



Women Economic Empowerment Study



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Women Economic Empowerment Study

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Acronyms & Abbreviations

ABE	Agricultural Bank of Egypt
AfDB	African Development Bank
AFD	Agence Française de Développement
BDS	Business Development Services
CAPMAS	Central Agency for Public Mobilization and Statistics
CBE	Central Bank of Egypt
CGC	Credit Guarantee Company
CPF	Country Partnership Framework
DHS	Demographic and Health Survey
EBI	Egyptian Banking Institute
EC	Economic Census
ECCE	Early Childhood Care and Education
EFSA	Egyptian Financial Supervisory Authority
EHIS	Egypt Health Issues Survey
ELMPS	Egyptian Labor Market Panel Survey
EOUs	Equal Opportunity Units (NCW)
FAO	Food and Agriculture Organization (United Nations)
FGM/C	Female Genital Mutilation and Cutting
GALAE	The General Authority for Literacy and Adult Education
GDP	Gross Domestic Product
GGI	Gender Gap Index
GoE	Government of Egypt
GOPP	General Organization for Physical Planning
ICA	Investment Climate Assessment
ISC	Investors Service Center
MCIT	Ministry of Information and Communication Technology
MHD	Medium Human Development
MOIC	Ministry of Investment and International Cooperation
MMR	Maternal Mortality Ratio
MOE	Ministry of Education and Technical Education
MOH	Ministry of Health
MOHE	Ministry of Higher Education
MOI	Ministry of Interior
MOJ	Ministry of Justice



MOSS	Ministry of Social Solidarity
MOT	Ministry of Transport
MSMEDA	The Micro, Small and Medium Enterprises Development Agency
MTI	Ministry of Trade, Industry, and Small Industries
NCW	National Council of Women
NEP	National Employment Pact
NOW	National Observatory for Women
OB/GYN	Obstetrics and gynaecology
SDGs	Sustainable Development Goals
SYPE	Survey of Young People in Egypt
TFR	Total Fertility Rate
VAW	Violence Against Women
WBDC	Women's Business Development Centre
WEE	Women Economic Empowerment



Executive Summary and Report Context

Introduction

As outlined in the World Bank Country Partnership Framework (CPF) with the Government of Egypt (GoE), this Gender Assessment (entitled Women Economic Empowerment) builds on the World Bank 2010 report entitled *Narrowing the Gap: Improving Labor Market Opportunities for Women in Egypt*, and is guided by the World Bank 2016–2023 Gender Strategy. Furthermore, at the request of the National Council for Women (NCW), the Women Economic Empowerment (WEE) Report focuses on the barriers and opportunities related to the economic empowerment of women.

The main objective of the report is to provide an assessment of the factors contributing to the persistently low labor force participation of Egyptian women, currently standing at 23.1 percent¹, and to identify “gender smart” policies and solutions to boost economic growth, while at the same time narrowing relevant gender gaps. The report is intended as a policy note to guide NCW’s Women Economic Empowerment Strategy, by identifying specific areas where gender disparities persist, and where policy interventions are needed. Accordingly, it examines the structural drivers of women’s economic participation by applying the analytical framework of the 2012 World Development Report on Gender and Development to the Egyptian context.

Economic growth cannot be sustained without inclusiveness, and women represent an untapped resource in the economy of Egypt; a fact noted in the 2010 World Bank Gender report, as well as in various studies concerned with women’s labor force participation. The 2010 World Bank Gender Assessment also noted that the traditionally strong relationship between educational attainment and economic participation was weakening, with the over-representation of educated women in a shrinking government sector, and their under-representation in the private sector. **The discriminatory labor market treatment of women, especially in the private sector, is a significant obstacle to their participation and contribution to economic growth.** In this context, a 2012 report by Booz and Company on Women and the World of Work, estimated that if female employment rates were to match male employment rates in Egypt, this would result in an increase of 34 percent in the Gross Domestic Product (GDP).²

Efforts to promote the economic participation of women can only be effective if they are well resourced and mindful of the interconnection between the three pillars of the conceptual framework of the World Development Report 2012: Gender Equality and Development: Human Endowments, Economic Opportunities, Voice and Agency. Addressing the gender gap requires attention to the interplay between households, institutions, and markets; and how they affect women’s status. It also requires attention to the strong hold that social norms have on organizations, communities, and individuals; and the effect that implicit and explicit biases play in determining gender roles and the opportunities available to both women and men. The Gender at Work Framework developed by Aruna Rao and David Kelleher in 2001 posits that unless investments are made to address the gender biases and “deep structures” of systems and organizations that are mandated to translate gender equality policy into results that benefit women and girls, these “*deeply entrenched*” informal social norms will sabotage the best policies and plans to advance gender justice.³

The Women Economic Empowerment Report provides interesting qualitative insights into the

1 - Central Agency for Public Mobilization and Statistics (CAPMAS) 2017.

2 - Empowering the Third Billion: Women and the World of Work, Booz and Company, 2012.

3 - Rao, Aruna, How to advance gender equality — and make successes last, DEVEX 25 March 2014.



social norms and stereotypes that constrain women's ability to compete on an equal footing with male counterparts at work. **For example, the underdeveloped state of labor market institutions constrains women's economic participation, however, the role of social networks and economic conditions often transcends this and can have positive or negative impacts depending on the context.** The gender division of labor perceives men as more fit for certain jobs such as those that entail work outdoors, heavy lifting, and handling machinery, while women are perceived as more fit for work that is delicate, and requiring attention to detail. Quantitative findings provide evidence that certain sectors are more hospitable to women, especially married women. Topping the list is the care economy, which accounts for over a third of female private sector employment, and has the highest share of female employment among all industries.

Enabling women's effective economic participation is an urgent priority on the national agenda, which requires well-crafted legislation and policies, as well as innovative solutions and viable public-private partnerships. It also requires a shift in the overall institutional culture and in the mind-set of individuals, both women and men. The experience of countries such as Peru and Nicaragua in Latin America and Nigeria in Africa in which World Bank teams have designed and implemented initiatives using a behavioural lens approach has confirmed that changing the social norms and expectations shaping gender roles and behaviours is possible.⁴

4 - Applying Behavioral Science to End Poverty and Enhance Equity, Mind Behavior and Development Unit, (eMBeD), the World Bank Group, 2018.



Scope and Methodology

The report relies on existing quantitative data including: the CAPMAS Annual Labor Force Market Survey 2016; the Egyptian Labor Market Panel Survey (ELMPS) 2012; the Survey of Young People in Egypt (SYPE) 2010 and 2014; the Economic Census 2012/2013 (EC-13) data for private sector establishments; the Investment Climate Assessment (ICA) surveys of 2013 and 2016; the 2015 Demographic and Health Survey (DHS); and the 2015 Time–Use Survey.

Based on the guidance of the NCW, **two qualitative studies were conducted to complement the results and findings of quantitative analysis to provide a detailed view on the barriers women face.** The first was conducted with women both employed and unemployed, married and unmarried, and their significant relatives, and employers, with the aim of obtaining an in-depth understanding of how the internal dynamics of the household influence women’s labor market participation, as well as the interface between individual choices and exogenous factors such as the role of the market, informal institutions (i.e. cultural belief systems governing behavior in the social, economic, and political spheres)⁵ and labor market institutions, such as “minimum wages, employment protection regulation, unions and collective bargaining, and mandated benefits”⁶. The second qualitative study looked at explicit (conscious) and implicit (unconscious) bias in the private sector towards female employment. The information was obtained through in-depth interviews with employers, managers and employees.

The report provides an analysis of the formal labor market and the barriers and opportunities for young educated women. As such, the scope of the report does not include an analysis of the dynamics of the informal economy.

5 - de Soysa, Indra and Jütting, Johannes Informal Institutions and Development: Think Local, Act Global? In J. Jutting, D. Drechsler, S. Bartsch, and I. de Soysa (Eds.), *Informal Institutions. How Social Norms Help or Hinder Development*, Paris: OECD Development Centre. 2007.

6 - Betcherman, Gordon. 2012. Labor market institutions: a review of the literature (English). World Development Report background papers; 2013; Policy Research working paper; no. WPS 6276; Paper is funded by the Knowledge for Change Program (KCP). Washington, DC: World Bank. <http://documents.worldbank.org/curated/en/950721468170969258/Labor-market-institutions-a-review-of-the-literature>.



Report Structure

Chapter 1 provides the context of women's share of the public space as reflected in their access to education, health, social protection, and decent work opportunities; as well as their ability to participate in the political process, and to be free from violence. **Chapter 2** zooms in on the dynamics and attributes of women's labor force participation. **Chapter 3** looks at the constraints facing women's financial inclusion, and the government's efforts to promote a more enabling environment for women's economic participation. **Chapter 4** provides qualitative insights into women's perceptions regarding working conditions and challenges, including the reconciliation between work and marriage; and the relation between household responsibilities, earnings, and the dynamics of decision making in the household. **Chapter 5** discusses the various gender biases affecting women's work in the private sector; and provides recommendations for potential policy directed at promoting gender diversity in the workplace, and boosting the inclusion of women, particularly in leadership positions. It looks perceptions of women's work from both the supply and demand sides in various sectors including telecommunications, banking, agriculture, textiles, and fast-moving consumer goods (mainly in the food production sector). **Chapter 6** identifies the top 12 industries where women's work is concentrated and/or promising, and provides an analysis of the characteristics of the female labor force in these industries. The Conclusion ties together all analyses and recommendations, and provides recommendations to policy makers on how to enable better labor market outcomes for women. The time frame for the recommendations is aligned with the Egypt Sustainable Development Strategy – Vision 2030, the NCW Women's Strategy and the SDGs. Accordingly, short-term recommendations are for actions to be taken within the next two years (until 2020), while medium-term recommendations cover the period until 2025, with 2030 as the cutoff line. The report concludes with a summary table packaging the policy recommendations according to different dimensions, with identified timeframes, target beneficiaries, policy and decision makers, and other relevant stakeholders.

The Economic Participation of Women

The condition of women since the 2010 World Bank Gender Assessment Report has not changed in any significant manner. Chapters 1 and 2 indicate that **despite progress achieved on certain fronts, namely education, health and survival, and political empowerment, the economic gap remains unchanged. Most indexes measuring gender inequality confirm Egypt's low ranking with regards to women's economic participation and opportunity.** In this context, the 2017 Gender Gap Index (GGI) of the World Economic Forum shows Egypt as ranking 135 out of 141 countries for economic participation and opportunity.⁷ (Annex 1A. Measuring and Benchmarking Gender Equality in Egypt)

A synopsis of the context of women's economic participation, brings a number of issues to the forefront of concerns requiring policy interventions: **a) women's declining labor force participation rate** (estimated at 21 percent in 1998, rising to 27 percent in 2006, and dropping back to 23.1 percent in 2016);⁸ **b) women are disproportionately represented in both the public sector, and the informal economy; and c) compared to men, more women are engaged in unpaid work for family members and spend an inordinate amount of time doing such work.**

The preference of women for public sector employment is well established and is due to a variety of factors, including the fact that work conditions in the private sector do not meet women's requirements in terms of job security and working hours; as well as the private sector bias against

7 - The Global Gap Index 2017.

8 - CAPMAS (2017).



hiring women mainly because of the costs perceived as associated with employing women. A study looking at women's participation in paid employment indicates that in 2012, 50 percent of employed women compared with 20 percent of employed men were working in the public sector.⁹ It is noteworthy that the number of employees in Egypt's government sector increased by 2 percent to 5.55 million in 2012/13, half of which are women.¹⁰ However, this was a one-time measure with the increase concentrated in the education sector, which is the least remunerated according to CAPMAS,¹¹ and also one of the top twelve industries that hires women disproportionately compared to men (explained in further detail in chapter 6).

Approximately half the number of working women are informally employed with minimal wages and little or no access to social security; are mostly illiterate, unskilled, and without access to formal employment.¹² As for unpaid work, the results from a Time-Use Survey in 2015 showed that **unpaid work is significantly more prevalent among females**, with 91 percent of surveyed women reporting spending time on unpaid household activities, compared to only 26 percent of men; with 27 percent of women reporting spending time on unpaid care for family members, compared to 8 percent of men. On average, women spend considerably more time than men doing such work, the value of which the survey estimates at EGP 496 billion. Moreover, the survey notes that **the domestic (unpaid) work burden for married women does not decrease when they join the labor market.**¹³ Once more, social norms and traditional masculine values come into effect in designating the responsibility for childrearing, housekeeping, and care work primarily to women.

Self-employment seems to be the last resort for women who are unable to find paid employment. Furthermore, while the eco-system for entrepreneurship in Egypt has been described as 'necessity or subsistence-driven' rather than 'opportunity driven', this is more so the case for women enterprises, most of which are clustered in the micro and informal sectors. According to the Egyptian Financial Supervisory Authority (EFSA) **the percentage of enterprises owned and managed by women is 23 percent, and most (18 percent) are found in the micro sector.**¹⁴ **Access to finance is a main challenge for female entrepreneurs** for a multitude of reasons, but also because banks impose stringent collateral requirements. Chapter 3 elaborates on the challenges facing women's financial inclusion and on the intersection between financial inclusion and entrepreneurship.

Finally, evidence-based research indicates that **marriage is a major cause of the low labor participation of women**, with women either abstaining from seeking employment because they and their male relatives believe that work, especially in the private sector, could decrease their chances of marriage; opting for work that is less demanding; or exiting the labor market altogether after marriage. Chapters 2 and 4 provide further elaboration on the factors determining women's decision to work or not.

In Egypt, although early marriage (marriage before the age of 18) is prohibited by law, and has

9 - Women's Participation in Paid Employment in Egypt is a Matter of Policy not Simply Ideology. Egypt Network for Integrated Development (ENID), Policy Brief No. 022.

10 - Egypt's public-sector workforce rose 2 percent in 2012/13: CAPMAS
<http://english.ahram.org.eg/NewsContent/3/12/74388/Business/Economy/Egyptys-publicsector-workforce-rose--in--CAPMAS.aspx>

11 - Egypt's public sector still pays better than private firms: CAPMAS
<http://english.ahram.org.eg/NewsContent/3/12/52061/Business/Economy/Egyptys-public-sector-still-pays-better-than-privat.aspx>

12 - Informality and Socio-Economic Wellbeing of Women in Egypt, by Reham Rizk and Hala Abou -Aly., Working Paper 910, Economic Research Forum (ERF) 2015.

13 - Central Agency for Public Mobilization and Statistics (CAPMAS) Time-Use Survey, 2015.

14 - The Egyptian Financial Supervisory Authority (EFSA), Egypt 2016.



reportedly declined, it remains a norm, with 17 percent of girls married before their 18th birthday. **Early marriage has negative consequences for women's health and educational attainment, and is positively associated with low labor participation.**¹⁵ The practice is more prevalent in rural areas, especially in Upper Egypt where poverty is more severe with 56.8 of residents unable to meet their basic needs.¹⁶

The Macroeconomic Context

Numerous analyses of the impact of the 2011 political transition on Egypt's macro-economic environment confirm that because of social short falls and inequality the resulting **slowdown in economic activity has had a disproportionate impact on women as compared to men.**¹⁷ **Poverty levels have risen to 27.8 percent in 2015 compared to 26.3 percent in 2012/2013 and 25.2 percent in 2010/2011.**¹⁸ Accordingly, household access to food has been adversely affected by negative coping strategies, which have resulted in worsening stunting rates, and the co-existence of obesity with high rates of anaemia.¹⁹ Further adding to the burden of poverty is the impact of fiscal consolidation measures taken by the GoE including higher energy prices and introducing a new value-added tax. Additionally, the large depreciation of the Egyptian pound following the decision of the Central Bank (CBE) to liberalize it and the resulting rise in inflation from 13.3 percent in 2016 to 30.4 percent in 2017 (down to 12.6 percent in the first quarter of 2018) have exacerbated economic and social hardship.²⁰

Unemployment hovers around 12 percent yet it is higher particularly among youth and women. In 2016, one in every 4 women was unemployed (25 percent), a rate much higher than the 9 percent rate of unemployment among men. In this context, the two rounds of SYPE conducted in 2010 and 2014 revealed that **women believe that when jobs are scarce, priority should be given to men, as they are the main breadwinners.**²¹

Women's access and usage of financial products is constrained by limited control over assets for collateral, the absence of financial capability, especially in rural areas, and the perception of banks that women in general represent a high-risk segment. A recent study on financial literacy in the Arab Region puts the overall rate of financial capability in Egypt at 27 percent (25 percent among men and 30 percent among women).²² However, Egypt has recently made women's financial inclusion as an explicit national objective.

Violence against Women (VAW) is a human rights violation, and it comes with social and

15 - Malé, Chata; Wodon, Quentin T.; Basic Profile of Child Marriage in Egypt, Knowledge Brief, The World Bank 2016 <http://documents.worldbank.org/curated/en/395841467996683755/pdf/105920-BRI-ADD-SERIES-PUBLIC-HNP-Brief-Egypt-Profile-CM.pdf>

16 - CAPMAS Income and Expenditure Survey 2015.

17 - AfDB 2012.

https://www.afdb.org/fileadmin/uploads/afdb/Documents/Generic-Documents/Egypt%20Full%20PDF%20Country%20Note_01.pdf

18 - CAPMAS Income and Expenditure Survey 2015.

19 - The Status of Poverty and Food Security in Egypt: Analysis and Policy Recommendations, The World Food programme, 2013.

20 - CAPMAS.

21 - Survey of Young People in Egypt (SYPE) 2010, 2014.

22 - Financial Literacy in the Arab Region: A pre-requisite for Financial inclusion, Union of Arab Banks – General secretariat_ Research Department 2017.



economic costs as it results in lost employment and productivity.²³ Social costs include physical and emotional insecurity, psychological stress, decreased confidence, and reduced ability to contribute to sustainable development. As for monetary costs, the 2015 Egypt Economic Cost of Gender-Based Violence Survey (ECGBVS) calculated it at EGP 2.17 billion annually.²⁴ The Survey estimated that 7.9 million Egyptian women experience violence yearly, perpetrated by spouses, close relatives, and/or strangers in public spaces, including on public transport. Egypt is the leading Arab country to provide reliable evidence confirming that **combatting gender-based violence is a priority that is inexorably linked to addressing both women's disempowerment and stagnant economic participation and financial growth.**

Reasons for Optimism

Despite the low level of women's current economic participation, there are some positive developments that give reason for optimism:

Significant progress has been made in the implementation of Egypt's long-term vision—Egypt's 2030 Sustainable Development Strategy—and reform plan. The strategy has key performance indicators and the plan sets ambitious targets that are gender specific, and which include reducing female unemployment and increasing female formal labor participation.

A National Strategy for Women has been developed for the first time. The NCW launched the first National Strategy for Women's Empowerment, hereafter referred to as the NCW Women Strategy. The NCW Women Strategy is aligned with the UN Sustainable Development Goals (SDGs), and it echoes Egypt's "Sustainable Development Strategy–Vision 2030." The NCW Women Strategy includes **four pillars: Political empowerment; Economic empowerment; Social empowerment; and, Protection Against All Forms of Violence.** It also includes a comprehensive module for monitoring and evaluation (M&E) with a set of indicators and targets for 2030 to strengthen accountability. Moreover, **the NCW Women Strategy calls for the establishment of a Women Observatory**, which is producing scorecards reflecting the values of the different indicators, and the progress towards achieving targets.

2017 was declared the Year of Egyptian Women. The President of Egypt and the President of the NCW declared 2017 the Year of Egyptian Women. The significance of this declaration resides in its affirmation of the State's constitutional commitment to enact the necessary measures to empower Egyptian women and ensure their fair representation in all decision-making positions.

Egypt is proceeding steadily on its financial inclusion journey. Egypt has adopted **the Maya Declaration**, which was launched in 2011 at the Global Policy Forum (GPF) in Riviera Maya, Mexico. A commitment to the Declaration is a means to champion financial inclusion, contributing to the SDGs, but specifically SDG 1: No Poverty. The Declaration focuses on creating the right environment, implementing the correct framework, ensuring consumer protection measures are taken, and using data to inform and track financial inclusion efforts. Women related commitments include developing a set of supply side indicators on women's access to and use of financial services by the end of 2018, determining the baseline gender gap by the end of 2018, and halving Egypt's gender gap by 2021.

23 - Remarks by UN Assistant Secretary-General and Deputy Executive Director of UN Women, Lakshmi Puri at the high-level discussion on the "Economic Cost of Violence against Women" Date: Wednesday, September 21, 2016 <http://www.unwomen.org/en/news/stories/2016/9/speech-by-lakshmi-puri-on-economic-costs-of-violence-against-women>

24 - Central Agency for Public Mobilization and Statistics (CAPMAS) The Egypt Economic Cost of Gender-Based Violence Survey (ECGBVS) 2015.



Moreover, a **Protocol on the financial inclusion of women was signed between the Central Bank of Egypt (CBE), and the NCW** during the Alliance for Financial Inclusion (AFI) forum held in September 2017. **The Protocol is part of an EGP 1.6 billion microfinance initiative launched by the CBE** within the context of its broader financial inclusion efforts, **with the objective of ensuring bank funding for women's micro-sized projects.** As it stands, only 9.3 percent of women are banked as compared to 19 percent of men,²⁵ and while 45 percent of microcredit loans are directed to women, the average size of loans they receive is less than the average received by men.²⁶ A 2010 World Bank study on Egyptian women workers and entrepreneurs reports that **although access to finance is a constraint for all, it is more so for women** as evidenced by the findings of the 2008 World Bank Investment Climate Survey (ICS) which indicate that 10 percent of men say that access to finance is problematic, compared to 22 percent of women. In addition, together with the Amwal El Ghad, the NCW and the CBE have launched Women Leadership Development Mentorship program to develop, guide, inspire and empower the next generation of women leaders to enhance their soft and leadership skills.

Efficient social protection programs have been designed as a stepping-stone to financial inclusion. Egypt launched the **Takaful and Karama** (Solidarity and Dignity) cash transfer program in 2015, with support from the World Bank, targeting the poorest families in Egypt, where around 90 percent of beneficiaries are females. The cash transfer program is being supplemented with a new program, **Forsa**, which is designed to serve as a graduation program that will create sustainable pathways for the poorest including time-bound multi-dimensional interventions: safety nets, education, financial literacy and savings, seeds capital, access to capital, and life skills mentoring or coaching.

Substantial reforms have been made to improve the ecosystem for business and to improve women's rights in general legislation. Several laws and amendments to existing laws have been enacted to improve the eco-system for business, and to attract investments. These reforms address many of the hurdles that prevent women from participating in the economy. In addition, **a business facilitation office for women has been established at the Investors Service Center (ISC) to facilitate the incorporation procedures for women-owned businesses.**

Furthermore, the **amended Companies Law 159/1981**, allows sole proprietors, who represent almost 60 percent of total businesses²⁷ to register as sole person companies, affording them limited liability and other protections. The amended law will permit modest investors to establish their own small businesses and to raise capital for growth. While not gender specific, **the amendments will benefit women-owned enterprises, which are mostly small, and will encourage them to formalize and grow.**

Additional legislative reforms that contribute to promoting a more enabling environment for women's economic participation include **The Civil Servants Law 81/2016**, approved by Parliament in October of 2016, **granting female employees a paid maternity leave of four months for a maximum of three times**, covering three pregnancies. The previous law allowed for only three months. This means that Egypt has exceeded the 14 weeks recommended by the ILO convention.²⁸ **The Inheritance Law 77/1943** was recently amended to protect family inheritance rights. The amended Law that came into effect in January 2018 stipulates "the penalty of imprisonment for a period of not less than six

25 - WOMEN'S ACCESS TO FINANCIAL SERVICES IN EGYPT, FINAL REPORT NOVEMBER 2015.

Prepared by: New Faces New Voices.

26 - The Egyptian Financial Supervisory Authority (EFSA), Egypt 2016.

27 - Hala El Said, Mahmoud El Said, Chahir Zaki Small and Medium Enterprise landscape in Egypt: New Facts From A New Data Set, Journal of Business and Economics, Volume 5, No 2, Academic Star Publishing Company, 2014.

28 - Women in Public Life: Gender, Law and Policy in the Middle east and North Africa, OECD, CAWTAR, 2014.



months and a fine of not less than twenty thousand pounds, and not exceeding one hundred thousand pounds, or one of these two penalties each deliberately refrained from handing over one of the heirs his legitimate share of inheritance.”²⁹ This amendment is crucial to the economic empowerment of women, especially in rural areas, where women are often deprived of their rightful inheritance, and is consistent with Article No. 11 of the Egyptian Constitution.

The GoE is developing a Gender Equity Seal certification program for public and private companies. The new program is based on the success of the World Bank Gender Equity Seal piloted in 2010. The process of being certified emphasizes the added value of becoming a Gender Equity Certified Business operating in Egypt. In this context, guidance is provided to companies about the measures required to establish a more gender responsive work environment by **addressing such issues as wage inequalities, sexual harassment, work-life balance, and access to leadership positions.**

Key Messages to Policy Makers

Based on the findings of the WEE report, the core message conveyed to policy makers is that **increasing employment opportunities will inevitably result in more employment opportunities for women.** It is expected that the reforms introduced to the ecosystem, including the adoption of a flexible exchange rate, and the promotion of new export-oriented sectors, will in the medium term open up opportunities for employment; **however, the gap between male and female employment will not necessarily be reduced without the adoption of policies that are gender responsive.** Based on the various analyses included in the six chapters of the report, **ten key messages** are proffered:

- In 2017, the National Council for Women launched an ambitious **women empowerment strategy aligned with the SDGs**, and the President of Egypt declared 2017 as **the year of the Egyptian woman, rendering it an opportune time to advance the women’s agenda.**
- Positive **legislative reforms supporting women’s economic empowerment have taken place** i.e. new investment law, new bankruptcy law, sexual harassment law, and a new inheritance law **although enforcement and effectiveness of these broad legal guarantees needs to be further leveraged.**
- Egypt has made significant investments in human capital, and positive outcomes have been recorded during the last decade, in terms of women’s health status and education levels. However, this progress has not translated into higher female labor force participation. **Overall unemployment stands at 12 percent, but is particularly higher among women at 23.6 percent -more than double that of men.**
- **Regional disparities** in women’s illiteracy, age at marriage, unemployment, fertility and health still persist, with Upper Egypt lagging behind; hence, developing **tailored integrated programs that are attentive to the rural urban divide and to rural women’s particular constraints is critical to the inclusion efforts of the government, as is the expansion of successful national programs and pilot initiatives.**
- The most recent CAPMAS labor survey and 2014 SYPE point to the **persistently low female labor participation rates due to multiple factors** including social norms and values, burdens of marital responsibilities, lack of childcare facilities, poor transportation, sexual harassment and a mismatch between labor market demand and the outputs of the education system.

29 - The Egyptian Center for Women’s Rights (ECWR) welcomes the Amendment of the Inheritance Law, November 2017. <http://ecwronline.org/?p=7509>



- **Women's preference for public sector jobs**, driven by its fairly egalitarian nature in terms of treatment, hiring and compensation, is inconsistent with the lower opportunities for public sector jobs, and with the country's attempt to depart from this **old social contract to an environment where the private sector plays a central role in the economy**.
- For this new social contract to materialize, **violence-free working environments and safe public spaces are pre-requisites to improve women's productivity, in addition to addressing the existing conscious/unconscious biases that exists within the private sector**.
- **Promising export-oriented industries and the recently growing sectors of social care offer great opportunities for female employment** (i.e. in agri-business, ICT, garments, tourism and pharmaceuticals).
- **Women's financial inclusion** is also a key enabler for poverty reduction and inclusive growth. **Entrepreneurship, mentorship, financial literacy and leveraging innovations are thus critical in a digital economy**.
- **Advocacy and communication campaigns, such as the Taa Marbouta³⁰, remain a key tool to promote women's equality of opportunity** and to address norms and behaviors that negatively impact women's ability to play an active role in society.

30 - The NCW launched several campaigns to promote women's social, political, and economic empowerment. Through the production of a series of public service announcement, Taa Marbouta has successfully reached more than 72 million Egyptians. To complement this effort, a song "Nour" was produced to highlight the discrimination against women in the hiring process, and another campaign "Because I am a man" was also launched to combat against the social stigma, and stereotypes.



CHAPTER 1:

The Condition of Egyptian Women

Evidence from various country experiences indicates that gender inequality harms economic growth through a reduction of women's human capital and constrained aggregate productivity. **An examination of the condition of Egyptian women indicates that while progress has been realized in closing the gender gap in human capital endowments, disparities remain and contribute to a persistent conundrum of inequality, that affect women's opportunities and outcomes.** Human Endowments include education, health, and social protection, which are fundamental pre-requisites for shared prosperity and sustainable development.

Education

Illiteracy According to the 2017 census, 30.8 percent of Egyptian females over ten years of age (10.6 million females) are illiterate compared to 18.5% of men. This percentage is higher in rural areas (38.8 percent) and even higher in Upper Egypt (45 percent in Minia and 44 percent in Beni Suef). One in every four illiterate females is living in one of the following three governorates: Giza, Minia or Beheira. **Female illiteracy declines according to age group, with higher illiteracy rates found among older age groups.** Illiteracy in the 15 to 29 year old age group is estimated at 16 percent, compared to 33 percent among the 30 to 44 year old age group, and 56 percent for the 45 to 59 year old age group. Despite this positive cohort effect, illiteracy is still high among the younger cohort, especially in rural areas, where one in every five females aged between 15 and 29 is illiterate. According to the 2017 census, **the total head count of illiterate females aged 15 to 29 is 2 million, 75 percent of whom are in rural areas.**

While a comparison between the figures of the last two censuses shows a decline in female illiteracy from 37.3 percent to 30.8 percent, this is mainly due to the cohort effect and not to literacy programs.

General Education Despite the large percentage of women who are illiterate, Egypt has achieved notable success in closing the educational gap, and most education statistics tend to favour women. Table 1.1, below, includes the school enrollment rates in 2016/2017 by educational level and gender. The rates do not show a gender gap among students enrolled in pre-school education. The gap, which is in favor of females, starts among students enrolled in primary education, and widens in the higher education levels to reach 7 percent among students enrolled in secondary education. **Female students, even in rural areas perform better in terms of achieving secondary education and obtaining their degree** (the Thanaweya Amma Diploma). Surprisingly, in rural Upper Egypt, despite the high poverty rates and the prevalence of conservative values, more female students are completing their high school degrees. **The percentage of females earning the secondary school degree is higher than their male counterparts by 6 to 11 percent in the rural areas of eight Upper Egypt governorates.**³¹

31- Calculated from page 42-43, Chapter 3, Statistical Year Book of the Ministry of Education 2016/2017. The eight governorates are Fayoum, Beni Suef, Minia, Assiut, Sohag, Qena, Luxor and Aswan.

**Table 1.1 Gross and Net Enrollment Rates by Educational Level and Gender, 2016/2017**

Educational Level	Rate	Male	Female
Pre-school	Gross	31.6	31.6
	Net	27.6	27.8
Primary School	Gross	97.2	98.4
	Net	93.2	95.4
Preparatory School	Gross	93.4	95.8
	Net	79.9	85.3
Secondary School	Gross	30.1	37.3
	Net	27.0	34.0

Source: Ministry of Education.

Higher Education The number of female students in universities (both public and private) exceeded the number of male students, with females making up 51 percent of the university population in 2014/2015. If Al-Azhar University, which is male-dominated (only 34 percent female students), were to be excluded, females would make up 54 percent of university students. Gender-disaggregated data on graduate students points to remarkable accomplishments by women. In 2015, there were approximately 262,000 graduates of public universities, 56 percent of whom were females. The percentage of female graduates with STEM specializations was 48 percent. In 2014, 48 percent of graduate students granted a Master's degree and 39 percent of those granted a Ph.D. degree, were females.³² Despite the high percentage of women STEM graduates, their representation in STEM jobs remains lacking often because of social norms, but also because of the biases against them in these sectors. Box 1.1. Provides an example of an initiative in MENA to support women entrepreneurs by intervening on multiple levels to increase women's work in STEM jobs.

32 - Calculated from CAPMAS Statistical Yearbook 2016 page 336.



Box 1.1 : STEM-Road Show Partnership Project between the Association of German Women Entrepreneurs (Verband deutscher Unternehmerinnen) and Businesswomen's Associations in the MENA Region

The percentage of women studying STEM subjects is high compared to the rest of the world. Yet, the number of women in STEM jobs and leadership positions in these fields remains extremely low. This represents a high potential for MENA economies and for women themselves. The digital wave is transforming labour and business models. Empowering women through STEM can help them find a stronger positioning in this digital wave, and lead economic and social change. The STEM Working Group of the MENA Partnership Project agreed on the following three pillars as the basis of their mutual work:

1. Change the role model, Motivate for STEM jobs
2. Dismantle cultural barrier
3. Include low-income communities (promote entrepreneurship in STEM)

The STEM MENA Road Show features inspiring Arab women in management positions, or entrepreneurs in a STEM related business, and the working group is building a database of female role models. The Businesswomen Association is launching the “She Made It” project that will organize an Egyptian Wi-Tech week in Cairo and Alexandria for school and university girls and female entrepreneurs to promote and inspire for more women in the technology sector.

Source: Dr. Yomna El Sheridy, President of Business Women of Egypt 21

The under-representation of women in STEM jobs is not unique to Egypt or to the MENA region. Other countries are similarly challenged and have taken measures to tackle gender stereotyping in the labor force. In Belgium and Germany Girls Boys days are organized to expand the horizon of school children at a young age (primary and secondary school) and avoid stereotyping in the choice of education and career paths. On this day, girls and boys have their first hands-on experience to discover unusual jobs, which are traditionally associated with either men or women. There are two phases to Girls day, Boys day: first, workshops on job stereotyping are held at schools, after which pupils get to meet, listen to and watch people with jobs not traditionally associated with their gender who can give them first-hand information.

In Austria, the Active Labor Market Policies program “Women in Crafts and Technology” offers certified qualifications in traditionally male-dominated fields in the form of apprenticeships, technical and vocational training, as well as at universities of applied science. The program also includes basic technical know-how, counseling and supervision. According to an evaluation conducted in 2014, this programme has been very successful: 70 % of participants are employed six months after the programme, 63 % work in the profession for which they were trained; 85 % of participants rate their new employment situation better than their previous one and 82 % are comfortable with the type and contents of their occupation.



Computer and Information Technology The use of computers and the exposure to digital media are considered among the human capital endowments of the 21st century. A national survey conducted in 2011 / 12 and in 2015 / 16 shows that computer use³³ is on the rise.³⁴ The trend for males and females is illustrated below in Figure 1.1.

Figure 1.1 Use of Computers, by Residence and Gender, 2011/12 and 2015/16 (%)

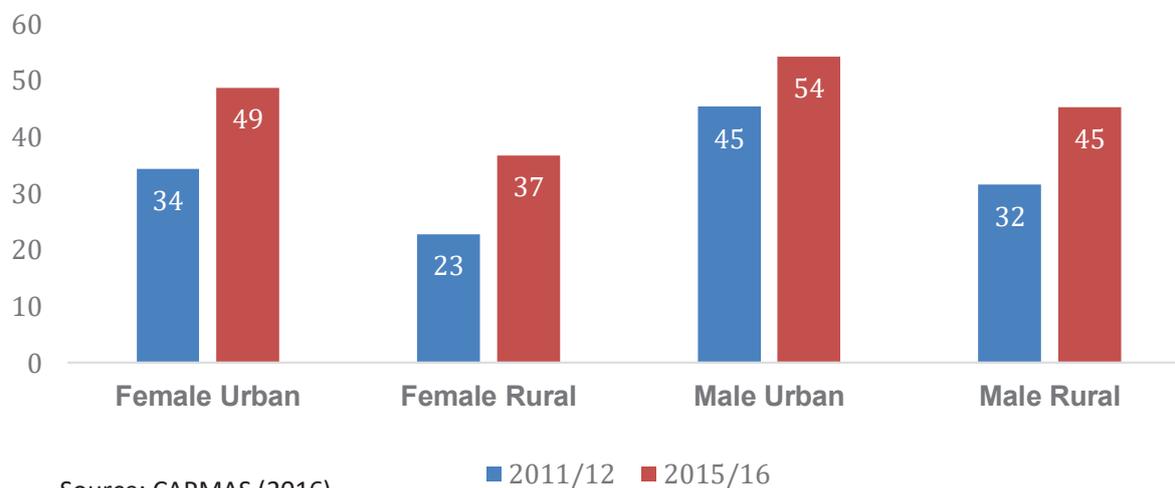


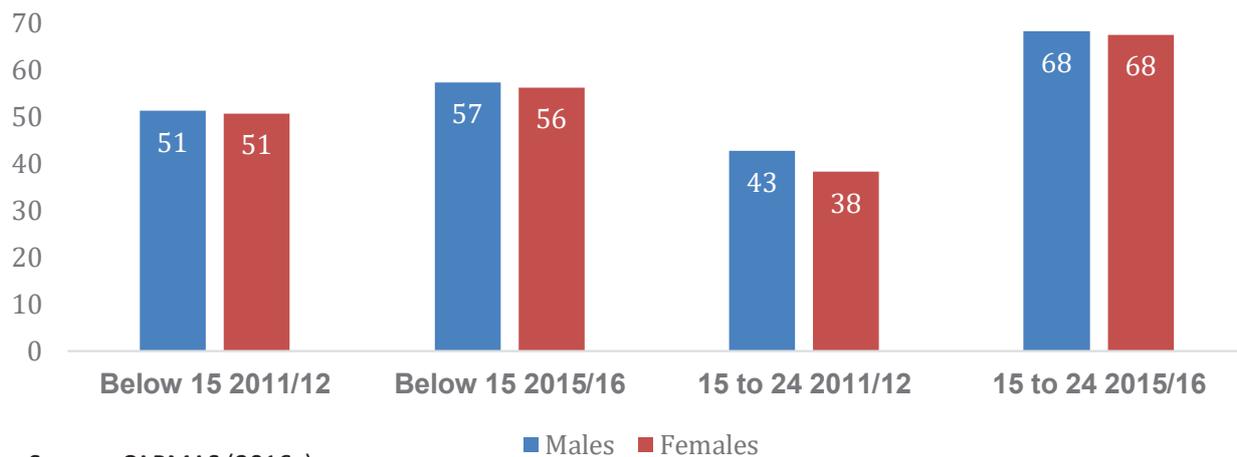
Figure 1.1 shows that **reducing the digital divide is occurring for both sexes in urban and in rural areas**. Digital literacy is higher among males in urban and rural areas; however, bridging the gap is faster in urban areas. The gap in using computers in urban areas represented 11 points in 2011/12 (34 percent among females compared to 45 percent among males), and it decreased to 6 points in 2015/16. The pace is slower in rural areas moving from 9 percentage points in 2011/12 (23 percent among females compared to 32 percent among males) to 8 percentage points in 2015/16 (37 percent among females compared to 45 percent among males). As illustrated in Figure 1.2, below, **the gap in digital literacy is non-existent among youth below 25 years of age** and more investment in supporting women entrepreneurship in ICT is promising given the fact that **among employees in the private sector, the percent of females using computers and the internet is higher than among males** (Figure 1.3, below).

33 - Using computers is estimated as the proportion of individuals who used a computer from any location in the last three months. Using computers refers to a desktop computer, a laptop (portable) computer or a tablet (or similar handheld computer). It does not include equipment with some embedded computing abilities, such as smart TV sets, and devices with telephony as their primary function, such as smartphones.

34 - CAPMAS 2016.

