for internuptial periods for both men and women. However, the woman's waiting time was 300 days, whereas the man's was 180 days. Rwanda equalized a provision in the family law that required widows—but not widowers—to wait 300 days before remarrying after the death of their spouse. The new law revokes the internuptial period for both men and women. The previous restriction on a woman's ability to remarry was intended to avoid a potential conflict of paternity between her previous husband and future husband.

### ***Economies also reformed under the Mobility, Workplace, and Entrepreneurship indicators***

Four economies improved on six data points under the Mobility indicator. It tracks the differences between the rules that govern the rights of men and women to obtain a passport and travel abroad, choose where to live, and leave their home at will. Mobility affects every step in a working woman's life cycle. Limitations in this area reduce opportunities for women to build networks with other entrepreneurs and exchange vital information on market opportunities, ultimately preventing them from developing their full potential as successful entrepreneurs.<sup>33</sup> Increasing women's mobility, including the opportunity to freely commute to and from a workplace outside of the home, can give women access to better employment opportunities.

Benin, Fiji, and Jordan removed procedural requirements that made it more burdensome for women than men to apply for a passport. In Benin, a 2019 circular issued by the Ministry of the Interior and Public Security instructed all concerned departments that in the interest of establishing equal treatment between men and women, married women were no longer required to provide a copy of their marriage certificate when applying for an ordinary passport. The United Arab Emirates abolished provisions imposing legal consequences when a woman abstained from traveling with her husband or left the marital home without a lawful excuse. It also removed stipulations that a woman must live with her husband in the home chosen by him.

The Workplace indicator examines legal protections in the workplace such as the right to nondiscrimination and freedom from sexual harassment. The United Arab Emirates removed restrictions on a woman's right to get a job. Both the Marshall Islands and Senegal enacted new legislation directly prohibiting gender-based discrimination in employment. And Sierra Leone adopted legislation on sexual harassment in employment.

The new law introduces comprehensive definitions and penalties for sexual harassment offenses in the area of employment and other settings, whereas the previous law contained no specific references to employment. Addressing sexual harassment in the workplace is key to achieving fundamental labor market goals, including closing the gender pay gap.<sup>34</sup>

Under the Entrepreneurship indicator, five economies have enacted reforms since 2019. Pakistan allowed women to register a business in the same way as men. Through their central bank's regulatory powers, Bahrain and Jordan introduced the right to nondiscrimination based on gender in access to finance. To comply with Bahrain's Central Bank directive, banks and financial institutions must ensure that all regulated financial services are provided without discrimination based on sex. Because Central Bank directives are not always publicly accessible or widely disseminated, after adoption of the directive the United Arab Emirates, where a similar provision was introduced in 2019, launched a dissemination campaign to raise awareness among citizens. The authorities also issued a message announcing adoption of the provision, in English and Arabic, on all ATM screens in the country.

The Marshall Islands and Uzbekistan introduced rights to nondiscrimination in access to finance through broader legislation that also guaranteed gender equality. The Marshall Islands' Gender Equality Act of 2019 provides that women are entitled to access loans, grants, mortgages, credit, or any other financial service on an equal basis with men. Similarly, Uzbekistan's Law on the Guarantees of Equal Rights and Opportunities for Men and Women of 2019 prescribes nondiscrimination in the provision of movable and immovable property, land, financial assets, and loans. Despite these reforms, 108 economies still lack legal provisions that expressly prohibit gender-based discrimination in access to finance. For women who become entrepreneurs, access to finance is likely necessary. Meanwhile, women worldwide still earn, own, and learn less than their husbands and brothers.<sup>35</sup>

### ***Fewer economies undertook reforms related to Pension and Assets***

Only three economies announced changes increasing gender equality as measured by the Pension indicator: Bahrain, Brazil, and Slovenia. Differences in women's working lives relative to those of men can result in unequal economic outcomes in retirement. To address this issue, Slovenia equalized the age (65 years) at which men and women can retire and receive full benefits, following a gradual-increase schedule introduced by the Pension and Disability Act in 2013. Bahrain also made strides under this indicator by accounting for periods of childcare in pension benefits for the first time. Brazil eliminated retirement with partial pension benefits for both men and women. At the same time, the Slovak Republic implemented a change that widened the legal gender gap. A new law established different ages for men and women to retire with full and partial pension benefits and made the mandatory retirement age for men and women unequal.

