

GENDER EQUALITY COMMUNITY OF PRACTICE FOR FINANCE MINISTERS

OCTOBER 11, 2015

Meeting Summary

The third meeting of the Gender Equality Community of Practice (CoP) for Finance Ministers was convened at the World Bank Group (WBG) and International Monetary Fund (IMF) Annual Meetings in Lima, Peru on Sunday, October 11, 2015.

CoP Co-chair *Jim Yong Kim*, WBG President, opened and chaired the meeting, which saw three new finance ministers join the group: from Paraguay, Peru and Sweden. Finance ministers from Bangladesh, Mauritania and Rwanda took part, with Egypt, Morocco and Romania represented at non-minister level. The CoP chair welcomed *Christine Lagarde*, IMF Managing Director, as a guest to the meeting, along with the President of the African Development Bank (AfDB) *Akinwumi Adesina*, Nigeria's former finance minister *Ngozi Okonjo-Iweala*, and *Purna Sen*, UN Women Policy Director, sitting in for UN Women Executive Director *Phumzile Mlambo-Ngcuka* (CoP co-Chair).

Members discussed financing for gender equality results, building on momentum generated at the 2015 Addis Ababa conference on Financing for Development and by the adoption of new Sustainable Development Goals (SDGs). A country case study on land reform in Mauritania, commissioned by the CoP and prepared by the WBG gender team in collaboration with the Government of Mauritania, was delivered. A discussion summary follows below.

The meeting agenda, a list of participants, and the CoP Charter can be found in the annex.

Discussion highlights:

- *Jim Yong Kim* issued a call for ministers to make more use of multilateral institutions such as the WBG to support their gender equality agendas. The WBG is prepared to support finance ministers with technical expertise and financial resources to promote women's and girls' opportunities in all sectors, but the request must come from governments. He said that the WBG gender innovation labs represent a key tool that governments can use to discover what works in promoting gender results, what doesn't work, and why.
- *Jim Yong Kim* announced that a new corporate-level gender strategy would be presented in December 2015, shifting the focus to results and deepening the WBG's support of countries in closing gaps in women's and men's economic opportunity. It is an agenda well-suited for closer collaboration with finance ministries.
- IMF Managing Director *Christine Lagarde* called on all finance ministers to make gender equality a topic of IMF's regular Article 4 consultations. IMF is eager and ready to support finance ministers in looking at interventions that can help close gaps between men and women in labor force participation, as well as in other areas. She also called on the ministers present to broaden the circle by each bringing one additional member to the group's next meeting.

- Rwanda's finance minister *Claver Gatete* presented a series of interventions introduced in the country following the 1994 genocide, and how gender equality was front and center in many of them. The government reformed laws to improve women's access to well-paying jobs and to inheritance rights, and introduced policies and programs to support women's labor force participation and control over land. And they engaged the National Statistical Office to improve the availability and quality of sex-disaggregated data. Finally, to help promote female entrepreneurship, the government created a dedicated fund for businesswomen. He called on other finance ministers to consider these initiatives in their own countries.

Next Steps:

To allow for a more in-depth discussion of effective and tested policy options, the next **CoP meeting will be held in April 2016** at the time of the IMF/WBG Spring Meetings in Washington DC, with participation of finance ministry officials at the level of Permanent Secretary and Budget Director.

The meeting will discuss evidence-based policy options that have been found to be effective in closing economic opportunity gaps between men and women. The meeting will have a particular focus on practical solutions, such as: what steps to take to effectively increase women's agricultural productivity; control of assets, access to good jobs; and entrepreneurship rates. The meeting will draw on evidence-based solutions that have been tested in the real world—many of which were produced by the WBG Gender Innovation Labs, which lead the CoP's technical advisory team. The meeting will also look to feature successful interventions drawn from ministries' reform efforts, for potential replication across countries.

The next high-level meeting of the CoP is scheduled for the IMF/WBG Annual Meetings in October 2016.