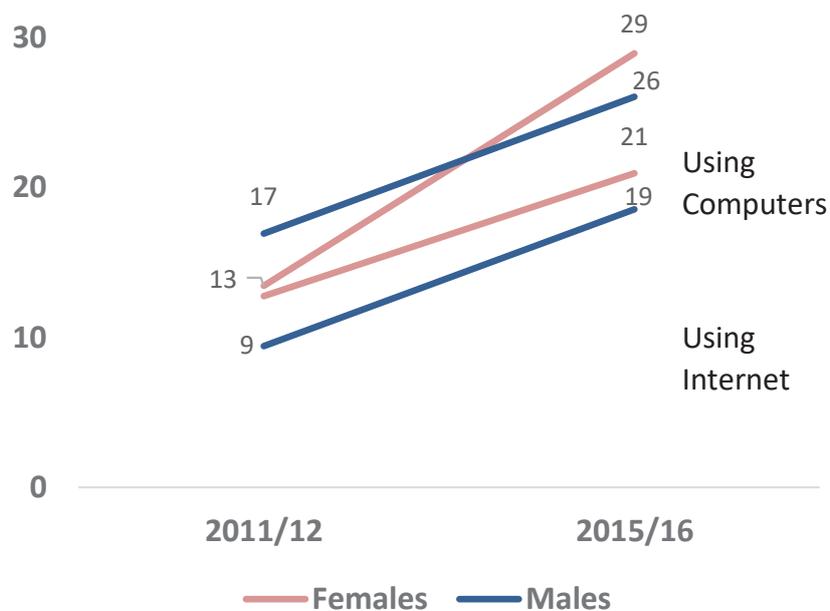


Figure 1.2 Computer Use Among Youth by Gender, 2011/12 and 2015/16 (%)



Source: CAPMAS (2016a)

Figure 1.3 Private Sector Computer and Internet Use by Gender 2011/12 and 2015/16



Source: CAPMAS

The digital gap is larger with regards to married women. The 2014 Egypt Demographic and Health Survey (DHS) shows a lower level of use among ever-married women aged between 15 and 49, with only 14 percent of surveyed women reporting having used³⁵ computers, 8 percent having used the internet, and, 9 percent accessing social media. **The digital divide among ever-married females is sharp between urban and rural areas, and it increases with education and wealth** (See Table 1.2. below).

35 - Use of computer, internet and social media at least once a week.



Table 1.2 Demographics of Women's Media Use (\geq once per week) by
Type of Media 2014 (%)

Demographic	Computer	Internet	Social media	None
Urban	23	14	17	76
Rural	9	4	5	90
Place of Residence				
Urban Governorates	26	17	20	74
Lower Urban	23	14	18	75
Lower Rural	11	5	6	88
Upper Urban	19	11	14	80
Upper Rural	6	3	4	93
Education				
No Education	1	0	0	99
Some Primary	2	0	0	98
Primary -	6	2	2	94
Secondary +	24	14	12	75
Wealth Quintile				
Lowest	3	1	2	97
Second	4	2	2	95
Middle	10	4	6	89
Fourth	16	8	10	83
Fifth	35	22	27	64
Total	14	8	9	85

Source: Ministry of Health and Population, El-Zanaty & Associates, and ICF International (2015a).

Health

The 2030 SDGs commit the International community to “ending malnutrition in all its forms,” as opposed to “halving” malnutrition, as stated in the MDGs. **Issues of discrimination between males and females in nutrition-related matters and in access to pertinent information regarding infectious and non-infectious diseases impact the physical wellbeing, productivity and ability of women and girls to contribute to the development of society.** The findings of the 2014 Egypt DHS indicate that overall, women, and especially those living in rural and less privileged areas, are less likely than men to be health literate

Nutritional Status According to the latest 2015 Egypt Health Issues Survey (EHIS)³⁶, half of women aged between 15 and 59 are obese, and an additional 26 percent are overweight. **Being obese and overweight are consequences of poor nutrition, representing key risk factors associated with non-communicable diseases, particularly cardiovascular disease and diabetes.** The prevalence of obesity and overweight was lower among males (26 percent and 34 percent, respectively). The proportions classified as obese increase with age, from 15 percent among females between 15 and 19 years of age; 40 percent among women between 25 and 29 years of age; and 64 percent among women between 35 and 39 years of age.

36 - Ministry of Health and Population, El-Zanaty and Associates Egypt, and ICF International 2015 Egypt Health Issues Survey, Cairo, Egypt and Rockville, Maryland, USA: Ministry of Health and Population, and ICF International.



Urban women and wealthy women are more likely to be obese; 54 percent among urban women compared to 48 percent among rural women; and 55 percent among women belonging to the highest quintile compared to 44 percent among women belonging to the lowest quintile. Another indicator reflecting women's poor nutritional status is the prevalence of **anemia**. Overall, 25 percent of women are classified as anemic, with the majority being mildly anemic, and only 2 percent classified as moderately anemic. The anemia rate is higher among women living in rural Upper Egypt (31 percent) and among women with six or more children.

Mortality The life expectancy at birth among Egyptian females has improved during the last decade, and it was estimated at 73.6 years of age in 2015, which is 4.4 years higher than the life expectancy of males. While the life expectancy of Egyptian women is slightly lower than the world average (73.8 years), it is 3.2 years higher than the average of countries categorized as having medium human development (MHD), which is 70.4 years.³⁷ The maternal mortality ratio (MMR) dropped from 106 per 100,000 live births in 1990 to 63 in 2000. Further improvement took place as the MMR reached 33 per 100,000 live births in 2015.³⁸ A comparison across countries indicated that the MMR in Egypt was significantly lower than both the world's average (210 per 100,000 live births) and the MHD's average (164 per 100,000 live births); however, the disparity between governorates is high (24 to 65 per 100,000 live births.) **Maintaining this achievement requires expanding the availability of quality obstetric and neonatal care services and protocols, including training service providers and educating communities about health behaviors that contribute to better maternal and child health outcomes.**

Morbidity³⁹ Overall, 17 percent of Egyptians aged 15 to 59 were classified as suffering from hypertension, with no difference in prevalence between males and females or across geographical areas.⁴⁰ For most of these individuals, blood pressure was only mildly elevated (140-159/90-99) and 3 percent were found to have moderately or severely elevated blood pressure. **Hypertension levels increase steadily with age.** Overall, nearly 1 in 3 women aged between 35 and 59 are hypertensive, more than half of women in the 55 to 59 year old age range are hypertensive, and 11 percent had moderately or severely elevated blood pressure. Women who are obese are five times more likely to be hypertensive than women in the normal range for the body mass index, placing a significant portion of the population in a high-risk group. Many women are unaware they have high blood pressure; and among those classified as hypertensive, 47 percent of women were never previously informed that their blood pressure was high.⁴¹

Breast Cancer is the most common type of cancers among women in Egypt and is estimated to be the cause of 22 percent all cancer-related female deaths⁴². Early detection is critically important in reducing deaths from breast cancer. Results from the 2015 EHIS show that only 11 percent of women aged between 15 and 59 are aware of how to conduct self-examination to look for signs of breast cancer. Awareness is higher among women living in urban areas (16 percent), women with secondary education (20 percent) and women belonging to the highest wealth quintile (23 percent). Only 6 percent of women surveyed had self-examined in the 12 months prior to the survey. Clinical screening, whether it involves a provider examining the breast or mammography or other clinical

37 - UNDP (2017) page 210.

38 - WHO database.

39 - Ministry of Health and Population, El-Zanaty and Associates, and ICF International (2015b).

40 - Blood pressure readings were taken using fully automatic digital blood pressure monitors with upper arm automatic inflation cuffs.

41 - Ministry of Health and Population, El-Zanaty and Associates, and ICF International (2015b).

42 - World Health Organization (2014).



screening approaches, is rare. Overall, 2 percent of women aged between 15 and 59 said they had ever had any form of clinical screening.

Hepatitis C is lower among women. Estimates from the DHS show that 1 percent of females compared to 3 percent of males have the disease. However, the percentage of individuals knowing about Hepatitis C and who can name at least one way the illness can be contracted is higher among males than females (66 percent versus 58 percent, respectively).

Caesarean Deliveries involve greater risks of morbidity and mortality for both the woman and her baby.⁴³ The 2014 EDHS found that 52 percent of babies born in the five years prior to the survey had been delivered by caesarean section. The prevalence of caesarean delivery in Egypt is among the highest worldwide.⁴⁴ According to WHO, the clinically accepted percentage is 15 percent. The recent figure of 52 percent is almost double the proportion of caesarean deliveries reported in 2008 (28 percent) and more than five times the level observed in 2000 (10 percent). Educational level and wealth are factors influencing the choice of delivery type. Often, the decision to have a caesarean is made during the pregnancy, in only 17 percent of cases the decision was made after the woman went into labor. The early preference for caesarean deliveries suggests that it is a decision based on convenience rather than medical grounds. The decision to opt for a caesarean is influenced by the doctor. Nearly 80 percent of women believe that doctors prefer caesarean deliveries to vaginal deliveries.⁴⁵ Moreover, doctors charge a higher fee to perform a caesarean. The influence of doctors is an indication of the power relations in reproductive decisions, as a majority of obstetrics and gynaecology (OB/GYN) doctors are males. **The significant increase in caesarean deliveries is of considerable concern for the health of both mother and child, in addition to representing a huge waste of resources and increase in costs for the healthcare system.**

Comprehensive knowledge about HIV/AIDS is extremely rare among Egyptian women with only 6 percent having correct knowledge about the disease, an even lower percentage (4 percent) was observed among young women between 15 and 24 years of age.⁴⁶ Disadvantaged women have a significantly lower level of knowledge, this is particularly true among women belonging to the lowest wealth quintile (2 percent) and among the less educated (1 percent). There is no available data regarding the prevalence of HIV transmitted from husband to wife. Moreover, only 26 percent of women knew that the virus could be transmitted from mother to child by breastfeeding, and 11 percent were aware that the risk could be reduced with special drugs administered to the mother during pregnancy. An additional knowledge gap related to the place where HIV testing is available was also evident with only 7 percent of women between 15 and 49 years of age knowing where to go for an HIV/AIDS test.

Female Genital Mutilation and Cutting (FGM/C): Although female genital mutilation and cutting is prohibited according to the Child Law 126/2008, the practice continues to prevail, and adherence to the custom remains widespread. Recent data from 2014 showed that 87 percent of all women between 15 and 49 years of age have been circumcised. However, adherence to the practice is declining among younger women. The prevalence of FGM/C is 70 percent among the 15 to 19, and 82 percent among the 20 to 24 age groups, tends to increase with age as it becomes universal with older cohorts. The rate also decreases according to wealth quintile, with the prevalence at 70 percent among women belonging to the highest quintile compared to 94 percent among women belonging to the lowest

43 - American College of Obstetricians and Gynecologists, 2014.

44 - WHO database.

45 - Ministry of Health and Population, El-Zanaty and Associates and ICF International (2015a).

46 - Percentage of women between 15 and 49 years of age who, in response to prompted questions, say that people can reduce the risk of getting HIV/AIDS by using condoms every time they have sexual intercourse, and by having one sex partner who is not infected and who has no other partners.



quintile. The 2014 SYPE reports a decline from 86.5 percent in 2009 to 79.3 percent in 2014 of young women reporting that they had been circumcised, more common among rural women and women in informal urban settlements.⁴⁷ The DHS reports a 13 percent decrease since 2008 among girls between 15 and 17 years of age. Nevertheless, seven out of ten male and female respondents in the 2014 SYPE said that they planned to circumcise their daughters. The reasons cited include customs and traditions (57 percent) and religion (35 percent).⁴⁸

Fertility In traditional communities: the competition between the reproductive and productive roles of women is usually in favor of the former. **Early marriage and early motherhood limit the chances and options available to women.** The vicious circle results in increasing fertility levels among women with low paid jobs and a lack of career prospects. Fertility levels computed from household surveys indicate that the total fertility rate (TFR) declined almost continuously between 1980 and 2008. The decline in fertility was especially rapid during the period between the mid-1980s and the mid-1990s. During the period between 1995 and 2008 the downward trend in the TFR continued but at a much slower pace. However, the TFR rose substantially during the six-year period between the 2008 and 2014 surveys, from 3.0 births per woman to 3.5 births per woman. The increase was higher in rural areas (3.2 to 3.8). The trend is consistent with the increase in number of births to 2.7 million births in 2012 compared to 1.85 million births in 2006. Furthermore, a similar trend is noted in contraceptive use, as it decreased from 60.3 percent in 2008 to 58.5 percent in 2014, with a significant decline of 6 percentage points in the use of IUDs, the most popular family planning method in Egypt. This decline was also noted in urban areas, where the use of contraceptive methods decreased from 64.3 percent in 2008 to 61.3 percent in 2014. The total wanted fertility (2.8 births per woman) is significantly lower than the TFR which indicates that **a sizable number of females have unmet needs for family planning and reproductive health services.**⁴⁹ The 2014 DHS shows that around 3 in 10 family planning users in Egypt stop using within 12 months of starting use. Side effects and health concerns are the reasons users most often cite. Results from the DHS show that **13 percent of currently married women in Egypt are considered as having an unmet need for family planning.** Women in rural Upper Egypt have the highest unmet need at 17 percent. Results at the governorate level showed that highest unmet needs are observed in the poorest governorates (Sohag, Assuit and Qena). No evidence was lately reported on the effect of working for cash on the total fertility rate. However, birth intervals are longer for births to women who were working for cash than for births to other women (39.3 months and 36.5 months, respectively). Geographical disparities indicate that rural Upper Egypt, the region with highest poverty rates, has a total fertility rate of 4.1 births per woman. The link between poverty and high fertility has a negative impact on women's empowerment.

Although the marriage age has been raised to 18 (Article 31 in the Egyptian Constitution) and the GoE launched a national strategy to eliminate early marriage in 2014, **field evidence indicates that many women are still getting married before the age of 18.** Moreover, in rural areas where marriage of girls under 18 years of age is not uncommon, the marriage is not registered, which leaves the girl unprotected should her husband die or leave her before she reaches the legal age of marriage. DHS results indicate that 14 percent of women aged between 15 and 19 were married, and that early marriage increases with age: 7 percent for women between the ages of 15 and 17; compared to 28 percent for women aged between 18 and 19. **Early marriage is usually associated with teenage pregnancy,** with 4 percent of women aged 15 to 17 beginning childbearing; reaching 11 percent for women aged 15 to 19. The percentage is as high as 14 percent in rural areas. This number increases for late teenagers, with 22 percent of women aged between 18 and 19 beginning childbearing.⁵⁰ **In addition to posing**

47 - Survey of Young People in Egypt (SYPE) The Population Council 2014.

48 - Survey of Young People in Egypt (SYPE) The Population Council 2014.

49 - DHS 2014.

50 - Calculated from Table 4.11, DHS 2014.



short and long-term health risks for the mother and the child, early marriage and pregnancy limit women's life choices.

Economic Opportunity

When addressing the opportunities available to women in the economic sphere, the analysis considers the gap between women and men in the labor market, including barriers imposed by discrimination in paid employment; in access to productive assets and business development services; access to skills and technology, as well as the inordinate amount of time spent by women on domestic work and child care.

The Labor Market

Indicators reflecting the economic participation of women have not improved as expected. Estimated at 23.1 percent, women's labor force participation rate is low, and their unemployment rate of 23.6 percent in 2016 is more than double that of men.

Female labor force participation in Egypt has also shown a slight sign of increasing over the last 20 years, moving from 21 percent in 1998 to 27 percent in 2006, before dropping back down to 23.1 percent in 2016.⁵¹ **The participation of women in the labor force has not increased despite improvements in educational attainment and the relatively high percentage of women holding high degrees. The reasons are not only structural but also normative, with the values and practices associated with gendered roles and relations acting as barriers to women's economic empowerment.**

Female Employment soared over the last decade. The rate among urban women was nearly 30 percent compared to 20 percent among rural women. Women now make up most jobseekers despite their low levels of labor force participation. **The formal employment share for women is higher than for men** (60 percent of women's jobs are formal compared to 41 percent for men), **but they are much more dependent on the public sector for employment.** The formal private sector employs only 1.5 percent of women of working age compared to 12.5 percent of men in 2012, and the informal private sector is also far smaller, employing only 4 percent of women compared to 38 percent of men.⁵²

Youth unemployment is more challenging in times of economic hardship. **The unemployment rate of young females is more than five times that of young males** (38.1 percent versus 6.8 percent). Despite the large employment gap, there is evidence that **a significant number of women do not seek employment because they feel it would be difficult to find jobs.** Hence, unemployment rates among women, high as they are, omit another segment of women, and do not fully reflect the reality of the situation. Furthermore, women's transition to a stable or satisfactory job is more difficult, while 51.7 percent of young men have transited to stable and/or satisfactory employment, only 16.3 percent of young women have managed to do so. Moreover, women are disproportionately represented in the informal sector, where they work at the lower productivity and lower paying jobs, and more young working women (28.9 percent) than men (14.2 percent) are unpaid family workers. Finally, 7.4 percent of men are self-employed as compared to only 2.1 percent of women⁵³.

51 - CAPMAS (2017).

52 - World Bank (2014).

53 - Barsoum et al. 2014.



Access to Assets and Finance

Full access to resources is a strong indicator of women's empowerment, it is among the SGD targets “undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws (Goal 5 - Target 5a). **The Egyptian Civil and Commercial Code gives women the equal right to own and access land, however, an ownership gender gap is prevalent.** According to the Food and Agriculture Organization (FAO), women own only 5.2 percent of the land in Egypt.⁵⁴ In rural areas, where land ownership is not only an asset but also reflects social class, families might tend to put pressure on women to sell land to male relatives, a situation which over time, places women at a disadvantage both socially and economically.⁵⁵

Time Use

Results from a Time-Use Survey in 2015 showed that **91 percent of Egyptian women reported that they perform unpaid household activities, and 27 percent reported that they perform unpaid care for family members.** Unpaid household work is significantly more prevalent among females as only 26 percent and 8 percent of Egyptian males spend time in household activities or in caring for family members, respectively. On average, women spend more time than men in household activities (5.0 hours and 1.7 hours per day, respectively); and in caring for family members (2.3 hours and 1.8 hours, respectively). The gender gap in time spent in household activities does not differ from urban to rural areas. The average time spent for care for family members is longer in urban areas with a lower percent engaged from both genders (Table 1.3., below)

Based on the survey, the value of unpaid household activities is estimated at EGP 458 billion, with EGP 167 billion estimated as the value for caring for family members.

54 - <http://www.fao.org/gender-landrights-database/data-map/statistics/en/>

55 - El-Mahdy S. (2006).



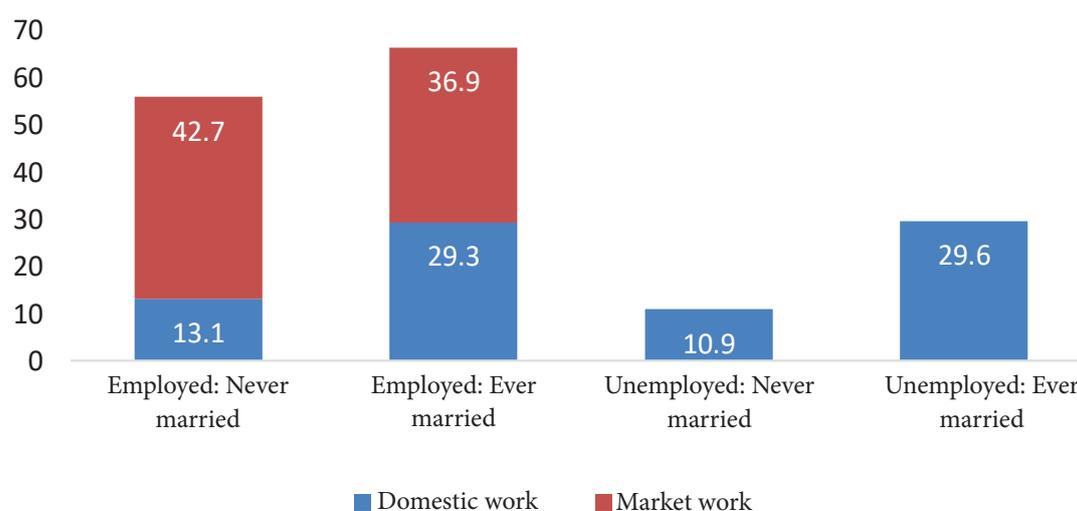
Table 1.3 Distribution of Domestic Tasks by Gender and Average Daily Time Consumed (%), 2015

		Gender	Household Activities	Care for Family Members
Total	Percent	Females	91.0	27.0
		Males	26.0	8.0
	Time Spent (in hours)	Females	5.0	2.3
		Males	1.7	1.8
Urban	Percent	Females	92.0	34.0
		Males	28.0	6.0
	Time Spent (in hours)	Females	5.0	2.5
		Males	1.7	2.0
Rural	Percent	Females	90.0	40.0
		Males	24.0	9.0
	Time Spent (in hours)	Females	5.1	2.1
		Males	1.7	1.7

Source: CAPMAS (2015).

The domestic work burden for married women is not only substantial, it also does not decrease if or when they join the labor market. As illustrated in Figure 1.4., below, ever-married women who were employed had 29.3 hours of domestic work, almost the same amount of domestic work as ever-married and not employed females (29.6 hours). Moreover, ever-married women who were employed worked 36.9 hours in the market, for a total of 65.9 hours of domestic and market work in 2012. A key contrast is between the domestic work burdens of never-married and ever-married females. Never-married not employed females engaged in 10.9 hours of domestic work, while ever married not employed females had 29.3 hours of domestic work.⁵⁶

Figure 1.4 Hours Spent on Market and Domestic Work Per Week, by Women’s Marital and Employment Status, 2012



Source: Hendy (2015)

56 - Hendy (2015).



Agency

Agency refers to freedom from violence; having a voice and influence in governance and political processes; and the ability to exercise control on key decisions within the household, including regarding marriage and reproductive behavior. In Egypt, women's voices are often stifled by violence perpetrated against them in both the public and private spheres. Violence against women and girls in Egypt is widespread and takes many forms, all of which are detrimental to their physical and psychological health. **Violence against women and girls is an extreme expression of the unequal power relations between men and women, and it hampers their ability to engage in social, economic or political activities.**⁵⁷

Violence Against Women

A study conducted on the economic cost of gender-based violence⁵⁸ estimated that 7.9 million Egyptian women suffered from all forms of violence yearly, perpetrated by spouses, close relatives and strangers in public spaces. The study calculated the cost of violence against women and their families to be at least EGP 2.17 billion per year.

Domestic Violence **Violence within marriage is considered socially acceptable, especially in rural areas and among the less educated.** Moreover, many women do not recognize domestic violence as an unacceptable act, but rather as part of married life.⁵⁹ 26 percent of women reported that being beaten or hit by a husband is justified if the wife goes out without telling him. A slightly lower percent (24 percent) justifies hitting or beating for neglecting children. One in every five women reported that it is justified that a husband hits or beats his wife if she refuses to have sexual intercourse with him. This behavior is accepted by 13 percent of women if the wife argues with her husband and by 7 percent if the wife burns the food. **Women are more likely to agree that wife beating is justified when they have 5 or more children, are from rural Upper Egypt, did not attend school or have basic education, and belong to the lowest wealth quintile.**

Sexual Harassment **Despite an amendment to the Egypt Penal Code in 2014 criminalizing sexual harassment, women continue to suffer from varying levels of verbal and physical abuse and harassment, all of which limit their activity in the public sphere.** In 2015, 13 percent of women between 18 and 64 years of age were exposed during the preceding year to violence in the public space. More than half of them experienced harassment in public transport. The percentage is even higher among girls between 18 and 19 years of age (15 percent)⁶⁰ With poor public transport services and the high cost of taxis and private cars, women from poor and rural areas have no choice but to use private minibuses and the 'Tuk Tuk.'⁶¹ A quantitative Violence Against Women (VAW) survey of women, men, and young people carried out by the NCW in 2008 in 7 governorates, showed a high prevalence of verbal violence in the streets, with 72 percent of married women and 94 percent of unmarried young women reporting daily incidences, estimated at 51 percent on public transport, 21

57 - European Bank for Reconstruction and Development (2015).

58 - CAPMAS, UNFPA and NCW (2015).

59 - Ministry of Health and Population, El-Zanaty & Associates, and ICF International (2015a).

60 - CAPMAS, UNFPA and NCW (2015).

61 - A three-wheeled motorized vehicle providing a cheap mode of transportation.



percent at work and 15 percent at school.⁶² In addition, a study by UN Women⁶³ indicated that 81.8 percent of women interviewed in Cairo said they were frequently harassed on public transport. The highest rate of harassment was reported in densely populated urban governorates, such as Cairo and Alexandria, and less in border governorates. As many as 93.4 percent of the victims did not request help from the security forces at the time of harassment because of fear of being shamed or because they did not believe the police would help them. Due to the magnitude of the problem, families who can afford to forego the income of women might prevent them from work altogether. In other cases, women's mobility is constrained by having to rely on brothers or sons to accompany them during night commutes or when travelling from one city to another.

Voice and Influence

Although Egyptian women have had the right to vote and to be nominated to Parliament since 1956, and they participate heavily in elections, their representation in Parliament and other Representative Councils remains fraught with difficulty. Nevertheless, **in the 2015 Parliamentary elections, women were able to secure 14.9 percent of seats.** This unprecedented level of representation is attributed to the constitutional article specifying a certain number of seats for women, as well as to the noticeable success of several independent female candidates in the elections. **It is expected that this positive trend will continue in the Local Council elections to be held in 2019,** where the Constitution mandates a quota of 25 percent of seats for women. Other highlights, include the appointment of the first female governor in 2017, and the appointment of eight female members in the Cabinet, the highest ever in Egypt.

However, women continue to face obstacles with regard to their appointment in 'significant decision-making spaces' such as the Supreme Administrative Court, the Administrative Justice Court, the Disciplinary Court, the Board of State Commissioners, the Legal Advice Department, and the Legislation Department, all of which fall under the umbrella of the State Council. In 2017, only 66 women judges presided over general courts.

The public perception of women as less capable or fit than men for governance processes remains an obstacle to their full and effective contribution to the public sphere. A survey of how women's role in the public sphere is perceived indicates that 45 percent of Egyptians reject the idea of a woman being appointed to the judiciary, while 53 percent reject the idea of a woman becoming President or Prime Minister. In fact, women's own opinions on these matters differed little; 42 percent of women polled rejected the idea of a woman receiving a judicial appointment, and 47 percent rejected the idea of a woman being President or Prime Minister.⁶⁴

62 - RD (2015).

63 - UN Women and Cairo Demographic Center (2013): Study on ways and methods to eliminate sexual harassment in Egypt.

64 - The Egyptian Center for Public Opinion Research "Baseera".



Household Decision Making

Women's agency and choice in decision making over family formation is assessed in relation to consent to marriage, choices about whether to have children and how many, the ability to freely divorce, and participation in daily family decision making processes. These areas are very much likely to be determined by the position women have in the family, the role they play, the contribution they make to the family's finances, and their career choice.⁶⁵

The 2014 DHS⁶⁶ indicates that 15 percent of married women in Egypt are currently working or have been employed in the past 12 months. The majority of employed women are paid in cash and 13 percent are engaged in unpaid work. This is significant because **earnings empower women when they represent a significant portion of the household's total income, and when women have control over these earnings.**

A comparison of employed women's earnings to their husband's earnings showed that the majority of women paid in cash earn less than their husbands (62 percent), while only 9 percent earn more than their husbands and 24 percent earn about the same amount. Results from the 2014 DHS indicated that **most married women who have cash earnings either make their own decisions about how their earnings are used (29 percent), or make them jointly with their husbands (63 percent).** The percentage of married women who make decision about their own earnings in 2014 is significantly higher than it was in 2008, where only 20 percent reported having control over their own earnings. Furthermore, 75 percent of Egyptian married women are involved in decisions about how the husband's cash earnings are spent. Women are less likely to get involved in the decisions if they belong the lowest wealth quintile (64 percent), if they are younger than 20 years old (59 percent), if they live in rural Upper Egypt (65 percent), or if they haven't received any education (67 percent). Women who are employed for cash are more likely to be involved in decisions regarding the use of the husband's earnings (87 percent) than women who do not work (73 percent) or do not earn cash for the work they do (75 percent.) Among employed women, a woman's decision-making role is more evident in cases where she earns nearly the same amount as her husband.

The ability of women to make decisions that affect their personal lives on issues such as their own health care, major household purchases, and visits to their family or relatives, is an additional element of their empowerment. The decision regarding women's health care is a joint one between wife and husband as reported by 68 percent of respondents. The rest of the respondents were equally divided between saying it's mainly the wife's decision, or mainly the husband's decision. Similarly, a majority of respondents reported a mutual agreement between husbands and wives when it comes to household purchases and spending (61 percent) or with regard to wives visiting their relatives (64 percent). It is worth mentioning that the results for the rest of respondents indicate a bias in favor of the male making household spending decisions (30 percent saying it's mainly the husband's decision, compared to 6 percent saying it's mainly the wife's decision) as well as decisions regarding the wife's visits to relatives (23 percent responding that it's mainly the husband's decision versus 11 percent saying it's mainly the wife's decision). **The participation of women in decisions related to the household increases with age and educational level. Rural women, especially those living in Upper Egypt, are less likely to get involved in household decisions. Women empowerment at the household level increases with wealth, and is significantly higher among women working for cash.**

65 - EBRD (2015).

66 - Ministry of Health & Population, El-Zanaty & Associates, and ICF International (2015a).



The Ecosystem

The Constitution The 2014 Constitution lays a solid foundation for combating discrimination against women. Article 9 states that “The State shall ensure equal opportunities to all citizens without discrimination.” Article 11 commits the State “to achieving equality between women and men in all civil, political, economic, social, and cultural rights,” and “to taking the necessary measures to ensure appropriate representation of women in the houses of Parliament.” It grants women the right to hold public posts and high management positions in the State, and to be appointed to judicial bodies and entities without discrimination. Furthermore, Article 11 commits the State to protecting “women against all forms of violence,” and to empowering them to reconcile their familial duties and professional demands. Article 11 also ensures care and protection for mothers, children, workingwomen, elderly women, and women most in need. Finally, Article 53 commits the State to take necessary measures for eliminating all forms of discrimination, and creating an independent commission for this purpose.

Legislation The Egyptian Labor Code explicitly prohibits wage discrimination, and the Labor Law promotes equal pay for equal work. Several articles can help women to achieve balance between personal life and work. This particularly applies to the work environment in the public sector, where female employees may request half-time work for half pay. Furthermore, they are entitled to take up to three parental leaves of up to two years without pay. The State is responsible to pay its share and the female employee’s share in the social insurance subscription.⁶⁷ In the private sector, females are allowed a maximum of two years of leave without pay, but this applies only to employees of companies employing more than 50 people. The Labor Code requires private sector employers to provide childcare facilities on site when they have 100 or more women employees. In practice, the enforcement of private sector support to female life balance results in a negative influence on women’s recruitment as employers might avoid reaching the 100-female employee threshold, discriminate against married women, or invest less in female employees.

Violence against women reduces their ability to act freely in the public space, and violence and harassment exist in the workplace. **Violence-free working environments can increase engagement in economic activities and are a pre-requisite to improving women’s productivity.** In 2014, the Penal Law was amended to punish any gesture, words or inappropriate sexual or pornographic behavior. A clause was also introduced on harassment at the workplace, stipulating a more severe sentence for an offender who is in a position of authority over the victim.

Mobility is an indispensable condition for women’s ability to fully participate in economic activities. This includes access to markets, workplaces, and, services. A large proportion of married women suffer from restrictions imposed by husbands, particularly, including the right to leave home and travel abroad. The law requires the husband to give his consent before his wife is issued a passport for the first time.⁶⁸

A number of laws and amendments to existing laws have been enacted to improve the ecosystem for business, and to attract investments. These reforms address many of the hurdles that prevent women from participating in the economy. The new **Investment Law** that was passed in May of 2017 has streamlined regulations that make it simpler to establish and operate a small business, while also providing easier access to investment opportunities and incentives to do so. Moreover, **Article 2 in the Law states that men and women shall have equal investment opportunities at all times.** In addition, a business facilitation office for women has been established at the Investors Service Center (ISC) to facilitate the incorporation procedures for women owned businesses. The new Bankruptcy Law that

67 - Article 72 of Law 48 - 1978.

68 - OECD (2017).



was passed in January 2018 ends the automatic prosecution of debtors and allowing them to file for bankruptcy and for businesses to stay open while negotiating debt repayments. **The new Bankruptcy Law addresses a problem women face, not only as entrepreneurs, but also as cosigners for loans taken by their husbands who are running a business and are unable to access a formal loan.** The amended Companies Law 159/1981, allows sole proprietors, which represent almost 60 percent of total businesses⁶⁹ to register as sole -person companies, affording them limited liability and other protections. The amended law will permit modest investors to establish their own small businesses and to raise capital for growth. **While not gender specific, the amendments in the Companies Law will benefit women owned enterprises, which are mostly small, and will encourage them to formalize and grow.**

Gender Budgeting Fiscal policy has significant gendered impacts given that it concerns the resources available to governments to advance gender equality, either directly or indirectly (via spending on health, education and other services), and that revenue-raising methods can be gender-discriminatory. Decisions “about budgetary spending directly affect women’s ability to overcome barriers to labor market inclusion by determining the extent and coverage of essential public services available to support them and their families.”⁷⁰ Gender budgeting is a process through which budgets are analyzed is a powerful tool for empowering women. **International experience indicates that governments that have used some form of gender budgeting are more likely to reach the goals they have set on gender equality.**⁷¹

Egypt began in 2005 the process of gender budgeting and in 2010/11 Egypt implemented its first gender responsive performance-based budget. Little was done in the intervening years; however, the Parliament is expected to resume gender budgeting for the fiscal year 2018/2019.

The National Council for Women (NCW) The mission of the NCW according to Article 214 of the 2014 Constitution is to monitor and support government efforts within the framework of international instruments and conventions relating to women. The NCW’s infrastructure is quite extensive, with branches all over Egypt; with several bodies created such as the Complaints office that is a channel through which women file their complaints with regards to discrimination whether in the public or private spheres, it also provides legal advices and mobilizes resources for cases following the juridical course. Moreover, the NCW has also established the Women Business Development Center which is a “one stop shop” to provide women with the necessary support to establish, run and sustain their businesses; and Equal Opportunity Units

69 - Hala El Said, Mahmoud El Said, Chahir Zaki Small and Medium Enterprise landscape in Egypt: New Facts From A New Data Set, Journal of Business and Economics, Volume 5, No 2, Academic Star Publishing Company, 2014.

70 - UN Women (2015).

71 - Stotsk (2016).



(EOUs) established in most Ministries. Reform measures have been proposed to enhance the monitoring and mainstreaming capacity of the NCW and the EOUs. Moreover, the Council is playing an important role in lobbying for legislation to protect and empower women and advocate for women's rights.

The NCW launched the first National Strategy for the Empowerment of Egyptian Women 2030 (see Box 1.2., below), which was informed by extensive consultations with stakeholders. The NCW Women Strategy is aligned with the UN SDGs, and it echoes Egypt's "Sustainable Development Strategy -Vision 2030". The NCW Women Strategy includes four pillars: Political empowerment; Economic empowerment, Social empowerment; and, Protection Against All Forms of Violence. It also includes a comprehensive module for monitoring and evaluation (M&E) with a set of indicators and targets for 2030 reflecting accountability. Moreover, the NCW Women Strategy called for the establishment of a Women Observatory, which is producing scorecards reflecting the values of the different indicators and progress towards achieving targets. (see Box 1.2, below)

"The new Egypt will possess a competitive, balanced and diversified economy, dependent on innovation and knowledge, based on justice, social integrity and participation, characterized by a balanced and diversified ecological collaboration system, investing the ingenuity of place and humans to achieve sustainable development and to improve Egyptians' life quality."

Source: Egypt Vision 2030



Box 1.2 The National Strategy for the Empowerment of Egyptian Women 2030.

Vision: By 2030, the Egyptian woman will be a key player in the process of sustainable development in a country that guarantees her all the rights set forth in the Constitution, grants her full protection and provides – with no (economic, social or political) discrimination – the opportunities that enable her to develop her potential and achieve self-fulfillment, and accordingly contribute to Egypt’s development.

Goals: The strategy aims to emphasize Egypt’s commitment to guaranteeing women’s rights in accordance with the 2014 Constitution, as well as binding international conventions, covenants and declarations to which Egypt is a party. Moreover, the strategy aims to respond to the real needs of Egyptian women – particularly those living in rural areas in Upper Egypt, the poor, women headed households, and elderly and disabled women, as the groups entitled to care – when the State makes development plans. In order to do so, the strategy focuses on achieving the following:

1. **Women’s political empowerment and promoting their leadership** roles by encouraging all forms of political participation, including parliamentary representation and representation in local councils; eliminating discrimination against women holding senior positions in executive and judicial institutions; and enabling them to succeed in these posts;
2. **Women’s economic empowerment** through capacity development, equal employment opportunities in all areas, including the private sector, entrepreneurship, and key posts in public entities and companies. The strategy, aims at increasing women’s agency so that they can make informed choices, as well as addressing discriminatory practices and cultural stereotypes that harm women and are obstacles to their effective economic participation, and empowerment. Enhancing women’s economic participation is seen as contributing to GDP growth, and to realizing the goals of the economic pillar of Egypt’s Vision 2030.
3. **Women’s social empowerment** by providing opportunities for social participation and civic engagement, as well as helping them access their rights to human entitlements including education health and justice. The strategy also aims to provide support to women in difficult or vulnerable circumstances such as the elderly and disabled.
4. **Women’s protection** by eliminating the negative practices that threaten women’s life, safety and dignity, and prevents their effective contribution to societal development. This includes eliminating all forms of violence against women, and protecting them from environmental risks that would have adverse effects on their health and livelihood.

Achieving these goals requires serious efforts to:

- Change the culture of society and challenging the stereotypes of women propagated by the media
- Consider women’s empowerment as a collective responsibility that men and boys must also assume
- Support women to realize their full legal rights, with special attention on the rights of marginalized, poor and disabled women
- Renew religious discourse concerning women’s role in the public domain and their right to hold public office

Source: The National Strategy for the Empowerment of Egyptian Women 2030.



Conclusion and Key Policy Recommendations

Inequalities between the condition of men and women in Egypt, can be understood through the responses of households to the functioning and structure of markets and institutions, both formal and informal. **Three interlinked domains impact gender inequality: a) endowments, b) economic opportunities, and c) agency.** Analyzing endowments, considering gender gaps in education and knowledge, and in nutrition, morbidity and mortality, shows that Egypt has witnessed improvements over the last few decades. This is obvious with most education indicators showing that females are performing better than males. On the other hand, there is a clear gender divide between women and men in terms of economic opportunities, including the ownership of assets and accessibility to inheritance, labor force participation and employment, and access to finance that has persisted for the last few decades. Female labor force participation is low despite gains in female education. Similarly, agency, which addresses women's voice, the power balance within the household, and gender-based violence, is challenging, and is heavily influenced by a masculine culture and norms. Nevertheless, the emerging institutional framework (including the Constitution, the NCW Women Strategy and the strong political will to support women's political and economic empowerment together open a window of opportunity to speed up progress concerning female empowerment and gender equality. The **economic opportunities** domain is the focus of this report and its recommendations will be highlighted and thoroughly discussed in the coming chapters while recommendations for the endowments and agency domains are provided below.