Finally, no reforms have been recorded under the Assets indicator since 2019. Strong property rights can allow women to leverage assets for economic gain, increasing their financial security and providing them with the collateral needed to start a business. Governments in the 75 economies in which men and women still do not have equal rights to manage and inherit property should consider adopting good practice legislation in this area.

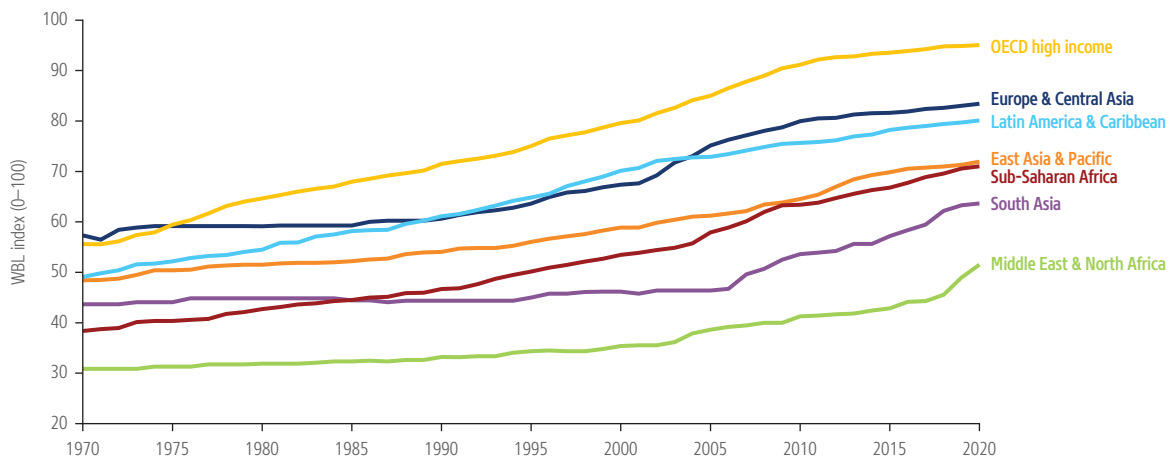
## Fifty years of legal change

Regional patterns have remained similar over the last 50 years, with the OECD high-income, Europe and Central Asia, and Latin America and the Caribbean economies leading the way toward legal gender equality. In addition, the OECD high-income, Latin America and the Caribbean, and Sub-Saharan Africa regions have each recorded a gain in their average score of more than 30 points since 1970—the largest of all regions (figure 1.10). Over the last 10 years, the pace of reform has picked up in the Middle East and North Africa and South Asia, with a gain in the average score of more than 10 points in each region. The East Asia and the Pacific and Sub-Saharan Africa regions have each gained more than seven points.

The distribution of economies and their scores on the *Women, Business and the Law* index has changed significantly over time (figure 1.11). Whereas 1970 saw 12 economies scoring 25 or below on the index, by 1995 there were only five economies in this category. By 2008, there were none. At the same time, in 1970 no economies scored above 75, and the highest score, 71.3, was achieved by only Denmark and Sweden.

