

# CHALLENGES FOR GENDER EQUALITY IN EUROPE AND AFRICA BY GENDER EMPOWERMENT

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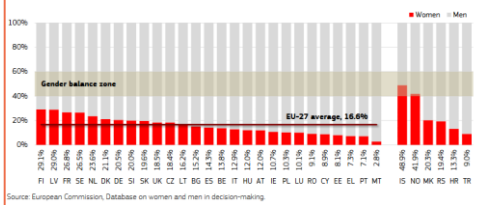


## GENDER ECONOMIC EMPOWERMENT – WOMEN IN LEADING POSITIONS

- Goal Five UN Agenda 2030 obliges all UN Member States to realise Gender equality and Gender empowerment. This also means Gender Economic Empowerment. A study on the links between economic growth and productivity in the labour market demonstrates that if women's productivity level would rise to the level of men's, Europe's GDP could grow by 27%. Women's participation is of crucial importance to Europe's economy. Improved performance in the corporate world, an increasing number of reports indicate that there is a positive correlation between the share of women at top levels and the companies' performance. Gender Economic Empowerment leads to:
  - Better utilization of the talent pool: More than half of the students (59%) graduating from Europe's higher educational institutes are women. Women's talents are currently being underutilized at decision-making levels, in particular at top level. Change is necessary in both the political and corporate world to strengthen the productive role of women.
  - Europe's improved competitiveness, combat the weak economic performance in Europe and create a sustainable future in which all talents are used to the full and all voices are heard in decision-shaping Europe's future.

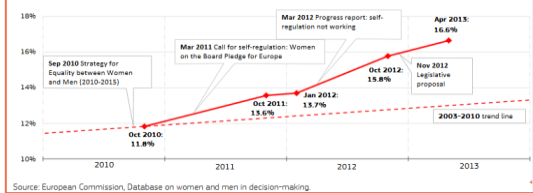
## GENDER ECONOMIC EMPOWERMENT

Figure 1 - Representation of women and men on the boards of large listed companies, April 2013



## WOMEN ON THE BOARDS

Figure 2 - Share of women on the boards of large listed companies, EU-27, 2010-2013



## WOMEN IN LEADING POSITIONS

- Germany's new law requiring that women hold 30% of top board seats went into effect January 2015—but many companies don't seem to have noticed. The law requires the top 100 or so publicly traded companies to hit the 30% figure as of January 1, 2016. The quota applies specifically to supervisory boards, which are made up of outside directors elected by shareholders and workers, who appoint management and approve major business decisions. They are separate from a management board that runs day to day operations.
- Women now hold about 22% of supervisory board seats at Germany's top companies. While the share of women in those top board positions has doubled during the past five years, it falls dramatically short of the new federally mandated quota.
- Germany's government lags many of its European counterparts in promoting women in the workplace. Norway, France, the Netherlands, Italy and other countries on the continent already have corporate gender quotas in place. In the U.S., which has no quotas, women held 19% of the boards' seats of S&P 500 companies as of early last year.

## WOMEN IN LEADING POSITIONS

- Unlike the new German requirement, the quota laws in many other European nations have teeth. In countries like Norway and France, for example, companies face fines and other tough sanctions for not complying. In Germany, by contrast, companies that can't find enough women to fill board seats must keep them empty until they do. The country's mid-sized companies, which are the real backbone of the German economy, have until 2018 to set their own quotas.
- The analysis shows that public shaming is having some impact on German companies. No company wants to be trotted out as a negative example. Even just the threat of quotas spurs companies to start thinking about promoting women.
- The share of women on supervisory boards at a sample of 160 publicly traded companies hovered around 10% from 2005 to 2010, according to the study. In 2010, the threat of gender board quotas started to become real, when a German corporate governance group recommended companies start hiring more women to non-executive board positions. That's when German companies began to act, and during the next five years the share of women holding supervisory boards seats at those 160 companies doubled to 22%.