Endowments

- The increased level of fertility observed during the last decade is an additional challenge to women's empowerment and reducing the likelihood of labor force participation, including employment in the private sector and reaching senior positions. **Family planning and reproductive health programs should work on two parallel tracks: demand and supply.** On the demand side, the focus should be on advocating for smaller families and for spacing between pregnancies. On the supply side, the focus should be on reducing unmet needs for family planning and reproductive health services. These efforts should be integrated with other programs for women's empowerment.
- Despite the fact that the gender gap in education is minimal, unleashing the full potential of women cannot be achieved unless illiteracy is eradicated. **A strong program needs to be designed that specifically addresses young female illiteracy, in tandem with improvements to the effectiveness of the educational system.**

Agency

- Providing a safe public space for women is critical to their ability to effectively contribute to development. Accordingly, government and non-government organizations need to step up and take measures to ensure that women are protected, especially in transport and in the work place. **Effective enforcement of legislation will help reduce sexual harassment and abuse of power and will encourage more women to be active in the public space.**

**Box 1.3 Seven Principles for a Transformative Agenda for Women's Economic Empowerment**

- **No woman left behind.** The focus must be on women at the base of the economic pyramid, regardless of their characteristics or circumstances. Leaving no one behind—including the 1 billion people still living in extreme poverty—is a key principle of the 2030 Agenda.
- **Nothing done for women without women.** Women's voice and participation must be central to all actions.
- **Equal focus on rights and gains.** Enabling women's economic empowerment is not only the "right" thing to do to honor the states' commitment to international human rights. It is also the "smart" thing to do for human development, inclusive growth and business.
- **Tackle root causes.** Addressing adverse social norms and all forms of discrimination is critical. Gender inequality in the economy is rooted in and reinforces gender inequality in society.
- **State parties must respect international human rights and labour standards.** Actions by states must be consistent with agreed upon international standards—as laid out in the Convention for the Elimination of All Forms of Discrimination Against Women (CEDAW) and in ILO conventions and recommendations.
- **Partnerships are critical.** Progress requires action from the local to the global level and by all parts of society—individuals, businesses, governments, employer and worker organizations and civil society— often working in partnerships to achieve scalable and sustainable impact.
- **Deliver globally.** This is a global agenda. While the challenges and solutions vary, action is needed in every country.

Source: UN Women (2016). Leave no one behind a call to action for gender equality and women's economic empowerment. Report of the un secretary-general's high-level panel on women's economic empowerment.



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CHAPTER 2:

The Female Labor Market

This chapter examines the most recent data on labor force indicators to understand changes in women's participation in economic life, which is significantly lower the global average, The chapter explores the impact of gender dimensions on women's employment and concludes that **Egyptian women are not engaged as equal agents of value creation in the Egyptian economy, and are by extension not involved in determining the direction of and means by which value is created for the Egyptian economy at large.**(see Box 2.1).

Box 2.1: Gender Dimensions of Employment

A range of dimensions affect the world of work for women globally, yet two interrelated dimensions stand out. First, **the division of labor by gender, indicated by occupational segregation and wage differentials, precipitates the inequalities that women face in the labor market.** Women are frequently crowded into a narrow range of occupations and sectors, where they are overrepresented in lower-paid and low-quality positions. To an extent, this segregation contributes to the large differences in earnings between men and women – while occupations considered to be female-dominated are consistently undervalued and incur wage penalties for both men and women within the occupation.

Second, **socio-cultural norms and stereotypes shape gender roles that identify women with restrictive characteristics and capabilities in the labor market.** These norms reinforce existing inequalities by justifying discrimination in the labor market, despite improvements in education and skills, and, inevitably, shape women's engagement and preferences in the labor force. These rigid gender roles affect not only the types of work women and men do, but also the amounts of work they do, when considering that women bear the larger burden of unpaid care and household labor.

The interactions between these dimensions have led to the persistence of gender gaps in decent work opportunities. In this regard, the challenges facing women represent opportunities for targeted and well-designed policies to address each of the employment dimensions. These issues, and more, was discussed and elaborated upon during the ILO's World of Work Summit during the International Labour Conference in June 2017.

Source: ILO (2017). World employment and Social outlook – Trends 2017, page 8

The analysis is based on the CAPMAS Annual Labor Force Market Survey 2016, the Egyptian Labor Market Panel Survey (ELMPS) 2012, and the Survey of Young People in Egypt (SYPE) 2014.

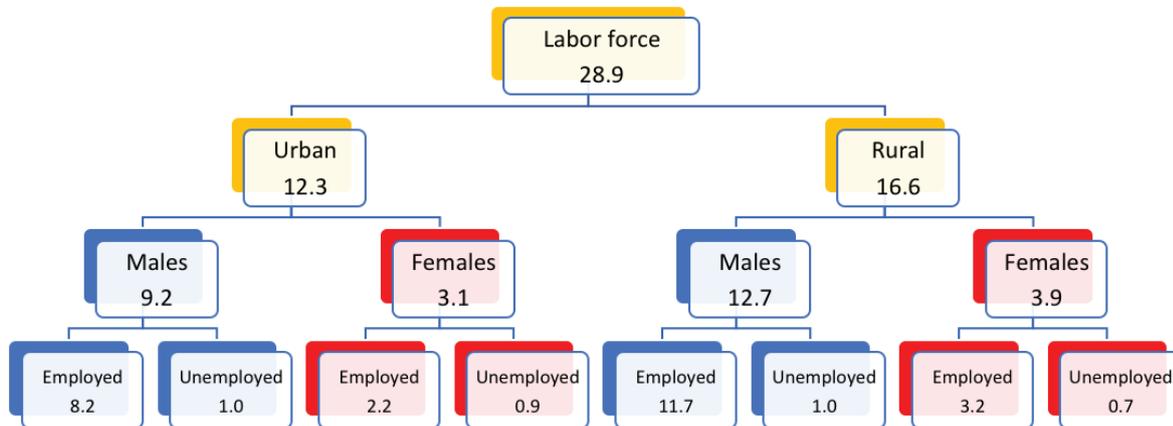
Women's Labor Force Participation

The labor force in Egypt was estimated at 28.9 million in 2016, with females representing 24.2 percent of the total labor force. The labor force residing in rural areas is higher than that in urban areas (16.6 million and 12.3 million, respectively). The percent of females is slightly higher in urban areas, at 24.9 percent, than in rural areas, at 23.7 percent.



As illustrated in Figure 2.1 below, the female labor force represented approximately 7 million in 2016, of which 3.1 million were living in urban areas and 3.9 million were living in rural areas. The female labor force is divided to 5.4 million employed and 1.6 million unemployed, corresponding to a 23 percent unemployment rate.

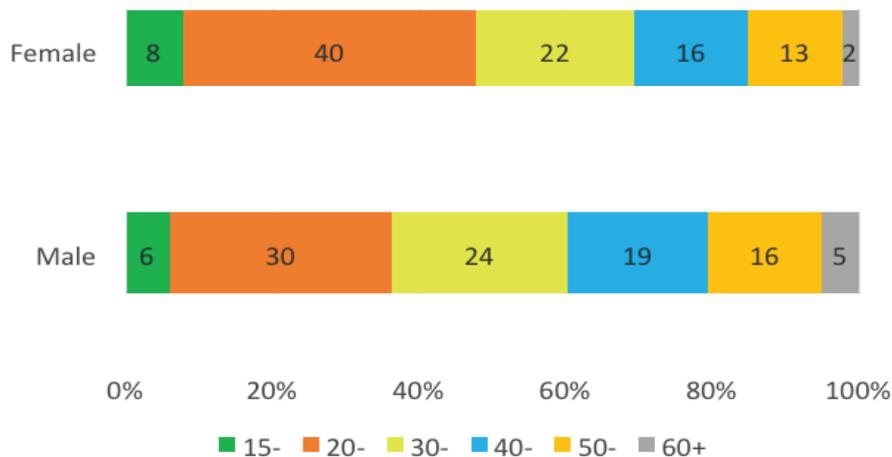
Figure 2.1 Labor Force by Sex, Residence and Employment Status, Egypt 2016 (millions)



Source: Calculated from CAPMAS (2017)

Figure 2.2, below, illustrates the age distribution of the labor force for both males and females. The figure shows that **females in the labor force are younger than males, 36 percent of males in the labor force are below 30 compared to 48 percent of females.** This gender gap is compensated by a higher percentage of the male labor force in the age group 30 to less than 50 (43 percent versus 37 percent) and in the age group 50 or older, which includes 21 percent of the male labor force as compared to 15 percent of the female labor force. The younger female labor force is an indication of attrition from the market due to marriage or pregnancy and/or might be a result of discouraged workers⁷² giving up on finding a job and hence withdrawing from the labor force.

Figure 2.2 Distribution of Labor Force by Gender and Age, Egypt 2016



Source: Calculated from CAPMAS (2017)

72 - ILO (2009), Transition from school to work. Module 4.

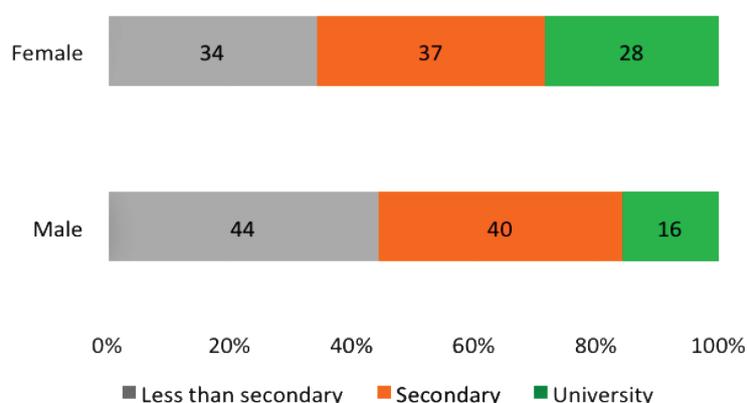
http://www.ilo.org/wcmsp5/groups/public/@ed_emp/documents/instructionalmaterial/wcms_140860.pdf



Nearly 19 percent of the Egyptian labor force has a university degree, 39 percent have a secondary degree and 42 percent are below secondary education. Comparing the male to the female labor force shows that the education level of females is higher than the education level of males in the labor force. 28 percent of the female labor force has a university degree as compared with only 16 percent of male labor force (see Figure 2.3). The distribution of age and education level shows that, on average, a female in the labor force is more likely to be younger and to have a better education level.

Between 2010 and 2016, the Egyptian labor force increased from 26.2 million to 28.4 million. This increase corresponds to a 1.68 percent average annual growth. The average annual growth among females was higher (2.49 percent for females compared to 1.43 percent for males), resulting in a growth of nearly one million in the female labor force over the six-year period (Table 2.1).

Figure 2.3 Distribution of Labour Force by Gender and Education Level, Egypt 2016



Source: Calculated from CAPMAS (2017)

Table 2.1 Labor Force and Employment Status by Gender, 2010 and 2016 %

	Male		Female		Total	
	2010	2016	2010	2016	2010	2016
Labor Force						
Estimate (millions)	20.14	21.93	6.04	7.00	26.18	28.93
Gender Distribution (%)	76.9	75.8	23.1	24.2	100.0	100.0
Average Annual Growth (%)	1.43		2.49		1.68	
Employed						
Estimate (millions)	19.15	20.00	4.68	5.35	23.83	25.35
Gender Distribution (%)	80.4	78.9	19.6	21.1	100.0	100.0
Average Annual Growth (%)	0.73		2.26		1.04	
Unemployed						
Estimate (millions)	0.99	1.95	1.36	1.65	2.35	3.60
Gender Distribution (%)	42.1	54.2	57.9	45.8	100.0	100.0
Average Annual Growth (%)	11.96		3.27		7.37	
Unemployment Rate	4.9	8.9	22.6	23.6	9.0	12.5

Source: CAPMAS (2017).



The Panel Survey of Young People⁷³ in Egypt (SYPE) conducted in 2014 provides data on the age group 15 to 29. The analysis indicated that the labor force participation rate among young people was 37 percent. The rate among young males was more than four times the rate among females (58 percent for young males and 13 percent for young females). However, comparing the 2014 data to the previous round of the survey (2009) indicates a narrower gender gap in recent years, that is due to a decline in the labor force participation rate of male youth and a stagnation in the rate among young females. The gender gap persists when looking at young people who have completed their education (79 percent for males versus 18 percent for females.) **The labor force participation rate of young females varies according to marital status, educational level, wealth and residence.** Never married females who completed their education are twice as likely to participate in the labor force (25 percent for never married compared to 12 percent for married.) The labor force participation for young females increases with education, as the rate among university and post- secondary institute graduates is nearly four times that of females with secondary education or below. The data also indicates that household wealth is directly related to young female labor force participation as reflected by 14 percent among the lowest quintile to 26 percent among the highest quintile. Higher labor force participation was found among young females living in urban governorates with 29 percent.

Female Employment

The number of employed⁷⁴ increased from nearly 23.8 million to 25.4 million between 2010 and 2016, corresponding to an average annual growth rate of 1 percent. The growth was three times higher among females than among males (2.26 percent and 0.73 percent, respectively). This increase improved the distorted male/female balance, as the percentage of female employees increased from 19.6 percent in 2010 to 21.1 percent in 2016.

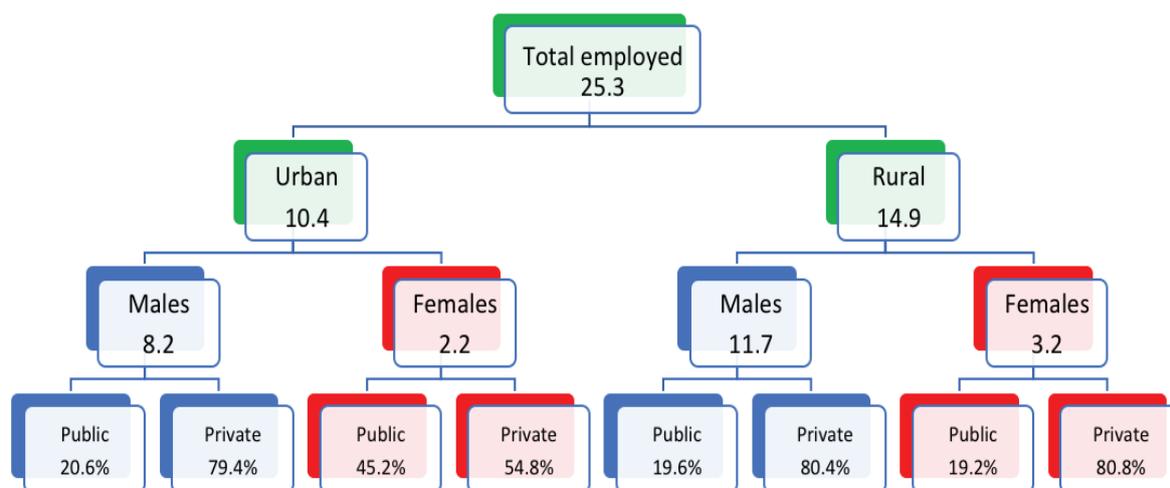
Figure 2.4, below, shows the breakdown of the total number of employees by residence (urban or rural) and by gender. The figure also displays the percent employed in the public sector. In urban areas, 26 percent of all employees work in the public sector compared to 20 percent for those in rural areas. **Dependence on public sector varies by gender in urban areas. One in every two female employees is employed in the public sector, while one in every five male employees is employed in the public sector. In rural areas, males and females are equally dependent on the private sector, as only one fifth of individuals from both sexes are employed in the public sector.**

73 - SYPE (2015).

74 - An employed person is a person aged 15 and over who during the reference week performed work - even if just for one hour a week - for pay, profit or family gain.



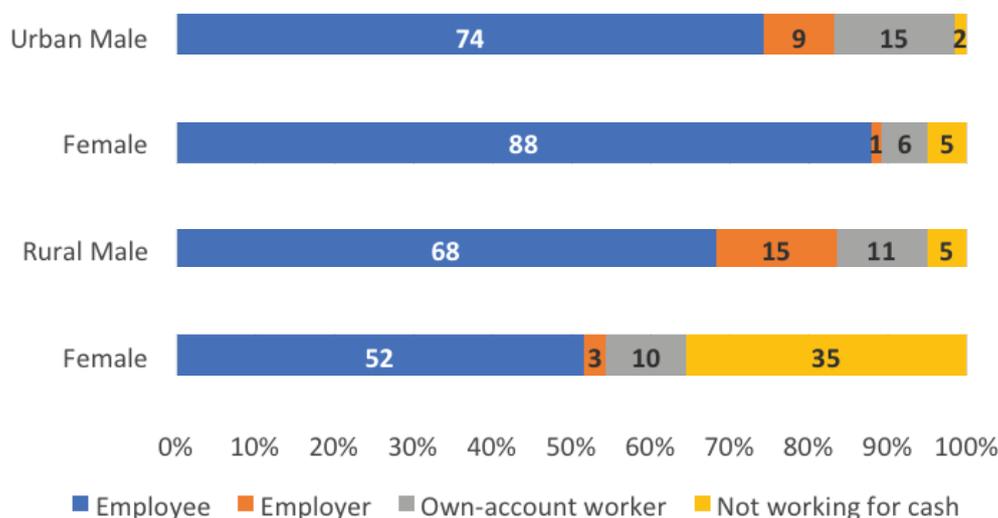
Figure 2.4 Employment by Gender and Residence (in millions) and Sector (%), Egypt 2016



Source: Calculated from CAPMAS (2017)

Classifying the labor force population by employment status shows that 70 percent are employees working for cash, and the percentage is higher in urban areas. As demonstrated in Figure 2.5., below, nearly three in every four males employed living in urban areas are working for cash and the ratio is higher among females as nearly nine in every ten females living in urban areas work for cash. The gender gap is reversed among the rural population as 68 percent of males and 52 percent of females are working for cash.

Figure 2.5 Employment Status by Gender and Residence, 2016



Source: CAPMAS (2017)

The 2016 Labor Force Survey provides data on employment status classified by whether the work is conducted inside or outside an establishment. Results show that working inside establishments is more prevalent in urban areas and among females. As illustrated in Table 2.2, the percentage working inside an establishment is 69 percent for males residing in urban areas compared to 88 percent for females. In rural areas, it is 42 percent for males and 45 percent for females. The percentage varies according to employment status as employees and employers are more likely to work inside establishments. **The**



gender gap is in favor of female employees, employers and own-account workers whether they live in urban or in rural areas; and it is reversed for those who are not working for cash.

Table 2.2. Employment Status by Location and Gender, Egypt 2016 (%)

			Employee	Employer	Own-account worker	Not working for cash	Total
Urban	Male	Inside	77.0%	77.0%	25.9%	48.7%	68.8%
		Outside	23.0%	23.0%	74.1%	51.3%	31.2%
	Female	Inside	94.9%	83.2%	27.6%	35.5%	87.9%
		Outside	5.1%	16.8%	72.4%	64.5%	12.1%
Rural	Male	Inside	53.7%	18.6%	18.9%	10.6%	42.2%
		Outside	46.3%	81.4%	81.1%	89.4%	57.8%
	Female	Inside	75.9%	28.1%	25.8%	7.6%	45.2%
		Outside	24.1%	71.9%	74.2%	92.4%	54.8%

Source: Calculated from CAPMAS (2017). Annual Bulletin of Labor Force Survey

The percentage of employers is 12 percent nationwide, and is higher among males (at 13 percent) than females (at 2 percent); and higher in rural areas (13 percent) than in urban areas (7 percent). **Employed females living in rural areas are more likely to run their own business than their peers living in urban areas.** A major difference in employment status can be seen among females living in rural areas where more than a third are working in unpaid jobs.

Employment in the public sector can take place in the government or in the public business sector. The total number employed in the public sector reached 6.6 million in 2016, eighty seven percent of whom work in the government (5.8 million) and the rest (841,000) work in the state-owned business sector.

An analysis of the 2012 ELMPS⁷⁵ concluded that the factors affecting the decision behind women’s labor force participation differ from those that affect employment status. The analysis showed that **a woman’s age, her education and her mother’s employment status are the main determinants of female labor force participation in Egypt. But when a woman is in the labor force, different factors determine whether she is employed and if she is employed in the private sector.** Younger females who are highly educated have a better chance to be employed (versus unemployed) and to be employed in public sector (versus the private sector). The analysis also showed that the values and norms of the community determine female entry into the labor force, but do not play a role in employment status.

Reproductive behavior may have an impact on female employment. Findings from the 2012 ELMPS⁷⁶ showed that the total number of children had no significant effect on the likelihood of female labor force participation, but is a significant determinant of being employed. Women are less likely to be employed if they have many children. However, once they are employed, they are more attracted to the public sector, as it offers maternity leave and childcare benefits that help women achieve a balance between work commitments and family obligations.

75 - Nazier and Ramadan (2017).

76 - Nazier and Ramadan (2017).



Youth Employment

Figures for 2014 on the employment structure among youth⁷⁷ (15 to 29 years-old) showed that 78 percent of employed young females and 73 percent of employed young males were wage-workers in 2014, and the rest of the employed youth were non-wage workers (22 percent of young employed males and 27 percent of young employed females). The structure of the wageworkers differs by gender as 30 percent of employed young females were working in the public sector, compared to 11 percent of their male counterparts. On the other hand, females employed with irregular wages represent 7 percent of young employed females, compared to 29 percent for their male counterparts. The trend between 2009 and 2014 showed a decline of 8 percent in public sector female employment (38 percent in 2009 compared to 30 percent in 2014). This shift was compensated by an almost equal increase in the percent of women working as informal regular wageworkers (33 percent in 2009 versus 26 percent in 2014) reflecting the increasing role of the informal sector in female employment.

For non-wage workers, who account for 27 percent of young females employed in 2014, most (21 percent) were unpaid family workers. Only 2 percent were employers (compared to 6 percent among males) and 4 percent were self-employed (compared to 7 percent among males.) The percentage of non-wage female workers increased between 2009 and 2014 due to the expanded share of unpaid family work (from 7 percent to 21 percent). According to the SYPE Report, this rapid increase in female non-wage work “might be due to the added-worker⁷⁸ effect” or to the “expansion post-January 25th of employability projects for youth, particularly for female youth in rural Upper Egypt, who often take up unpaid family work and home based micro enterprises to sustain household income.”

Wages

One of the important results of the annual labor force surveys is the estimate of the average weekly wage in both the public and private sectors. Findings of the surveys during the years 2010 to 2015 show that **the average weekly wage is consistently higher in the public sector**. When the data was segregated by gender, the results indicate that in the private sector the average wage is higher among males. On the other hand, the average wage in the public sector is higher among females. Data from the 2015 LFS show that males in the public sector are getting on average 15 percent less than females (EGP 178). In the private sector, males are getting on the average 21 percent more than females (EGP 105). The relative wage gap in the public sector was stable between 2010 and 2015, but in the private sector the gap is narrowing from 30 percent in 2010 to 21 percent in 2015.

Decent Work

SDG 8 promotes inclusive and sustainable economic growth, full and productive employment and decent work for all. Target 5 of this goal is to achieve, by 2030, full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value. Decent work sums up the aspirations of people in their working lives. It involves opportunities for work that is productive and delivers a fair income, security in the workplace and social protection for families, better prospects for personal development and social integration, freedom for people to express their concerns, organize and participate in the decisions that affect their lives, as well as equality of opportunity and treatment for all.

77 - SYPE (2015).

78 - The SYPE report define the added-worker effect as middle age, married and less educated women from poor households, who enter the labor force to maintain household income.



Social protection and job security can increase decent work in a community. In Table 2.3, below, the percentage of employees having social insurance and health insurance; the percentage of employees having a contract; and the percentage of employees who have a full-time appointment is included for both males and females. The data indicates that the four aspects of decent work are nearly universal in the public sector. In the private sector, half the females working inside establishments have access to social and health insurance, a work contract, or, are working in on a full-time basis. With the exception of full-time appointment, females have higher accessibility to social insurance (50 percent) than males (38 percent); higher accessibility to health insurance (43 percent) than males (29 percent), and more females have a work contract (46 percent) than males (35 percent). Social protection or job security is low for all workers, but more so for female workers.

Table 2.3 Indicators of Decent Work by Sector and Gender, (%) 2016

Sector	Sex	Social Insurance	Health Insurance	With Contract	Full-time
Government	Male	98	97	99	93
	Female	97	96	99	96
State-owned Business Sector	Male	95	93	98	95
	Female	93	91	98	92
Private - Inside Establishment	Male	38	29	35	76
	Female	50	43	46	53
Private - Outside Establishment	Male	9	2	2	21
	Female	0	0	1	9

Source: Calculated from CAPMAS (2017). Annual Bulletin of Labor Force Survey

There are indications of improvements between 2009 and 2014 in some elements of decent work among employed youth. The percentage of employed female youth who hold a contract increased from 34 percent to 39 percent. Similarly, the percentage of those with social insurance increased from 31 percent to 37 percent. An improvement was also observed in job security as 68 percent of employed females hold a permanent job, 11 percent higher than in 2009. This can be explained by the post-revolution shift in the public sector from temporary to permanent work, resulting in a sharp decrease in the percent of young female workers with a temporary job from 35 percent in 2009 to 20 percent in 2014.⁷⁹

Women in Senior Positions

The female share of employment in managerial positions⁸⁰ is a good indicator to benchmark women’s economic empowerment. In 2016, the number of women in management positions as a percentage of employment in Egypt was only 7.1 percent.⁸¹ The figure is below that of many developing

79 - SYPE (2015).

80 - Employment in management is defined based on the International Standard Classification of Occupations (ISCO).

81 - ILOSTAT database (2018).



countries, such as the Philippines (49 percent), Brazil (40 percent), South Africa (32 percent), and Malaysia (20 percent).

The public sector is perceived as gender discrimination-free. However, data on government employees⁸² shows that females are under-represented in the highest administrative segments and in the lowest administrative segments. In the highest administrative segment⁸³, females represent 11.7 percent, increasing to 16.5 percent in the second highest administrative segments, 25.7 percent in the third and 33.2 percent in the fourth. The representation of females starts to decrease starting from the fifth segment (24.2 percent) and continues to do so among employees in the lowest segment (2.8 percent). On the other hand, the state-owned business sector employs a smaller percentage of females (12.5 percent), but females are over represented in the highest fifth administrative segments with 17 percent, 22 percent, 15 percent, 14 percent and 13 percent of females, respectively.

An Enterprise Survey conducted by the World Bank Group of small, medium, and large firms in Egypt in 2017 covered 1,827 firms in the non-agricultural, formal, and private economy. It addressed a range of issues related to the governance and performance of firms, including the role of women. Five indicators related to the female share in ownership, in top management, and, in permanent full-time jobs were calculated. Table 2.4, below, presents the results of the Enterprise Survey by firm size; and compares the indicators for Egypt to the corresponding indicators in the MENA region and in lower middle-income countries.

Table 2.4 Indicators for Women Empowerment in Private Sector Firms, Egypt 2017 (%)

	Firm Size			Egypt	MENA	LMI
	Small	Medium	Large			
Firms with Female Participation in Ownership	14.1	24.2	26.7	17.8	23.3	33.6
Firms with Female Top Manager	5.1	5.0	2.4	4.9	5.4	19.3
Female Permanent Full-time Workers	12.0	16.2	15.0	13.4	17.6	30.0
Female Permanent Full-time Production Workers*	7.0	13.4	14.1	9.5	13.5	25.4
Female Permanent Full-time Non-production Workers*	4.7	14.6	22.4	9.5	17.6	29.2

Source: WBG (2017). Enterprise Surveys. Egypt 2016 Country Profile

*This indicator is computed using data from [manufacturing](#) firms only.

As indicated in the Table 2.4, above, **female participation in ownership, top management, and in full time employment in Egypt is lower than the average of the MENA region**, Box 2.2, below, provides the greater context on female inclusion in executive and senior management positions worldwide. Comparing Egypt to the Lower Middle Income (LMI) countries revealed that the likelihood of women empowerment in firms located in LMI countries is significantly higher than in firms located in Egypt. Female participation in ownership is 2:1, female in top management 4:1, permanent full-time non-production jobs 3:1, and, permanent full-time production jobs 2.5:1.

When comparing indicators by firm size, the results show that the size of the firm is directly related to

82 - CAPMAS (2016) Statistical Bulletin on employees in the government and the public sector.

83 - The segments are 'Moumtaza', 'Moudir and kabir', 'Oula', 'Thania', 'Thaltha', 'Rabea', 'Khamesa', and 'Sadesa'. Ministerial positions and higher, and, special cadres are not included.



female ownership as the percentage of female owners increases in large firms. On the other hand, the size of the firm is inversely related to the percentage of females in top management. In manufacturing firms, the size of the firm is a determinant of the female share of permanent full-time positions, as it is twice in large firms its share in small firms for production workers and more than four folds its share for non-production workers. In non-manufacturing firms, firm size doesn't seem to have an impact on the share of women in permanent full-time jobs.

Box 2.2: Women on Boards

A growing body of research shows that a broad set of business benefits is associated with gender diversity on corporate boards. This includes improved financial performance and shareholder value, increased customer and employee satisfaction, rising investor confidence, and greater market knowledge and reputation. The number of women on boards is also an indicator of an organization's openness.

The global average of women on boards increased from 9.6 percent in 2010 to 14.7 percent in 2015, with Norway on the top with nearly 47 percent and France, Sweden and Italy above 30 percent. A number of developing countries have a good level of diversity including South Africa (20 percent), Malaysia (14 percent), Thailand (13 percent), India (11 percent) and the Philippines (11 percent).

Recent statistics from Q3 2017 on women on boards of listed companies indicate an increase in the percentage of women board members to 9.7 percent, compared to 8.7 percent for 2014. Although on average there is a slight improvement, it is worth noting that more than half of listed companies (53.6 percent) do not have any woman on their boards, compared to 48.4 percent in 2014.

Source: IFC (2016). Corporate Governance, Women on Boards <http://www.ifc.org/wps/wcm/connect/6efd7b004b628ea28f0bdf08bc54e20b/CG+WOB+Fact+Sheet+November+2016.pdf?MOD=AJPERES>

Credit Suisse (2016). The CS Gender 3000: The Reward for Change. <https://glg.it/assets/docs/csri-gender-3000.pdf>

Women on Boards Observatory, the American University in Cairo,

Work-Life Balance

Formal childcare is often outside the reach of low- and middle-income employees. For those who can afford it, available options are often limited and poorly aligned with full-time working hours. Moreover, access to care is lacking for children younger than three. **For employers, the lack of good quality and affordable childcare for their employees translates into higher turnover and absenteeism, lower productivity, and difficulty in recruiting skilled employees.** This is because the unavailability or unaffordability of care affects the choices that parents make regarding the type of work that they do, whether they stay at home, or how they combine work with their care responsibilities. For families, gaps in access to quality care can mean less paid working time and lower household incomes.⁸⁴

84 - IFC 2017. Tackling Childcare: the business case for employer-supported childcare.



According to the Egypt 2017 population census, the number of children below 6 years old is nearly 15.4 million. This figure corresponds to almost one child below 6 per household, reflecting the disproportionate economic and social burden of childcare on parents. As mentioned in chapter 1, **results from the 2015 Time-Use Survey in Egypt indicate that women are nearly fully responsible for housework duties and for taking care of children even if they are employed. This “double-burden” can discourage women from looking for a job, or can disrupt their career** (see Box 2.3, below)

Box 2.3: The Childcare Business & Development Case: Good for Children, Employees, Employers, and Economies

Good for Children:

- Benefits of early childhood development range from healthy development and greater capacity to learn while in school to increased productivity in adulthood.
- Crisis of Childcare: At most, half of 3 to 5 year old children in developing countries participate in some form of early childhood education, typically for a few hours daily.

Good for (Women’s) Employment:

- Where the government provides or subsidizes primary childcare, women are more likely to receive a formal wage.
- Investments in care economy would create twice as many jobs than investments in construction industry, plus decrease the gender gap in employment.
- Value of unpaid care estimated at \$10 trillion or 13 percent of global GDP.

Good for Economies:

- Investing 2 percent of GDP in the care economy of 7 developed countries would create more than 21 million jobs and help countries overcome challenges of aging populations and economic stagnation.
- Investing in early childcare could generate jobs and expand the labor market skilled talent pool by encouraging women’s labor force participation.

Source: IFC (2017). Tackling employer-supported childcare: Good for business, good for development.

Female Unemployment

The total number of unemployed⁸⁵ increased from 2.35 million in 2010 to 3.6 million in 2016. The average annual growth in the number of unemployed during this period reached 7.4 percent. Unemployment increased for both males and females, however, the rate was lower among females (3.3 percent, and 12 percent, respectively) and resulted in a decrease in the percentage of females among the unemployed from 58 percent in 2010 to 46 percent in 2016.

The latest available figures for unemployment show that the rate increased from 9 percent in 2010 to 12.5 percent in 2016. The increase was larger among males (5 percent to 9 percent), while the increase

85 - An unemployed person is defined as someone aged 15 or above without work during the reference week who is available to start work within the next two weeks (or has already found a job to start within the next three months) or actively having sought employment at some time during the last four weeks.



among females is only 1 percentage point (23 percent to 24 percent). However, **unemployment among females remains high, with one in every four females unemployed.** A wide disparity in unemployment rate of females was observed among governorates (see Table 2.5). The unemployment rate among females ranges from below 9.4 percent in Menoufiya to 45.3 percent in Luxor and doesn't seem to be associated with the governorate's poverty level.

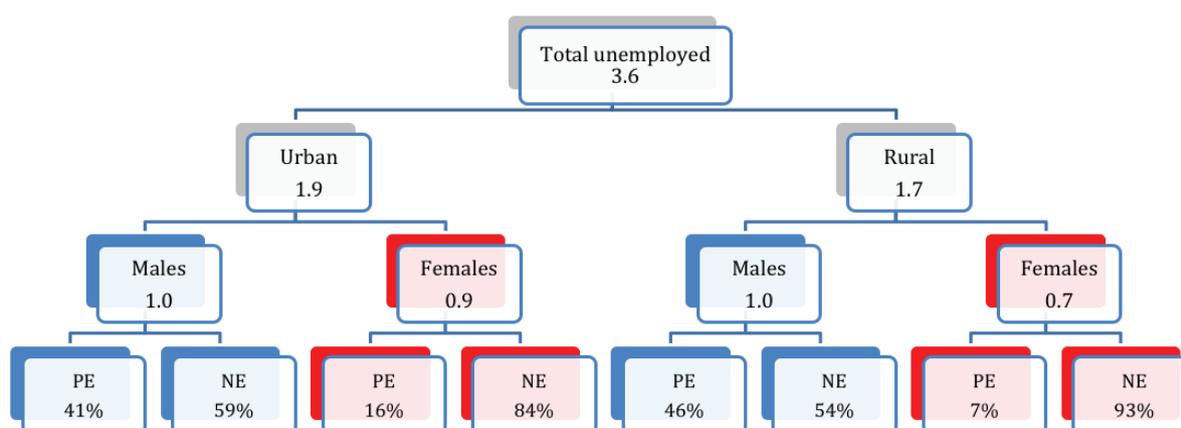
Table 2.5 Female Unemployment Rate, Egypt 2016

Rate	Governorate
< 10	Menoufiya, Beni Suef
10 -	Kafr-El-Sheikh, Fayoum, Sohag
20 -	Cairo, Port Said, Damietta, Dakahliya, Sharkia, Qalyubia, Gharbia, Beheira, Ismailia, Giza, Minya, and Assuit
30 -	Alexandria, Suez, Qena, Red Sea, New Valley, Matruh, South Sinai
40 +	Aswan, Luxor, North Sinai

Source: CAPMAS (2017). Annual Bulletin of Labor Force Survey

Data on previous employment status indicates that 71 percent of the unemployed population was never employed (NE) and 29 percent was previously employed (PE). The percentage of never employed is higher among females (88 percent) than among males (57 percent). As illustrated in Figure 2.6, below, the gender gap is wider in rural areas, where 93 percent of unemployed females were never employed, compared to 54 percent of males.

Figure 2.6 Unemployed Population, by Gender and Residence (millions), and Previous Employment Status (%), Egypt 2016



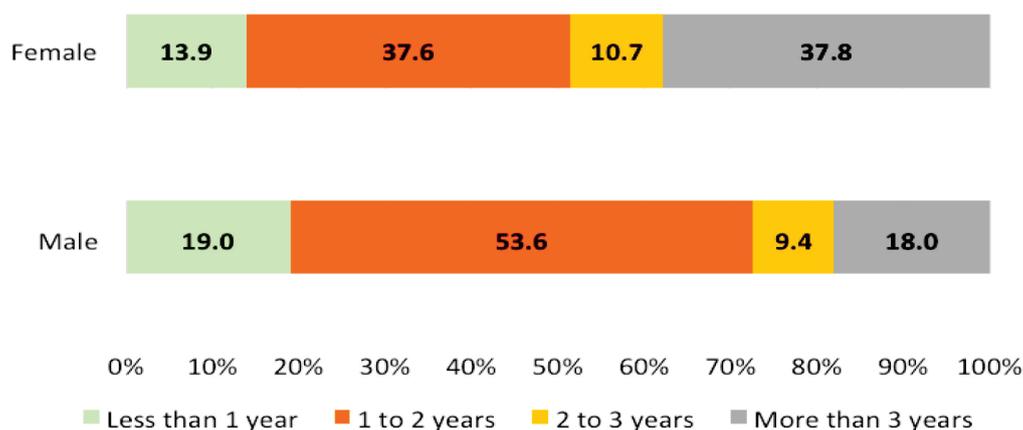
Source: Calculated from CAPMAS (2017).

The duration of unemployment for those who were previously employed is an indication of labor market dynamics. The labor market survey conducted in 2016, showed that the duration of unemployment was less than one year for 17 percent of the unemployed who were previously employed, between one to less than two years for 46 percent, between two to three years for 10 percent, and, three years or above for 27 percent.



Another gap can be observed when the data is disaggregated by sex. As illustrated in Figure 1.7, below, females wait longer than males in the state of unemployment. Nearly one in every two females has been waiting for more than two years, while one in every four males has been waiting for more than two years. The percentage of those waiting for at least three years to get a job is 38 percent among unemployed females, which is more than double the percentage among males (18 percent).

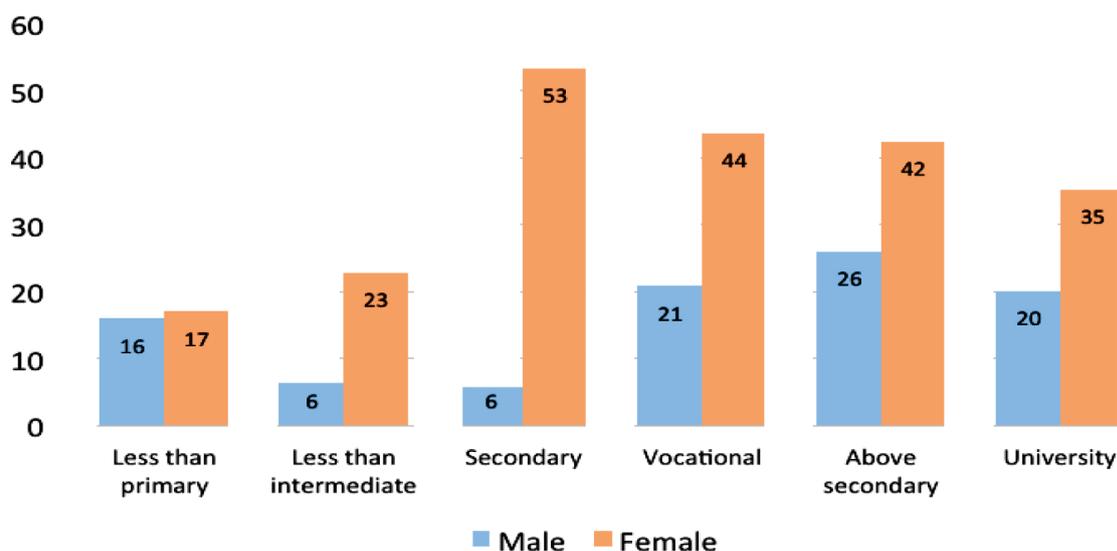
Figure 2.7 Duration of Unemployment, by Gender (%), 2016



Source: CAPMAS (2017)

The gender gap persists among all education levels. It is minimal among the lowest education level and increases with education to reach its highest among secondary education, whereas the percentage of females waiting for 3 years or above is 8 times the percentage of males. A decrease in the gender gap was observed for higher education categories, however, among university graduates, the gap is 15 points (Figure 2.8, below).