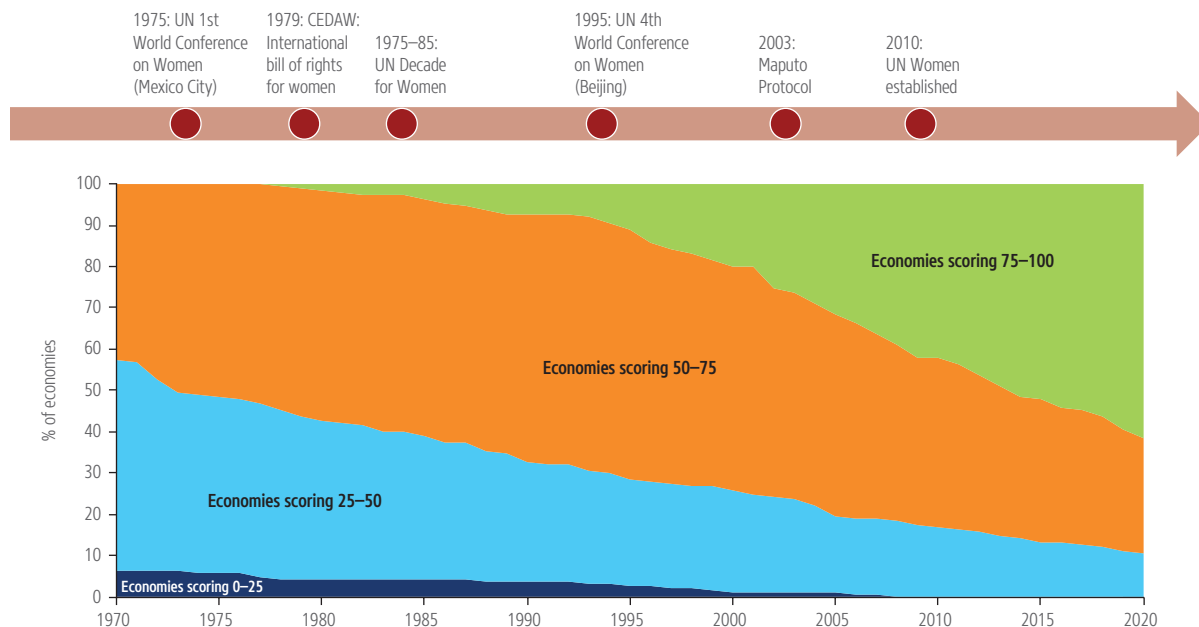
In 1975 the United Nations launched a Decade for Women, and in 1979 the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), known as the international bill of rights for women, was adopted by the United Nations General Assembly. This decade of action led to many reforms increasing gender equality, with economies in better standing being among the first to ratify the convention. By 1986 nine economies were in the highest quartile, and only seven were in the lowest. By 1995 the number of top-scoring economies had grown to 21. Belgium and Luxembourg were the first economies to reach a score of 100 in 2011. They were soon followed by Denmark in 2012, Sweden in 2013, Latvia in 2014, France in 2015, Iceland in 2016, Canada in 2019, and Ireland and Portugal in 2020.

**FIGURE 1.10 | ECONOMIES ACROSS ALL REGIONS MADE PROGRESS TOWARD GENDER EQUALITY OVER THE LAST 50 YEARS, BUT AT DIFFERENT RATES**



Source: *Women, Business and the Law* (WBL) database.

Note: Figure shows change in the average WBL index score across seven regions between 1970 and 2020. OECD = Organisation for Economic Co-operation and Development.