Summary notes:

WBG President Jim Yong Kim opened the meeting by welcoming the adoption of the SDGs and emphasizing the need to focus on closing gaps between women and men, boys and girls, to achieve the goals. He cited research indicating that doing more to close gender gaps can raise incomes significantly in developing regions: a fact that should be stark to finance ministers in a time of low global economic growth, at the end of the commodity super cycle, pending interest rate hikes and the flight of capital away from emerging markets.

He called for action to promote women's equal access to good jobs and financial services, like bank accounts and credit, and for better opportunities to leverage their labor and assets through initiatives that help increase productivity and through better access to transportation services. To accomplish this, he asked finance ministers to increase their scrutiny of every dollar of public spending so that they garner results where they really matter for women and girls. He underlined that the WBG wants to be a partner in enabling knowledge and resources for new initiatives and investments.

To prepare the WBG to better support member countries on this agenda, he said, a corporate gender strategy is under preparation and will be finalized before 2016. For the first time it will cover the whole WBG, facilitating the use of the full arsenal of lending and non-lending products to support countries in closing gaps between females and males.

IMF Managing Director Christine Lagarde announced that the IMF stands prepared and eager to support finance ministers in bridging gaps between men and women. The fund recently made gender a voluntary topic for assessment as part of the IMF's annual Article 4 consultations with countries, and that several countries had in fact requested this. She called on all finance ministers present to follow suit. Ms. Lagarde lauded the work of the Mauritanian government to promote women's access to titles as part of their land registration reform, as described in a case study delivered to the CoP, and said that the IMF would be eager to partner with the government to speed up progress.

Ms. Lagarde proposed that there are central areas where finance ministers have the leverage to impact gender quality. In the sector of education, finance ministries can put systems and financing in place to ensure that girls reach the same levels of education as boys—through regular or special programs such as conditional cash transfers. Second, women's employment is low in many countries, and this is costly. Legal barriers and lack of adequate services limit women's opportunities and need to be addressed. Citing Peru, she said that a mere five years after removing legal barriers, women's labor force participation had increased, showing that this can be a quick win. Further, she said, in countries with low female labor force participation, the right action can be to allocate significant spending on child care centers. Finally, tax systems should be designed to first and foremost be people-friendly, not as some countries now have family-friendly, since that creates incentives for one spouse to stay at home instead of earning a salary or becoming an entrepreneur.

She challenged the finance ministers present to each bring one additional finance minister to the next meeting to ensure more substantial participation.

Former Finance Minister of Nigeria Ngozi Okonjo-Iweala presented Nigeria's You Win Program, a business planning competition for small and medium enterprises run with the support of the WBG and DFID. While a large share of Nigeria's SMEs are run by women, only a small share of applicants in the competition came from women-owned businesses, so the government launched a special round for women. She said that results indicate that these women-owned businesses were able to create 10,883 jobs directly, and that the program led to a 23 percent increase in profits for new firms and a 20 percent increase in survival over the next couple of years for existing firms.

Rio de Janeiro State Secretary of Social Assistance and Human Rights Teresa Cosentino presented the Lilac Railway, a transit project in the Rio de Janeiro State which was completed with WBG funding and technical assistance. To promote women's ridership this project aims to create a safer transit system, with measures to reduce the risk of violence and harassment, while also incorporating elements designed to promote female labor force participation. The initiative came about after Rio state's request for technical expertise and financing from the WBG, and, said Teresa Cosentino, could serve as a template for other countries.

AfDB President Akinwumi Adesina shared his vision for how ministers of finance could best work with multilaterals to promote gender equality. He pledged that the AfDB is going to fast track efforts on women's empowerment and he called on finance ministers to complement multilaterals' work by using the tools at their disposal in their own countries. Specifically, he emphasized the importance of going beyond sex-disaggregated budgets to creating accountability matrices to monitor whether the budget is achieving the desired results. He suggested key areas for the AfDB and finance ministers to collaborate on, such as in setting up an affirmative finance action facility for women, and recommended considering special tax incentives for women-owned businesses. He closed by emphasizing the need to move beyond words and focus on achieving real-world results.