Figure 2.8 Unemployed who Remained Unemployed for at Least 3 Years, by Educational Level (%), 2016



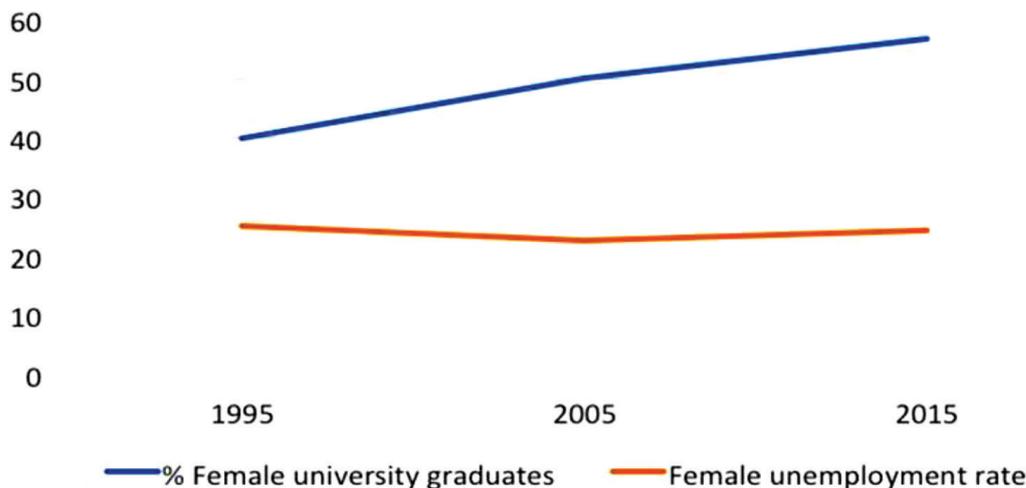
Source: Calculated from CAPMAS (2017)



Unemployment and Education

The unemployment rate among females is alarming. The distribution of unemployed by education level shows that 37 percent of unemployed females are university graduates, which confirms that the economy did not benefit from the investments made over the past few decades in the education of girls. As illustrated in Figure 2.9, below, female university graduates represented 40 percent of all university graduates in 1995.

Figure 2.9 Female University Graduates and Female Unemployment Rate, (%) 2005-2015.



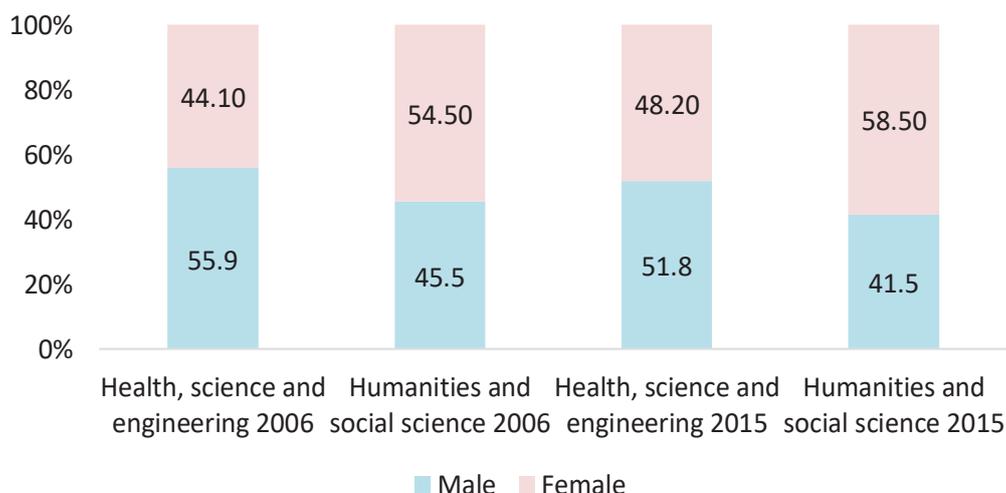
Source: CAPMAS, Statistical Year Book, 2005-2017. Private universities not included.

The male/female mix was nearly reversed in one decade, as the percentage of females among university graduates reached 56 percent. Meanwhile, the female unemployment rates remained stagnant during the same period. It should be noted that the percentage of females among university graduates is higher among graduates from the humanities and social sciences (59 percent) compared to science, health and engineering (48 percent).

Figure 2.10, on the other hand, demonstrates that the percentage of females among university graduates increases overtime for students majoring in humanities and for students majoring in health, science and engineering. A detailed analysis of the gender mix shows that female graduates are a majority among those having studied health and sciences. The percentage of females among university graduates was slightly higher than 50 percent for graduates of medicine and pharmacy, and reached 68 percent among science majors, 62 percent among physiotherapy majors, and 70 percent among nursing majors. The percentage of females is slightly lower than males among graduates majoring in computer and information technology (45 percent) and agricultural sciences (48 percent). Engineering on the other hand is a male-dominated field as the percentage of females among graduates majoring in engineering is only 23 percent.



Figure 2.10 Distribution of University Graduates by Gender and Speciality, (%) 2006 and 2015

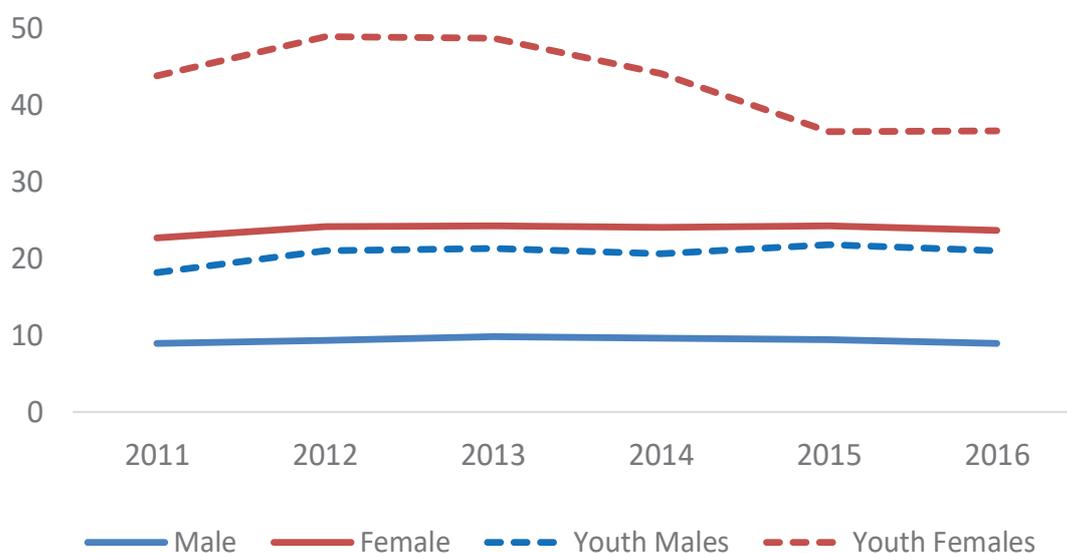


Source: CAPMAS (2017) Statistical Year Book.

Youth Unemployment

According to official unemployment levels in 2016 (Figure 2.11, below), the youth unemployment rate is higher than the total unemployment rate by more than 10 points for both males and females. The number of young people not in employment, education or training (NEET) reached 5.7 million in 2016, which accounts for 27.6 percent of the 15 to 29 year old age group (Table 2.6.) Nearly 63 percent of the youth NEET are females, representing more than one third of female youth. The gender gap in youth NEET is narrowing, as the proportion of females decreased from 47 percent in 2008 to 36 percent in 2016, compared to an increase among youth males (from 16 percent to 20 percent). During this period, the average annual growth of female youth NEET was 0.5 percent vs. 4.9 percent for male youth NEET.

Figure 2.11 Youth Unemployment Rate by Gender, 2011-2016



Source: Calculated from CAPMAS (2017)

**Table 2.6 Youth Not in Employment, Education or Training (NEET)**

Year	Number (000s)			%		
	Male	Female	Total	Male	Female	Total
2008	1,423	3,448	4,871	15.7	46.9	29.7
2012	1,677	3,302	4,980	19.6	45.7	31.6
2016	2,079	3,576	5,655	19.8	35.7	27.6

Source: ILO (2017). Statistical database.

The SYPE 2014 report warns against looking at the unemployment rate only when examining youth wellbeing, as the decline in unemployment is not necessarily associated with an increase in employment opportunities, but rather to an increase of individuals who leave the labor force because they are discouraged.

Entrepreneurship

Compared to other developing countries, Egypt is lagging behind in terms of number of SMEs. The number per 1,000 inhabitants in Egypt is 0.6.⁸⁶ The figure is much lower than in other Arab countries, such as Lebanon (7.3), Jordan (4.2), and Morocco (0.9); and other developing countries like Malaysia (9.7), the Philippines (8.6), Brazil (5.2), and Chile (4.3). According to the World Bank 2017 Doing Business Report, **difficulties in access to credit, lengthy and complicated procedures business start-up procedures, and lack of technical and financial support represent major challenges hindering the growth of SMEs.** Data on youth entrepreneurship show that in 2014, the percent of individuals who did in fact try to establish their own business was 13 percent among males and 5 percent among females. Due to the instability of the years immediately following January 2011⁸⁷ the figures were lower than those observed in 2009 (23 percent for males and 8 percent for females). The results are consistent with the findings on the preference of young people aged between 15 and 29 to establish their own business, as opposed to being employed in a waged job, which declined from 54 percent in 2009 to 37 percent in 2014. When asked about the reasons for wanting to be an entrepreneur, “greater independence as self-employed or own account worker” was the main reason for being an entrepreneur for 43 percent of males and 44 percent of females, followed by not finding a waged or salaried job among 37 percent of males and 29 percent of females.

In 2016, a Women’s Entrepreneurship Development (WED) Assessment⁸⁸ was conducted for Egypt. The framework of the assessment examined six conditions:

- Gender-sensitive legal and regulatory systems that advance women’s economic empowerment
- Effective policy leadership and coordination for the promotion of WED

86 - ILO (2017) Decent work in Egypt: 2016 results.

87 - SYPE (2015)

88 - ILO (2016) Women’s Entrepreneurship Development Assessment: Egypt.



- Access to gender-sensitive financial services
- Access to gender-sensitive business development support (BDS) services
- Access to market and technology
- Representation of women entrepreneurs and participation in policy dialogue

Eighteen sub-conditions reflecting the six conditions are assessed on a score from 1 to 5 where 5 is the highest. The results of the assessment (Table 2.7, below) show that only two conditions obtained a score of 5 or 4, namely, women’s access to mainstream business development support services, and presence of women entrepreneurs’ associations and networks. When averaging sub-conditions within each of the six conditions, the results show that “effective policy leadership and coordination for the promotion of WED” and “access to market and technology” averaged a score of 2. Conditions 1, 3 and 6 averaged a score between 2.30 and 2.75 and condition 4 averaged a score of 3.3.

Table 2.7 Egypt Women’s Entrepreneurship Development (WED) Assessment, 2016

Condition	Sub-condition	Score
1. Gender-sensitive legal and regulatory systems that advance women’s economic empowerment	Equality of labor market access	3
	Labor laws and regulations	2
	Business registration and licensing regulations and procedures	3
	Property and inheritance rights	3
2. Effective policy leadership and coordination for the promotion of WED	WED as a national policy priority	2
	Presence of a government focal point for the promotion and coordination of WED and support actions	2
3. Access to gender-sensitive financial services	Women entrepreneurs’ participation in generic financing programs	2
	Financing programs specifically targeted to women-owned enterprises	3
4. Access to gender-sensitive business development support (BDS) services	Women’s access to mainstream BDS services	5
	Mainstream BDS services respond to the needs of women entrepreneurs	2
	Presence of women-focused BDS services	3
5. Access to markets and technology	Export promotion for women entrepreneurs	2
	Government procurement programs actively targeting women’s enterprises	1
	Supply chains and linkages that integrate women-owned enterprises	3
	ICTs and technology access of women entrepreneurs	2
6. Representation of women entrepreneurs and participation in policy dialogue	Representation and “voice” of women in business/ sector membership associations	1
	Presence of women entrepreneurs’ associations and networks	4
	Participation of women entrepreneurs in public-private sector policy dialogue and influence on outcomes	2

Source: ILO (2016). Women’s Entrepreneurship Development Assessment: Egypt.



Masculine Norms and Values

Culture including, heritage, and prevailing social norms play a major role in shaping gender identities, and in reinforcing gender differences. Gender equality is about changing norms, perceptions and expectations about female and male roles and ultimately changing unequal power relations. The 2010 and 2014 SYPE confirmed that the majority of young people believe that men should have priority in employment when jobs are scarce. This is not unique to Egypt as the international Men and gender Equality Survey (IMAGES) confirms that three quarters of the men and women surveyed in Lebanon, Morocco., Palestine as well as Egypt support the priority of men’s employment over that of women’s.⁸⁹

Further insight in to explaining why progress on promoting women’s economic participation and delivering decent work for women has been so slow is provided by a recent ILO report⁹⁰ that studied the perceptions and attitudes of women and men towards women and their work. The report is based on a global survey conducted by Gallup in 142 countries and asked questions to measure gender gap related to preference for women to work at paid job, equal opportunity in getting paid jobs, preference for paid jobs vs. care for family, and, challenges facing women working for paid jobs. The data from Egypt reveal the following:

Right to Work in a Paid Job

When respondents were asked if it is acceptable for any woman in their family to have a paid job outside the home if she wants one, two thirds agreed on woman’s right to do so. The gap between women and men was significant (80 percent of women compared to 51 percent of men). The 29-points gap observed in Egypt was the third largest among the 142 countries. The global average was significantly higher among men (77 percent), while the global average among women (83 percent) was close to the figure observed in Egypt. As presented in Table (2.8), **younger and less educated respondents are less likely to acknowledge women’s right to a paid job.**

Table 2.8 Acceptance of Women’s Paid Employment Outside the Home, 2016

	Agree	Disagree	DK/ refused
Total	65	34	1
Male	51	48	1
Female	80	20	0
15-29	60	39	1
30+	69	30	1
Primary	63	36	1
Secondary	65	35	0
University	80	20	0

Source: ILO and Gallup (2017).

89 - Understanding Masculinities-Results from the International Men and Gender Equality Survey (Images) –Middle East and North Africa, PROMUNDO and UN Women, 2018.

90 - ILO and Gallup (2017). Towards a better future for women and work: Voices of women and men.



Preference for Women to Work in a Paid Job

Female respondents were asked whether they preferred to work in a paid job, or to stay at home and take care of family and housework, or both. Male respondents were asked whether they preferred that women worked at paid jobs, or stayed at home, or both. Results show that **one in every two Egyptian women prefers to work in a paid job and one in five prefers to work in a paid job as well as care for home. The majority of men on the other hand prefer that the women stay at home**, with only 31 percent saying that women should be working in a paid job, and 13 percent preferring that women work in a paid job while also caring for home (Table 2.9, below). The gender gap (70 percent versus 44 percent) is the third highest worldwide, and the level of men's acceptance of women's paid jobs is one of the lowest among the 142 countries.

Table 2.9 Preference for Women to Work in Paid Job, 2016

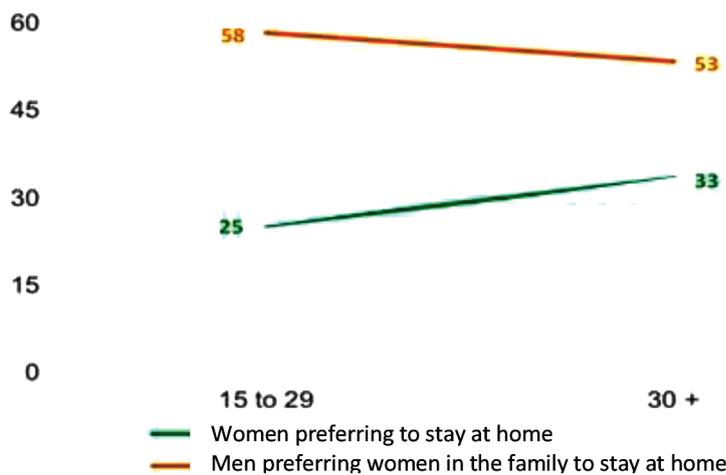
	Total	15-29	30+	Primary	Secondary
Women					
Work at a paid job	49	52	47	47	50
Care for the home	30	25	33	35	24
Both	21	24	20	17	26
DK/refused	0	0	0	0	0
Men					
Work at a paid job	31	27	35	29	29
Care for the home	55	58	53	60	57
Both	13	14	12	10	13
DK/refused	1	1	0	2	0

Source: ILO and Gallup (2017)

The gap between the percentage of women who want to stay at home (30 percent) and men who want women in their families to stay at home (55 percent) is significantly larger than the average global gap (30 percent for women versus 34 percent for men). The fact that the gap is wider among the younger population is even more alarming. As illustrated in Figure 2.12, the gender gap among the older generation (aged 30 and above) is 20 points. This is in stark contrast with the gender gap among the younger generation, which is as high as 33 percent. Education seems to have an impact on women's preference. An eleven-point difference in the percentage of women who prefer to stay at home was observed between women with primary education and women with secondary education. However, education does not seem to have the same impact on men, as the difference is only 3 percent.



Figure 2.12 Preference for Women to Stay at Home, (%) 2016



Source: ILO and Gallup 2017

Equal Opportunity in Paid Employment

A majority of Egyptians (56 percent) indicated that if a woman has the same level of education and experience as a man, she has the same opportunity to find a good job. However, more Egyptians see that women have less opportunity (29 percent) than those who think that women have a better opportunity (11 percent.) Responses did not show variability by age, sex or education. The survey results indicated that **the biggest challenge facing women working in paid jobs is work/family balance, with the second biggest challenge being unfair treatment.**

Conclusion and Key Policy Recommendations

Investments and advances in education were not matched by the expected increase in women’s economic participation. Only 7 million of 29 million included in the labor force are females. Moreover, their rate of participation is one third that of males, yet they are younger and more educated. The low labor participation of females is due to constraints on their mobility, the difficulty to balance between family responsibilities and work (compounded by the dearth of affordable support services especially childcare), and prevailing norms and beliefs about the prescribed role of women as being nurturers and care-givers. The influence of gender norms is reflected in a wide gap between the percentage of women surveyed who said they preferred to stay at home and the higher percentage of men who prefer that women stay home.

More women than men opt to work in the public sector where they have better security, working hours that are more suited to their care responsibilities, and where the bias against females is less pronounced; as can be seen by the fact that they are more likely to occupy managerial positions in the public sector than in the private sector. Chapter 5 will elaborate further on the private sector conscious and unconscious biases against women.

Unemployed females represent half of all the unemployed in Egypt, with a wide discrepancy among governorates (ranging from 9 percent to 45 percent), which does not conform to the poverty indicators in these governorates. Most unemployed women do not have previous work experience, which confirms that the school to work transition is more difficult for them than it is for men. Evidence indicates that women spend more time looking for a job than men do, with 38 percent of unemployed



females waiting at least three years to get a job, compared to 18 percent of unemployed males. The difficulty in finding paid work explains why many women are discouraged from looking for a job, are pushed into informal or unpaid work that is often lacking decent work conditions, or into establishing subsistence enterprises that have little chance of growing. **More women- owned enterprises than men-owned enterprises are subsistence based, and the percent of women who perform unpaid work or have a subsistence enterprise is higher in rural areas than it is in urban areas.**

The following are key policy recommendations to encourage women's employment, improve their working conditions, sustain and scale successful women empowerment initiatives, bridge information gaps, and produce gender disaggregated data for monitoring and evaluation purposes.

Encourage Women's Employment

- **Support the appointment of more women on Boards of Directors of large companies.** It is recommended that the Government guarantee appropriate women's representation in State-owned enterprises and in public institutions.
- **Foster female entrepreneurship** by:
 - Developing incentives for the private sector to apply gender equality regulations; and
 - Providing incentives to women entrepreneurs to register and formalize their businesses.

Improve the Working Conditions of Employed Women

- Policy makers need to identify solutions that **improve women's access to better jobs**, and enhance their ability to take advantage of new labor market opportunities that emerge as a result of new technologies
- **Ensure women's safety in the public space and in the work place** (especially in the informal sector)
- **Reduce women's double burden**
 - Women's culturally defined social role and concomitant obligations within the family and household complicate their ability to compete effectively in the labor market. Solutions to replace and complement the care work provided by women for the elder and for children are needed. Investing in both childcare and elderly care facilities and institutions can support women to achieve their aspirations by lifting the double burden. Furthermore, efforts that support the greater engagement of men in caregiving, fatherhood and participation in domestic chores creates a more enabling environment for women's participation in the labor market, and leads to more positive perceptions of gender roles among children of working women. Finally, developing the preschool economy and the care economy can boost the national and local economy as it has a significant potential for female employment generation.
 - Working from home and flexible hour modalities could be considered in both the public and private sectors. Flexible working hours and remote working allow more women to participate in the labor market despite potential constraints



imposed by domestic responsibilities, while also reducing the time, effort, and money spent on transportation.

Sustain and Scale Successful Pilot Programs and Projects

- **Sustain and expand Takaful and Karama**⁹¹ to empower disadvantaged women in Egypt, and, link them with other support initiatives such as “Your Job Next to Your Home” or “Forsa” program or other productive inclusion interventions.
- **Invest in the rigorous scientific evaluation of successful pilot programs and projects** designed for women’s economic empowerment to establish causal impact, while measuring effectiveness. This should be applied to a wide range of promising programs and projects that were piloted in the last few decades in Egypt and did not proceed beyond the pilot phase.

Bridging Information Gaps, and Monitoring and Evaluation

- **The NCW Women Strategy provides an excellent framework to monitor and evaluate achievements in the area of women economic empowerment.** Producing and availing recent relevant data throughout the National Observatory for Women (NOW) will assure more transparency in the process of monitoring and evaluation. It is suggested that the government take necessary actions to sustain the independence of the Observatory and secure funds to produce timely data.
- It is important to **produce and disseminate gender-disaggregated data on a regular basis**, to:
 - Monitor female economic empowerment by examining women’s inclusion in the following: senior positions or on boards of large private sector and state-owned firms; senior positions in government; credit provided to women by financial institutions, including loans to SME’s; BDS services; training programs for new entrants to the labor market and on the job training in the public and private sectors; land ownership; public procurements; and trade fair and exhibition participation.
 - Monitor female social empowerment and protection by examining indicators related to gender-based violence; child care support to female employees in public and private firms; ownership of new housing units provided by the government; health insurance coverage; and social insurance coverage.

91 - Information about these programs are provided in chapter 4.



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CHAPTER 3:

Women's Financial Inclusion

Introduction

This chapter examines the issue of women's financial inclusion and the extent to which financial institutions and NGOs provide a range of services that are affordable and responsive to women's needs as individuals and as entrepreneurs. Financial inclusion means that people and businesses have access to a broad set of adequate and affordable formal financial products and services provided in a responsible way. **Financial inclusion is a critical enabler for poverty reduction.** *"It connects people into the formal system, making day- to- day living easier and allowing them to build assets, mitigate shocks related to emergencies, illness or injury, and make productive investments."*⁹²

Financial inclusion has three dimensions: access to, usage of, and quality of financial services. Access to transaction accounts opens the pathway to broader financial inclusion, whereby people and firms can make financial transactions more efficiently and safely; access funds (whether payments, credit, savings, insurance or others); invest in the future; and cope with economic shocks. Access to transaction accounts also enables participation in the digital economy, and is a critical building block for digital development.⁹³ Microfinance refers to the provision of financial services to low-income individuals and plays an important role in achieving greater financial inclusion. Initially the term was related to microcredit, but it has evolved to include savings, insurance, payments, and remittances. **Access to finance contributes to women's empowerment and ability to spend on critical human endowments. However, access to financial services remains a constraint for women in many countries, including countries in the Middle East and North Africa (MENA) region.** The level of financial inclusion in the MENA region is among the lowest globally, standing at 29 percent overall, and 24.5 percent for women.⁹⁴

In Egypt, despite the reported progress highlighted in the 2015 and 2016 Global Microscope reports,⁹⁵ many women, especially the poor, remain outside of the formal financial system.

In recognition of the importance of financial inclusion to sustainable growth and development, the GoE is involved in both international and national efforts to enhance and support greater financial inclusion for all, including women.

National Commitment to International Financial Inclusion Efforts

Egyptian state efforts towards greater financial inclusion are demonstrated by the adoption and commitment to a number of global initiatives, including the Maya Declaration, launched in 2011 at the Global Policy Forum (GPF) in Riviera Maya, Mexico. A commitment to the Declaration is a means to champion financial inclusion, contributing to the SDGs, but specifically SDG 1: No Poverty.

92 - Gains in Financial Inclusion, Gains for a Sustainable World, May 2018.

93 - World Bank's Financial Inclusion Global Initiative, September 2017.

94 - Financial Literacy in the Arab Region: A pre-requisite for Financial inclusion, Union of Arab Banks – General secretariat_ Research Department 2017.

95 - The Microscope is a project of the Economic Intelligence Unit (EIU) with technical support from the Center for Financial Inclusion at ACCION.



The Declaration focuses on creating the right environment, implementing the correct framework, ensuring that consumer protection measures are taken and using data to inform and track financial inclusion efforts. Women-related commitments include developing a set of supply side indicators on women's access to and use of financial services by the end of 2018, determining the baseline gender gap by the end of 2018, and halving Egypt's gender gap by 2021.

Egypt is also part of the World Bank's Universal Financial Access (UFA) initiative, launched in 2015. **The aim of the UFA is “that by 2020, adults, who currently aren't part of the formal financial system, have access to a transaction account to store money, [and] send and receive payments as the basic building block to manage their financial lives.”**⁹⁶ The initiative has garnered commitments from over 55 public and private sector partners to enable 1 billion people with access to a bank account. The World Bank works with more than 100 countries to advance financial access and inclusion with an approach that focuses on introducing transaction or basic accounts, expanding penetration, and improving financial literacy. In addition, efforts are made to support countries in creating enabling legal environments, and in supporting the financial infrastructure and the digitalization of financial services.⁹⁷

In 2017, Egypt, Mexico and China were chosen as operational countries for the UFA initiative.⁹⁸ Accordingly, the CBE has taken a number of steps to promote the financial inclusion of all segments of the society into the formal financial system, namely the establishment of a Financial Inclusion Unit and an independent Central Administration to protect the consumers of financial services. Among the significant actions taken by the CBE was a 2016 directive to Egyptian banks to establish specialized SME units and increase finance to these enterprises so as to account for at least 20 percent of banks' total loan portfolios within the next four years. In addition, the CBE is cooperating with the Egyptian Banking Institute (EBI), and the Ministries of Education and Higher Education in preparing the National Strategy for Financial Education. Moreover, **a Memorandum of Understanding (MOU) on the financial inclusion of women was signed between the Central Bank of Egypt (CBE), and the NCW during the Alliance for Financial Inclusion (AFI) Forum held in September 2017** (see box 3.2). The MOU is part of an EGP 1.6 billion-microfinance initiative launched by the CBE within the context of its broader financial inclusion efforts. The objective of the MOU is to ensure bank funding for women's micro-sized projects. At present, while 45 percent of microcredit loans are directed to women, the average size of loans they receive is less than the average received by men.⁹⁹ Moreover, only 20 percent of women entrepreneurs are bank clients.¹⁰⁰

96 - UFA2020 Overview: Universal Financial Access by 2020, worldbank.org, April 20, 2017.

97 - Ibid.

98 - Financial Inclusion in Egypt (2017) bank of Alexandria SAE www.alexbank.com.

99 - The Egyptian Financial Supervisory Authority (EFSA), Egypt 2016.

100 - Nasr, Sahar Banking on Women in Egypt (2012) Blogs.worldbank.org.



Box 3.1 Women, Business, and the Law, 2018

The World Bank Group’s Women, Business, and the Law (WBL) Report measures how laws, regulations, and institutions differentiate between women and men in ways that may affect women’s incentives or capacity to work to set up and run a business. It analyzes gender-based legal differences on a wide array of laws including family law, labor law, and gender violence laws covering seven areas: accessing institutions, using property, getting a job, providing incentives to work, going to court, building credit and protecting women from violence.

Egypt		Score
1	Accessing institutions	64
2	Using property	40
3	Getting a job	59
4	Providing incentives to work	60
5	Going to court	75
6	Building credit	25
7	Protecting women from violence	60

Egypt is doing relatively well in comparison to other countries, and is one of few countries worldwide that criminalizes sexual harassment in employment, education, and public spaces. The 2014 Constitution guarantees equality and prohibits discrimination on the basis of gender. In fact, married women can pass their citizenship to their children in the same way as men; in addition to having the right to own and administer property, sign contracts and start business in the same way as men.

Source: “World Bank Group. 2018. Women, Business and the Law 2018. Washington, DC: World Bank. © World Bank. <https://openknowledge.worldbank.org/handle/10986/29498> License: CC BY 3.0 IGO.”

Egypt is also part of the Financial Inclusion Global Initiative (FIGI) funded by the Bill & Melinda Gates Foundation (BMGF) to support and accelerate the implementation of country-led reform actions to meet national financial inclusion targets, and ultimately the global ‘Universal Financial Access 2020’ goal. FIGI will enable Egypt to better utilize the potential of digital technologies for financial inclusion, and to manage associated risks through working groups to tackle three sets of outstanding challenges for reaching universal financial access: a) electronic payment acceptance; b) digital ID for financial services, and c) security.



Box 3.2: CBE-NCW Financial Inclusion Initiative

In 2017, the Central Bank of Egypt (CBE) signed a Memorandum of Understanding (MOU) with the National Council for Women (NCW), aimed at coordinating the efforts of the stakeholders to economically empower women, by enhancing financial awareness among women and female students; encouraging savings and entrepreneurship; incorporating the financial inclusion of women as a national indicator in the NCW Women Strategy 2030; enhancing women's access to bank and non-bank financial services;) increasing women's utilization rate of financial services; commissioning research that is relevant to the goals of the MOU; and expanding the scope of the 'Taa Marbouta' campaign.

The MOU targets women in general, with special emphasis on women entrepreneurs, especially micro and small enterprises. A steering committee will be established by the CBE Governor, in coordination with the head of the NCW, which will be tasked with developing the action plan required to activate the MOU within a defined timeline, and to monitor progress of implementation, and address any constraints. The committee will be formed of representatives from the CBE and the NCW, in addition to external members; and will convene on a quarterly basis.

Source: The Published MOU

Constraints to Financial Inclusion

Despite government efforts in this area, a number of factors contribute to gaps in the penetration rates of existing financial services, including a limited range of products targeting women, and a low level of financial literacy among women. There are 38 banks in Egypt with 4,534 branches per 100,000 people (or 1 branch per 22,000 people), which means that banking density is very low compared to the global average of 12.527 branches per 100,000 adults, or 1 branch per 8,000 people.¹⁰¹ The banking sector provides corporate and retail financing products, but given the risk-averse nature of banks, a large segment of the population (including women, households, and informal businesses) are excluded.

According to World Bank 2014 Findex data, about 14 percent of Egyptians are banked (9.3 percent of women¹⁰² and 19 percent of men).¹⁰³ **Women's access to finance is also curtailed by the institutional bias of service providers against women.**¹⁰⁴ Various Investment Climate Assessment (ICA) Surveys confirm that banks request stricter collateral requirements from women than men, and that the rejection is higher among women (6 percent) in comparison to men (4.5 percent).¹⁰⁵

The high rates of illiteracy among women coupled with the fact that many, especially in rural areas,

101 - <https://data.worldbank.org/indicator/FB.CBK.BRCH.P5?locations=EG&view=chart>

102 - Findex Data, World Bank 2014.

103 - WOMEN'S ACCESS TO FINANCIAL SERVICES IN EGYPT, FINAL REPORT NOVEMBER 2015
Prepared by: New Faces New Voices.

104 - Nasr, Sahar Banking on Women in Egypt (2012) Blogs.worldbank.org.

105 - WOMEN'S ACCESS TO FINANCIAL SERVICES IN EGYPT, FINAL REPORT NOVEMBER 2015
Prepared by: New Faces New Voices.

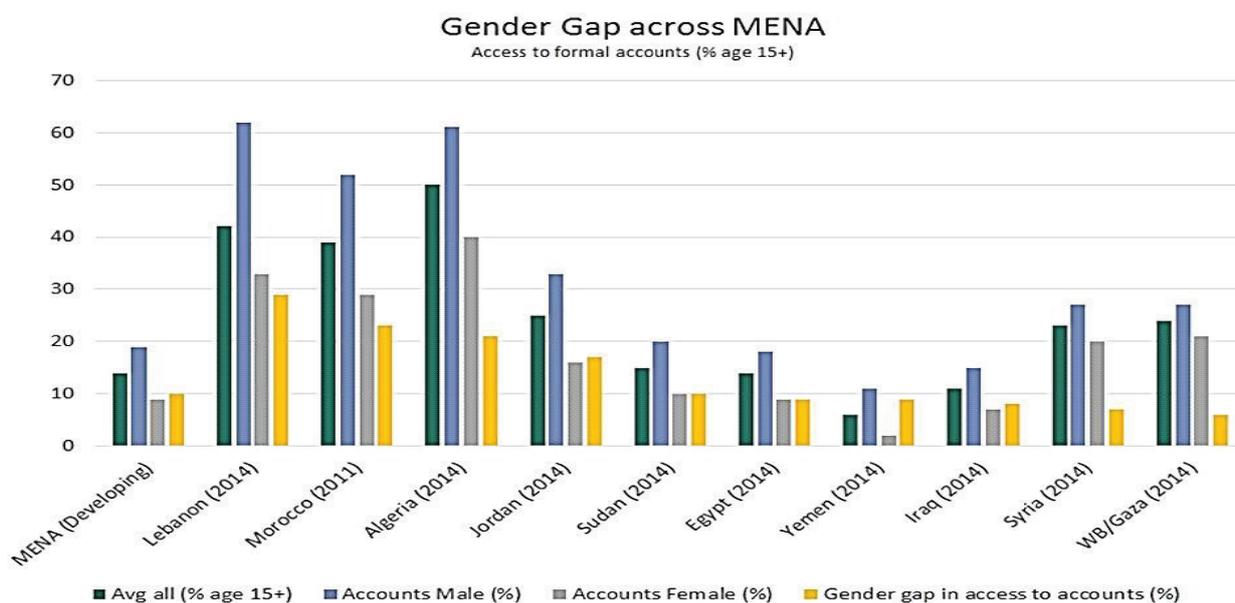


do not have a national ID makes it more difficult for them to access formal finance. Moreover, a recent study on financial literacy in the Arab Region puts the overall rate of financial literacy in Egypt at 27 percent, 25 percent among men and 30 percent among women.¹⁰⁶ It is worth mentioning that since its establishment, the NCW launched the National ID Cards Initiative, and it was able to issue more than 3 million National ID for women across Egypt.

IFC estimates the demand for credit only among women-owned SMEs in Egypt at USD 283 million, which constitutes a sizeable market segment;¹⁰⁷ yet bank penetration rates remain among the lowest in the region as shown in Figure 3.1, below.

Other **compounding constraints** include (i) **restrictive social and cultural norms**; (ii) **legal and regulatory obstacles**; (iii) **limited access to finance**; and (iv) **gaps in capacity** including hard and soft skills for running a business.

Figure 3.1 Bank Penetration Gender Gap Across MENA Countries



Source: Global Financial Inclusion Database 2014

There are a number of reasons cited for this gap, including a lack of awareness regarding the business case for targeting women, the paucity of data on the supply and demand sides of the market, and finally the absence of trust between banks who perceive women as high risk and women who believe that banks have complicated, costly, and time-consuming procedures.¹⁰⁸

While having a bank account is a first step towards financial inclusion and access to a diverse range of financial services, **there are a host of financial instruments that can be provided by non-bank financial institutions that can fill the gap in financial services.** These include microfinance institutions (NGOs and companies) as well as leasing, insurance, mortgage, and factoring companies. These non-bank financial instruments are still moderately developed though growing as a result

106 - Financial Literacy in the Arab Region: A pre-requisite for Financial inclusion, Union of Arab Banks – General secretariat_ Research Department 2017.

107 - Egyptian Women Workers and Entrepreneurs: Maximizing Opportunities in the Economic Sphere, edited by Sahar Nasr (2010) The International Bank for Reconstruction and Development / The World Bank.

108 - Ibid



of enacting various reforms targeting the non-bank financial sector. The latest being the amended law on leasing and factoring approved by the Parliament in 2017, decreasing the fees of financial leasing contracts and allowing licensed companies and MFIs to provide microfinance leasing services. However, **limited information on potential clients and borrowers is a constraint that continues to face banks and non-bank financial institutions, but especially the latter.**¹⁰⁹

Despite the establishment of the Credit Guarantee Company (CGC) in 1989, **there is a gap in credit and market information that contributes to constraining market penetration and outreach, as well as limiting the range of services and products offered.** For example, there are only 20 insurance providers in Egypt with approximately one million beneficiaries.¹¹⁰ There are over 222 leasing companies registered with the Egyptian Financial Supervisory Authority (EFSA), yet only 27 of those are active, and there are only seven factoring companies, which given the size of the Egyptian market is small.¹¹¹ There are approximately 500 micro-finance institutions serving an estimated 1.2 million active clients, compared to an estimated demand of 21 million people, providing them with credit to finance existing SMEs, and solidarity group loans targeting the poor who account for 48 percent of beneficiaries, mostly women.¹¹²

Having cited the major constraints to financial inclusion, it may be useful to cite areas in which various initiatives can leverage existing positive trends. **Mortgage finance available from banks and non-bank finance institutions is growing** with Egypt ranking among the top 3 growth markets together with Algeria and Nigeria according to a report by Euromonitor International.¹¹³ This is attributed to measures taken by the government aimed at improving the access of low and middle-income segments of the population including women to affordable home finance.

Furthermore, the Egyptian post office, Egypt Post, through its nationwide spread of 4,600 branches and over 6,500 licensed postal agents offers a variety of financial services including low-cost savings and transaction account services, such as the delivery of pensions, remittances, and payment of bills, among others. **In rural areas, frontier governorates, and in Upper Egypt where bank branches are scarce, Egypt Post plays a critical role in advancing financial inclusion.** In addition, the Post has a digital network that connects to its outlets and ATMs nationwide. **The services provided by Egypt Post are popular among Egyptians and more so among women and the illiterate** (amongst whom women are a majority as indicated in chapter 1) mainly because the environment of the post office is less strict and therefore less intimidating than the bank environment. In 2004/05, a World Bank study on ‘The Role of Postal Networks in Expanding Access to Financial Services’ estimated that 30 percent of the adult population had savings accounts in the post office.¹¹⁴

Intersection between Financial Inclusion and Entrepreneurship

Financial inclusion includes a range of financial services available to adult populations, enabling them to improve the quality of their life and to establish and grow a business if they wish to do so. In this case, access to finance is critical. **More than a third of women-owned businesses globally face**

109 - Egypt Financial Sector Profile <https://www.mfw4a.org/egypt/financial-sector-profile.html>

110 - Ibid.

111 - Ibid

112 - Ibid

113 - Top Three Mortgage Growth Markets in 2017: Egypt, Algeria and Nigeria, Euromonitor International 2017.