**FIGURE 1.11 | ECONOMIES ARE REFORMING LAWS IN THE RIGHT DIRECTION**

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

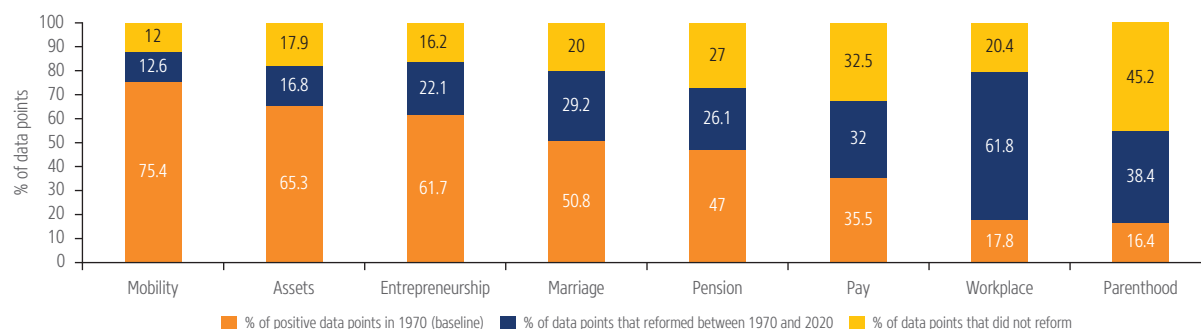
Note: Figure shows percentages of economies in four scoring categories of the WBL index. The Maputo Protocol is the Protocol to the African Charter on Human and Peoples' Rights on the Rights of Women, adopted by the African Union in 1975. CEDAW = Convention on the Elimination of All Forms of Discrimination against Women (United Nations); UN = United Nations.

By 2010, when the United Nations established UN Women to define and promote global standards for achieving gender equality and the empowerment of women, the number of economies scoring above 75 surpassed those of the other categories. However, based on the 35 questions measured by *Women, Business and the Law*, laws in only 10 economies treat men and women equally today.

Although all economies have improved over the 50-year period, the pace of reform has been slow. In 20 economies in 2020, women continued to have half or fewer of the legal rights of men. These economies are mostly in the Middle East and North Africa, South Asia, and Sub-Saharan Africa regions, where, according to the data, reform momentum is growing. If the pace of change stays the same, however, at least another 30 years will be needed to achieve legal gender parity globally. Based on annual year-to-year increases in the average *Women, Business and the Law* index by region, predictions call for OECD high-income economies to be the first region to reach an average score of 100 by 2025, followed by Latin America and the Caribbean in 2043 and Europe and Central Asia in 2045.

The pace of reform has varied between indicators as well (figure 1.12). Even though the Workplace and Parenthood indicators were at their lowest in 1970, with 17.8% (135 of 760) and 16.4% (156 of 950) of positive data points, respectively, these indicators have demonstrated the strongest performance of all indicators covered by *Women, Business and the Law* over the last 50 years. Between 1970 and 2020, 61.8% (470 of 760)

**FIGURE 1.12 | SINCE 1970, SCORES ON THE WORKPLACE AND PARENTHOOD INDICATORS HAVE SHOWN THE GREATEST IMPROVEMENT**



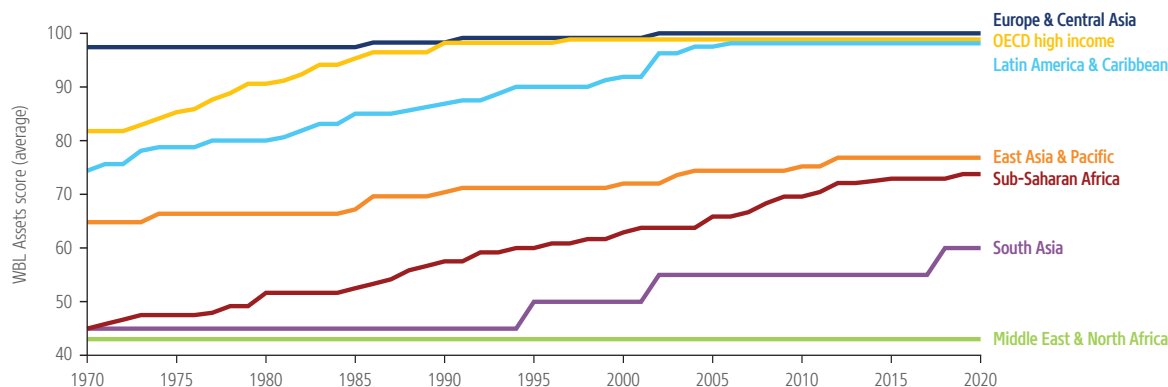
Source: *Women, Business and the Law* database.