## WOMEN IN LEADING POSITIONS

- Still, the effects of the quota haven't resulted in other gains for women in German corporate life. By the end of 2015 women held just 6% of management seats at the country's top 200 companies an increase of less than 1% from 2014. Overall, women hold 15% of senior roles in the country, compared with 23% in the United States. 60% of German businesses have no women in senior management.
- Globally efforts to put women into senior roles are moving at a snail's pace. In the last five years, the share of women in senior roles around the world has risen by 3%. If growth continues at the same rate, workplace gender parity won't be attained until 2060. The question is whether the 30% female board quota will kick off a bigger culture change that will eventually lead to equal female presence in German companies. The danger is that 30% will end up as a ceiling

## GENDER MAINSTREAMING AND GENDER BUDGETING

- At federal level, gender mainstreaming was in fact implemented by 1998, but since 2005 no longer pursued effectively. An interministerial structure for gender mainstreaming at the federal government or a network of contact persons in all ministries no longer existed until 2013.
- According to the EIGE review on the implementation of the Beijing platform for Action in the EU member states, Germany ranks under the 8 EU countries which regressed in this area, although the federal ministries continue to be in charge to legally implement gender mainstreaming. But this legal obligation remains without results when there is no political will and no structures to effectively implement gender mainstreaming. In 2012, Germany was one from three European countries which disposed of no structures at all for implementing gender mainstreaming. However, Germany has passed an important set of laws in the labour market and for the conciliation of work and family which help to promote gender equality. Nevertheless, institutions like in other EU-countries are missing. And so is Genderbudgeting.

## GENDER BUDGETING- DEFINITION

**Gender budgeting is an application of gender mainstreaming in the budgetary process**

It means a gender-based assessment of budgets, incorporating a gender perspective at all levels of the budgetary process and restructuring revenues and expenditures in order to promote gender equality.

## GENDER BUDGETING-A DEFINITION

- ▶ It is a way of linking gender equality policy with macroeconomic policy.
- ▶ It is based on the premise that budgets are not gender neutral.
- ▶ It applies to the revenue raising side as well as the expenditure side of budgets.
- ▶ It begins with analysis of the impact of the budget on **women and men**, and progresses to integrate gender into budget-planning.
- ▶ **It does not mean a separate budget for women.**
- ▶ It calls for the participation of a broader range of stakeholders and thereby deepens democratic processes.
- ▶ It means closer scrutiny of the outcomes of budgets.
- ▶ **It allows for better targeting and, therefore, more efficient allocation of public expenditure.**

## GENDER BUDGETING IN AUSTRIA - DEFINITION

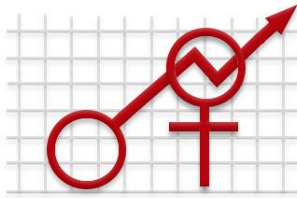
- ▶ The Budget is a key document of government → it is government policy put into numbers
- ▶ Budget policy = redistribution policy = opportunity policy

  
**Consideration of gender equality in budget management:**

- ▶ is required from the Federation, States and Communes by the Austrian constitution
- ▶ is fully integrated into the budgetary procedure on federal level

## GENDER BUDGETING:AUSTRIA AS A LEADING EXAMPLE

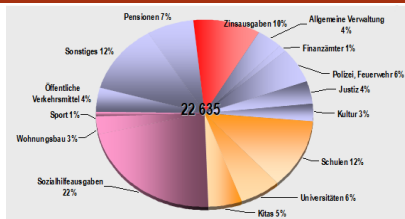
- Austria belongs to the three countries in the world having a special legal basis for Gender Budgeting. The Austrian Constitution fixes the legal basis:
- Article 13 Para 3: „ Federation, States and Communes are to strive for the effective equality of men and women in their budget management.“
- Art. 51 Para 8: „In the Budget Management of the Federation the fundamental principles of impact orientation, especially under consideration of the objectives of the effective equality of men and women, transparency, efficiency and the most faithfully possible representation of the financial situation of the Federation are to be observed.“
- Article 51 Para 9: „The participation ... are to be fixed by Federal Laws ... In accord with the provisions of Para 8 to be regularised in these are especially:
- measures for an impact oriented administration, especially also under consideration of the objective of the effective equality of men and women;“



### GENDER BUDGETING IN BERLIN

- Since the beginning of this century the discussion about gender budgeting comes and goes. Despite the fact that there is no gender neutrality in the budget. Nonsense.
- In Germany Gender Budgeting is not very popular. The German Minister of Finance refuses any policy commitment. Nevertheless, on the regional and local level there are a lot of initiatives fueled by Civil Society.
- Berlin is the champion. Other regions but also towns follow.
- Berlin since more than ten years demonstrates clearly that gender budgeting is in the interest of democracy, transparency and gender justice.

### EXPENSES WITH RESPECT TO POLICY AREAS 2012



Stand 01.02.2013, Millionen Euro, Analyse Haushaltsplan 2012/2013 (Nachtrag)