<https://blog.euromonitor.com/2017/03/top-3-mortgage-growth-markets-2017-egypt-algeria-nigeria.html>

114 - World Bank. 2006. The role of postal networks in expanding access to financial services: Discussion paper (English). Washington, DC: World Bank. <http://documents.worldbank.org/curated/en/204531468024861906/Discussion-paper>

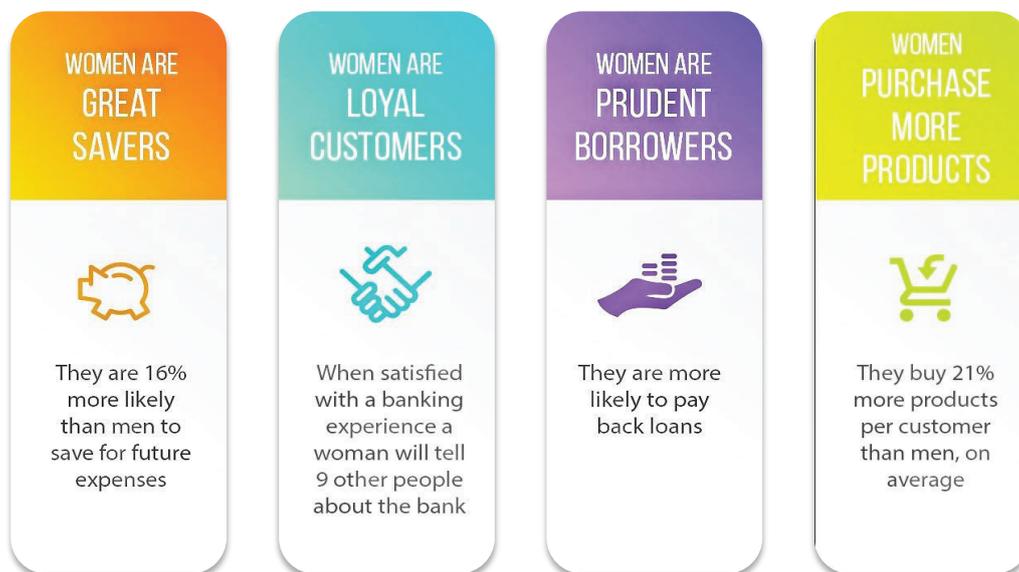


barriers in access to finance. Access to collateral is a main constraint for the poor and for women in particular; yet, in MENA up to 95 percent of SME loans granted by financial institutions require such collateral.

Standing at 4 percent, entrepreneurship levels in the region are the lowest globally¹¹⁵ despite the fact that **IFC data indicates that female entrepreneurs perform similarly, and have the same borrowing rates as men, provided that the business environment is enabling.**¹¹⁶

The IFC identifies the following factors that contribute to making the business case for women’s banking: market share growth and diversification in a competitive MSME environment; higher cross sell ratios (2 to 1) which means higher fee generation; loyalty to the bank or service provider of choice; strong savings propensity among women; higher risk awareness compared to men; and finally, linkage to the family wallet as female clients refer more customers (including family members) to the bank than male clients.¹¹⁷

Figure 3.2 Women’s Financial Behavior Makes Them Attractive For Banks



Source: Global Alliance for Women <http://www.gbaforwomen.org/>



Furthermore, as pointed out by an African Development Bank (AfDB) policy note on ‘Promoting North African Women’s Employment through SMEs’ **the reliance of women on family and personal networks for finance limits the size of firms generally and acts as a major barrier to the establishment of SMEs.**¹¹⁸ The situation in Egypt is not different from that of other countries in the region. The percentage of enterprises managed by women is 23 percent, and most (18 percent) are found in the micro sector.¹¹⁹ A 2010 World Bank study on Egyptian women workers and entrepreneurs reports that **although access to finance is a constraint for all, it is more so for women** as evidenced by the findings of the 2008 World Bank investment Climate Survey (ICS) which indicate that 10

115 - Mckinsey Global Institute (2015), How advancing Women’s Equality can add 12 Trillion to Global Growth.

116 - Banking on Women in Egypt: Innovations in the Banking Industry, Workshop Report, March 2016.

117 - Ibid.

118 - Promoting North African Women’s Employment through SMEs. The African Development Bank (AfDB) 2015, www.AfDB.org

119 - The Egyptian Financial Supervisory Authority (EFSA), Egypt 2016.



percent of men say that access to finance is problematic compared with 22 percent of women.¹²⁰ The situation as expected is worse in the informal sector¹²¹ where 33 percent of females compared with 28 percent of males consider collateral requirements a very severe constraint, and 19 percent of women compared with 9 percent find loan application procedures complicated.¹²²

These findings are confirmed by a 2017 study on women's entrepreneurship and SME development. During the course of the study interviews were conducted with a sample of both successful and unsuccessful female entrepreneurs. Those who had succeeded listed among the determining factors of success the moral and material support they received from their family. On the other hand, those who had failed mentioned the inability to balance business and family life, and the inability to access formal finance among the reasons for not succeeding, explaining that their initial start-up capital came from private savings.¹²³ **The difficulty to access finance is more severe in the case of start-ups, especially women, who lack a credit history, and have inadequate or no collateral.** None of the women interviewed in the sample, whether successful or unsuccessful, had obtained bank loans. One successful female entrepreneur (running the business with her husband) reported that she had received loans from the former Social Fund for Development (SFD) - which has been reconfigured as the Micro, Small and Medium Enterprises Development Agency (MSMEDA).

Both successful and unsuccessful entrepreneurs mentioned the inflation following the floating of the Egyptian pound as a problem for their businesses; however, in the case of the former, family support enabled them to weather the financial crunch, an advantage that was not afforded to the latter.¹²⁴ **The source of loans is a definite indicator of financial inclusion. Borrowing from family and friends is the prevailing norm in many developing economies including in most countries of the region.** In Egypt, according to the World Bank, in 2011, only 6.3 percent of adults had borrowed from a formal financial institution, while 2.5 percent borrowed from an informal lender and 21.5 percent borrowed from friends and relatives.¹²⁵

According to the Global Entrepreneurship Monitor Report which examines the behaviors, motivations and attitudes towards entrepreneurship, and the characteristics of early-stage enterprises through insights from an Adult Population Survey of a sample of 2,500 individuals, only one in every four entrepreneurs is a woman, and one in every six established business owners is a woman; women-led businesses have a lower probability of continuation compared to men-led businesses; the rate of women's participation is much lower than the global averages and the gap is widening over time. In terms of age distribution: youth between the ages of 25 and 34 are more likely to become entrepreneurs than other age groups.¹²⁶

120 - Egyptian Women Workers and Entrepreneurs: Maximizing Opportunities in the Economic Sphere, edited by Sahar Nasr (2010) The International Bank for Reconstruction and Development / The World Bank

121 - The informally employed are individuals who are working without contract, health or social insurance. Informal self-employment is work without registration, license, social or health insurance.

122 - Egyptian Women Workers and Entrepreneurs: Maximizing Opportunities in the Economic Sphere, edited by Sahar Nasr (2010) The International Bank for Reconstruction and Development / The World Bank

123 - Nassar, Heba Survey on Women's Entrepreneurship and SME Development in Egypt, 2017.

124 - Ibid

125 - World Bank Financial Inclusion Data Base 2014.

126 - Global Entrepreneurship Monitor Report: Egypt National Report 2015-2016, American University in Cairo,



National Initiatives to Promote Financial Inclusion and Entrepreneurship

MSMEDA is the lead institution for the development of small enterprises through the extension of financial and non-financial services. **In Egypt, micro and small enterprises together make up over 99 percent of private enterprises and account for 85 percent of non-agricultural private sector employment.**¹²⁷ In 2015, these enterprises contributed to 38 percent of the total employment, and 33 percent of Egypt's GDP, and among the estimated 6.4 million MSMEs in Egypt, only 406,000 operate in the formal sector. However, women-owned enterprises (excluding agri-businesses) make up 40,000 of the total and are concentrated primarily in the manufacturing and tourism sectors. In 2011, the UNDP commissioned an independent evaluation of the performance of the SFD, which asserted that women make up 57 percent of the SFD microfinance portfolio.¹²⁸ Accordingly, the evaluation concluded that the SFD was effective in reaching out to women but that the products offered were not always appropriately tailored to the needs of borrowers.¹²⁹ Women owned small enterprises are less common, representing 27 percent of SFD supported enterprises during the period from 1992 to 2016.¹³⁰ Moreover, the graduation from micro to small and medium is also rare among women due to previously mentioned barriers. **Women account for only 10 to 25 percent of bank borrowers, and the majority of them are microfinance clients. In fact, only 20 percent of women entrepreneurs rely on commercial banks for credit.**¹³¹

MSMEDA is cognizant of the potential of women's entrepreneurship, and has implemented a number of initiatives targeting women, the most recent of which include the One Village One Product (OVOP), which started in 2014, and was implemented by the SFD in collaboration with the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women). The project's main objective was to advance rural women's economic empowerment by promoting successful start-up enterprises, and by supporting them to form productive alliances.¹³²

In addition, MSMEDA is currently implementing two other initiatives: The first is **the European Bank for Reconstruction and Development (EBRD) supported 'Women in Business' project** that is implemented in collaboration with Egyptian banks. The project was launched in 2013 as part of the MENA transition fund. **The objective is to promote women's entrepreneurship through the provision of advisory services, and training, mentoring and networking opportunities to women who have an established business that has been in operation for at least two years.** So far according to the 2015 figures, the EBRD project, which closes in 2018 has implemented 47 advisory service projects, trained 85 women in digital marketing, financial literacy, fashion design and pattern-making. In addition, four women clients were able to get loans through MSMEDA for a cumulative amount of EGP 5 million.

The second initiative **Promoting Innovation for Inclusive Financial Access Project** is funded by the World Bank at an amount of USD 300 million. **The objective is to expand access to finance for micro and small enterprises (MSE), using innovative financing mechanisms, with a special focus on youth and women, as well as underserved regions.** The project provides a line of credit

127 - Handoussa Heba et al, Situation Analysis: Key Development Challenges Facing Egypt, 2010, p.36.

128 - The Social Fund for Development: An Independent, Forward -Looking Review, November 2011

129 - Ibid

130 - <http://www.sfdegypt.org/web/sfd/women-and-small-enterprises>

131 - Nasr, Sahar Banking on Women In Egypt, 2012
<http://blogs.worldbank.org/psd/banking-on-women-in-egypt>

132 - <http://www.unic-eg.org/eng/7845>



to MSMEDA to lend to financial intermediaries for outreach to MSEs. Numerous innovative mechanisms are provided to enhance access to finance including special products for women. The project is a nationwide initiative that is scheduled to close in 2019.¹³³ A new women economic empowerment initiative is currently being discussed with the Agence Française de Développement (AFD) who has allocated 200,000 euros for activities in implementation of the SFD Gender Strategy.¹³⁴

MSMEDA's efforts to reach out to women are not without challenges, including the inability of the personnel providing financial and business development services (BDS) to mainstream gender in the modality and content of the services and products that they provide. It is hoped that the trainings provided by the organization's Gender Unit will result in the development of gender responsive services and products. Moreover, MSMEDA still faces a challenge in convincing the banks to forego some of their complicated procedures and collateral requirements, and although contracts between MSMEDA and its partners, including banks and NGOs, specify that women should constitute a minimum of 35 percent of beneficiary entrepreneurs, it is not a binding condition. Accordingly, in the case of bigger loans than those provided through partner NGOs, MSMEDA has resorted to direct lending for 'higher-risk' segments such as start-ups and female borrowers. In this context, the 2011 evaluation of the previous SFD specifies that female borrowers constituted 20 percent of loan recipients.¹³⁵

Based on the previously mentioned protocol signed between the CBE, the NCW and ALEXBANK (a member of Italian bank Intesa Sanpaolo) signed a memorandum by virtue of which the bank will develop financial and non-financial services designed to satisfy the needs of women in business, especially women living in rural areas. The MOU also includes the development of social media based educational content designed to promote better knowledge of banking products and terminologies. Moreover, a new mobile application will be developed to provide easy access to financial information through videos and info-graphic style contents.¹³⁶

The establishment by the Egyptian Credit Bureau of the first electronic Registry of Movable Collaterals is one of various efforts exerted in the fields of legislative reform and financial inclusion. This development encourages banks to finance SMEs, and is an important step towards promoting financial inclusion, however the high borrowing costs are a deterrent for smaller enterprises, which form the large bulk of businesses (99.1 percent) with a predominance of microenterprises (96.9 percent). On the legislative reform front, the Registry for Movable Collaterals complements the law on funding SMEs, the one-person company law, bankruptcy law, and the new draft law on SMEs. With regards to financial inclusion, the Registry for Movable Collaterals aims to promote availing funds through financing new opportunities. In this sense it complements the CBE's initiative to finance SMEs and the other non-banking financial services. The most important addition that the Movable Collaterals Law introduces is the creation of a system to publicize these guarantees, grant the security interest in the collateral and the priority of those rights. Prior to the promulgation of the law, possession was the only guarantee in the case of using movables as a collateral, but after the law the debtor has the right to retain and use the asset until the payment is complete. For example, if an enterprise uses one of its machines as a collateral, prior to the issuance of the law it would have been transferred to the creditor until completion of the payment, thereby preventing the entity from using the asset in the production

133 - <http://documents.worldbank.org/curated/en/695141468037518179/pdf/AppraisalISDS-Print-P146244-12-26-2013-1388071827667.pdf>

134 - Interview with Azza Shalaby, manager of MSMEDA Gender Unit.

135 - The Social Fund for Development. An Independent, Forward -Looking Review, November 2011

136 - <https://www.alexbank.com/En/News/NewsDetails/financial-inclusion>



process. However, the law enables the entity to keep the machine used as the collateral and utilize it in the production process. Nevertheless, **banks still maintain stricter collateral requirements for loans to women entrepreneurs, which are perceived as higher-risk. Providing any sort of collateral remains an obstacle for women who fall under guardianship of male relatives and are unable to independently manage their assets.**

Besides support to the MSMEs segment, **the government in partnership with key stakeholders has also been supporting the high-end start-ups eco-system** with initiatives such as the Technology Innovation and Entrepreneurship Center (TIEC) established in 2010 as an affiliate of the Ministry of Communication, the **Bedaya Centre** for Entrepreneurship & SMEs Development established by the Ministry of Investment and International cooperation (MOIIC), , **Flat6 Labs** in 2011, **Rise up** in 2013, the **GrEEK Campus** in 2013 which has become the entrepreneurship and innovation hub in Cairo, **Entrepenelle** in 2015, as well as the announced establishment of new thematic accelerators -both public and private. Such positive developments should be leveraged together with the various university based entrepreneurial hubs to support small business development, thereby encouraging financial institutions and investors to target this market niche.

Despite that the start-up ecosystem in Egypt is experiencing healthy growth, several challenges need to still be effectively addressed for it to reach its full potential. The challenges are faced by men and women equally but there are some women specific hinderances curtailing their high growth ventures i.e. angel investors and seed investment organizations led by men tend to prefer to invest in men-led start-ups.

Giving women greater access to finance is one of the routes the World Bank is taking in order to unlock more economic opportunities for women¹³⁷ Recently, two credit lines are being established exclusively targeting women. In 2018, the Agricultural Bank of Egypt (ABE) and MSMEDA signed a contract for an EGP 40 million credit line 'Bedayti' under the 'Bint Misr' (daughter of Egypt) program to finance women entrepreneurs in the governorates of the Delta and Upper Egypt as part of the National Project for Fattening Veal Revival.¹³⁸ Sixty Percent of this fund will target Beneficiaries under the poverty line.

Moreover, Nasser Social Bank (NSB) is in the process of launching a new financial product Mastoura (see Box 3.3, below) which consists of microloans for disabled women who are unable to hold a regular job. The 'Tahya Misr' Fund is contributing EGP 250 million to this credit line.¹³⁹

137 - MSME Entrepreneurship: capturing Opportunities of Economic Transformation, MSME DPG, Dcode 2018

138 - CBE approves ABE spend EGP 200 million from SMEs for veal project

139 - Tahya Misr Fund finances Mastoura program with EGP 250 million. Pressreader.com



Box 3.3 Mastoura

The Mastoura lending project was launched by Nasser Social Bank, in collaboration with Tahya Masr Fund, at the end of 2017. It aims to fight unemployment and economically empower women through provision of revolving soft loans for the establishment of microenterprises. Eligible groups include:

- Women between 21 and 60 years of age who are covered by the social solidarity pension or Takaful and Karama cash transfer programs, have been registered in Takaful and Karama but deemed ineligible, enjoy the capacity to work but have limited or instable income; and,
- Children of women who are eligible for social assistance.

The loan value ranges from EGP 4,000 up to EGP 20,000. By end of January 2018, almost EGP 11.5 million had been lent to more than 1,000 borrowers through the bank's 93 branches, or the affiliate 4,000 Zakat commissions, nationwide. Mastoura also provides financial and technical support to borrowers.

Source: Youm 7 new portal and YouTube

In addition to facilitating access to women entrepreneurs, the GoE has been making efforts to remove obstacles in the way of doing business in the country. The latest of these is the establishment by the Ministry of Investment and International Cooperation (MOIIC) of new investor services centers that aim to reduce bureaucratic measures and offer electronic services to investors. The new centers bring together all the agencies that an investor might need in one place, including the Real Estate Registration Office, the Commercial Register, the Chambers of Commerce, and the Financial Regulatory Authority. Such efforts by Egypt to improve the business climate through a strategy based on pushing forward legislative and institutional reforms, drawing up an integrated investment map, establishing new free investment zones, developing infrastructure and accelerating procedures for investors has a direct impact on women start-ups. Investors in Egypt have long complained of lengthy waiting times for obtaining needed approvals, with the World Bank ranking Egypt 122 out of 190 countries on its 2017 Doing Business Index, partly because of difficulties obtaining permits and licenses.

In order to address this problem, the **new Industrial Permits Law** issued this year will reduce the waiting period for obtaining industrial licenses to set up new facilities from 600 days to between seven and 30 days, Egypt also issued the **new Investment Law** in 2017 which aims to simplify procedures, along with the **new Bankruptcy Law** passed in January 2018. The new law abolishes prison sentences in bankruptcy cases and limits punishments to a monetary fine. It also aims to minimize the need for companies or individuals to resort to the courts and to simplify post-bankruptcy procedures.

Three additional initiatives led by the GoE to promote women's economic empowerment through access to finance, a work friendly environment, and insurance for casual and informal workers who are not insured include Fekretak Sherketak (your idea your company) launched by the MOIIC in 2017 within the context of the Egypt Entrepreneurship Program (EEP) (see Box 3.4).



Box 3.4: Fekretak Sherketak (Your Idea, Your Company)

Fekretak Sherketak was launched with Egypt Ventures, EFG Hermes, UNDP, NILE Capital, and MSMEDA as well as the General Authority for Investment. Through partnership with the private sector, startups are provided with financial, trade, technical and legal support. A selected number of entrepreneurs will undergo a four-month acceleration program to assist in transforming their business idea (whether a product or a service) into a viable venture. Start-up funding of up to EGP 500,000 at 4 to 8 percent equity stake will be made available to selected entrepreneurs.

The Fekretak Sherketak bus tours across Egypt to meet potential entrepreneurs nationwide. The program provides legal services, commercial support, training, mentoring, access to investors and office space. The MOIIC aims to enroll 60 start-ups every year through its accelerator program. While the initiative is not designed specifically as a women economic empowerment initiative, the incentives and services it offers provide a platform to enable women's businesses to access finance.

Source: Fekretak Sherketak Website http://sherketak.com/en/Fekretk_Sherketk/

Other initiatives include the 'Your Job Next to Your Home' initiative supported by the Ministry of Industry, Trade and SMEs (see Box 3.5), and the recently announced Aman insurance certificate (Box 3.6).

Box 3.5: Your Job Next To Your Home

The first phase of this initiative has been implemented in Qalyubia governorate to establish 13 factories for ready-made garments, operated and managed by young entrepreneurs. Each factory employs 125 workers. Several governmental and private institutions work together in an integrated framework. The land was provided by the governorate, the Egyptian Army built the factories and the CBE provided soft loans. Four factories opened in 2016, employing 500 workers: one leading textile manufacturer in Egypt already purchased all the production.

The ILO is supporting this national initiative in partnership with the Presidential Special Council for Economic Development, the Egyptian Chamber of Apparel & Home Textile Industries, the Industrial Training Center (ITC) and TrainTex. Fifty-seven entrepreneurs were trained in 2016 on business management and technical skills. Furthermore, soft skills, management and technical trainings were offered to 500 workers in 4 factories that opened in fall 2016.

Source: ILO (2017) Decent work in Egypt 2016 results p. 15



Box 3.6: The Aman Insurance Certificate

This life insurance certificate provides insurance coverage and a reported interest rate of between 10 to 16 percent for disadvantaged groups, including seasonal and day laborers, farmers, breadwinning women, and those with no social insurance. The certificate threshold is EGP 500 and the ceiling is EGP 2,500, with a monthly insurance premium of EGP 4 for the EGP 500 certificates; EGP 8 for the EGP 1,000 certificates; EGP 16 for the EGP 2,000 certificates; and EGP 20 for the EGP 2,500 certificates; to be deducted from the interest of each respective certificate. The policy includes coverage for natural and accidental death and can be issued to seasonal and temporary laborers and women heads of households between 18 and 59 years of age using their national identification cards and without a medical exam

The certificate was launched in March 2018 by the Administrative Control Authority, through the National Bank of Egypt, Banque Misr, Banque Du Caire, and the Agricultural Bank of Egypt. Private banks have indicated potential interest and are expected to have the opportunity to participate in the second phase of the initiative. The certificate will provide, as per the subscriber's preference, either: a) life insurance, which will be due in case of natural or accidental death, at an amount that ranges from EGP 50,000 to EGP 250,000; or b) a monthly pension that ranges from EGP 1,000 to EGP 3,000 for a 5 to 10 year period. The most important feature of this certificate in terms of financial inclusion is: (1) adding new categories to bank clientele, enabling them to know of the other services provided by the bank; (2) supporting financial culture by expanding knowledge of financially marginalized groups about different financing instruments by combining two financial products (savings and insurance), allowing beneficiaries to gain knowledge of other forms of insurance such as property insurance, health insurance, and agricultural crop insurance, etc. NCW has purchased 50,000 Aman insurance certificates for women heads of households.

Source: Masrawy News Portal

The Role of NGOs and Microfinance Institutions

Microfinance institutions (MFIs), both NGOs and commercial companies, provide credit, business development services and limited micro-insurance products to micro and small enterprises (Box 3.7, below, highlights one of the most successful MFIs in Egypt, the Alexandria Business Association). **There are 725 licensed NGO MFIs and three commercial companies¹⁴⁰ operating in Egypt providing finance to 1.9 million clients, 66 percent of who are women.¹⁴¹** According to chairperson of the Egyptian Union of Microfinance, the value of Egypt's microfinance portfolio has jumped to EGP 11.12 billion in 2017 from EGP 6.66 billion in 2016. Despite the rapid increase in portfolio size, most providers of microfinance face challenges that constrain their ability to achieve scalability. The inability to mobilize savings because of legal restrictions is one challenge, affecting the availability of funds for lending operations. Furthermore, weak governance, technical, and organizational capacity, and networks in the case of local NGOs, combine to constrain their market penetration as well as their ability to provide more than modest financial and non-financial support to start-ups and established enterprises. This was confirmed during a focus group discussion with women, who said that obtaining

140 - The three companies (Reefy, Tasaheel finance and Tanmeya) are regulated by Law Nb. 141 of 2014 and are supervised by EFSA.

141 - Micro-finance in the Mena Region: Financial Inclusion Empowerment Program, implemented by GIZ <http://microfinance-mena.org/category/countries/egypt/>



finance that was adequate to their operational and growth needs was difficult as was the access to non-financial services, technology and markets. In rural areas, the challenge to women's entrepreneurship is even bigger because of the scarcity of support services, and the limited mobility of women. Looking at the distribution of microfinance across gender, despite the fact that in terms of the number of beneficiaries, males and females have equal shares, the share of males is twice that of females in terms of the amount of funds.¹⁴²

Box 3.7 The Alexandria Business Association (ABA)

ABA is one of the oldest NGO MFI established in Egypt in 1983 under the auspices of the Alexandria Chamber of Commerce. ABA has three main lending programs that provide micro loans to micro and small entrepreneurs who do not have access to the formal banking system. The main individual lending program has so far funded over than 447,000 clients, 42 percent of whom are females. In addition to this individual lending program, ABA has two main group lending programs specifically designed for women: Blossoms and Development Path. A total of 4,000 women were served through these two programs. The Blossoms group lending scheme was developed in 1999 to provide micro loans to women to establish enterprises. No collateral is required and the group guarantees the women receiving the loans. Through Blossom, women are provided with technical assistance and information about various topics, including the importance of having national IDs to access public and financial services, and how to balance a budget. The Development Path scheme supports women to graduate from the group- lending scheme to the main individual lending Program. In 2013, the ABSA established its Women Empowerment Unit, to provide various training to women borrowers and to liaise with leading women's organizations to advocate for more a gender responsive business environment.

Source: ABA Website: <http://aba.org.eg>

Traditional Savings Schemes

The most common traditional savings schemes involve informal borrowing and lending from family and relatives, joining a Rotating Savings and Credit Association (ROSCA), or dipping into postal savings. The ROSCA or 'Game'ya' as it is called in Egypt, is a commonly used type of informal saving. The 'Game'ya' is usually formed by a group of 10 to 15 people who pool their savings monthly, and take turns receiving the full amount. The order of getting the money is agreed upon usually according to need (a death, a marriage, a birth, a medical emergency). A closer look reveals that more than half of the participants are women and that it is used as a savings method across all income quintiles, but more so among the poor.¹⁴³

In addition, the NCW is implementing two initiatives that are of particular relevance to the discussion on financial inclusion and entrepreneurship: The Village Savings Loan Association (VSLA) program introduced by Care Egypt in 2009 as a means to promote financial inclusion, **and the Social Innovation Hub** supported by the UNDP and Microsoft. The VSLA scheme, which is somewhat similar to the traditional 'game'ya' or ROSCA, allows women to form savings groups and

142 - Financial Development and Inclusion in Egypt, Jordan, Morocco and Tunisia, Euro-Mediterranean Network of Economic Studies (EMNES), 2018.

143 - Understanding the Saving Behavior of Poor Households: Evidence from Egypt, Master of Arts Thesis, submitted to the Economics Department of the American University in Cairo by Imane Abdel Fattah December 2015



take out loans to cover basic needs or for enterprise development and income generating activities. VSLA group members are provided with various financial and business development training. First implemented in the Upper Egypt governorates of Minia and Sohag, it is now also implemented as Kadam El Kheir in Assuit and Beni Suef, under the umbrella of the NCW and the Ministry of Social Solidarity (MOSS) and within the context of the ‘Securing Rights and Improving Livelihoods’ program funded by the EU in partnership with UN Women.

The main objective of Kadam el Kheir is “*Enabling 4,000 poor and marginalized women and housewives to access as many varied and profitable economic opportunities as possible.*”¹⁴⁴ So far the project, which ends in 2018, reports that it has reached a total of 8,562 beneficiaries, forming 372 groups with an average membership of 23 members per group. The project reached 8,004 women and 558 men (with women therefore representing 93.5 percent of the total number of members). Moreover, Care Egypt reports that since 2009, when it first introduced the model, a total of 2,616 VSLA groups have been formed benefiting 54,011 of the poorest and most marginalized individuals (95 percent women and 5 percent men). Those groups saved EGP 8,403,442 and took out 11,534 loans with a total value of EGP 4,613,816, and an average loan amount of EGP 400.¹⁴⁵ The plan between NCW and CBE is to expand the VSLA model to include more women and to have all those covered open bank accounts and receive financial literacy training.

The Social Innovation Hub housed in the NCW is part of Microsoft’s ‘Aspire Woman’ Initiative aiming to empower young women leaders of the future. The Hub’s objective is to foster innovation and entrepreneurship among young women through technology. The target group is 5,000 young women who will be trained in computer science to bridge the gap between public education and job market needs.

The Women Business Development Center (WBDC) operates as a One Stop Shop providing women with information, tools and skills to establish and sustain a small business. It provides an array of services, including: training and capacity building; business development support; counseling, mentoring and technical support; networking; marketing; and awareness raising.¹⁴⁶

Leveraging Technology for Financial Inclusion

Mobile banking is a growing industry that has gained significant ground in Egypt, with an increase in subscribers from 50 percent in 2008 to over 85 percent in 2011.¹⁴⁷ And, although data about the gender segmentation of users is unavailable, it is assumed that given the restrictions on women’s time and mobility, mobile banking will be popular, especially for younger, more educated, and literate women.

There is an ongoing global discussion around mobile money’s potential to help women overcome the challenges they face when accessing and using financial services, particularly those related to mobility, time, safety and privacy. Yet **limited global access to mobile phones has been seen as one of the biggest obstacles preventing women from benefiting from mobile money.** Estimates on access to mobile technology vary depending on measurements used (i.e. subscribers, mobile phone owners or users). Based on unique subscriber data, GSMA estimates that 1.7 billion women in low- and middle-income countries do not own a mobile phone. Recently released data from the 2016 Gallup World Poll paints an updated picture of women’s phone ownership across more than 140 economies and

144 - Securing Rights and Improving Livelihoods

145 - <https://care.org/eg/womens-social-and-economic-empowerment/>

146 - Nassar, Heba Survey on Women’s Entrepreneurship and SME Development in Egypt, 2017

147 - Egypt Financial Sector Profile. <https://www.mfw4a.org/egypt/financial-sector-profile.html>



97 percent of the world's adult population. This new data shows that, in fact, **81 percent of women worldwide own a mobile phone, with women's ownership rate in the developing world as high as 80 percent.** While these high rates may come as a surprise, the data confirms that there is a significant gender gap in mobile phone ownership. It shows a 7 percent lag in women's phone ownership in the developing world, which translates into roughly 190 million women. The CBE approved a new version of the regulations for **"Mobile Payment Services Regulations"** in November 2016. The new regulations will allow banks' customers to transfer or receive funds and remittances via their mobile accounts. These regulations constitute an approach towards financial inclusion especially that mobile banking has significant growth opportunities in Egypt, since the mobile phone penetration in the country recorded 110 percent in August 2017.

The "Phone Cash" mobile payment wallet is available to banked and unbanked customers across Egypt, who can use the service to send money, pay phone bills, load credit to prepaid phones, make donations and reserve airline tickets among the wide range of services offered by 'Fawry' (Immediate). The wallet will also be used very soon to pay for goods and services at several merchants across Egypt, and enables users to make e-commerce transactions across the globe. Fawry is the easiest and safest choice for making payments in Egypt today. Launched in December 2009 with the approval of the CBE, it enables Egyptians to conveniently pay their bills securely through more than 20,000 Fawry payment points. The payment service is available on existing banking channels such as bank branches, ATM machines and internet banking; as well as at clearly marked retail outlets and Post Offices across Egypt.¹⁴⁸

Funded by the World Bank and the GoE under a co-financing agreement, the Takaful and Karama cash transfer program led by the Ministry of Social Solidarity designed to expand and strengthen the social safety net for poor households is an example of innovation in payment. The program now covers over 2.4 million households (approximately 10 million individuals) **Takaful** (Solidarity) is a **conditional cash transfer** provided to the family based on condition of 80 percent school attendance and a minimum of two health visits a year to a clinic by mothers and children below 6 years, to monitor growth, attend nutrition awareness sessions, and to ensure regular immunization, antenatal and postnatal care. **Karama** (Dignity) on the other hand, is an **unconditional cash transfer** component targeting the elderly poor (above age 65) and persons with severe disability. The electronic payment happens on monthly basis through E-finance¹⁴⁹ and the card is issued in the woman's name in case of Takaful and the money is cashed monthly through the post office. Women-controlled finances are more likely spent on household expenditures, such as food and water, as well as child welfare including school fees and health care. Spending on education and child welfare is an important predictor of future growth and development, a lesson the world has witnessed in many of the fast-growing Asian economies. The cash transfer programs are currently being complemented with a productive inclusion program entitled **'Forsa'** to create sustainable pathways for the poorest including time-bound multi-dimensional interventions: safety nets, education, financial education and savings, seeds capital, access to capital, and life skills mentoring or coaching.

The use of technology can play a role in overcoming the barriers to financial exclusion by allowing financial institutions to reach women without placing further constraints on their limited time and mobility. Globally, digital financial technology and particularly the global spread of mobile phones, has facilitated expanding access to financial services to hard-to-reach populations and small businesses at low cost and risk.

148 - www.fawry.com

149 - e-finance is an operating the Egyptian government financial network that delivers, innovates, implements, manages and operates enterprise solutions for governments, financial institutions and large enterprises <https://www.efinance.com.eg/en>



In January of 2018, the EBI launched an initiative to discuss digital financial services (DFS) ecosystems, locally and globally. The initiative came in collaboration with the International Finance Corporation (IFC), a member of the World Bank Group, and banking sector representatives in Egypt.

The initiative discussed how banks could make use of new technologies that promote cashless transactions, tackle cyber risk management and digitize their banks and services, according to IFC. This comes in a unified effort between the two parties involved to increase financial inclusion in Egypt and expand banking services in the country, an effort that the CBE has been working on recently via loans, especially for women. **CBE's relatively new loan initiative is designed to boost the status of women in the public and economic sectors by enabling them to access better loans, quicker and with fewer strings attached.**

Conclusion and Key Policy Recommendations

The financial inclusion of Egyptian women is critical to their economic empowerment and ability to address the livelihood of their families and to participate in the growth of the economy. *“Freeing women and their families from poverty requires strengthening their economic capacity as entrepreneurs, producers, and informal workers so that they can access and shape markets.”*¹⁵⁰

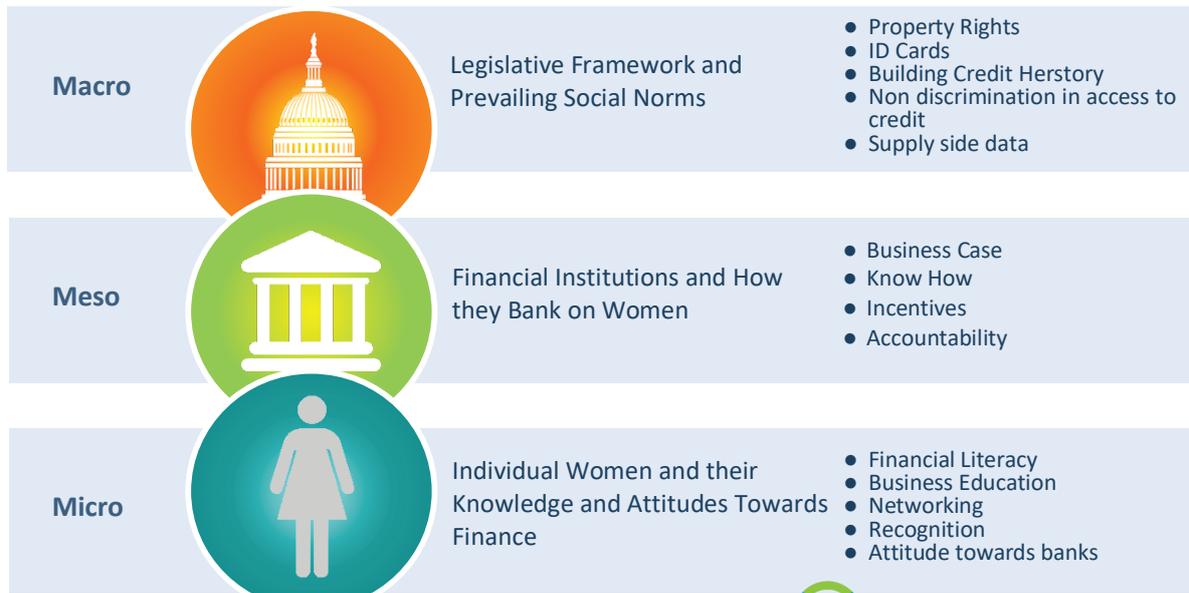
Evidence from various countries indicates that women's economic participation is key to faster economic diversification and growth, and that it supports innovation by expanding the pool of talent and reducing inequality. In this context, **international and regional experiences confirm financial inclusion and entrepreneurship to be game changers for women empowerment provided the legal, regulatory and business environment is an enabling one.** The experience of the program launched by the Bank of Palestine “felestiniya” has gained international recognition. The program targets all women, including women entrepreneurs, women in employment and women at home, through funding mechanisms and services that meet their differentiated needs and conditions. In this context, a collateral free loan for women was developed to further the financial inclusion of women who do not have assets helping them build capital. Moreover, a non-financial advisory services unit was established to train women on financial management. The bank also covered the annual registration fees for all women's projects during 2016 in the chambers of commerce and industry.¹⁵¹

150 - Mahmoud Mohieldin in the forward to the report Egyptian Women Workers and Entrepreneurs: Maximizing Opportunities in the Economic Sphere, edited by Sahar Nasr (2010) The International Bank for Reconstruction and Development / The World Bank

151 - <https://www.bankofpalestine.com/en/women>



Figure 3.3 Women’s Full Financial Inclusion Requires Encouragement at Three Levels



Source: Global Alliance for Women <http://www.gbaforwomen.org/>



Despite the process of banking sector reform that began in 2004, the offer of financial services remains incomplete, and difficult to access, with financing sources and instruments too few and too complex for women and residents of rural areas, and for businesses, especially small women owned enterprises. The banking sector stands aloof despite evidence confirming the market potential of women. Women are treated differently from men in terms of acceptance or rejection of loan requests, collateral requirements and size of loan approved. As for organizations that are meant to support entrepreneurship in general and women businesses in particular, their fragmentation, and limited product offerings compromise their effectiveness.

Egypt is now embarking on its financial inclusion journey. There is both political will and opportunity to take action to ensure that women are not sidelined. Women’s economic empowerment is a pillar of the NCW Women Strategy, and the protocol signed between the Central Bank of Egypt and the NCW is a first and important step that needs to be complemented by reforms at the policy, institutional, cultural and social levels.

Key policy recommendations for regulators and service providers are listed below.

The Regulator

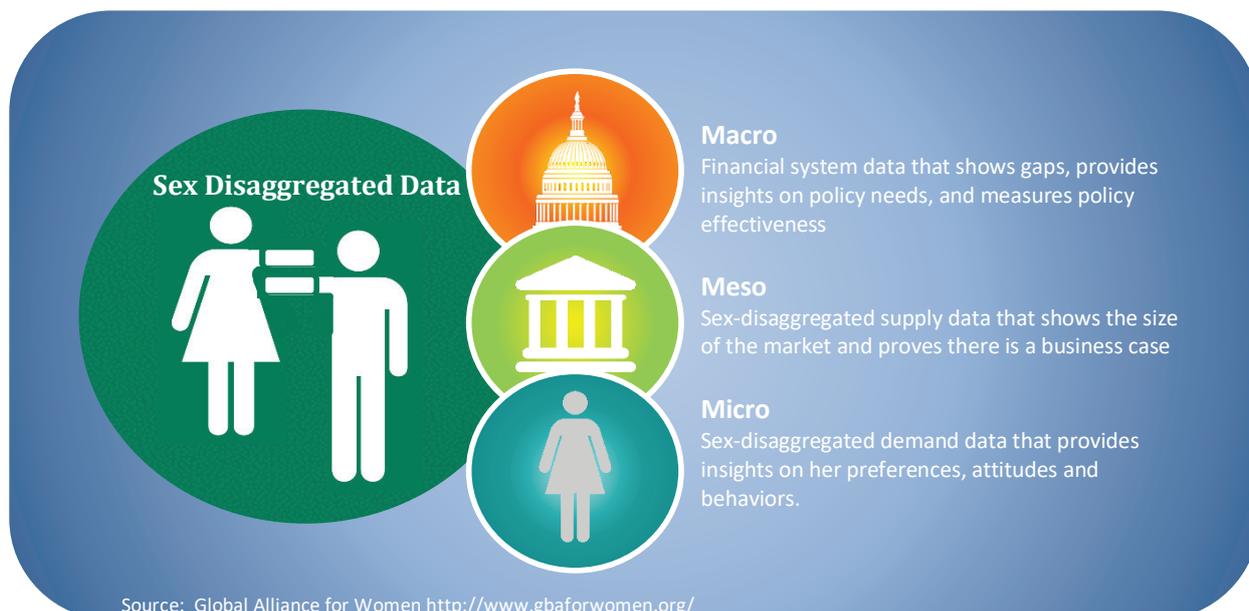
- **NCW to ensure that the National Financial Inclusion Strategy is gender responsive and that it reflects the differentiated financial needs of women**, based on evidence-based research.
- **CBE to issue directives to commercial banks to provide financial packages with fewer barriers.** Incentives in the form of credit guarantee programs can be leveraged to encourage banks to provide finance to women entrepreneurs. In India for example, higher guarantee covers are provided for lending to female owned enterprises.
- **EFSA to encourage non-bank intermediaries to focus on medium and long-term financing in the form of term loans, guarantees, revolving credit and contract financing**



among other financial packages not offered by commercial banks. These packages should be tailored to the needs of different economic sectors (existing and promising), including those that attract women

- **Integrate gender considerations into public procurement and trade policies and expand the participation of small enterprises in tendering processes.** In a number of countries public procurement and trade policies have helped governments to achieve social goals and spur economic growth.
- **Leverage the Takaful and Karama cash transfer programs** with some innovations in methods of payments allowing women to have bank accounts. The Egyptian Government e-finance network can provide technology solutions that are suited to this particular segment of the women’s market
- **Expand the NCW and EBI programs to promote women’s financial literacy and financial inclusion.**
- **Require from banks and non- bank financial intermediaries** to collect and analyze their data by sex to monitor the performance of their investment in women (Figure 3.4, below).
- **CBE and NCW to monitor the performance of the two credit lines dedicated to women, as well as the Aman insurance** to extract lessons learned and investigate the added value from expanding on these pilot programs
- **Develop the capacity of existing entrepreneurial hubs and accelerators to provide quality –demand driven services and encourage the development of new entities targeting high-end start-ups owned and led by women**
- **Develop and disseminate public awareness campaigns and messages to shape the narrative around women’s work and its value to the family, community and country as a whole.** The NCW ‘Taa Marbouta’ umbrella as well as the ‘knocking on doors’ mechanisms can be leveraged to promote women’s entrepreneurship and financial inclusion.