During a lively discussion, CoP members weighed in on these and other topics. Rwanda's finance minister *Claver Gatete* called for action and, in particular, for a stop to discussions on isolated success stories and instead for backing up talk with policy or legal instruments. He suggested an international index to rank countries on how well they did this. *Abul Maal Abdul Muhith*, reported on the successes in Bangladesh in increasing women's access to paid jobs, and outlined some of the remaining challenges they are now working on, including on legal barriers and pay gaps. *Santiago Pena Palacios* detailed the policies adopted in Paraguay to increase female labor force participation, starting with conditional cash transfers and moving on to efforts to promote financial inclusion along with new incentives to increase women's labor force participation, and the positive effects this has had on the economy. *Alonso Arturo Segura Vasi* spoke of his ministry's efforts to introduce a gender equality perspective in Peru's budget programs, and the introduction of specific goals to see more spending reach women and girls.

Other ministers and participants all weighed in on a range of topics.

Annex 1: Meeting agenda

MEETING AGENDA

Community of Practice for Finance Ministers Financing for Gender Results

8:30-10:00 AM; Sunday, October 11, 2015
Mateo Salado room, Lima Convention Center, 4th floor, Lima, Peru

Breakfast will be served from 8 am.

- 8:30 - 8:40 **OPENING**
Jim Yong Kim, President, World Bank Group
- 8:40 - 8:50 *Christine Lagarde*, Managing Director, IMF
- 8:50 - 9:00 Discussion
- 9:00 - 9:20 **KICK-OFF INTERVENTIONS ON HOW TO LEVERAGE RESOURCES TO CLOSE
GENDER GAPS**
Ngozi Okonjo-Iweala, Former Minister of Finance, Nigeria
Teresa Cosentino, State Secretary of Social Assistance and Human Rights of the
Rio de Janeiro State, Brazil
Akinwumi Adesina, President, African Development Bank
- 9:20-9:50 **DISCUSSION SESSION**
MODERATED BY KYLE PETERS, SENIOR VICE PRESIDENT, WORLD BANK GROUP
- 9:50-10:00 **CLOSING**
Purna Sen, Director of Policy Division, UN Women
Kyle Peters, Senior Vice President, Operations, World Bank Group

Annex 2: Participants

Community of Practice of Finance Ministers for Gender Equality

Speakers

World Bank Group	Jim Yong Kim, President
IMF	Christine Lagarde, Managing Director
Nigeria	Ngozi Okonjo-Iweala, Former Minister of Finance
Rio de Janeiro State	Teresa Cosentino, State Secretary of Social Assistance and Human Rights
AfDB	Akinwumi Adesina, President
UN Women	Purna Sen, Policy Director
World Bank Group	Kyle Peters, VP of Operations

Ministers

Bangladesh	Abul Maal Abdul Muhith, Minister for Finance
Mauritania	Sid'ahmed Ould Raiss, Minister for Economic Affairs and Development
Paraguay	Santiago Pena Palacios, Minister of Finance
Peru	Alonso Arturo Segura Vasi, Minister of Economy and Finance
Rwanda	Claver Gatete, Minister of Finance and Economic Planning
Sweden	Magdalena Andersson, Minister of Finance

Other Heads of Delegation

Morocco	Jilali Kenzi, Director of Treasury
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Ex-officio Invitees and Observers

Paraguay	Jose Molinas Vega, Minister of Planning
Romania	Ioana-Maria Petrescu, Former Minister of Finance
IMF	Anne-Marie Gulde-Wolf, Deputy Director of the African Department
IMF	David Robinson, Deputy Director of the African Department
IMF	Kalpana Kochhar, Deputy Director in the Strategy, Policy and Review

Annex 3: Charter

Gender Equality Community of Practice for Finance Ministers

October 2014

Background

Ministers of Finance can play a critical role in promoting gender equality using instruments such as the national budget, tax regulations, and institutional rules and regulations.

