

Background Guide
UN Women
Improving Economic Opportunities for Women



I. Introduction to the Committee

The United Nations General Assembly (UNGA) is one of the six principal organs of the United Nations and is the organization's central deliberative body. Established in 1945 in the Charter of the United Nations, the General Assembly has served a central role in international diplomacy for seventy-five years. The General Assembly, along with the Security Council, is headquartered in New York City on extraterritorial grounds, affirming the special nature of the Assembly as an international forum dedicated to peace, cooperation, and understanding. The General Assembly is mandated to consider "any questions or any matters within the scope of the present Charter or relating to the powers and functions of any organs provided for in the present Charter" and to make resolutions addressing those concerns.¹

In July 2010, the UNGA created UN Women, the United Nations entity for Gender Equality and the Empowerment of Women.² Gender inequality is pervasive, with women lacking access to decent employment and facing gender wage gaps. All around the world, women and girls are routinely denied access to education and healthcare; they are under-represented in economic and political decision-making and suffer from violence and discrimination. A global champion for women and girls, UN Women was established to accelerate progress on meeting their needs worldwide.³ UN Women supports UN Member States as they set global standards for achieving gender equality and works with governments and civil society to design laws, policies, programs, and services needed to ensure that the standards are effectively implemented and truly benefit women and girls worldwide. It works globally to make the vision of the Sustainable Development Goals a reality for women and girls and stands behind women's equal participation in all aspects of life.⁴ Working for empowerment and rights of women and girls globally, UN Women's main roles are: (1) to support inter-governmental bodies, such as the Commission on the Status of Women, in their formulation of policies, global standards and norms. (2) to help Member States implement these standards, standing ready to provide suitable technical and financial support to those countries that request it, and forge effective partnerships in civil society. (3) to lead and coordinate the UN system's work on gender equality, as well as promote accountability, including through regular monitoring of system-wide progress.⁵

II. Statement of the Issues

Gender differences in laws affect both developing and developed economies, and women in all regions. Globally, over 2.7 billion women are legally restricted from having the same choice of jobs as men.⁶ Of 189 economies assessed in 2018, 104 economies still have laws preventing women from working in specific jobs, fifty-nine economies have no laws on sexual harassment in the workplace, and in eighteen economies, husbands can legally prevent their wives from

¹ United Nations. *Charter of the United Nations and Statute of the International Court of Justice*. Ch. I, Art. 10.

² "UN Women: The United Nations Entity for Gender Equality and the Empowerment of Women," United Nations: Office of the Secretary-General's Envoy on Youth (United Nations)

³ Ibid

⁴ "About UN Women," UN Women – Headquarters (UN Women)

⁵ Ibid

⁶ "Facts and Figures: Economic Empowerment," UN Women – Headquarters (UN Women)

working. Women remain less likely to participate in the labor market than men around the world. Labor force participation rate for women aged 25-54 is 63 percent compared to 94 percent for men.⁷ When including younger (aged 15 years and up) and older women (aged 55 and up), in 2018 women's global labor force participation rate is even lower at 48.5 percent, 26.5 percentage points lower than that of men. Women are also overrepresented in informal and vulnerable employment. Women are more than twice as likely than men to be contributing family workers. From the latest available data, the share of women in informal employment in developing countries was 4.6 percentage points higher than that of men, when including agricultural workers and 7.8 percentage points higher when excluding them.⁸

Globally, women are paid less than men. The gender wage gap is estimated to be 23 percent. This means that women earn 77 cents to a man's dollar. Women also face the motherhood wage penalty, which increases as the number of children a woman has increases.⁹ Women bear disproportionate responsibility for unpaid care and domestic work. Women tend to spend around 2.5 times more time on unpaid care and domestic work than men. The amount of time devoted to unpaid care work is negatively correlated with female labor force participation. Unpaid care work is essential to the functioning of the economy, but often goes unaccounted for and unrecognized. It is estimated that if women's unpaid work were assigned a monetary value, it would constitute between 10 percent and 39 percent of GDP (gross domestic product).¹⁰ Women are also still less likely to have access to social protection. Gender inequalities in employment and job quality result in gender gaps in access to social protection acquired through employment, such as pensions, unemployment benefits or maternity protection. Globally, an estimated 40 percent of women in wage employment do not have access to social protection.¹¹

Women are less likely than men to have access to financial institutions or have a bank account. While 65 percent of men report having an account at a formal financial institution, only 58 percent of women do worldwide.¹² Women are also less likely to be entrepreneurs and face more disadvantages starting a business. In 40 percent of economies, women's early-stage entrepreneurial activity is half or less than half of men's. Because of this, women are constrained from achieving the highest leadership positions. Only five percent of Fortune 500 CEOs are women. On top of that, violence, and harassment in the world of work affects women regardless of age, location, income, or social status. The economic costs – a reflection of the human and social costs – to the global economy of discriminatory social institutions and violence against women is estimated to be about 12 trillion USD annually.¹³

⁷ Ibid.

⁸ Ibid.