Figure 3.4 Sex Disaggregated Data is Key to Promote Women’s Financial Inclusion at All Levels





The Service Provider

- **Conduct market research to understand the needs of the various women market segments and develop, pilot and roll out financial packages tailored to their needs**, that have procedural flexibility and rely on a collateral right, and cash flow based underwriting methodology
- **View women with a distinct value proposition, and adopt successful experiences¹⁵² of banks after adjusting these to the Egyptian context.** Examples include “WE” Initiative of Lebanon BLC Bank, the Felestiniya program of the Bank of Palestine and ‘W’ Community of Access Bank in Nigeria. The successful experiences of these banks indicate that while women might not necessarily perceive or say that they want different financial products, they do in fact need them.
- **Develop the capacity of women entrepreneurs to establish strong business relationships with international buyers, and to compete in public procurements.**
- **Establish expert-led platforms for women owned businesses to ensure that entrepreneurship is a gratifying experience for them.** Different tools can be used such as: five-minute long television/online videos conveying important information on the business ecosystem. This can be combined with female entrepreneurs talking about their experience; and, an online forum¹⁵³ where women starting out their business can be linked with successful female entrepreneurs in the same or similar field who can act as mentors.
- **Leverage the power of the first Egyptian Union of Microfinance** which aims to develop microfinance, strengthen its concepts and norms of practice and raise awareness on microfinance and adopting initiatives supporting this activity.
- **Expand female entrepreneurs access to information technology**, including mobile phone banking and other financial technologies.
- **Disseminate information on existing and new services and products targeting women.** Women, especially in rural areas, are often unaware of their existence.
- **Disseminate stories of successful entrepreneurs** as a means to promote a supportive social and cultural environment as well as to encourage women who are thinking of starting a business, and to incentivize service providers to look at women as potential clients, as entrepreneurs, and also as mentors for other women.

152 - Detailed explanation is provided later in the paper

153 - Adopted by the BLC bank in Lebanon as part of its Women's Empowerment Initiative



CHAPTER 4:

Female Labor Participation: Insights into Perceptions and Practices

Introduction

This chapter closely examines the drivers and determinants of Egyptian women's participation in the labor market, and how they impact women's work choices and practices. The analysis provides an in-depth understanding of how the internal dynamics of the household influence women's labor market participation, as well as addressing the interface between individual choices and exogenous factors such as the role of the market, informal institutions and labor market institutions.

The analysis is based on the results of 18 focus group discussions (FGDs) that took place in January and February of 2018. The education, age, employment status, and type of work of FGD participants varied. The only similarity was in age bracket, which was between 18 to 29 years old. Since childbearing increases substantially by age 18, studying this age bracket had the potential to provide a better understanding of the dynamics of balancing between family and work for women in the Egyptian context (annex 4A provides more details on the FGD participants). Nine in-depth interviews were also conducted with employers to explore their views concerning women's employment. The employers were selected from different economic sectors including industry, trade and services. The study focused on small, medium and large enterprises, which is the size at which employers recruit labor.

The discussions and findings from the FGDs and interviews indicate that there is an important story to be told about how women in Egypt perceive work, the relation between work and marriage, gaps in earning, gender discrimination, and the reconciliation between household and work and decision making in the household. Chapter 2 shows that marital status, educational level, wealth and residence are endogenous determinants of female labor force participation, and the findings from the FGDs provide some powerful insights on the role of social norms and markets in influencing the labor choices of Egyptian females. While the underdeveloped state of labor market institutions does pose concurrent and somewhat constraining factors; nevertheless, the role of social networks and economic conditions often transcend the former and invariably either play a positive or negative role depending on the context.

Trends in Female Labor Force Participation

The Job Search

Finding a job is the first interface of Egyptian females with the labor market. The job search is a challenging aspect of employment according to both married and single women with middle school degrees who are unemployed even though their job search criteria is simply the suitability of working hours and salary. **They rely mainly on social networks such as family, friends and acquaintances to find a job.** Those that are currently employed cite that family and friends have helped them find their current employment to the extent that they were hired directly without going through an interview process. **Very few married women (10 percent) relied on web**

"I am not trying to search for a job because there is little hope in finding one."

"I haven't run into an opportunity! Where should I go to ask for jobs? Who should I ask? I don't know!"



searches, social media and announced job advertisements to obtain their current employment. In contrast, employed single women relied more than their married counterparts on social media and web based job searches.

Not knowing how to find a job is such a significant challenge for some women to the extent that they have given up searching and have decided to stay at home. This limited knowledge of how to conduct a job search partially explains the fact that unemployed women spend longer looking for jobs than males, or stop looking altogether. The feeling of hopelessness is attributed to their lack of work experience coupled with the absence of decent job opportunities.

On the other hand, **finding suitable candidates for different jobs is one of the challenges the employers reported.** They usually deal with it by searching for candidates among their networks, or by placing advertisements in surrounding areas, on the enterprise website, and on social media. However, web-based methods are not always suitable, especially when employers are looking for unskilled labor or workers with low education levels who are not heavily engaged with social media.

Working Conditions

The flexibility of working hours is a decisive factor in women's labor market choices. It not only influences the decision of whether to work or not, but also dictates the nature of the job for both married and single women. The number of daily working hours varied among participants based on their occupation and their marital status. On average, married women spent from 4 to 8 hours at work, while the range was 8 to 10 hours for unmarried women. Interestingly, the distinction between working hours in public and private sector employment was not significant. It is customary that married women have a strong preference to work in the public sector due to its short working hours and high job security. The men, fathers and male siblings interviewed also expressed this preference. However, the FGDs revealed that married women working in the public and the private sector managed to get some flexibility in working hours citing the role of supportive colleagues and employers. In one of the cases, a married administrative manager working in a private sector firm leaves work one hour earlier to be with her children at home, while her single female colleagues take over for her based on an understanding with the employer. At the end of the month, both she and her single female co-workers get the same salary. In another case of flexible working hours in the public sector, one married women managed to add an additional working hour per day in exchange for a full day off to overlap with her children's weekend. Single females working in the private sector believe that their salary is not commensurate with their long working hours. However, they said that they would not mind the long hours if their salaries reflected this time input.



Fixed-Term versus Temporary Employment

Numerous studies affirm that job security is a key driver of women's satisfaction with employment. One of the guarantees of job security is the permanency of employment, expressed through a contractual arrangement with the employer. **In Egypt, there continues to be a strong preference to work in the public sector due to the shorter working hours and higher job security.**

For example, all the FGD participants working in the public sector had contracts. Additionally, the views of the fathers, mothers and male siblings interviewed favored employment in the public sector for the same reasons. The right to social security benefits guaranteed in the public sector was flagged by one of the mothers and echoed by other FGD participants. On the other hand, the prevalent practice in the private sector is not to formalize the working relation and this has been confirmed in the case of the participants working in the private sector who do not have a contract. **Not having a binding contract between the employer and employed women is considered a problematic aspect of**

their working conditions in the private sector, particularly for married women and divorcees who are financially dependent on their work or those whose husbands were unemployed. This group was highly conscious of the issue of contracts and its importance for job security. However, the same group seemingly had little power or control over their working conditions.

Not having a contract was not considered as serious a problem by unmarried working women, as they did not perceive it as a necessary condition for them to work, nor did they link it to job security. This opinion was based on the fact that the work itself was not sufficiently attractive for them to hold on to. In some cases, the lack of a contract was perceived as an incentive in the case of single females with secondary education as it gave them the freedom to leave a job to find a better one and not to be constrained legally. The option to continue their studies while working also seemed more possible without the obligations of a formal contract.

Employers, on the other hand, said that in many cases workers prefer to work without contracts and social insurance, to be able to maintain their late fathers' or husbands' pensions, or to be eligible for Takaful and Karama.

"We don't have contracts. We don't feel secure. But these are our only available options. The conditions in the country force us to accept any work that is available."

"Not having a contract makes me feel insecure, especially that each year the school management increases my work load by adding lessons and I can't object. I don't have another job option and nothing commits them to keep me. If I object, they'll just let me go."

Transportation and Harassment

Transportation is one of the obstacles mentioned by employed women. Traffic, overcrowding, harassment and being robbed, as well as the cost incurred to go to work, are main problems women consider as hindrances to their participation in the labor force. However, employed respondents claimed that as a result of their work, they had gained self-confidence and become braver in dealing with harassment in transportation. More educated and younger women stated that they usually reply to harassers by insulting or beating them, and in certain cases they report them to police.

Interviewed employers think that providing transportation to female employees is not necessary as long as their salaries can cover the costs. Moreover, they believe that the problems of transport will not prevent women who want to work from doing so.



Self-Employment as an Alternative Option

There are many direct benefits from female self-employment, as well as positive spillover effects. It helps reduce the gap in female labor force participation while raising income levels. **Self-employment is highly relevant to the Egyptian context where women face the barriers of mobility and social norms that keep them at home.** Many successful entrepreneurship and developmental projects have targeted unemployed women with capacity building, marketing and microfinance interventions that seek to unlock the agency of women. This approach has worked well especially in rural areas where female labor force participation and agency tend to be severely restricted by social norms. A good example is the ENID project in Qena. As a result of the training provided to women and the extra income they bring into their households, women's work has become more acceptable.¹⁵⁴

In order to contextualize this issue during the FGDs, participants were asked about their experiences with self-employment, as well as the resulting challenges and outcomes. **Despite the numerous challenges, single unemployed females regard self-employment as a viable option, which is not the case for married women with husbands who were opposed to their work.**

Those who are actually running a home-based business described their projects as simple activities that include selling clothes and cosmetics, and making and selling homemade food and simple handicrafts. However, most of these projects were of a short-term nature and were discontinued. The factors behind the discontinuation of income-generating activities are related to the following:

- **Marketing:** Women were challenged to find a market to sell their products or to expand their existing network of buyers.
- **Transport:** Women found the last stage of distributing their products to customers difficult. On this point, women were uncomfortable about the idea of having to meet strangers to deliver their products.
- **Cost of inputs:** Women complained about the high cost of inputs for their products and believed that the commercial alternatives were more price-competitive, reflecting the economies of scale.
- **Risk of failure:** Women considered self-employment to be rather risky because of the possibility of forgone capital invested in the case of project failure.
- **Balancing work and family:** Spouses refused that their wives continue to take the responsibility of a home-run business because they feared it would conflict with their domestic duties and maternal responsibilities.

Job Satisfaction

Participants were asked about their satisfaction with their work and their answers showed that educational attainment does influence the outcome. **Married females who are university educated were the most satisfied with their jobs.** They believed that work gave them a sense of self-fulfillment, especially when they were able to secure good positions. Work improved their livelihood by increasing the disposable income available for the family, while at the same time they also enjoyed the security of not being totally dependent on work since their spouses were also employed.

154 - Guenena, Nemat Evaluation of the Joint UN Programme: Social, Economic and Legal empowerment of Egyptian Women, January 2018



In contrast with this positive outlook is the dissatisfied view of females with secondary education, including women who are divorced, as well as working women who are married to unemployed husbands. Their dissatisfaction was due to their low salary, which did not reflect the rise in the cost of living, and/or the fact that they were compelled to work to improve their household income.

Pay Satisfaction

When asked about their satisfaction with their wages, once again participant answers indicated that education makes a difference. At one end of the spectrum are the married university graduates that were most satisfied with their wages, and at the other end of the spectrum are the married females with secondary level education who were least satisfied with their wages. Single women with secondary level education were also dissatisfied. They suggested that the limited job opportunities for low skilled labor and the high competition over existing ones gave employers a pretext to keep salaries low. Furthermore, single women with university degrees who complained about their low salaries pointed out that being a female already puts you at a disadvantage with employers since they anticipate that the chances of leaving a job are higher when a single female worker gets married.

“Having an adequate salary is a basic requirement. When an employer tells me that I only have a diploma and that is why I am entitled to a low salary I really don’t understand why this is the case!”

Gender Discrimination in the Workplace

The views of the women interviewed as to whether there was gender-based discrimination in the workplace were divided. **Most of the married women believed that there was no discrimination in terms of salaries or incentives provided.** However, they did think that certain jobs were more suitable for men, especially those that required mobility and nightshifts. Female employees were perceived more favorably than male peers, according to married and divorced females with secondary level education. The former believed that the private sector is biased towards hiring women because they tend to be more presentable and that the private sector is very image conscious. As for the divorcees, they suggested that women perform better than men because of their higher productivity in the workplace. Single female participants, on the other hand, agree that there is gender discrimination in the workplace, as evidenced in the gaps in earnings and promotions that favored men.

“They take advantage of me being a fresh graduate. They say that I will need to gain experience and there is high competition over the job. And that I should settle for this low salary in exchange for the experience I get on the job. They believe that I will end up getting married and leave the job. The question of why they should invest in me and give me any privileges is what drives their decision”.

When asked whether they prefer to hire men or women, employers claimed that they have no preference, but that certain jobs that require physical strength and certain work environments are not suited to women. For example, in the manufacturing sector where most workers are uneducated males, employers prefer to hire men since they feel it is very difficult for women to cope. However, some employers said that women are better than men in other jobs because they are detail oriented, usually trustworthy and less prone to corruption than men.

It is evident from the above responses of FGD and interview respondents that social norms have a significant influence on gender discrimination in the workplace. **Employers perceive men as the breadwinners in the family, which in their view justifies giving them higher salaries.** It is the same with regards to promotion, where men are more likely to be promoted since their career trajectory



will not be interrupted as a result of maternity leave and childcare responsibilities. Even in the case of single women, their chances of promotion are less favorable, based on the socially driven perception of employers that once married, women will quit their jobs.

Gender of Employer/ Manager

All women said that they preferred to work for a male employer. The reasons cited are: men are more appreciative and respectful of women; women managers perceive women subordinates in a competitive light as potential rivals; and female managers tend to mix work with the personal sphere. The husbands of working women agreed with their wives adding that their own working experience confirmed the view that it was preferable to work for a male employer and that they trusted their wives to behave professionally. The husbands of unemployed females said that they would prefer if their wife worked with a female employer, a view that is shared by the women's parents and male siblings. Fathers of single females, however, did not want their daughters to work at all because they feared they would be harassed or unsafe. However, single university educated females had the approval of their fathers to work, especially if other females in the family were also working.

The Impact of Marriage on Women's Employment

Female Labor Force Participation and the Interplay of Social Norms and the Market

Married and single females were asked for their views about marriage. Both groups held a rather pragmatic and tempered view of marriage, with emphasis on duties and responsibilities, as well as burden sharing, and the constraints imposed by marriage. This opened the door to further explore perceptions regarding the relationship between work and marriage, and whether social norms play a part in their decision to work or not.

When a woman works she is not likely to settle for someone whom she perceives to be less worthy of her intellectually, culturally, or professionally. She has more experience and is more likely to be picky, which reduces her chances of marriage."

Can Work Enhance Chances of Marriage? The delayed age of marriage of young Egyptian females is attributed to more single females taking on paid jobs.¹⁵⁵ While this cause and effect relation has been confirmed in various surveys and sociological studies, the FGD sought to examine the reverse relationship; whether work can actually enhance chances of marriage. Accordingly, single females were asked whether they perceived that work increased their chances of finding a husband.

Most respondents felt that that work could increase their chances of marriage because it expanded the pool of people they interacted with. One respondent was of the opinion was that men looked for working women so that they can share the burden of household expenses. The opposing view was that work could decrease the chances of marriage, a view also shared by the participants' fathers and male siblings. The reason cited was that when women work they become more demanding and less willing to settle down for a husband that does not meet their expectations. The father's and male sibling's preference for a woman to not work is based on the belief that a woman's primary role is taking care of her family and children, while work is the primary responsibility of men.

155 - Rashad, H., Osman, M., & Roudi-Fahimi, F. (2005) Marriage in the Arab World, Washington Population Reference Bureau (PRB)



Most single employed females said that they would prefer to continue working after marriage. Those working in the public sector were more adamant about this issue than those working in the private sector, thus confirming the evidence pointing to the attractiveness of the public sector as opposed to the private sector due to job security and less demanding working hours. Fathers and male siblings also approved that women in the public sector continue doing so after marriage. The idea of discontinuing work after marriage was refused by single employed females to the extent that they said that if they were given the choice between marriage and work, they would choose work because it is their guarantee of a better future. The mothers of single females were most supportive of their daughters work because they believed it contributed to their self-fulfillment and financial security, all which would have positive impact on their future when married.

Married unemployed women who are currently looking for a job or waiting for one shared a similar view. Should they be given the choice between work and marriage they would choose work over marriage. Some expressed regret about stopping work after marriage it gave them a sense of security and self-fulfillment that they feel they are now missing.

How Does Marriage Affect Work? The second question was concerned with how marriage actually affected women's decision to work, and in what manner. Participant answers indicated that there are two powerful yet conflicting forces governing the relation between work and marriage: one being the value system that favors women's domestic and reproductive role over their labor force participation, while the other is economic hardship driving married women to work. The two factors significantly influence women's decision to work, as well as the type of job that they opt for. The FGDs revealed three main conditions among participants:

Case A: They quit work to focus on household and childcare responsibilities.

Case B: They continued working but under different conditions.

Case C: They stopped working intermittently; returning to work due to economic necessity.

Under the Case A married females who quit work altogether did so when they became pregnant. They cited the following reasons for discontinuing work:

- A shift in focus towards household and childcare. *"I worked for 5 years before marriage and continued working until I had my first child. Now my son and my home come first!"*
- When working hours conflict with household and childcare responsibilities: *"As soon as my son enrolled in school my working hours conflicted with his school drop off and pick up times. I tried to apply to a public sector job with more flexible working hours but I was rejected because I had turned 30 which is the cut off age for joining the civil service."*
- When the spouse disapproves of the concept of women's work. *"He told me he doesn't like a woman to work and prefers full commitment to the household. If a woman works she'll contribute economically to the household giving her more control and more say in household decision-making."*

Under Case B married females continued working after marriage, mainly in the same place but with more flexible conditions; or they opted for another job with less demanding working hours; or for a job closer to home. Some women made a more dramatic career change, opting to work in a nursery or school to be close to their children.

Case C included women who stopped working after marriage or who were not doing so before marriage but found themselves compelled to work because of financial reasons. Female university graduates believe that under the current economic climate men are forced to accept female employment,



provided that the working hours are suitable and close to home. Box 4.1 focuses on the Added Worker Effect, and how women can enter the labor force as a result of negative economic shocks.

Box 4.1 Added Worker Effect

How do married women who are out of the labor force respond to a negative shock in household income or when their husband becomes unemployed? Economic models suggest that if credit or insurance markets do not function well, then spouses' job loss may result in married women entering the labor market to smooth household consumption. This labor supply response by married women is referred to as the "added worker effect." Spouse job loss could be an individual event or triggered by a broader economy-wide shock. A review by Sabarwal, Sinha, and Buvinic (2010) of women during economic crises, found that the strongest evidence of women's labor market response has been observed during the Latin American debt and currency crises of the early 1980s and late 1990s. For example, during Mexico's peso crisis of the mid-1990s, wives were 14 percent more likely to enter the labor force as a result of their husband's transition to unemployment. Similar evidence of added worker effect has been found during the Asian financial crisis. More recently, researchers have estimated a significant presence of added worker effect in European countries in the years following the 2009 global financial crisis. The literature review also found that increases in female labor force participation during crises, is stronger among low- and middle-income households than in upper-income ones. There is some evidence that during crises, women's labor force participation has been the strongest in the informal or unregulated sectors of the economy. Unpaid family work by women could also increase. In the United States, the strength of the added worker effect has declined over time. This decline in the added worker effect has been attributed to several factors including social insurance (disability and unemployment insurance) and rising women's labor market participation and attachment.

Source: Sabarwal, Shwetlena, Sinha, Nistha and Buvinic, Mayra, How Do Women Weather Economic Shocks? A Review of the Evidence (December 1, 2010). World Bank Policy Research Working Paper No. 5496. Available at SSRN: <https://ssrn.com/abstract=1722009>

Juhn, Chinhui and Potter, Simon, Is There Still an Added-Worker Effect? (December 2007). FRB of New York Staff Report No. 310. Available at SSRN: <https://ssrn.com/abstract=1072022> or <http://dx.doi.org/10.2139/ssrn.1072022>

The need for additional income drove women back to work; however, it forced many to settle for unfavorable working conditions. Many of the respondents who were forced to work because their husbands were unemployed said that they would continue doing so even when their husband found work, confirming the premise advanced on the added worker effect¹⁵⁶ indicating that when the work environment is considerate of their family obligations, they tend to remain in the labor force. However, there is also evidence that informal work increases during economic crises, which has been the case in Egypt following the events of 2011.¹⁵⁷

Half the men interviewed said that they would let their wives continue working even if their income

156 - The added worker effect refers to an increase in the labor supply of married women when their husbands become unemployed.

157 - The United Nations Department of Economics (2011), The Global Social Crisis: Report on the World Social Situation 2011 (Vol. 334).



situation improved, while some suggested that they would help their wives set-up their own private business and follow an entrepreneurial track. The other half did not want their wife to continue working because of perceived conflict between work and household responsibilities. There was also a feeling of insecurity that men experienced as a result of women's work, a sentiment echoed by both male and female respondents.

Employers were asked whether they prefer to hire married or unmarried women. They said that while capability takes precedence over marital status, **most employers prefer to hire unmarried women who do not have family and care responsibilities that would affect their work.** The few employers, who favor hiring married women assume that these women work only because they need the income and that they will perform better as a result and they proving to their husbands that their contribution is valuable. Most employers said that following marriage, female employees request more suitable working conditions and hours so as to be able to cope with their household responsibilities.

Reconciling Between Work and Household Responsibilities

The ability of females to reconcile work and household responsibilities is a decisive factor in their decision to continue work after marriage. It is so strong that it can even influence the decision to marry, as explained in the previous section when it was suggested that many men do not prefer working women. The FGDs indicated that women do believe that they can reconcile between work and family responsibilities. Some even suggested that work has positively impacted their ability to manage time and to enjoy weekend breaks. A few participants suggested that work does conflict with their household duties. **The majority of men were positive regarding the ability of women to reconcile between their job and family responsibilities.** Only a few (spouses of unemployed females) suggested that such reconciliation is not possible. Interestingly, some of the mothers-in-law even encouraged their daughters in law's work even though they were concerned that balancing work and family life could be stressful.

“As soon as we get up, all my children know what to do even though they are quite young! Even my youngest daughter imitawtes her elder sister during morning routine. We are all ready by 7am to go to school and work.”

“My daughter imitates me by holding the mobile and pretending to call clients like I do at work”

Husbands who shared household responsibilities played a major role in supporting their wives' work. Such support is mainly seen among university level graduates, while women with secondary level education were more disadvantaged in this respect, as their husbands did not share household responsibilities. The support takes many forms including dropping off and picking up children from school, helping with homework, babysitting young children until their mother comes home from work, shopping for groceries, cooking simple meals, or doing home repair work. Mothers and mothers in law also help working women with childcare and household chores.

Female Work and Decision Making in the Household

Who controls spending in the household; and how far do women contribute to the household income? These two questions were posed to FGD participants. It was clear from the responses that **women who work make sizeable contributions to the household income regardless of their education level and their socio-economic status,** as illustrated in the figure below. Female university graduates spent their earnings on durable and luxury goods, including electrical appliances and information and communication technologies for their children. On the other hand, women with secondary education

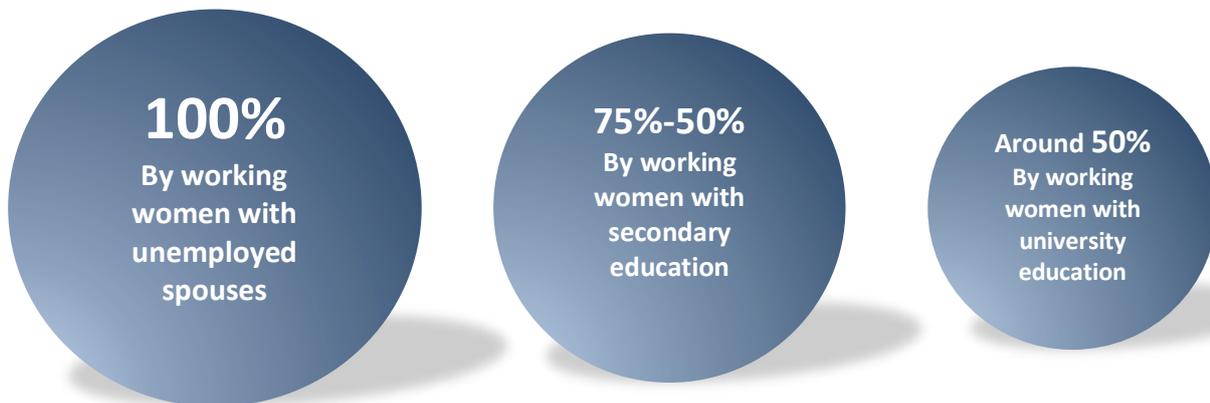


spend on food, utilities, and private tutoring for their children. In both cases, **the household's improved living standards contributed to the children's positive attitude towards the work of women.** Another positive result is that children in households with working mothers tend to learn responsibility at a young age.

The Contribution of Married Working Women's Earnings to Household Income

Despite their sizable contributions to household income, the power to make spending decisions differed among FGD participants. In some cases, women assume full responsibility for making spending decisions and have full control over the household income. *"He gives me his salary at the end of the month, and he has nothing to do with how it gets spent"*. In other cases, the man is the primary decision maker when it comes to spending, and the wife is given a daily allowance. The third group of women explained that the responsibility was equally shared.

Figure 4.1 Contribution of Married Working Women to Household Income (%)



On overall decision-making power, all married women said that they participate equally in decisions regarding their children; however, men have the final say when it concerns major decisions. A few suggested that they play a primary role in household decision-making. Others suggested that they consult their husbands, but that it is mainly a gesture and *"out of courtesy"* rather than a sense of shared responsibility. Women strongly believe that the decision-making structure in the household should reflect their role in the household and care responsibilities that they assume.

Conclusion and Key Policy Recommendations

The FGD discussions were quite revealing about the views held by both married and single women, and men with employed and unemployed wives, regarding women's employment. Many of the findings of this qualitative research confirm the evidence from other studies about the challenges facing women's economic participation, while also adding texture to findings from quantitative surveys about the views of women and men on work and gender roles. In this context, the FGDs revealed that **both married and non-married women felt positive about women's work and its contribution to self-empowerment and to the wellbeing of the family.** The men were more divided in their opinion about the benefits of women's work, and many of those who opposed it, felt somehow that their masculinity was challenged. Among the more educated men, women's work



is more acceptable, while the less educated are often forced into accepting it because of financial necessity. **Social networks and family support are important in promoting women's labor force participation.** Many of the working- women said that their work was made possible because their husband and other family members pitched in to help with the children and the household. The income earned from women's work contributes to the wellbeing of the family and to the positive views on women's work held by children of working mothers. Finally, the evidence from the FGDs does not seem to prove that women's work has an impact on her decision making powers within the household, yet **most women were of the opinion that their contribution to the household whether in terms of earned income or unpaid work should be reflected in a more equitable share of the decision making process.**

The following key policy recommendations are proposed.

- **Introduce and enforce labor market policies** that support flexible forms of employment, decent wages, and social protection in order to boost FLFP.
- **Develop solutions that enable's women's work** such as those related to the financial and physical infrastructure, and/or to services, including childcare or transport facilities for example
- **Disseminate messages to induce normative and behavioral change**, and to shape the narrative around women's work and its value to the family, community and country. The focus should be on private sector employment and entrepreneurship.
- **Scale up the matchmaking efforts** of initiatives such as the National Employment Pact Platform (NEP)¹⁵⁸ and the Women Pioneers for the Future to promote female employment in the private sector.¹⁵⁹

158 - The NEP was established in 2011.) It is a know-how platform for creating, sustaining and scaling up best practice employment solutions for placing youth into fair blue-collar jobs.

159 - The Women Pioneers for the Future is partnership between the public and private sectors and civil society, which aims to boost female employment in the private sector. The pilot initiative was co-funded by the Sawiris for Social Development Foundation, the French Institute and UN Women.



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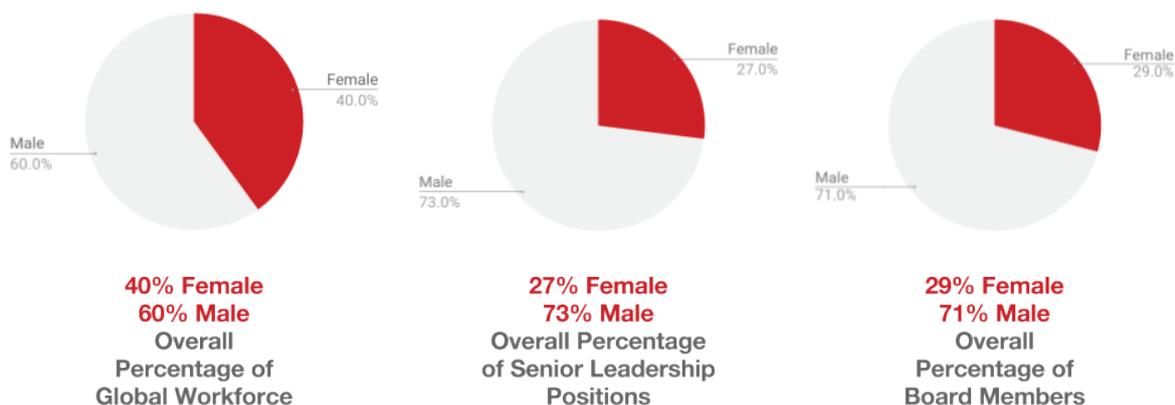
CHAPTER 5:

Exploring Unconscious Gender Bias in the Private Sector

Introduction

According to a 2016 UN study, women represent 40 percent of the global workforce, 27 percent of senior leadership positions, and 29 percent of board chairs (Figure 5.1, below).¹⁶⁰ In other words, women are a critical element in the economic value creation process. However, while they may be integrated at the base of the economic value chain, women's successful and equal integration at the top of value chains, and as decision makers in how economic value is created, is yet to become a reality.

Figure 5.1 Female Representation in Global Workforce, Senior Leadership



Source: UN HeforShe Impact 10x10x10 Parity Report, 2016

This chapter is based on a combination of secondary and primary research as it includes a desk review of available literature; individual semi structured interviews; and small group discussions. The methodology was developed to gather information both on current business practices that impact gender inclusivity, as well as the underlying gender bias at different professional levels in the following five sectors: 1) telecommunications; 2) banking and finance; 3) agribusiness; 4) textiles and garments; and 5) food processing. An extensive literature review was conducted to capture definitions, perceptions, and cultural impositions that contribute to the gender divide, as well as data on the status of female wage employment in Egypt, especially for managerial levels. Based on the findings of the secondary research, detailed interview guides were developed to address company CEOs, HR Directors, females in management, female only groups, male only groups, and mixed gender groups. The discussion guides were designed to capture the reality and perceptions of gender equality and unconscious bias. Questions focused on the current state of gender diversity at the different levels, and existing internal policies; as well as targeting the perceptions of management, female employees, and male employees on gender equality, gender stereotypes, differences in performance, and discrimination.

160 - United Nations. (2016). HeforShe Impact 10x10x10 Parity Report Retrieved from: https://www.unilever.com/Images/heforshe-impact10x10x10-parityreport-corporates-final-2016_tcm244-470952_en.pdf



Secondary Research Findings

The Business Case for Gender Diversity

Gender inclusivity and diversity in the workforce has been proven to lead to better business performance, greater productivity and enhanced sustainability. Recent international research has demonstrated that companies with efforts towards gender diversity achieve better financial returns. A study conducted by Catalyst in 2011¹⁶¹ reveals that Fortune 500 companies with the highest percent of women on boards significantly outperform those with the lowest percent. One US study of 1,500 companies over the span of 15 years showed that organizational performance is improved when women are represented in senior management.¹⁶² By examining 366 firms in the US, UK, and Canada, a third research by McKinsey found that firms that fall in the top quartile in their efforts towards gender diversity have a 15 percent higher chance of achieving higher financial returns than the average of their industries.¹⁶³ Nevertheless, gender equality remains a challenge that is underpinned by unconscious biases.

Challenges to Female Employment

A 2015 study¹⁶⁴ indicates that the private sector pays women 34 percent less than their male counterparts, despite provisions in the Egyptian Labor Law for the equal compensation of both. While male public-sector employees earn around 6 percent less than what they can earn in the private sector, females in the public sector earn up to 42 percent more than what they can earn in the private sector.¹⁶⁵ This reality strongly discourages women from seeking private sector employment as was evidenced from the FGD findings in the previous chapter.

Female job seekers also suffer from second generation biases, which create barriers at job entry level; in addition to a glass ceiling that limits their access to career growth and leadership opportunities.¹⁶⁶

Several studies¹⁶⁷ have confirmed that women are subjected to negative bias when applying for jobs. While men can also be subjected to unconscious bias when they apply for or hold positions traditionally held by women, it does not hinder their 'likeability' in the same way. It appears that across cultures, a belief pattern has emerged that assumes that women are less competent than men.

161 - Catalyst (2011), *The Bottom Line: Corporate Performance and Women's Representation on Board (2004-2008)*, New York

162 - Dezso, C L and Ross, D G (2012), 'Does female representation in top management improve firm performance? A panel data investigation', *Strategic Management Journal*, volume 33, pp1072-1089

163 - McKinsey (2015), *Diversity Matters*, viewed 1 September 2016, <http://www.mckinsey.com/business-functions/organization/ourinsights/why-diversity-matters>

164 - *Wages and Inequality in the Egyptian Labour Market in an Era of Financial Crisis and Revolution*, Mona Said. Working Paper 912. May 2015. Cited in *Women's Participation in Paid Employment in Egypt is a Matter of Policy Not Simply Ideology - Egypt Network for Integrated Development*. http://enid.org.eg/Uploads/PDF/PB22_women_employment_assaad.pdf

165 - *Women's Participation in Paid Employment in Egypt is a Matter of Policy Not Simply Ideology - ENID*. http://enid.org.eg/Uploads/PDF/PB22_women_employment_assaad.pdf

166 - *Second generation gender bias: Invisible barriers holding women back in organizations - Vijay Kumar Grover*. 2015.

167 - Bohnet, Iris, Alexandra van Geen, and Max Bazerman. "When Performance Trumps Gender Bias: Joint Versus Separate Evaluation." *Management Science* 62, no. 5 (May 2016): 1225-1234.



Even when women are seen as competent, they cannot be both competent and likeable,¹⁶⁸ perhaps because many attributes associated with leadership are often also associated with masculinity, such as confidence, strength, and assertiveness. When a woman displays these attributes, she is perceived as being aggressive and uncaring. When she shows more “female” leadership attributes such as being empathetic or collaborative, however, she is perceived as lacking the right leadership skills.¹⁶⁹

The Role of Stereotypes and Biases in Gender Inequality

A stereotype can be defined as “a mental association between a social group and a trait”.¹⁷⁰ Continuous exposure to a stereotype influences the way the stereotyped group is perceived and treated, creating biased perceptions and behaviors (both conscious and unconscious),¹⁷¹ that can be in favor of or against a particular group of people. Globally, there are numerous stereotypes that define men and women’s economic and social roles.¹⁷² Over time, significant gender-based biases have emerged that include, but are not limited to:

- Nurturing is a stereotypically feminine trait; females are nurturers
- Assertiveness is a stereotypically masculine trait; males are assertive¹⁷³

These stereotypes and biases negatively affect male and female employees and leaders alike; where an assertive female is perceived as aggressive, and a male who is not assertive is perceived as a bad leader.¹⁷⁴

Primary Research Findings

Study findings showed conscious favorable biases towards men in the workforce, where they are perceived as more committed, assertive, and capable of holding leadership positions. In parallel, there are conscious unfavorable biases against women, where they are seen as emotional and unable to invest enough time and concentration in work, due to familial obligations.

The division of labor sees men as more fit for certain jobs, and women for others. Both men and women in the study talked about how women are more fit for tasks and functions that require attention to detail and delicacy, while men are more fit for jobs that entail work outdoors, heavy lifting, and handling machinery. For example, interviews indicated that females are the preferred gender when it comes to hand picking and packaging export-rate grapes on farms; while men are preferred for carrying and transporting pallets that contain packaged products.

Another conscious stereotype impacting women’s ability to thrive and achieve leadership in the workplace relates to familial obligations. **Both men and women interviewed believe that women are**

168 - What Works: Gender Equality by Design. - Iris Bohnet. 2016.

169 - EFAP Newsletter for Human Resource and Occupational Health Professionals, Program Administrators, Supervisors, and Key Personnel - Vitality. Volume 5, Number 3, 2015.

170 - Greenwald, A. G., & Krieger, L. H. (2006). Implicit bias: Scientific foundations. *California Law Review*, 94(4), 945-967.

171 - Ibid.

172 - Heilman, M. E. (2012), Gender stereotypes and workplace bias. *Research in Organizational Behavior*, 32, 113-35

173 - AAUW. (2016). Barriers and Bias: The Status of Women in Leadership. Retrieved from: <http://www.ncgs.org/Pdfs/Resources/barriers-and-bias.pdf>

174 - Ibid.



the primary caregivers, and should be solely responsible for obligations like household chores and childcare. International literature about the topic points to the prevalence of this stereotype in other cultures beyond Egypt.¹⁷⁵

Unconscious biases, on the other hand, are a subtle yet significant contributor to the current reality of women's economic integration. Unconscious biases take place when a stereotype affects perceptions and behaviors,¹⁷⁶ and contribute significantly to gender disparities in the workforce.¹⁷⁷ (Different types of unconscious bias are identified in annex 5A).

Key Perceptions

Defining Equality

Equality between women and men is perceived as being neutral or overlooking sex as a criterion for hiring, promotion, or salary determination across all sectors. Its added value is mainly perceived from a “resource utilization” lens. Interviewed senior managers believe that all employees must be effectively utilized to be productive, regardless of their gender. Only a few participants noted other benefits of diversity, such as sounder decision-making mechanisms. Interviewees believe that equality between women and men is implemented through the presence of policies and procedures that ensure:

- **The equal compensation of men and women:** When asked whether pay is in fact gender-blind, all respondents referred to having a salary scale. None of the interviewed companies sensed, or were aware of discriminatory practices that are related to unconsciously attributing more value to male vs. female work experience.
- **Women's rights to apply to any vacancy:** When asked about diversity within their respective companies, interviewees chose to demonstrate its practice by referring to individual cases where women were appointed in functions and leadership positions that were traditionally reserved for men. For example, Telecommunications interviewees discussed the presence of some female outdoor technicians and the promotion of two female employees to senior leadership positions that were traditionally reserved for males.
- **The absence of discrimination in any shape or form:** When asked if hiring and promotions are in fact gender blind, most respondents stated that gender comes into play for two reasons:
 - **When women themselves choose to not apply to certain positions,** because they are culturally perceived as unfit for them. For example, a manager in the Food Processing sector noted that women avoid working in factories or stores, and prefer to work in offices like in HR or marketing. Similar findings were noted across all other sectors, excluding banking.
 - **When managers succumb to and reinforce such stereotypical divides.** For example, interviewees highlighted that managers prefer to not hire women in certain positions that require physical effort, or involve greater interaction

175 - Ibid.