At the 2013 World Bank Group/International Monetary Fund Annual Meetings, World Bank President Jim Yong Kim welcomed Minister Ngozi Okonjo-Iweala's proposal to create a Community of Practice (CoP) of Finance Ministers to advance gender equality, and offered to host the group's meetings at the WBG/IMF Spring and Annual Meetings.

There is growing interest in identifying more effective ways to promote economic policies, tools, and reforms that reduce economic gaps between males and females as well as opportunities that enhance the agency and voice of women and girls in economic life. These are areas in which collaboration can foster mutual learning, and where partnerships between countries at different income levels will help advance the agenda.

The World Bank Group invited ministers of finance from a diverse set of countries to the inaugural meeting on April 13, 2014, to draw on the innovative and recent approaches they have developed to promote women's and girls' opportunities.

Objectives and Proposed Approach:

- Promote financing for gender results;
- Make national budgets more effective in supporting women's and girls' opportunities and reducing gender gaps by working through national budget processes and other finance ministry operations;
- Promote learning and cross-fertilization by sharing innovative finance ministry-led approaches; and;
- Support political momentum for gender equality goals in post-2015 agenda and associated financial commitments.

To meet the overall objectives, CoP members will seek to promote cost-effective, evidence-based policy solutions by:

- Increasing the visibility of CoP members' initiatives for gender equality results nationally and globally,

- Candidly sharing with the group experiences on what works and what doesn't, which institutional arrangements best help advance necessary reform, and specific modalities for monitoring and evaluation;
- Examining and discussing the rigorous technical evidence of what works in promoting gender equality, what doesn't work, and why.
 - Based on experiences and evidence, experiment, evaluate and adopt or advocate for new interventions and policies on gender at the national level
 - Disseminate at the international level key lessons learned, particularly in venues where finance ministers and other policymakers gather

Program of Activities

1. Selected Events

The CoP will meet at least every six months at events and venues where finance ministers are scheduled to meet, such as the WBG/IMF Annual and Spring Meetings. The meetings will be co-chaired by the World Bank Group President and UN Women's Executive Director, and will showcase innovative approaches and results of the group's work.

2. Knowledge Sharing

Part or all of the minister-level meetings of the CoP will be held behind closed doors to encourage a candid discussion of results and challenges, and to provide space to openly address what specifically was achieved and through what means, what didn't work, and why. One option is to have one country share experiences in some depth during each meeting, restricting attendance to ministers and technical level "sherpas." Summarized records of the meetings will be prepared and disseminated by the CoP secretariat, while respecting the confidentiality of the discussion. In addition, high-level and public events will be organized as appropriate to provide a platform for CoP members to share their innovative work.

Summary reports and recommendations from the minister-level meetings will highlight countries' innovative practices, along with major decisions made at the high-level meeting. The World Bank Group will develop a webpage to this end, and will use the social media platforms to host and disseminate useful resources and innovative solutions emerging from the CoP and elsewhere.

3. Learning

Meetings of principals will be preceded by a longer technical-level meeting of sherpas, organized as mutual learning, briefing sessions for conveying evidence-based policy advice and supported by the technical advisory team (discussed below). These meetings will likely be held in conjunction with the World Bank/IMF Annual Meetings prior to the principals-only meeting.

In addition, regional meetings and technical workshops can be organized for interested parties (e.g. finance ministers, other policy makers), where best practices can be shared. These can be organized

and hosted by members of the CoP or by other partners, including donor countries, supported by the technical advisory team.