⁹ Ibid.

¹⁰ Ibid.

¹¹ Ibid.

¹² Ibid.

¹³ Ibid.

III. History & Past UN Action

For decades, the UN has called upon nations to gather to solve gender inequality and women's economic disparity. In 2015, member states created and adopted the 17 Sustainable Development Goals. The Sustainable Development Goals are a universal call to action to end poverty, protect the planet and improve the lives and prospects of everyone, everywhere.¹⁴ These goals are a part of the UN 2030 Agenda for Sustainable Development which set out a 15-year plan to achieve the goals.¹⁵ Women's economic disparity falls under SDG 5: Gender Equality, SDG 8: Decent Work and Economic Growth, and SDG 10: Reduced Inequalities. SDG 5 calls for the end of discrimination worldwide and eliminating all forms of violence against women and girls as well as ensuring women's full and effective participation in the labor force.¹⁶ SDG 8 calls for sustainable per capita income growth in accordance with national circumstances and higher levels of economic productivity through diversification as well as full and productive employment/ decent work for all women and men.¹⁷ SDG 10 calls for equal opportunity and reducing inequalities as well as progressively achieving and sustaining income growth of the bottom 40 percent of the population.¹⁸

The UN has made noteworthy progress in advancing gender equality, including through landmark agreements such as the *Beijing Declaration and Platform for Action* and the *Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)*. For many years, the UN has faced serious challenges in its efforts to promote gender equality globally, including inadequate funding and no single recognized driver to direct UN activities on gender equality issues. UN Women was created to address these challenges.¹⁹ In doing so, UN Member States took a historical step in accelerating the organization's goals on gender equality and empowerment. It merges and builds on the important work of four previously distinct parts of the UN system, which focused exclusively on gender equality and women's empowerment: Division for the Advancement of Women (DAW), International Research and Training Institute for the Advancement of Women (INSTRAW), Office of the Special Adviser on Gender Issues and Advancement of Women (OSAGI) and United Nations Development Fund for Women (UNIFEM).²⁰

IV. Latest Developments

FINCA (Foundation for International Community Assistance) defines microfinancing as the financial services provided to low-income individuals or groups who are typically excluded from traditional banking.²¹ In 2005, the UN declared the year the International Year of Microcredit. At

¹⁴ "The Sustainable Development Agenda - United Nations Sustainable Development," United Nations (United Nations)

¹⁵ Ibid

¹⁶ "Gender Equality and Women's Empowerment," United Nations (United Nations)

¹⁷ "Economic Growth - United Nations Sustainable Development," United Nations (United Nations)

¹⁸ "Reduce Inequality within and among Countries - United Nations Sustainable Development," United Nations (United Nations)

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²¹ "Microfinance," FINCA International (FINCA International)

a time when the clamor for financial inclusion was gaining momentum, the declaration brought microfinance from the periphery of finance and offered and estimated 2.5 billion people an opportunity to grow thriving businesses and in provide for their families, leading to strong and flourishing local economies.²² Two decades later, the microfinance movement is vital to the development agenda. The success of the movement in a country like Bangladesh, where there are a staggering 20 million micro-borrowers, has shown that microfinance can lift millions out of poverty.²³

The World Bank has also contributed to the microfinance industry. The Microfinance Information Exchange (MIX) Market dataset, used to compare and analyze the performance of financial service providers (FSPs) and microfinance institutions (MFIs) in more than 100 developing markets, is now freely available via the World Bank Open Data Catalog.²⁴ The potential impact of making this high-value repository essential information open to everyone – without charge – is especially significant in underserved, low-income communities, which will benefit from access to meaningful intelligence and greater transparency in the microfinance industry.

Nearly three billion people in developing countries have little or no access to loans, insurance, money transfers, and other financial services that they need to improve their health, income, education, or living conditions. By providing financial services to individuals and small businesses that lack access to conventional banking, microfinance has played an essential role for decades in deepening financial inclusion and enabling fuller economic participation for those groups.²⁵

V. Problems that Resolutions Should Address

The issue of gender equality and disparity has expanded over decades as climate change, conflict, the COVID pandemic, growing global population, and limited resources has increased the gap between men and women. Several interrelated issues need to be addressed while addressing gender economic opportunities.

Delegates are encouraged to consider the following issues and questions in the course of their research and position paper writing:

- Can microfinancing be a solution to female empowerment?
- How does the private sector provide resources for microfinance?
- How has the pandemic widened the gap between women and men economic equality?

²² John Njiraini, “Microfinance: Good for the Poor?” United Nations (United Nations, August 2015)

²³ Ibid.

²⁴ Omar Hadi and Bob Cull, “A Big Win for Data Users: World Bank Unveils Mix Market Database as Open Data,” World Bank Blogs (World Bank Group, March 4, 2020)

²⁵ Ibid.

VI. Helpful Sources

- UN Women www.unwomen.org
- World Bank www.worldbank.org
- Sustainable Development Goals of the UN www.sdgs.un.org

Endnotes

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