176 - Greenwald, A. G., & Krieger, L. H. (2006). Implicit Bias: Scientific Foundations. *California Law Review*, 94(4), 945-967

177 - WEBF. (2016). “The Industry Gender Gap Women and Work in the Fourth Industrial Revolution.” Retrieved from: <http://www.ncgs.org/Pdfs/Resources/barriers-and-bias.pdf>



with others in the public space, including driving delivery cars, dealing with police inspections at stores, or dealing with retail customers.

Management representatives are consciously aware of their decisions not to hire women in positions where there are associated security risks, yet don't consider this as being related to gender equality, since it is either the females' choice not to apply, or it is a decision stemming from the management's good intentions. This reflects a wider paternal culture in Egypt where male managers feel they are responsible for the wellbeing and safety of females, while their male subordinates don't receive the same amount of security protection.

Perceptions of Female Managers: Another key perception is that men from certain socioeconomic backgrounds are resistant to being led by women, which makes women's leadership and management experiences more complicated. Men usually feel uncomfortable or challenged when managed by a woman, *"The idea of a female manager is unacceptable in a male-dominated team or workplace."* In one of the interviewed agriculture companies, only one woman has ever occupied a managerial position since the company started, where she was head of quality control and because of other male employees resisting her managerial position, the working conditions became very hard, and she had to leave shortly afterwards.

Respondents gave highly dissonant responses on their perceptions of female managers. When asked to describe male and female managers, or to describe any differences that they perceive between both, almost all interviewees agreed that leadership is more influenced by character than by gender. However, when asked about their own experiences of dealing with male and female managers, **the majority of those interviewed (males and females) stated that they prefer dealing with male managers**, for a variety of reasons, citing issues like jealousy when managers are women, and male managers being more decisive and transparent. This was true despite the fact that a woman had never managed some of the male and female respondents who stated this preference. Only one male participant from the telecommunications sector had a different perception, managed by women throughout his career with the company, he said, *"They allowed for discussions and negotiations. They were all great managers and leaders."*

Maternity Benefits: There is a common perception among male interviewees that women have an advantage in the private sector through the maternity benefits that they receive. A banking executive mentioned that *"women get money for delivering a new born baby but when men have a new born baby they don't get that money, which is unfair to men"*. Multiple male employees in the food processing sector believe that the three-month maternity leave, or child care leave, leads to men holding more responsibilities at work and carrying a bigger work burden to cover up for the missing females, or those females who are cognitively absent (because they are mentally pre-occupied with their children).

Diversity Across Sectors: Perceptions of diversity within individual sectors were variable. Representatives of the Banking and Telecommunications sectors perceived their sectors as highly diverse. Despite this belief in the Banking sector, the percentage of women working in the financial institutions interviewed does not exceed 30 percent.¹⁷⁸

Similarly, the number of women represented at the most senior levels of management within the telecommunications company interviewed is minimal; women are well represented in mid-management, however. Representatives of the agriculture, food processing, and textiles sectors perceived their sectors as less diverse, largely due to cultural barriers that hinder the integration of women across all functions. Specifically, women in these sectors come from less urbanized settings,

178 - According to the HR directors in the interviewed entities.



and are believed to perceive work as a temporary phase that will end when they get married. This belief discourages management from investing in female employees, and confines female employment to informality, and lower nodes of the value chain.

(UN) Conscious Biases

The following section explores culture-based stereotypes and biases revealed as part of the study.

Traits: The most prominent conscious stereotypes and biases across sectors are related to women's suitability for certain positions. Women are perceived as better communicators, more detail-oriented, more patient, and better at multitasking than men. Women are also commonly perceived as "less risky hires." This is especially true at the blue-collar level, where one executive from the manufacturing sector noted they "would never intentionally damage machinery, are more honest, would not dare to steal, have better work ethics, and are more meticulous."

Men are perceived as better at working under stress, separating their emotions from their work, and having more physical power. Accordingly, several of the interviewed men and women believed that women are more suitable or interested in positions that do not require physical strength. Managers did not overtly admit to other more subtle biases in the perceptions of men and women, including the ability of women to take on leadership positions in general. Unconscious biases were revealed during the discussions, such as a belief that it is exceptional for women to succeed at: "complicated" functions that entail finance, marketing, and HR.; managing and dealing with large groups of people; or managing individuals who come from "diverse socioeconomic backgrounds."

"Succeeding at work only becomes challenging when women give birth since the woman starts to have other priorities, which take away from her ability to deliver and be productive".

Female FG Participant

Gender Roles: All participants agreed that equality isn't fully attainable under existing cultural constraints where women have to bear the multiple burden of work, household, and cultural restrictions. **Commitments to the household and child rearing, limitations in terms of interacting with outsiders and working outdoors, and time limits imposed by curfews or household obligations are perceived as unchangeable realities, and key barriers.** Men on the other hand are not challenged by other life commitments and are not expected to compromise their career aspirations for personal circumstances.

Across the sectors, successful women are perceived as those who are able to compromise on socially dictated commitments and obligations. Females who are willing to work extra hours end up being promoted and taking equal salaries, yet they are the ones who are expected to sacrifice their family life. These stereotypes and biases translate to a reality where almost all female managers and supervisors interviewed across study sectors were, either single, divorced, or childless.

Accordingly, **when asked about their preference for working with male versus female employees, several of the men and women participants expressed a preference for male employees.** Reasons cited were that male employees are more committed; are able to and actually do prioritize work over family and home life; are more suitable for work that requires physical effort; and dedicate more time to their work. One female participant noted that even when women start out being dedicated and committed, they lose this drive once they are married and have children.

As previously mentioned, there is an underlying belief that males are responsible for protecting female employees. This translates into discriminatory practices whereby women are excluded from riskier functions, out of a fear for their safety and wellbeing.



Masculinity and Femininity: Some male and female employees believe that women also hold themselves back by “acting like” women, or by not applying to certain sectors if positions are more demanding, and therefore more likely to prevent them from living a balanced life style or fulfilling their social obligations.

In fact, these beliefs and stereotypes mean that women face more difficulties in obtaining certain promotions (related to the positions they are perceived as unfit for); and those who are promoted to senior leadership positions are judged more harshly, or have to over-perform, or adopt masculine qualities in order to sustain success. Accordingly, one of the main mechanisms by which women overcome such stereotypes in the workplace is by “acting like a man.” Several of the women discussed the role that perceptions and attitudes play in their leadership journey, and how they have to set the tone for these perceptions and attitudes by adopting male characteristics. Some male participants across the different sectors noted that female managers should be assertive, tough, and “strongly act like a man”. One female manager mentioned that in order to avoid negative stereotypes; “I tell my subordinates to forget that I am a woman.”

Classism: Interviewees implied that discrimination against women becomes less prominent among the educated and privileged; and women need to be protected from, or protect themselves from, the less privileged/educated, who might deal with them in a disrespectful or insulting manner. Across sectors, management perceived suggestions for gender diversity to be inappropriate to and unacceptable for the ‘working class’. This is interesting since the interviewees, who are well educated and privileged, are themselves implicitly stereotyping women.

Experiences of Female Managers: All female managers discussed challenges related to employee resistance to being managed by a woman, and conservative employees’ resistance to interacting with women in general. Another manifestation of underlying bias is the resistance, by male and female employees alike to radical changes and new systems when initiated by female managers. According to one female manager in the banking sector, employees didn’t trust her capabilities, “They got very offended when I tried to bring about change; I don’t think they would have felt the same if I had been a male manager”.

“I don’t think anything changed within the company. I just kept re-applying for the position, until they had no choice but to promote me. I didn’t take no for an answer because I believe I am right for the job.”

Female FG Participant

In the telecommunications company interviewed, the women who were promoted to management positions that were historically reserved for men faced overt discrimination prior to being selected. The women were not chosen when they first applied, because of their gender. They were as qualified as their male counterparts that were chosen, but the selection committee preferred hiring the males. In one instance, a selection committee member made it clear that his choice was based on his own social and religious beliefs that women should not be in leadership positions by saying “God never sent female messengers [prophets].” Interviewed managers believed that these women were finally able to get their promotions because an older cadre of leaders retired and were replaced by a younger cadre who are more sensitive to inequities between women and men; and the women themselves were persistent and vocal about the discrimination they faced. While it was well known among employees that discrimination had taken place, none of the formal complaints around these promotions documented this. The HR manager noted that “Women never mention their gender in their complaints, they would rather base their argument on their competencies and capabilities.”

In the food-processing sector, one CEO mentioned that there was only one female manager hired since the company was established in the 1990s. Male employees who worked under her management were extremely resistant to her, and were insistent on making her fail. Due to cultural constraints,



the management had to provide her with separate office space, and a car, which made other male managers jealous. Her presence as a manager not only defied the cultural norms that women cannot work in high level positions, but also threatened her colleagues' notions of masculinity with its ties to leadership. While she was initially competent, productive and successful, the challenges she faced from her male colleagues made her defensive, and reduced her productivity over time. She couldn't cope well with her employees, and compensated by being aggressive and downplaying her femininity in order to prove that she was equal to her male colleagues, which led to a more hostile and less productive environment.

Preference for Male Employees: A common trend is that **both male and female managers are not disposed to hire women on their teams.** Understanding the cultural constraints and the size of the double burden falling on women, female managers imply that it is their unique abilities that allow them to manage their households and their careers successfully, and that their traits are not common among other women. For this reason, female managers display a preference for hiring men. This is reciprocated by female employees, who despite agreeing that individual traits make a successful manager, prefer to work with male managers, who are perceived as *“more understanding and supportive, and won't perpetuate female jealousy among the team”*. Moreover, even within the same grade, females state that women are *“too emotional to handle some departments like complaints or legal departments”*.

“I want to hire more men than women since females have higher turnover, especially when they get married”.

Female FG Participant

Sector-Specific Manifestations of Bias, Counter Strategies, and Recommendations

Agriculture and Food Processing

Manifestations

- Women are crowded into the lower nodes of the value chains, and are hired on a seasonal basis to perform “delicate” and “detail-oriented” tasks such as fruit picking, labeling, sorting, and packing.
- Men are the preferred hires for more senior positions, such as those of engineering, and supervision.
- Although interviewed management stated that they have a no-abuse policy, they acknowledged that female laborers are regularly exposed to physical, sexual, or verbal abuse, with no recourse to the labor law or to unions.
- Labor contractors who come from the same village as workers often perpetuate harassment. Company managers and owners reject liability for such mistreatment.
- Farm managers, and company owners often fear the risks of integrating female workers into deserted locations, or male-dominated locations, and prefer not to disrupt the status quo because of potential safety risks.



Counter Strategies

- Many explicit biases exist that are reinforced by both employees and managers, and by women and men, regarding gender roles, and gender competencies.
- There is little labor law application in terms of providing transportation to female employees or in terms of equal pay for men and women when performing the same job (which is not common).
- The dependency on labor contractors impedes most efforts towards diversity or fighting unconscious bias.
- Given their nature, companies in the food processing and agriculture sectors don't have working from home, or flexible working hours.
- Both males and females work the same number of hours, but in different shifts.
- HR managers are usually responsible for addressing harassment complaints informally, otherwise, employees believe that the responsibility of preventing harassment lies with women who have to set boundaries with their male colleagues.
- Export-oriented farms and packing-houses perform better in terms of gender diversity since importers push them to seek certification by international entities such as the Global Gap, GRASP, BRC (British Retail Consortium), Fair Trade, or ETI (Ethical Trading Initiative). These certifications entail a minimum level of ethical sourcing that guarantees female employees their right to clean bathrooms, minimum wage, adequate working hours, and a clean environment. Similarly, food-processing companies with stronger linkages to multinational companies are more aware of diversity challenges.
- Realizing the negative impact of the contractors' system on the ability to retain female workers, one company has started managing the transportation of workers itself, directly paying female workers, equally paying both genders, and promoting pioneering ones to become supervisors. These practices stem from: 1) the owners' own belief in a more just system; 2) the need to source and retain workers; and 3) the requirements of international standards related to labor rights and conditions.
- In the food-processing sector, each company had its own unique culture, which is strongly affected by top management's directions and beliefs, especially in family businesses. Larger companies have systems in place to ensure all employees performing similar tasks are on the same grade and receive the same salary level, while smaller manufacturing companies outside of Cairo use labor contractors to source female employees, and only give them a formal contract after one year of commitment via the contractor.
- One of the larger food processing companies in the study has undertaken a number of measures to combat unconscious bias, such as removing gender criteria in application forms. They are involved with ILO and IFC programs that encourage gender diversity by understanding the workplace culture, training employee champions for the cause, and launching a grievance system for complaints with clear indicators on discrimination, abuse, harassment and others. According to the management, female or male employees don't get asked about their future family plans. Moreover, both male and female employees get buses and transportation to and from the factories.
- One of the big factories in Alexandria used to have a childcare facility, but it was shut down due to underutilization.



Recommendations

- **Enforcing full-time status and providing full-time benefits to all employees** instead of the seasonal or informal work setting. Providing benefits like childcare services, maternity leaves, and a daily breastfeeding hour would guarantee women's retention, and thus better opportunities at moving to managerial levels.
- **Community level interventions** are required; this includes formal introduction to the patrons of the villages, and awareness activities that would fight the stigma associated with women's work.
- **Design programs focusing on the role of women in managerial positions in both the agribusiness and the food processing sectors.**
- **On site training and capacity building** need to be given to female employees on all types of jobs (not just those traditionally occupied by women); **Investments in women's leadership capacities** is needed for creating a pipeline of supervisors and managers.

Textiles

Manifestations

- There is a clear gender divide in terms of occupation-related skills, especially in Upper Egypt with men and women seen as having different skill sets that make them 'suitable' for specific types of work.
- In the readymade garments (RMG) sub-sector, females dominate the sewing and knitting production stages because, according to one manager "they have a high level of tolerance to work for 8 consecutive hours sitting on chairs and are better at details and spotting mistakes."
- Males are allocated to warehouses that require a level of physical strength.
- Female workers are thought to be more loyal; more dedicated to work; have better attention to detail; and are better at quality control.

Counter Strategies

- The textiles sector in Egypt (particularly in Upper Egypt) is not organizationally equipped to implement institutionalized strategies to counter unconscious bias. This is compounded by the lack of awareness of the business case for equal opportunities and diversity.
- In larger companies in Cairo, despite the desire to implement more inclusive policies, there are no concrete systems or HR policies to ensure equal pay or promotion. While larger companies provide paid maternity leave benefits in conformity with the Egyptian Labor Law, it is not a formal company policy.
- Businesses have shown sporadic efforts to make the workplace friendlier. For example, one company based in Cairo moved its entire factory to the area where most female employees live, to reduce time spent in commuting.
- There are no strict rules or procedures in Cairo or Upper Egypt to address the issue of harassment; and it is highly dependent on the nature of the management, and their level of intolerance to harassment.



Recommendations

- **Investing in vocational training for both male and female employees** that prepare them for the different jobs and skills required by the textiles sector.
- **Zero tolerance policy for discrimination or harassment.**
- **Improve communication channels between employees and management** in order for female and male employees to express concerns or suggestions.
- **Sponsor female leaders and role models in their career progressions** in order to inspire other women about their available opportunities.

Banking

Manifestations

- Despite some females' interest and willingness to stay for longer hours or work in jobs that require physical effort, belief in stereotypical gender roles and a gender skills divide prevents management from hiring women in positions like tellers, Account Fulfillment Units (AFU), and dealing rooms.
- There is a belief that “women won't be able to handle the stress, the long hours, and the uncomfortable environment with no breaks”. On the other hand, females are thought to better-fit departments like HR, and administration/secretarial, and sustainability, because of their loyalty.
- The double burden also affects women's ability to fulfill the unofficial requirements of certain departments like the AFU department, Investment Banking, Risk Analysis, tellers, or other jobs that require staying after hours.
- Since this exclusion of women from certain departments is due to cultural constraints, it is not perceived as workplace gender inequality.
- Females tend to act overly aggressively; hide their emotions, or wear formal clothes to appear more professional and to eliminate the notion of women being emotional. Unfortunately, most successful women tend to be the ones who were able to prioritize their work over their personal lives. Notably, most interviewed female managers were either divorced or single.

Counter Strategies

- The banking sector is characterized by comprehensive application of the labor laws including paid and unpaid maternity leaves up to 2 years per child (at a maximum of 6 years throughout the woman's employment); and a daily breastfeeding hour after their return to work. During the first year of maternity leave, the employee has the right to return to her previous position and grade. Banks don't give paternity leave, or offer childcare facilities.
- Financial institutions have systems and departments in place to investigate complaints externally and objectively and provide feedback for complaints of unfair treatment, discrimination, or harassment. Yet, employees mentioned that it is not safe to use these mechanisms because whether the complaint is resolved or not, remaining with the same manager or team will be very hard after this kind of conflict.



- All financial institutions use an employee performance evaluation system based on standardized targets. Female employees argued that applying this system equally to both women and men does not take into account that it is a woman's right to have different targets than men if they are breastfeeding or are on maternity leave. For this reason, one of the banks is trying to institute a policy where the appraisal system is not applied to employees who are present for less than 6 months during the one-year evaluation cycle, in order to prevent them from getting a lower grade that might harm their career.
- The banking sector has a culture of competitiveness, and the overall expectation is for employees to prioritize work over other aspects of their lives by working longer hours than those specified by law. Employees, especially females, who are unable to work these extra hours are negatively evaluated, and are thus unable to advance on the promotion ladder.
- Interviewed entities also displayed bias regarding perceptions of women's appropriate work, where women are assumed to be lower performers in high stress departments or in positions that require using physical strength.

Recommendations

- **Combat “Returnship” discrimination** where women get negatively viewed after they are back from maternity leave.¹⁷⁹
- **Provide flexible hours and encourage male and female employees to use them**, to encourage both to invest in unpaid care and household activities; and fight the stigma of leaving early and the notion that staying longer is more productive.
- Get commitment from male leaders and managers that they are going to implement the programs. This can be done through signatures, trainings, or workshops.
- **Institute equitable talent management**, where hiring and promotion is performed by committees instead of individuals.
- **Institute cross-gendered mentorship programs** where women get to mentor young men and vice versa, to lead to greater empathy, and better understanding and communication.¹⁸⁰

Telecommunications

Manifestations

- Women are excluded from outdoor functions at the blue-collar level.
- Female managers struggle to obtain managerial positions requiring stereotypically masculine traits.

Counter Strategies

- Employees realize the significant role that management plays in enforcing discrimination or equity. Yet, none of the discussions shed light on the role of implicit biases, and the role that management can play in overcoming them.

179 - Oliverwyman (2016). “Women in Financial Services; Time to address the mid-career conflict”. URL:http://www.oliverwyman.com/content/dam/oliver-wyman/global/en/2016/june/WiFS/WomenInFinancialServices_2016.pdf

180 - Ibid.



- The telecommunication sector provides benefits that are dictated by the labor law like maternity leaves, and breastfeeding hours.
- Trying to be neutral in recruitment, where any candidate is free to apply for open positions, and applications are sorted according to caliber.

Recommendations

- Since the telecommunication sector draws mainly on STEM graduates, recommendations for gender inclusion start from **encouraging more females to pursue a STEM career**. This can be done through nation-wide awareness and outreach programs, or through the provision of scholarships and sponsorships to qualified women in the STEM field. This model has been adopted in the US by Verizon and Google through campaigns like “#InspireHerMind”, camps like “Girls Who Code”, and initiatives like “Code Initiative” where big companies invest in campaigns to fight stereotypes and inspire women to pursue STEM careers.¹⁸¹
- **Customize support for women throughout the different stages in their careers, whether they are “career starters”, “career developers”, or “career establishers”**. Women need different services at different stages of their career. Programs aimed at universities would target career starters and programs that retain working mothers would target career developers. On the other hand, customized leadership programs would target career establishers.¹⁸² This comprehensive structure has been followed by SAP Labs, which created a structure to support women at the different levels. Entry level employees are provided with mentorship, mid-level employees are provided with mentoring and leadership programs, and executive level females are provided with The Leadership Excellence Acceleration Program (LEAP) that is a 12-month intensive leadership development campaign that aims to build a pipeline of senior female executives.¹⁸³

Supply Versus Demand Side Contributors to (UN) Conscious Bias

Women face many challenges from the supply side, including cultural constraints, household duties, and their own personal beliefs while challenges from the demand side include workplace policies and attitudes. On the demand side, even if regulatory frameworks appear to be gender neutral or gender sensitive, they tend to reinforce harmful perceptions about women’s work. These can be categorized as follows:

- Household duties and child rearing
- Mobility restrictions and safety concerns

These issues affect women who come from varying socioeconomic backgrounds, and thus manifest differently across sectors and cadres of employment. For example, in the banking and telecommunications sectors where women are more represented in middle and sometime senior management, these issues manifest in terms of:

181 - AT Kearney (2015) “Accelerating the Digital Economy; Gender Diversity in the Telecommunication Sector”. URL: <https://www.atkearney.com/documents/10192/5580445/Connected+Women+2015-WDReport.pdf/d3c08b0a-fab6-431c-80c0-0d332b9e882d>

182 - PWC (2016), “Making diversity work Key trends and practices in the Indian IT-BPM industry” URL: <https://www.pwc.in/assets/pdfs/publications/2016/making-diversity-work-key-trends-and-practices-in-the-indian-it-bpm-industry.pdf>

183 - Ibid.



Performance Appraisals: In the banking sector, one participant noted that “*despite the fact that females don’t object, it is easier for us as management to ask male employees to come on a Friday or work overnight*”. Some banks implemented a policy that all females had to leave branches at normal working hours while males had to stay longer during times of political insecurity. In the long term, these policies, combined with gender blindness in instituting and evaluating annual targets, tend to harm women’s hiring and promotions by affecting their evaluations and appraisals. **Performance evaluations are usually, even if unconsciously, affected by the number of hours the employee spends in the office, regardless of the productivity level.** Females are offered the benefit of leaving early for breastfeeding, or taking longer maternity leaves, but their annual performance targets remain the same as those of their male colleagues. Naturally, these women do not have the same opportunity to achieve their annual targets as their male colleagues, and accordingly, receive poorer evaluations.

Similar situations were narrated in the telecommunications sector, where women are expected to stay longer hours, and to compromise societal obligations; and women who fail to do so are considered under-performers. The current nature of both the telecommunications and banking sectors doesn’t allow for flexible working hours or the ability to work from home for either gender, and thus all work and all performance evaluations relate to number of working hours spent at the office, rather than outputs or outcomes.

Balancing Professional and Societal Obligations: On the supply side, females face the cultural challenge of primary responsibility for family and home care. All participants agreed that females perform the majority of household duties, and the psychological demands of caring for children. Males see their main household duty is as primary breadwinner, which translates into them having more of a right to work than women. This was reinforced by discussions about the potential for paternity leave, with female participants arguing that men would use paternity leave to take a break, travel, go out with friends, or rest at home; and not in sharing the burden with their wives. Notably, male participants said they would probably want to help with the new-born baby; indicating that paternity leave would promote more active male involvement in child rearing.

Women who succeed at attaining managerial positions in other sectors such as textiles, agriculture and food processing also face similar challenges. An additional layer of factors characterizes these sectors, however. These are the factors faced by women who are still predominantly limited at the lower end of the value chain, including:

Traditional Roles: Interviews revealed that in both the Delta and Upper Egypt, women’s traditional role is nurturing and childrearing, and women themselves, and their fathers/ spouses prefer that they don’t work in order to care for the household. Accordingly, women who work are either young single girls trying to finance their weddings, or older females who are widowed or in severe economic need. Women are mostly hired on a seasonal basis in sectors such as agriculture and food processing, which usually invest in female workers for up to four years, only for them to be replaced by other workers when they get married. Early marriage, therefore, acts as a significant impediment to female workers, and to the businesses in general. This points to an important cultural factor on the supply side where businesses hesitate before hiring women on fixed contracts, given their high turnover rate. Similar practices were observed in the textile facility operating in Upper Egypt.

In the case of food processing, interviewees’ view of gender diversity and equality is strongly influenced by the belief that working conditions are too harsh for women. For this reason, the “nature of the industry” entails that few women work in it for more than a few years, and thus few women get promoted (generally women who are thought to hold stereotypically masculine traits, and/or prioritize their work over their families).

Male-Female Power Dynamics: The labor contractor is one of the main institutional challenges



faced by companies in the agribusiness and food processing sectors. Contractors collect workers' daily wages, and only give them half of the amount; they also try to cut off interaction between female workers and company management by rotating workers around multiple farms and packinghouses. Furthermore, female workers' wages are given to their fathers; therefore, wages don't enhance females' autonomy or financial empowerment. This also blocks the method for management to incentivize/reward women workers. Several of the interviewed companies in the agriculture and food processing sectors are attempting to address these challenges by gradually removing contractors from their value chains, by building trust with the communities from which they source labor, and creating alternative and more flexible working arrangements that cater to their target employees' socio-cultural realities. This has enabled these companies to retain female employees for longer periods of time.

Culturally Imposed Restrictions: Certain jobs are culturally perceived as inappropriate for women, including jobs that require interacting with male employees from outside of the company, working late hours, or working in remote areas. In order for females to work in these jobs, approvals from husbands or fathers are needed, and in most cases, are not granted. This impacts women overall - even those not directly affected by these restrictions - since **employers expect women to withdraw from work at any point, and are therefore less likely to invest in them or promote them to higher positions.**

When management representatives were asked whether women's employment decisions might be influenced by factors such as proximity of work to home, and the safety of the work environment, they noted that the company is not liable for the safety of women employees outside of the factories. **Several employers noted that proximity is a major factor, since they are able to attract more female employees at facilities that are located near villages or more populous areas.**

Conclusion and Key Policy Recommendations

Multiple biases and discriminatory trends were observed across sectors. They can be broadly categorized into 1) stereotypes around men and women's suitability for different kinds of jobs, and 2) a preference for the "masculine" leader archetype. These biases and stereotypes are perpetuated by both men and women; are deeply rooted in cultural perceptions of men and women's role in society; and lead to manifestations of multiple unconscious biases

In parallel, attitudes towards employment in general are centered on maximizing productivity, and "extracting" the most value out of employees. An employment model where employees are perceived as partners in value creation, and where their wellbeing is prioritized, is relatively absent. Within such a framework where men are expected to overwork themselves, and women are expected to bear household responsibilities alone, a woman who still chooses to work is negatively impacted by an understanding of equity that is limited solely to being gender blind. Gender-blindness comes at the expense of females by putting their double burden as a factor in their hiring and promotion, but not in their performance evaluation.

Efforts to address these realities must start by redefining notions of "work." They must also entail interventions at both the company and societal levels. At the company level, various pragmatic efforts are needed, including:

- Prioritizing diversity, and understanding the value that it brings to the company and the national economy as a whole.
- Using sex desegregated data to understand shortfalls, and track diversity levels across different functions and departments.



- Acknowledging societal and institutional biases and barriers to inclusivity.
- Starting interventions to tackle these biases. Owners and senior management must back such interventions.

At the societal level, interventions targeting long-term attitude change are needed to deconstruct gender roles, and allow for a more just and healthy contract between employees and employers. The upcoming section details policy recommendations that can pave the way for such changes.

The Public Sector

- Implement and evaluate nation-wide efforts and campaigns that address the root causes of bias, including traditional gender roles, notions of masculinity, and women's rights at large. Specifically, **efforts to promote positive deviants in stereotypically “masculine” sectors and positions, and challenging traditional gender roles are essential.** While similar efforts are already in place at a small scale in Egypt through the NCW, UN Women, GIZ, and other international organizations, concrete monitoring and evaluation procedures need to be put in place in order to measure the effectiveness of these campaigns.¹⁸⁴ These campaigns also need to engage men as beneficiaries and as implementers and advocates for the cause.
- **Require more comprehensive reporting from stock-listed and public sector companies,** including reporting on gender diversity, specifically at the board level and the senior management level. This can start with requesting gender-desegregated data, and policies related to equality.
 - **Based on aggregated data, relevant public-sector offices can start devising sector-specific strategies to address the gaps and shortcomings of each sector.** This will allow the government to provide incentives to particular sectors to achieve gender diversity.
- **Enact legislation that ensures a more inclusive and equitable work force:** While the Labor Law addresses issues such as equal pay; work/life balance through working hours, maternity and paternity leave alike; and specifying certain infrastructural provisions for big companies, like daycare facilities, flexible working hours, transportation, and so forth; the law needs to be more rigorously enforced, and there is scope for further refinement of its articles.
 - In the textiles, agribusiness, and food processing sectors, **legalizing cooperatives, and modes of work that enable women to have more autonomous work structures is essential.** Similar company level practices have been adopted in the Philippines, where sourcing produce and labor through cooperatives has enhanced the situation of women workers.¹⁸⁵
 - Iceland is one of the first countries to pass a law on equal pay for both genders. This law has not only significantly reduced gender biases it has also provided

184 - Hamm, Kathrin; Joseph, Roshin Mathai; Veit, Sebastian; Singh, Sandeep. 2017. Gender Intelligence for Banks— Moving the Needle on Gender Equality. International Finance Corporation, Washington, DC. © International Finance Corporation. [URL: http://www.ifc.org/wps/wcm/connect/3dbbf98a-f919-408e-bca0-700e4c5efecd/SheWorks+Final+Report.pdf?MOD=AJPERES](http://www.ifc.org/wps/wcm/connect/3dbbf98a-f919-408e-bca0-700e4c5efecd/SheWorks+Final+Report.pdf?MOD=AJPERES)

185 - FAO. 2015. Gender Opportunities and Constraints in Inclusive Business Models - The Case Study of Unifrutti in Mindanao, Philippines, by Leonard Rebeca, Osorio Martha and Menguita-Feranil Mary Luz. Rome, Italy. [URL: http://www.fao.org/3/a-i4444e.pdf](http://www.fao.org/3/a-i4444e.pdf)



women with a sense of equality and security.¹⁸⁶ **The government of Egypt can lead by example and be one of the first emerging market economies to introduce an equal pay law.**

- Increasing the supply of qualified women by encouraging them to specialize in sectors with low male/female ratios. **The government can work closely with the private sector to support women’s education in sectors that still struggle to achieve gender diversity.**
- In order to reduce the economic burden of hiring women borne by the private sector, **the government should explore subsidizing maternity leave and social insurance costs by sharing in the salaries given to women during maternity leave.** Iceland, which is ranked number one in terms of gender equality, fully covers the costs of both maternity and paternity leave, thus reducing the cost on the private sector.
- **The government can incentivize businesses to hire women** by integrating the recruitment of women into a tax scheme where businesses that reach a designated number of women employees receive a tax deduction/reduction.
- The capacity of the NCW Ombudsmen office should be enhanced to be able to handle complaints from female employees on unfair treatment or hidden biases from the private sector.
- Establish a ‘Paid Parental Leave Scheme’ co-funded by the government, employers, and donors, where the employers pay a fixed percentage of annual salaries of both female and male employees as a contribution to this fund, with the fund covering the salaries of females on the mandatory four-month maternity leave. This would decrease bias against female hiring since the contribution is a percentage of the salaries of all employees. This can follow the model of Singapore where the government covers 8 full weeks of paid maternity leave. Australia introduced a paid parental leave scheme in 2011, under which all new parents are entitled to parental leave allowance that is covered by taxes collected from all citizens, and can be given to the employer directly, or redeemed by the employee from the government offices.

The Private Sector

- **Reframe maternity leave as “parental leave”** where the period can be divided between mothers and fathers; and encourage fathers to make use of the time to support in childcare and household work.
- **Create a task force with champions from the private sector who can be used as role models for the rest of the private sector.** This can be done in collaboration with NCW. Awards can be given to companies who have made the most progress in achieving gender diversity, thus creating positive competition within the private sector.
- **Design job descriptions and advertisements that are gender sensitive.** Companies should ensure that the rhetoric being used in the workplace is gender sensitive, whether towards describing women’s work or towards stigmatizing flexible working arrangements. In sourcing talent, this can be done by either avoiding using “gendered word[s] like assertive”,

186 - This was taken from a talk given by the First Lady of Iceland on January 26, 2018 at the Harvard Kennedy School.



or balancing it off with an opposite gendered word like “cooperative.”¹⁸⁷ Moreover, hiring processes can be enhanced in terms of their gender sensitivity by making job applications anonymous at first by taking off the name and the age of the applicant.

- **Follow the “Returnship” model** developed by Goldman Sachs in the US, involving “returning professional internships” for individuals who have been out of the labor force for some time. This is an internship period for experienced and trained individuals who have been away from the labor force. MasterCard also offers the “phase-back program” to orient individuals who are returning to the workforce with refresher training courses.¹⁸⁸
- **Shift the intervention focus from women at the executive level to women in middle management, in order to create a pipeline for competent women leaders.** A “Companies Act” was passed in India in 2013 that stated that at least one board member of all listed companies needs to be a female. They faced the challenge of lack of qualified women board members who had progressed through the different levels of management positions.
- **Track diversity by disaggregating existing company data (such as performance appraisals, applications to senior positions, and actual hires for these positions), identifying gaps accordingly, and using this gender reporting for decision making** by addressing the root causes. Honest dialogues should be encouraged and these data should be discussed as part of the agenda of the board meetings and senior management regular meetings as an indication of the performance towards a top priority objective.¹⁸⁹
- **Identify “positive deviants,”** and better understand their experiences. Companies should learn from the positive deviants in their sector (companies that have a healthy gender balance), and each company should better understand the positive deviants within its work force (successful men and women who also lead a balanced lifestyle).
- Ensure that gender diversity is deeply rooted as a part and parcel of the company’s values and **make proactive efforts to recruit qualified women** through:
 - Recreating the mindset of onsite childcare and providing a supportive infrastructure.
 - Working closely with universities to tap into a pipeline of qualified women.
 - Providing flexible working hours, and/or benefits to working remotely, and embedding them to become the default.
 - Having open discussions about the gender biases that exist and ensuring that a culture is created that will flag when somebody acts on a bias.
 - Ensuring that senior management, specifically HR is always taking corrective measures. One way is ensuring that exit interviews identify any gender related issues causing female employees to leave their employment.

187 - McKinsey and Company (2017) “Focusing on what works for workplace diversity”. URL:

<https://www.mckinsey.com/global-themes/gender-equality/focusing-on-what-works-for-workplace-diversity>

188 - AT Kearney (2015) “Accelerating the Digital Economy; Gender Diversity in the Telecommunication Sector” .URL:

<https://www.atkearney.com/documents/10192/5580445/Connected+Women+2015-WDRReport.pdf/d3c08b0a-fab6-431c-80c0-0d332b9e882d>

189 - University of Melbourne “WORKPLACE GENDER AND EQUALITY STRATEGY PROJECT FINAL REPORT”

URL: https://www.wgea.gov.au/sites/default/files/GE_Report_Final.pdf



- Anonymous surveys can be sent to former employees to gather information about challenges, opportunities, and incidents of discrimination or unconscious bias.¹⁹⁰
- **Institute quantitative measures for productivity evaluation and employee appraisal** in order to reduce subjective evaluations of female employees that might be biased.
- **Create sector clusters and circles where companies in the same sector can meet periodically to discuss and share how they can intentionally improve gender equality** in their sector and directly tackle biases that exist.
- **The NCW in collaboration with other international organizations can design the program for Gender Intelligence Trainings¹⁹¹ that aim at introducing employees and managers to the notions of diversity and bias, presenting the business case, and giving technical ways of combating unconscious bias.** These trainings must be paired with other previously listed recommendations that encourage broad ecosystem changes.¹⁹²
- **Re-introduce and scale up the Gender Equity Seal** model where companies in different sectors apply for certification that can be provided by the NCW to encourage companies apply certain standards and enforce particular policies towards gender diversity.
- **Zero tolerance policy for discrimination or harassment.**
- **Improve communication channels between employees and management** in order for female and male employees to express concerns or suggestions.
- **Sponsor female leaders and role models in their career progressions in order to inspire other women about their available opportunities.**

Finally, as Egypt works to emerge into a rapidly growing and sustainable economy, as per Vision 2030, gender equality will need to be at the center of the government's efforts. Gender equality is no longer a luxury, but a necessity. Box 5.1, below, provides a closer look at a gender equity model for Egypt.

190 - CookRoss (2008) "Proven Strategies for Addressing Unconscious Bias in the Workplace; Exploring Unconscious Bias" Volume 2, issue 5 URL: <http://www.cookross.com/docs/UnconsciousBias.pdf>.

191 - Hamm, Kathrin; Joseph, Roshin Mathai; Veit, Sebastian; Singh, Sandeep. 2017. Gender Intelligence for Banks— Moving the Needle on Gender Equality. International Finance Corporation, Washington, DC. © International Finance Corporation. URL: <http://www.ifc.org/wps/wcm/connect/3dbbf98a-f919-408e-bca0-700e4c5efecd/SheWorks+Final+Report.pdf?MOD=AJPERES>.

192 - Wharton University of Pennsylvania (2016) "Gender Equality by Design": Building a More Inclusive (and Productive) Workplace" URL: <http://knowledge.wharton.upenn.edu/article/gender-equality-design-building-inclusive-productive-workplace/>



Box 5.1 Gender Equity Model, Egypt - Promoting Women's Economic Empowerment and Fighting Gender-Based Violence

Although employment is usually seen as a resource for women's empowerment, in some settings, if gendered norms that support men's violence against women are not addressed, the economic empowerment of women can inadvertently propagate gender-based violence. Through Public-Private Partnerships, between the Egyptian Ministry of Manpower (MoM), non-governmental organizations, and the private sector, the Gender Equity Model (GEM) aims at promoting women's economic empowerment, and at preventing gender-based violence. The objective is to enhance gender equality in access to and retaining employment in the private sector while being attentive to possible backlash against women in their homes, and from other employees. The intervention is administrated at multiple levels, including the community and private sector, targeting private firms that employ, or could employ women. It helps private firms strengthen their approach to gender equity in their employment practices, and to develop a women-friendly working environment that is both productive and respectful, as well as targeted communities on building understanding and response to domestic violence.

Through the Salheya Initiative for Women's Economic Empowerment,¹ the MoM has adopted the GEM, and implemented the Gender Equity Seal (GES), which is a certification process that ensures equal opportunities for women and men within public and private firms in terms of recruitment, training and career development and that they enjoy a safe working environment. MoM assesses private firms for gender equity measures and grants the Gender Equity Seal to firms that pass the required minimum standards. The intervention provides tailored training to participating firms in how to carry out gender audit, establish a gender equity taskforce and ombudsman office in order to mainstream gender equity in employment and promotion and to build a supportive gender-sensitive working environment. The Salheya initiative is of multidimensional nature as it targets grass-root communities, civil society and the government to ensure sustainability and the institutionalization of change. Five factories in Sharkia governorate benefited from a capacity building program to integrate the GES in their businesses in 2015. Moreover, the program engaged four hundred civil servants from MoM through twenty-six training courses on adopting the Gender Equality Seal and incorporating gender equality in management systems.²

1 The Salheya Initiative for Women Economic Empowerment is led by the Ministry of Manpower, in collaboration with the Social Research Center of the American University in Cairo, and with financial and technical support of the UN Women's Fund for Gender Equity.