Note: Scores across the eight indicators are calculated as the simple average of individual data points. Mobility, Entrepreneurship, Pension, Pay, and Workplace reflect the simple average of four individual data points, while Assets, Marriage, and Parenthood reflect a simple average of five individual data points. The maximum possible number of positive data points for 190 economies for Mobility, Workplace, Pay, Entrepreneurship, and Pension is 760; for Marriage, Parenthood, and Assets, 950.

of data points were reformed under the Workplace indicator and 38.4% (365 of 950) under the Parenthood indicator. Despite this progress, however, Parenthood remains the indicator with the lowest scores. Nearly half of the data points under Parenthood (429 of 950) need reform, the largest gap of all indicators.

Because of the historically slow pace of progress, the regional distribution of scores under the Assets indicator has not changed significantly over time (figure 1.13). The Europe and Central Asia, OECD high-income, and Latin America and the Caribbean economies have the highest scores, with almost all economies implementing good practices related to women's property ownership and inheritance. Sub-Saharan Africa has reformed steadily over the last five decades, and today more than 50% of economies score 80 or above, meaning they have most of the good legislation measured.

Other regions, such as the Middle East and North Africa and South Asia, have seen little reform in this area. Besides the fact that relatively fewer laws under the Assets indicator are subject to reform, the slow pace of change may stem from the difficulty in reforming laws governing property ownership and inheritance, especially when engrained social norms dictate inheritance rules. Even when new legislation is passed, implementation is often hindered by social norms and women's lack of awareness of their rights. These social perceptions play an important role in influencing whether women can claim their rights to land and property. Recent research confirms that, although there is substantial variation, in almost all economies men are more likely than women to own property. This research also finds that legal frameworks related to women's rights to inheritance, immovable property, and marital regimes, as measured by *Women, Business and the Law*, are a reliable predictor of women's actual property shares. Economies with higher scores on the Assets indicator generally have higher levels of women's property ownership.<sup>36</sup>

**FIGURE 1.13 | ECONOMIES HAVE ENACTED FEW REFORMS AFFECTING THE ASSETS INDICATOR SINCE 1970**

Source: *Women, Business and the Law* (WBL) database.

Note: OECD = Organisation for Economic Co-operation and Development.

## What's next?

*Women, Business and the Law* is committed to informing policy discussions on how to improve women's economic opportunities and outcomes in all contexts. Policy makers, international organizations, civil society organizations, gender equality advocates, investors, and researchers can use its findings in many ways. For example, the data can help identify good practices and compare how favorable the regulatory environments of economies are for women business owners and workers. Data can also assist with assessing the economic impacts of laws and regulations on women's prospects as employees and entrepreneurs, thereby bolstering traditional human rights arguments with economic research. The findings can be used to inform legislative change, make evidence-based decisions on policy reform and private investment, and support research on institutions and regulation (box 1.2).

Future editions of *Women, Business and the Law* will strive to maintain these functionalities, both by refining current methodology to better reflect the legal environment for women worldwide and pursuing new research that complements the index or provides opportunities to expand it.

Considering this, *Women, Business and the Law* is proposing a small number of methodological changes to improve the quality and accuracy of the data presented in subsequent studies. One change is to measure laws based on their date of enforcement, rather than enactment, for all questions. Other methodology refinements will affect the Marriage, Parenthood, and Entrepreneurship indicators. These proposed changes are detailed in the data notes in appendix A.