4. Monitoring and Evaluation

The key to an effective CoP will be the development of a set of indicators that finance ministers can use to monitor progress on gender equality. A number of finance ministers are already working on this, and drawing on their initiatives as well as post 2015 indicators there is scope to develop a solid monitoring framework.

5. Linkages to Ongoing and New Activities and Instruments

- The World Bank Group uses Development Policy Operations (DPOs) or other lending instruments to provide budget support to governments undertaking structural and budgetary reforms. The five DPOs approved in FY13 with gender priority actions amounted to over \$1 billion. Through the CoP, the Bank aims to support countries as they deepen their focus on gender using DPOs. While DPOs are increasingly more gender-informed, with one third integrating gender into the design, program and results framework in FY13, there is room for improvement. The scope for priority actions with potential for transformational change for women's and girls' opportunities will be explored.
- UN Women's work on gender responsive budgeting fits well with the scope of the CoP, and UN Women's Regional Centers of Excellence can provide crucial support to CoP members interested in pursuing this approach.¹
- Data2X, an initiative of the UN Foundation, USAID, US State Department, and Hewlett Foundation to enhance gender-relevant data collection and analysis by mapping global gender statistics and gaps, and exploring the use of "Big Data," can provide useful data for the CoP. Through its new leveraging initiative, DFID will be providing technical advice and support for nationally owned solutions to promote gender equality. This initiative can create opportunities for CoP members looking to use their budgets to promote gender results.

CoP Membership and Organization

Membership

The CoP comprises a core group of leaders who have shown commitment and willingness to use their positions as Ministers of Finance to promote gender equality. It will be affiliated with a broader group of actors who are interested in promoting and supporting these ministers in their work.

¹ <http://gender-financing.unwomen.org>

Sherpas

To ensure continuity in CoP activities, and that they are not restricted to the twice-annual meetings of the principal and minister-level members, ministers will appoint Sherpas to engage with each other and with the CoP secretariat and with support teams between meetings, and to help prepare ministers' meeting participation.

Secretariat

While member countries' finance ministers make up the core members of the CoP, a small CoP secretariat will be set up in the World Bank Group's Cross Cutting Solutions Area on Gender. The secretariat will arrange principal-level and Sherpa-level meetings as part of the WB/IMF Spring and Annual Meetings, administer member lists and invitations and prepare meeting materials for participants and the meeting chairs, and draft and disseminate meeting reports.

Support teams

To assist CoP members, two support teams will be put in place: a global outreach team in UN Women and a technical advisory team in the World Bank.

Global Outreach Team: Drawing on its global reach and its preeminent position in the global political and development sphere, UN Women will lead the COP Global Outreach Team (GOT). Using existing platforms and global network of offices, UN Women will:

- Increase the visibility of CoP member's gender initiatives;
- Share knowledge and accomplishments on the global level, including through the Knowledge Gateway for Women's Economic Empowerment;
- Support the political momentum for gender equality goals in post-2015, and other such goals, and associated financial commitments.

Technical advisory team: A technical advisory team (TAT), led by the World Bank, will support the CoP in its specific tasks. The World Bank's Africa Region Gender Innovation Lab, together with other regional departments' gender innovation labs, will lead the CoP technical advisory group, drawing on the growing body of evidence-based policy advice under production. In leading the technical advisory group, the World Bank will:

- Provide technical advice through regular briefings at technical-level meetings and through regular and short briefings to the minister-level CoP meetings. Initial key areas of focus will include agriculture, land, youth employment (including school to work transitions), and entrepreneurship;
- Provide technical advice on demand. Individual ministers and sherpas who are interested in more in-depth briefings on specific thematic areas and issues can request this from the technical advisory team;

- Act as a clearinghouse for evidence-based policy advice by collecting and distributing rigorous technical evidence of the specific programs and activities that most effectively promote gender equality, what the economic benefits are of doing so, and what the cost of inaction is. Evidence will be collected from research and impact evaluations produced both by the World Bank and by other research and development agencies.