*Women, Business and the Law* will also pursue a substantial research agenda. Although this study details new areas of focus, including childcare and women's access to justice, other topics such as girls' education, elder care, women with disabilities, and legal identity are being considered. Such research may result in additions to the index, but

### BOX 1.2 HOW HAVE *WOMEN, BUSINESS AND THE LAW* DATA AND FINDINGS BEEN USED TO PROMOTE POLICY REFORM?

*Women, Business and the Law* data can provide important evidence to support the design of policy interventions that promote women's economic empowerment. Increasingly, World Bank Group operations are using *Women, Business and the Law* data and evidence to inform project design and target discriminatory legal frameworks. The World Bank recently supported the government of Madagascar with an ambitious agenda to improve human capital. One of the three main pillars of the development policy operation aimed to strengthen legal frameworks for the protection of women and girls. *Women, Business and the Law* data also helped to identify important legislative gaps, such as lack of legal protection against domestic violence. In Azerbaijan and Vietnam, the World Bank supported the reform of labor legislation to remove job restrictions for women as identified by *Women, Business and the Law* data. And government demand is increasing for advisory services related to *Women, Business and the Law* indicators, with new World Bank and International Finance Corporation operations supporting legal reforms to improve women's access to employment in Chad and Sierra Leone.

Disseminating findings through in-country events and methodology workshops is also instrumental to raising awareness about the importance of legal reform to address gender disparities. The *Women, Business and the Law* team has organized workshops with civil society organizations (CSOs) in 17 Sub-Saharan African economies since 2016. The workshops brought together CSOs, policy makers, and development actors to discuss barriers to women's economic opportunities and how to use data and evidence to amplify core messages about the economic consequences of gender equality reforms. In early 2020, the World Bank organized a peer-to-peer learning event in Libreville, Gabon, to discuss the impact of discriminatory laws and practices on women's empowerment and good practice laws that enhance women's economic opportunities. The event brought together ministers of women's affairs, senior leaders, and policy makers from 14 West and Central African economies, including the First Ladies of Burkina Faso, the Democratic Republic of Congo, and Gabon.

*Women, Business and the Law* data are also used by other institutions to influence policy change. For example, together with UN Women and the Organisation for Economic Co-operation and Development, *Women, Business and the Law* contributes its data and expertise to inform Sustainable Development Goal 5.1.1 (<https://unstats.un.org/sdgs/metadata/>), "Whether or not legal frameworks are in place to promote, enforce and monitor equality and non-discrimination on the basis of sex." The Millennium Challenge Corporation (<https://www.mcc.gov/who-we-select/indicator/gender-in-the-economy-indicator>) uses *Women, Business and the Law* data in its Gender in the Economy Indicator, which is used to assess economies' commitments to promoting gender equality. And several other institutions use *Women, Business and the Law* data to construct their own indicators, such as the Georgetown Institute for Women, Peace and Security's index (<https://giwps.georgetown.edu/the-index/>), the International Trade Center's SheTrades Outlook (<https://www.shetrades.com/en/projects/shetrades-outlook>), the Equal Measures 2030's SDG Gender Index (<https://data.em2030.org/2019-sdg-gender-index/indicators-and-data-sources/>), the Global Governance Forum's Gender Equality and Governance Index (GEGI) (<https://globalgovernanceforum.org/global-issues/gender-equality/>), and others. Arizona State University's Global SDG 5 Notification Tool (<https://globalfutures.asu.edu/sdg5-training/>) also provides users with insight into country-level progress on legal gender equality and aims to inform parliamentarians about

(continued on next page)



### BOX 1.2 HOW HAVE *WOMEN, BUSINESS AND THE LAW* DATA AND FINDINGS BEEN USED TO PROMOTE POLICY REFORM? (*CONTINUED*)

the status of their laws ahead of the UN Human Rights Council Universal Periodic Review for their country.

These are just a few examples of how *Women, Business and the Law* data have been used by different stakeholders working toward the same goal—removing discriminatory laws that hinder women’s economic inclusion and promoting nondiscrimination and other good practice legislation that incentivize women’s economic participation.

also could lead to the production of case studies or policy briefs that measure outcomes or present a picture of the implementation of legislation in selected economies.

Refining and building on this work will develop new insight into how women’s employment and entrepreneurship are affected by discrimination and, in turn, how discrimination affects economic outcomes such as women’s participation in the labor market. By staying both relevant and valuable to the field of gender equality, the data can serve as an important tool in the pursuit of more resilient and equitable economies.

## Notes

1. Hyland, Djankov, and Goldberg 2021.
2. Forty-five data points changed from “No” to “Yes” as a result of reform efforts. Three data points changed from “Yes” to “No” because of negative changes in the law.
3. IMF 2018.
4. Cuberes and Teignier 2016.
5. Doepke, Tertilt, and Voena 2012.
6. Lalive and Zweimüller 2009; Schönberg and Ludsteck 2014.
7. Deininger, Goyal, and Nagarajan 2010, 2013; Deininger, Jin, and Nagarajan 2009; Deininger et al. 2019.
8. Anderson and Genicot 2015; Bhalotra, Brulé, and Roy 2020; Rosenblum 2015; Roy 2015.
9. Roy 2015.
10. For example, there is evidence from Ghana that reforms to inheritance laws led to few positive changes in terms of women’s inheritance (Gedzi 2012). Two studies of legal reform in Pakistan found that a positive legal change has not allowed women to claim their entitled inheritances because of factors such as lack of education, patriarchal behaviors, and forced marriages (Ahmad, Batool, and Dziegielewski 2016; Holden and Chaudhary 2013).
11. A thorough overview of the literature on the effects of reforming gendered land ownership laws in Kenya, Rwanda, and Uganda is presented by Djurfeldt (2020).
12. Acemoglu and Jackson 2016.
13. Williamson and Kerekes 2011. The authors’ analysis pertains specifically to the importance of formal and informal institutions as they relate to property rights.
14. Williamson and Kerekes 2011.
15. Aldashev et al. 2012.

16. Hyland, Djankov, and Goldberg 2020; Islam, Muzi, and Amin 2019.
17. Amin and Islam 2015; Htun, Jensenius, and Nelson-Nuñez 2019; Zabalza and Tzannatos 1985. Although many studies are based on correlations, Field et al. (2016) provide experimental evidence that depositing wages in a woman's own bank account (as opposed to that of the male head of household) increases her labor supply, thereby illustrating that financial autonomy can exert a causal impact on female labor force participation rates.
18. Islam, Muzi, and Amin 2019; Zabalza and Tzannatos 1985.
19. Agarwal 2003; Daley, Dore-Weeks, and Umuhoza 2010.
20. Ali, Deininger, and Goldstein 2014.
21. Persha, Greif, and Huntington 2017; Santos et al. 2014.
22. Agarwal 1994.
23. Hyland, Djankov, and Goldberg 2021.
24. Although several data sets provide insight into gender equality and women's economic opportunities across economies, the World Economic Forum's Global Gender Gap Index was chosen for correlation with the *Women, Business and the Law* index because of the range of topics it covers, as well as its expansive coverage across economies and over time.
25. WEF 2019.
26. The relationship between the *Women, Business and the Law* index and the proportion of female employees in vulnerable employment was confirmed using panel data regressions on data for 179 economies covering the period 1991–2019. The relationship is statistically significant after controlling for income (measured as GDP per capita) and economy-level and time fixed effects.
27. Asiedu et al. 2018.
28. IPU Parline—Global Data on National Parliaments, 2021, Geneva, <https://data.ipu.org/women-ranking?month=10&year=2020>.
29. Miller 2020.
30. Haas and Hwang 2019a, 2019b; Unterhofer and Wrohlich 2017.
31. Brandth and Kvande 2019; Marynissen et al. 2019; Patnaik 2014.
32. Aizer 2018; Raghavendra et al. 2019; Senior, Fazal, and Tsiachristas 2020.
33. Jabeen et al. 2020.
34. Deloitte 2019; Lancaster and van der Meulen Rodgers 2020; McLaughlin, Uggen, and Blackstone 2017.
35. Hendriks 2019.
36. Gaddis, Lahoti, and Swaminathan 2020.

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