2 <http://arabstates.unwomen.org/en/news/stories/2016/1/salheya>

Source: <http://www.svri.org/sites/default/files/attachments/2017-04-18/11657-GBV-PrestonPosters-v2-PRINT%201%20Egypt.pdf>



CHAPTER 6:

Promising Industries for Female Employment in the Egyptian Economy

Introduction

The purpose of this chapter is to explore opportunities to expand women's employment in the Egyptian private sector by identifying and analyzing the employment structure of industries that hire women disproportionately. The focus of the analysis is on wage and salary workers in fixed establishments in the private sector and, to a lesser extent, in public enterprise.¹⁹³ Since this target group excludes women employed in government, in non-waged employment and in waged employment outside establishments, it constitutes only 12 percent of total female employment in Egypt, and 23 percent of female waged employment, on average, for the period from 2008 to 2014. The private sector makes up about 87 percent of this target group, and the public enterprise sector just 13 percent. The share of female workers within the universe of wage and salary workers in private and public enterprise establishments according to the Labor Force Survey is 11.6 percent (12.1 percent in the private sector and 9.2 percent in the public enterprise sector).¹⁹⁴

The Top 12 Industries for Female Employment in the Egyptian Economy

The identification of the top 12 female employers in the private sector relies on data from the Economic Census 2012/2013 (EC-13), the Labor Force Survey (LFS) from 2008 to 2014, as well as data from the Investment Climate Assessment (ICA) surveys of 2013 and 2016¹⁹⁵ (annex 6A elaborates on the methodology; while annex 6B provides statistical data). According to these sources, **the average share of female workers in the top 12 group is 31.3 percent, compared to 17.4 percent overall, and 7 percent in the remaining industries.** The industry with the highest proportion of female workers, nearly 70 percent, is social care, which includes childcare centers, old people's homes, and homes for special needs populations. The next two are education and human health with 59 percent and 51 percent female shares, respectively. **It is not surprising that the most feminized industries are those that perform activities that are cognate to women's care work in the domestic sphere.** These 'care economy' activities are followed by three manufacturing industries: garments, computers and electronics, and pharmaceuticals. Most of the remaining activities are in the service economy, including high end services, such as financial services, travel agencies, business services, real estate, ICT, and, at the lower end, retail trade. **Retail trade is in fact the largest single activity to employ female workers although it ranks 11th in the top 12 in terms of the proportion of female workers in it.**

Before moving to analyzing the trend in employment in the top 12 private sector industries over time and the characteristics of female workers within them, we examine whether or not they are the relevant industries for female employment in public enterprises as well, as captured by the EC-13

193 - This is the group of workers covered by nationally representative establishment surveys such as the Economic Census. The World Bank's Investment Climate Assessment (ICA) enterprise surveys cover the same group of workers in selected manufacturing and service industries.

194 - Calculated by author from CAPMAS Labour Force Survey pooled data for the years 2008-2014.

195 - See Methodological Annex for more details about the data sources used.



data. (Industries with above average female employment share in the public enterprise sector are shown in Table 6.B.1, annex 6B).

According to EC-13, there are a total of 110,000 female workers in public enterprises, constituting 10.2 percent of the public enterprise workforce. The top six industries listed in Table 6.B.1 are all included in our top 12 industries. Retail trade, which ranks 8th in the list, is also included in our top 12 list. Together, these 7 industries constitute 44 percent of female public enterprise employment. The other sizable categories of female employment in public enterprises include electricity generation, air transport, and wholesale trade.

Trends in Employment Growth in the Top 12 Industries for Female Employment

Establishing employment trends for fairly detailed industries in Egypt is quite challenging due to the changes in industrial classification systems used by statistical authorities over time. Again, we use data from both household and establishments surveys to establish the employment trend in the industries identified above. We first use data from the Establishment Censuses of 1996 and 2006 and compare them to the Economic Census of 2012/13 (EC-13), which we used above. Second, we use data from the LFS for 2000/2001 and compare them to the data from 2008 to 2014 that we used previously. Since the 1996 and 2006 Establishment Censuses do not disaggregate employment by sex or by employment status, we examine trends in total employment to identify differences in growth rates among the top 12 female-friendly industries, and between them and the rest of private sector establishments (Table 6.1, below). The top-12 industries as a whole grew by 5 percent annually from 1996 to 2006, and 3 percent annually from 2006 to 2013. This is in line with the overall growth of private employment within establishments over the same two periods, which were 3 percent per year and 4 percent per year, respectively.



Table 6.1 Growth of Employment in the Top-12 Industries According to the Establishment and Economic Censuses, 1996-2013

Sector	Total Employment			Index (1996=100)		Average Annual Growth Rate (%)	
	1996	2006	2013	2006	2013	1996-06	2006-13
Social Care	31,710	88,010	215,093	278	678	10	13
Education	126,070	114,390	253,465	91	201	-1	11
Human Health	125,940	198,270	180,467	157	143	5	-1
Garment Manufacturing	153,490	304,470	243,649	198	159	7	-3
Retail Trade	1,374,420	2,200,600	2,520,724	160	183	5	2
Business Services	127,370	196,570	325,360	154	255	4	7
Manufacturing of Computers, Electronics & Optical Equipment	7,630	9,060	22,398	119	294	2	13
ICT	11,240	112,360	212,786	1,000	1,893	23	9
Financial Services	62,710	33,320	51,467	53	82	-6	6
Manufacturing of Pharmaceuticals	5,590	4,860	35,256	87	631	-1	28
Travel Agencies	15,170	29,230	59,446	193	392	7	10
Real Estate	3,680	14,180	57,772	385	1,570	13	20
Total Top-12 Industries	2,045,020	3,305,320	4,177,882	162	204	5	3
Total Private Sector Employment in Establishments	4,715,930	6,455,190	8,274,809	137	175	3	4

Source: Calculated by Authors from CAPMAS, Establishment Censuses of 1996 and 2006 and Economic Census 2012/13.

The first group of industries in the top 12 group grew faster than average in both periods (1996 to 2006; and 2006 to 2013). These include social care, which grew at 10 percent and 13 percent per annum, respectively; real estate, which grew at 13 percent and 20 percent per annum; ICT at 23 and 9 percent; and travel agencies, at 7 and 10 percent per annum, respectively. The second set of industries grew more slowly than average from 1996 to 2006, but grew more rapidly than average from 2006 to 2013. These include: education, which first contracted by 1 percent annually, then grew by 11 percent annually; business services, which grew at 4 percent per year at first and then accelerated to 7 percent per year; manufacturing of computers, electronics and optical products, which first grew at 2 percent per year, then accelerated to 13 percent per year; financial services, which first contracted at a rate of 6 percent annually, and then grew by 6 percent annually; and finally manufacturing of pharmaceuticals, which first contracted by 1 percent per year and then accelerated to 28 percent per year in the second period. A third set of industries grew rapidly at first, and then slowed in the more recent period. These include human health (5 and -1 percent per year); manufacturing of garments (7 and -3 percent per year), and retail trade (5 and 2 percent per year).

An analysis of employment trends in the same industries from the LFS for the period from 2000 to 2014 shows that the overall growth of private sector wage employment within establishments was 7 percent per year in the first sub-period, and it then slowed appreciably to 2 percent per year in the second sub-period, which mostly coincided with the world financial crisis and the economic crisis that followed the January 25th revolution (Table 6.B.3, annex 6B). Average growth rates in our top 12 industries matched the overall growth rates almost perfectly in the two sub-periods. Again,



there is a first group of our top 12 industries, which consistently outpaced the overall growth rate in both periods. These include as before social care and real estate. ICT, which outgrew the average in both periods in the establishment data, grew very rapidly in the first period here as well, but slowed down to 0 percent annual growth in the second period. The second group of industries, which grew more slowly than average in the first period but accelerated in the second period include as before education and manufacturing of pharmaceuticals. Business services were among this group in the establishment data, but the acceleration of its growth is not confirmed in the LFS data. The third group that was growing rapidly at first and then slowed includes as before human health, garment manufacturing, and retail trade. These are now additionally joined by industries manufacturing computers; electronics; optical equipment; ICT; financial services; business services; and, travel agencies.

The differences in the growth trends between the establishment data and the LFS data can probably be attributed to differences in the definition of the two sub-periods. The second sub-period in the LFS data captures more of the effects of the economic crisis that followed the revolution and thus includes more slowing industries. In any case, **the industries that have grown consistently more rapidly than average among the top 12 in both data sets are social care and real estate.** Those that have accelerated their growth recently are education and manufacturing of pharmaceuticals. **Those that have consistently slowed their growth are human health, retail trade and garment manufacturing.** The remaining five industries show contradictory trends across the two data sets. Among them ICT showed very rapid although slowing growth.

Characteristics of the Female Workforce in the Top 12 Industries for Female Employment

This section examines the characteristics of the female workforce in the top-12 industries identified above in terms of regional distribution, distribution by education and skill level of jobs, and the match between education and the skill requirements of jobs. The age breakdown of the female workforce and its distribution by marital status is also analyzed. Pooled LFS data for 2008 to 2014 is used, unless otherwise specified. Pooling across several years is necessary to obtain a sufficient sample size for reliable estimates.

Regional Distribution: Egypt is divided into four broad regions: a) the metropolitan region, which contains the urban governorates of Cairo, Alexandria, Suez and Port Said; b) the Lower Egypt region, which contains all the delta governorates other than Alexandria; c) the Upper Egypt region, which contains all of the Upper Egypt governorates, including Giza; and d) the border region, which contains all the border governorates of Matrouh, New Valley, Red Sea and North and South Sinai (the regional distribution of the female workforce in the top 12 industries is shown in Figure 6.B.1, annex 6B)

Female wage employment in the top 12 industries is distributed similarly to overall female employment in private establishments, and tends to be concentrated in the metropolitan governorates relative to the female working age population. The industry whose employment seems to be distributed most similarly to the female working age population is social care. The industries that are most concentrated in the metropolitan region are real estate, and travel agencies, with more than 70 percent of their female employment in that region. Other industries concentrated in the metropolitan region are financial services, manufacturing of pharmaceuticals and ICT. The only industry with a disproportionate presence in Lower Egypt is the manufacture of computers and electronics and optical equipment. It is also the only industry disproportionately located in the border governorates. Upper Egypt seems to have notable shares of female employment in financial services and ICT, but that is probably because this definition of Upper Egypt contains Giza governorate, which is part of Greater Cairo.



Distribution by Educational Attainment, Skill Level of Jobs and the Match Between Them

This section examines the breakdown of the female workforce in each of the twelve industries under consideration by educational attainment and the skill levels of the jobs in each industry.

Educational attainment is subdivided into the following four groups:

1. **Less than Basic:** includes those who are illiterate, and those with incomplete primary schooling;
2. **Basic:** includes primary and preparatory education;
3. **Secondary and Post-Secondary:** includes technical secondary education and two-year post-secondary institutes; and
4. **University Education and Above.**

Job skill levels are sub-divided into the following three categories based on occupation:

1. **Low-skilled:** includes all manual occupations including agricultural workers, craft workers, machinery operators and elementary occupations;
2. **Semi-skilled:** includes white collar clerical work, technicians and associated professionals, sales workers, and some service workers; and
3. **Skilled:** includes managers, high executives and professionals, such as teachers, lawyers, engineers, doctors, etc.

We then create a variable indicating the match between an individual's educational attainment and the skill requirements of the occupation they are in. This variable takes on the following values

- Overqualified, if the educational attainment exceeds the skill requirements
- Appropriate, if the educational attainment meets the skill requirements; and
- Underqualified, if the educational attainment is lower than the skill requirements.

To operationalize this variable, the following assumptions are made: skilled jobs require a university degree or above; semi-skilled jobs require a secondary or post-secondary degree; and low-skill jobs do not require any degrees. Because the data from the 2008 LFS uses a different occupational classification than the subsequent data, pooled data from 2009 to 2014 was used to define skill requirement and the match between skill requirement and education.

Female wage-workers in the private sector tend to be much more educated than the average of the female working age population (Figure 6.B.2, annex 6B). While the proportion with below basic education in the working age population is 42 percent and the proportion of university educated is 11 percent, the distribution is almost exactly the reverse for female wage workers in private establishments; 12 percent with below basic education, and 41 percent with university education or above. **In fact, female wageworkers in private establishments are significantly more educated than their male counterparts.** The proportion of those with below basic education among males is nearly double at 22 percent, and the proportion with university education is almost half, at 21 percent. This difference is due to the selective nature of wage employment for women, whereby female participation in wage employment is strongly correlated by educational attainment, whereas it is much less so for men.

The female workforce in the twelve industries under study is only slightly more educated than female private sector wage workers in general, with the proportion with below basic education estimated at



10 percent, and the proportion with university or above at 43 percent. The breakdown by educational attainment of the female workforce varies substantially across the twelve industries. **The most educated female workers are found in the high-end services, namely travel agencies, financial services and business services, where more than four out five female workers have a university education.** These are followed by education, real estate and ICT, where almost two-thirds of female workers have a university education. The industry with the least educated female workforce is garment manufacturing, with slightly more than half of its workers with secondary or post-secondary degrees, and about 40 percent with basic and less than basic education. **The next least educated workforces are in the retail trade, human health, and social care industries. However, even in these industries, nearly half of the female workers have a secondary or post-secondary degree, and a quarter to a third have a university degree.**

With the female workforce being on average more educated, it is expected that on average, the occupations they engage in are also more skilled. The data demonstrates that **female wageworkers in private establishments are, on average, in more skilled occupations than males** (Figure 6.B.3, annex 6B).

While 50 percent of male workers are in low-skill occupations, and only 15 percent are in skilled occupations, the equivalent for female workers is 27 percent and 35 percent, respectively.¹⁹⁶ Women in the top twelve industries have a lower proportion of low-skilled occupations, but a higher proportion of semi-skilled occupations, which comprise 51 percent of the total. The three industries with the highest proportion of skilled occupations are financial services, business services, and education. **The industry with the highest proportion of low-skilled occupations is garment manufacturing.**

An analysis of the match between the skill requirements of jobs and the educational attainment of the workers – without taking into account specific skill acquisition on the part of workers, but only whether their overall educational attainment fits the occupation that they are in – shows that **there is a high degree of skill mismatch in the Egyptian private sector, with most of the mismatch being in the form of workers being overqualified for their jobs** (Figure 6.B.4, annex 6B). Based on the data, 30 percent of male wageworkers are overqualified for their jobs and 10 percent are underqualified. Among female wageworkers in general, a smaller proportion is overqualified (24 percent) and a slightly larger share underqualified (12 percent). The extent of overqualification among female workers in the top twelve industries is much higher, however, at 44 percent. The industries with the highest proportions of over-qualified workers are real estate, travel agencies and retail trade. The degree of over-qualification may be slightly exaggerated real estate and travel agencies, since sales jobs are classified as semi-skilled, but sales jobs in these two industries may actually require higher skill levels. **The industry with the highest proportion of under-qualified workers is education.** This is probably because many older teachers still have secondary degrees although teaching occupations are classified as skilled and thus requiring a university degree.

Distribution by Age Group and Marital Status

Because women tend to leave private sector wage employment at marriage, the female workforce in the private sector will tend to be younger and unmarried (Hendy 2015; Assaad, Krafft, and Selwaness 2016). While twenty percent of women of working age were never married, the proportion among female wageworkers in private establishments is nearly three times as high at 55 percent (Figure 6.B.5, annex 6B). The proportion among those working in the top twelve industries is even higher at 57 percent. **The industries with the highest proportion of never-married female workers**

196 - Note that in this comparison, we do not account for craft skills, but only skills acquired through the education system.



are real estate, ICT, business services, retail trade and the garment manufacturing. This probably means that these are the industries in which it is hardest for women to retain their employment after marriage, due to long hours or other working conditions that make their employment incompatible with their marital responsibilities. Industries that have the highest shares of ever-married women are all in the care economy, namely human health, education and social care. This underscores the critical importance of the care economy for the employment of married women. The next most hospitable industries for married women are pharmaceutical manufacturing; manufacturing of computers, electronics and optical equipment; and financial services.

The analysis of the distribution of workers by age group confirms the patterns observed above. **Women in private sector wage employment are in general younger than women of working age overall and younger than their male counterparts, with up to 54 percent of them in the 15 to 29 age group** (Figure 6.B.6, annex 6B). The proportion of youth among women working in the top twelve industries is even higher at 56 percent. Again, the highest proportion of youth is in real estate, retail trade and garment manufacturing, three of the five industries that were found to be least hospitable to married women above. Conversely, **the industries with the highest proportion of prime working age and older women are the three care economy industries (human health, education and social care), which were also found to be most hospitable to married women.** There are also substantial proportions of prime age and older female workers in travel agencies, pharmaceutical manufacturing and financial services.

Conclusion and Key Policy Recommendations

In the preceding analysis, we identified twelve industries that play a disproportionate role in employing women in the private sector in Egypt. These twelve industries employ 78 percent of all female waged workers in private establishments, and women constitute on average just under one third of their workforce. One third of female wage employment is in three of these industries, all of which are associated with the care economy, namely social care, education and human health. Another third of female employment in private establishments is in retail trade and garment manufacturing. The remaining seven industries include some high-end services, such as financial services, ICT and business services, as well as precision manufacturing such as the manufacturing of pharmaceuticals and computers, electronics and optical equipment. Some of these top twelve industries for women's employment are growing quite fast and hold promise for more growth in the future. These include social care, education, ICT, real estate and manufacturing of pharmaceuticals. Other industries, like garment manufacturing and travel agencies have slowed in recent years, but could resume their growth if tourism recovers and if exchange rate policies remain conducive to increasing exports. Sub-groups of these industries are discussed in more detail below, in order to evaluate their potential for future growth, and the actions that can be taken to promote this growth.

With regards to the three care economy industries, besides accounting for over a third of female private sector employment, they have the highest share of female employment among all industries considered. Moreover, they are the most hospitable to married women, having the highest share of married women and older women among their workforces. The care economy industries have in general been growing very fast in the Egyptian private sector. Social care and education have grown at 13 percent and 11 percent per year, respectively, between 2006 and 2013. This is more than three times faster than overall private sector employment growth in the same period. Health care grew more slowly, but was growing faster than average until 2006. **Considering that only a fraction of care economy employment is actually in the private sector and that most of it is in fact in the civil service, the critical importance of public and private investments in the care economy for women's employment becomes even more compelling.**



Within the care economy, childcare and early childhood education centers should receive special attention. Investment in early childhood care and education (ECCE) has proven to be one of the public investments with the highest social returns globally (El-Kogali and Krafft 2015). Not only are these investments critical to early child welfare, and later human development outcomes, but they also allow members of the child's household, especially the mother, to pursue productive economic activities.

In recent years, MENA countries, such as Algeria have dramatically increased their investments in ECCE. The gross enrollment rate in pre-primary education in Algeria increased from 6 percent in 2005 to 79 percent in 2011 (UNDP 2016). The goal to universalize pre-school education in Algeria was included in the 2003 reform of the Algerian education system supported by UNESCO. A national strategy to achieve this goal was elaborated for the Algerian Ministry of National Education by the Center for Social and Cultural Anthropological Research (CRASC) in partnership with UNICEF (Benamar 2010). The strategy aimed at gradually increasing the enrollment of 5-6 year old in pre-school programs so as to achieve a rate of 80 percent by the 2009/10 academic year. The strategy began by acknowledging the diversity of institutional structures and arrangements involved in pre-school education in Algeria, including private kindergartens; preparatory classes in public schools; pre-schools in public and private enterprises and belonging to local municipalities; and religious education establishments, among others. As a first step in the strategy, the Ministry of National Education introduced a common pre-school curriculum in 2004 in an attempt to unify standards for minimum learning competences and pedagogical methods. The strategy also called for the expansion of the network of pre-school institutions to communities that didn't already have them, and the modernization of religious education. The main responsibility for creating such pre-schools fell to private entities (individuals and parents' associations) with the support of local governments and accreditation by the Ministry of National Education, whose inspectors are responsible to ensure that they adhere to the national curriculum. Although the emphasis in Algeria has been on preparing 5 to 6 year-old for primary school, there has also been increasing enrollment of 3 to 4 year-olds in private pre-school institutions.

The gross enrollment rate in pre-primary education in Egypt is only 31 percent in 2017 for the 4 to 6 year old age group.¹⁹⁷ **If Egypt could increase enrollment in pre-primary education to the levels achieved in Algeria, this would not only create a large number of jobs for women as teachers and assistant teachers, but would also provide opportunities for the mothers of 3 to 5 year-old children to participate in paid employment outside the home.** The Egyptian government has already signaled a commitment to increase investments in pre-school education. The Ministry of Social Solidarity received in 2017/18 an additional allocation of EGP 250 million from the central budget in order to invest in nurseries for the age bracket 0 to 4 years, where coverage is only 8 percent. The Ministry of Education is also investing additional resources to expand access to pre-school for the 4 to 6 year old age group. This kind of financial support can be used to leverage significant resources in the private sector by encouraging the private and non-profit sectors to expand their already central role in the provision of ECCE, perhaps through a social franchise model. This can be done by issuing national standards and guidelines; promoting model curricula; and, providing accreditation to private and non-profit providers. National authorities can also significantly expand the sector by providing public financing in the form of vouchers to mothers of 3 to 5 year-old children to be used in accredited early childhood education centers, irrespective of whether the services are in the public, private or non-profit sectors. These vouchers could initially be offered to mothers of 5 year-old children and gradually expanded to include younger age groups.

Other care economy investments that have proven to have high social and economic returns include community health workers and teacher assistants (Banerjee and Duflo 2011). Frankenberg, Suriastini, and Thomas (2005) document the positive effects on child health and nutrition of a village midwife

197 - Ministry of Education in Egypt, Statistical Year Book, 2016/2017



program implemented by the Indonesian government in the 1990s. Villages that received a trained midwife saw a substantial improvement in children's nutritional status and the improvement was particularly noted among children of disadvantaged backgrounds.

Muralidharan and Sundararaman (2013) document the effects on child learning of supplementing regular public school teachers with locally hired contract teachers who are not civil service employees in India. The presence of these assistant teachers demonstrably increased child-learning outcomes. In fact, their effectiveness at increasing student learning was no less than that of regular civil-service teachers. Since such contract teachers and assistant teachers need not be highly trained, schools can draw on the large number of secondary-educated females in Egyptian villages and urban communities who tend to have very high unemployment rates and are often unable to move to where the work opportunities are.

The next industry in terms of the share of female workers is garment manufacturing. Although this industry did well in Egypt during the 1990s, it fell on hard times in the 2000s with the termination of the multi-fiber agreement (El-Haddad 2012). As we have seen earlier, employment in the garment industry grew at an annual rate of 7 percent between 1996 and 2006, but then decreased at an annual rate of 3 percent from 2006 to 2012/13, according to the establishment and economic censuses. The resumption of growth in this industry critically depends on the recent changes in exchange rate policies and the floatation of the Egyptian pound. This is an export-oriented industry whose fate depends on being cost competitive and is thus highly sensitive to real exchange rates overvaluation. Increasing production for export in this industry also depends on being integrated in global supply chains and thus requires a policy environment that is attractive to foreign investment global partnerships.

The garment industry has proven to be a huge impetus to increasing female employment in countries such as Bangladesh and could resume such a role in Egypt if the right economic conditions can be established. In a short span of 15 years, Bangladesh managed to become the eighth largest exporter of garments to the United States, mostly by employing young rural women in its expanding garment industry (Ahmed 2004). The garment industry stands out among the female-friendly industries highlighted here in terms of its ability to provide opportunities to less qualified female labor. It has the highest share of female workers with less than basic and basic education among all the industries considered and is thus a critical source of employment opportunities for less educated women, who otherwise have few wage employment opportunities. It should be noted, however, that **jobs in the garment industry appear to be particularly inhospitable to married women.** The expectation of women who work in this industry before marriage is that they will leave it upon marriage (Amin and Al-Bassusi 2004). Any policy that would encourage employers to take steps to retain married women in this industry would be extremely beneficial. These would include tax incentives from providing transportation services and child care services, as well the removal of disincentives to reduce the length of the working day. Such disincentives include, for example, legislation that defines a minimum wage on a monthly basis rather than on an hourly basis, and other rules that increase the fixed costs of employment.

Two other manufacturing services hold promise for female employment in Egypt, namely the manufacturing of computers, electronics and optical equipment, and pharmaceuticals. These are higher end activities than garments, and thus require more qualified workers. Both industries have been growing rapidly in recent years according to the establishment and economic censuses. Even though these industries are primarily producing import-substitutes rather than exportables, as tradable industries they are equally susceptible to exchange rate fluctuations and are likely to benefit greatly from the recent floatation of the Egyptian pound.

Among the female-friendly service industries, one of the most promising for future growth of female employment in Egypt is ICT. Although its current contribution to female employment is still somewhat limited -- about 1.1 percent of the total-- it had been growing very rapidly in recent years and has excellent potential for further growth. According to recent World Bank figures, the



communications industry has grown by 12.9 percent per annum in the period since January 2017, nearly three times faster than the overall economy (World Bank 2018). An important component of this industry is information technology outsourcing (ITO) and business process outsourcing (BPO). Advances in information technology and the spread of the worldwide web have dramatically reduced the transaction costs associated with contracting out functions that firms traditionally did in-house. This led to the very rapid growth of outsourcing as a way for companies to reduce costs and to focus on the activities they do best (Rivard and Aubert 2015). The term “offshoring” is used when such outsourcing involves sourcing services from other countries, usually ones with lower pay to reduce costs. India has been the world leader in offshoring, conducting a mix of finance and accounting and customer service work (A. T. Kearney 2017). Philippines is also a leader in the industry, specializing in voice services and customer service, primarily for a United States Market. South Africa plays a similar role for the UK market and Morocco and Tunisia for the French speaking market (ibid.).

A.T. Kearney produces an annual Global Services Location Index. The index rates 55 countries according to financial attractiveness, people and skills availability, and business environment. In 2017, India had the highest index, ranking very high on financial attractiveness and people and skills availability, followed by China, Malaysia, Indonesia, Brazil, Vietnam and the Philippines. The growth of that sector seems to have encouraged women in India to pursue professional and technical education, in general, and English medium education, in particular (Jensen 2012; Bhattacharyya and Ghosh 2012). Egypt comes at number thirteen in the A.T. Kearney index, gaining 2 spots over the previous year. Remarkably, Egypt now ranks first in the world in financial attractiveness in this industry after the floatation of the Egyptian pound in late 2016. It ranks 26th in terms of people and skills, which is still fairly good. However, it ranks 51st in terms of business environment, four places from the bottom. The A.T. Kearney report suggests that Egypt has one the largest qualified workforces for this industry after India and that it has become increasingly attractive in recent years to Chinese companies seeking to serve an expanding Middle East market.

As we have seen above, **the ICT industry employs a relatively educated workforce, with nearly two-thirds of its workers having university education. With the rapid growth in university education among Egyptian women, this could be an important source of employment for this growing group.** Substantial expansion in female employment can be achieved in the ICT industry if it were possible for women to work from home, something that would clearly be possible given the nature of the work if the appropriate IT infrastructure were available. Ultimately, the fate of this industry depends on Egypt’s ability to improve the business environment for multinationals seeking to establish operations to serve a regional and global market. This does not only require large investments in telecommunications infrastructure, such as fiber optic network systems and other high-speed internet technologies, but also a major improvement in the legal and institutional environment for such investments.

Finally, the group of high-end service industries, which includes financial services, business services, travel agencies and real estate, provides a further avenue for expanding employment opportunities for educated women in the private sector. With the booming real estate development sector in Egypt, real estate employment has been growing very rapidly in recent years, although it is starting from a fairly small base. The growth of high-end real estate investments has been a structural feature in the Egyptian economy in recent years and is likely to continue in the near future. However, the employment opportunities this industry provides for women are mostly at the point of initial sale rather than throughout the life of the investment. Per unit of capital invested, the employment creation potential of this industry is likely to be fairly limited.

Travel agency employment growth has stagnated recent years due to the slowdown in tourism flows since 2010. However, the tourism industry has experienced a notable recovery in recent months, achieving an average annual growth rate of 52 percent since January 2017 (World Bank 2018). **As the tourism industry in general recovers, the travel agencies sub-component of the industry, which**



disproportionately employs women, will grow as well.

Financial services employment was growing rapidly in Egypt in the 2000's, but slowed with the economic crisis that followed the 2011 revolution. This industry, which tends to hire relatively educated women, has the potential to recover and become an important source of good jobs for women. The government's goal to move to a cashless economy and to promote financial inclusion would likely result in a substantial increase in employment in the financial industry. Nevertheless, employment growth in the industry is likely to be tempered by ongoing changes in technology that are substituting automation for routine jobs.

One potentially promising industry for female employment that we did not discuss earlier is agribusiness and post-harvest processing of agricultural products for export or for the local market.

This sector is not easy to study using existing data since establishment surveys and censuses tend to under-represent agriculture on the assumption that it is a sector dominated by small family farms and one that is best covered by agricultural censuses. Nonetheless, the agribusiness sector offers substantial potential for growth and for creating productive employment opportunities for women. One way to identify the potential size of agribusiness sector in terms of employment is to focus on individuals employed in regular wage and salary jobs in the agricultural sector. This excludes self-employed and unpaid family workers working on family farms and intermittent and seasonal wage workers. According to the Labor Force Survey of 2015, about 225,000 such workers are employed in the private sector in Egypt, of which 15,000 (or 6.7 percent) are women.¹⁹⁸ This would make this sector slightly larger in terms of female employment than the travel agencies sector or the financial services sector. Expanding the One Village One Product (OVOP) tested by the Egypt Network for Integrated Development and by MSMEDA has proven successful.¹⁹⁹ Similarly, building on MSMEDA's work of formalizing organic clusters run by women like in the case of artichokes, dairy, papyrus, carpets, silk, cotton and others.

Egypt has made great strides in recent years in increasing citrus exports, becoming the first or second largest world exporter of oranges in 2017/18 (USDA 2017). The floatation of the pound provides a great opportunity to increase other agricultural exports, such as potatoes, strawberries, grapes, onions, tomatoes, and other vegetables. Egypt should take advantage of its newly found competitiveness in this sector to better integrate into global value chains, promote organic agricultural practices and generally improve food safety rules in order to meet strict global sanitary standards. Post-harvest processing jobs in the agricultural export sector tend to be highly feminized and can potentially be important sources of employment growth for rural women.

In short, **a strategy based on the promotion of exports of ready-made garments, pharmaceuticals, information and communication services, and agricultural products can serve to substantially increase demand for female labor.** Such a strategy should involve substantial increases in foreign direct investment to take advantage of the greater attractiveness of the Egyptian context after the devaluation of the Egyptian pound.²⁰⁰ Such an export-driven strategy should be complemented by substantial new investments in the care economy; investments that have proven to have very high returns in other contexts.

198 - Many more workers have intermittent or seasonal jobs in agriculture. Such workers number approximately 1.2 million, among whom 69,000 (or 5.8 percent) are women.

199 - Impact Evaluation of OVOP, UN Women and EU, 2017.

200 - The link between globalization and the relocation of manufacturing and ICT related jobs to the developing world and increased employment opportunities for women have been amply documented in the literature. See World Bank (2012) Chapter 6 for a discussion of these linkages.



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CHAPTER 7:

Conclusion and Recommendations

Progress achieved in reducing the gender gap in education, health and other human endowments has not been accompanied by advancements in women's economic participation. There is a clear gender divide between women and men in terms of economic opportunities, including access to finance. A synopsis of the context of women's economic participation, brings a number of issues to the forefront of concerns requiring policy interventions: a) women's declining labor force participation rate (estimated at 21 percent in 1998, rising to 27 percent in 2006, and dropping back to 23.1 percent in 2016); b) women are disproportionately represented in both the public sector, and the informal economy; and c) compared to men, more women are engaged in unpaid work for family members and spend an inordinate amount of time doing such work. Multiple factors contribute to limiting women's economic participation, and both the quantitative analyses and the qualitative research conducted for the report confirm that these factors are better understood through the responses of households to the functioning and structure of markets and institutions.

The economic recession following January 2011 had a disproportionate impact on women as compared to men, with rising poverty and food insecurity, unemployment, and violence against women. It has also opened up a potential window of opportunity for many women who were pushed into work because of financial need. The fact that they were forced into work, not always in a decent work environment, does not diminish from the potential to capitalize on the added worker effect by taking measures to improve the working conditions of women, whether through policies and regulations, incentives to the private sector, and making the business case for women's economic participation. In this context, **attention to promoting decent employment for women in the private sector and encouraging “opportunity” rather than “necessity” entrepreneurship is critical to accelerating inclusive economic growth and sustainable development.**²⁰¹

Violence against women (VAW) is widespread and takes many forms, all of which are detrimental to their physical and psychological health. Violence against women and girls constitutes an extreme expression of the unequal power relations between men and women, and it hampers their ability to engage in social, economic or political activities.²⁰² The huge economic costs of VAW, estimated at EGP 2.17 billion yearly, were confirmed by the Egypt Gender based Cost of Violence Survey (EGBVS). Sexual harassment on public transport and at work is significant and was reported to have increased since 2011. Due to the magnitude of the problem, families, especially husbands who can afford to forego the income of women, might prevent them from work altogether. **A violence-free working environment and safe public spaces can increase women's engagement in economic activities, and is a pre-requisite to improve women's productivity.** In 2014, the penal law was amended to punish any gesture, words or inappropriate sexual or pornographic behavior. A clause was also introduced on harassment at the workplace, stipulating a more severe sentence for an offender who is in a position of authority over the victim.

The high rate of female illiteracy, early marriage and early child bearing, and multiple pregnancies contribute to the disempowerment of women, detracting from their ability to exercise agency and to make decisions related to their health, education and work. In addition, the scarcity of

201 - Opportunity versus Necessity Entrepreneurship: Two Components of Business Creation SIEPR Discussion Paper No. 17-014. Robert W. Fairlie and Frank M. Fossen, Stanford Institute for Economic Policy Research Stanford University, Stanford, CA 94305

202 - European Bank for Reconstruction and Development (2015).



support services available to women, especially in rural areas, combined with masculine norms, make it difficult for women, more so for married ones, to continue working, or forces them to find work that is more suitable to their condition and more acceptable to their families. Such work tends to be in the public sector, which remains a highly desirable employment option because of the security it provides, as well as the short and fixed working hours, and other family friendly benefits. However, given the retrenchment of the public sector, women opt for formal or informal jobs in sectors that attract women (such as social care, education, and agribusiness). **Education level and socio-economic status determine whether women get a formal or an informal job in one of the attracting sectors.**

Evidence from research indicates that many jobs were lost following the post 2011 economic recession, and that the financial crunch has pushed many women into work and into the informal sector. However, there is no evidence on the increase of female formal employment in the specific sectors of attraction. **Further research is recommended, to identify and address sector specific challenges, in order to increase the share of employment in those sectors, as well as in other promising high growth sectors that may not be known to attract women.**

The report confirms that **the labor market is structured along gender lines, and that a bias in favor of men limits women's participation in certain sectors, occupations and positions.** Certain sectors are more attractive to women because they are perceived as feminine/ requiring attention to detail or because the working conditions are more suitable to them. Other sectors are perceived as masculine and therefore are more attractive to males. This is reflected in the attitude of employers as well as in the work/career choices made by women and men. **A shift in the mindset of both employers and job seekers is therefore required, together with the education, training and capacity building tools necessary to prepare youth of both genders for 21st century jobs.**

Access to finance is a critical enabler of poverty reduction and inclusive growth. In Egypt, despite the reported progress due government interventions to improve the regulatory environment for financial inclusion, and for women's work, **many women, especially poor and rural residents, remain outside of the formal financial system.** Although, there are several factors explaining the financial gap between men and women, the main reason is a lack of awareness of service providers regarding the business case for targeting women, and the weaker financial capability of women. Intersecting with the gap in financial inclusion is the low level of entrepreneurship in Egypt. The inability to access finance limits the size and growth potential of firms and is a major barrier for the establishment of enterprises. The weakness and generic nature of available business development services are also hurdles that face small enterprises, but especially women-owned ones (most of which are found in the micro sector), the percentage of which is small compared to other countries in the region, and globally. **Making the business case for women's financial inclusion and promoting the financial capability of women is as critical to economic growth and equity as is expanding the range of affordable services available to the business sector and to small enterprises owned by women.**

A number of steps have been taken to enhance the ecosystem for business. Many of the enacted and ongoing reforms to legislation and regulations, and programs being piloted with a view to expansion, address hurdles that the different segments of women face in general, and in the work sphere in particular. **In order to accelerate the pace of achieving equality it is critical to monitor the impact of reforms, and benefit from lessons learned from pilot programs, reaching out to rural women who are particularly disadvantaged.**

Having identified the main factors that contribute to women's exclusion from the labor force, it is important to emphasize that a combined approach or integrated vision to addressing women's economic participation is required in order to reduce the male-female gap. The NCW Women Strategy perceives women's empowerment as a goal to be fulfilled through actions at multiple levels. This is a critical overriding message that the WEE report purports conveying to policy makers and



stakeholders concerned with advancing women’s participation in the public sphere so that they can contribute meaningfully and benefit equally from ongoing reforms and actions taken to enhance their status and to promote societal wellbeing. In addition, in the first chapter the report provides a number of key messages based upon which recommendations for actions to be taken to address the constraints to women’s economic empowerment are extracted.

The Summary Table presented below packages the main recommendations according to intervention areas addressed by the report.

Table 7.1 Summary of Key Recommendations

Recommendations	Time Line	Impacts	Target Group	Stakeholders/ Owners
Human Endowments				
<i>Education/Literacy</i> Develop and launch an effective national literacy program	Short to Medium Term	Women will have a better opportunity to get decent jobs	Women and Girls	NCW and GALAE ²⁰³
Expand the programs of EBI and NCW to promote women’s financial and digital literacy. Particular attention is required for women in rural areas where the gap in overall literacy including financial literacy is wider		Women businesses will have the chance to grow; women entrepreneurs will have the ability to deal with formal financial intermediaries	Actual and Potential Female entrepreneurs in urban and rural Egypt	NCW and EBI
Promote STEM education and careers for women through awareness raising messages and the provision of scholarships and sponsorships		More women will be joining high growth economic sectors such as the telecommunication sector	University students/young professionals	NCW; MoHE ²⁰⁴ ; MTI ²⁰⁵ ; Media; Academia; employment offices and Platforms
Implement high quality technical vocational and skills development education and training (including onsite) that is tailored to specific sectors that attract women, as well as to sectors with high growth potential		Women and men will be equipped for private sector employment	University students/young professionals	NCW; MoHE; MTI; Media; Academia; employment offices and Platforms
<i>Early Marriage / Early Child Bearing</i> Support the implementation of the national strategy for the prevention of early marriage	Short to Medium Term	More girls will pursue education	Women and Men / Girls and Boys	NCW; MoHP; private sector
Implement comprehensive family planning packages and expand the provision of FP and RH services to reduce unmet need		More women will work and pursue a career		

203 - The General Authority for Literacy and Adult Education

204 - Ministry of Higher Education

205 - Ministry of Trade, Industries and SMEs



Recommendations	Time Line	Impacts	Target Group	Stakeholders/ Owners
Financial Inclusion				
<p>Access to Finance</p> <p>Provide incentives to commercial banks to provide financial packages with fewer barriers</p>	Short to Medium Term	Deeper Market penetration; more people, including women will have access to affordable formal finance	Female Entrepreneurs	CBE, MFIs, MCIT ²⁰⁶ , MOSS, Egyptian Microfinance Federation
Encourage non-bank intermediaries to provide financial packages not offered by commercial banks & tailored to the needs of different sectors		A wider range of services will be available to enterprises in the different economic sectors		
Leverage The ‘Takaful and Karama’ cash transfer with some innovations in methods of payments allowing women to have bank accounts		Women graduate from protection services to becoming active participants in the economy		
Integrate gender considerations into public procurement and trade policies and expand the participation of small enterprises and high growth/end start ups in tendering processes		Spurred economic growth		
Support the first Egyptian Microfinance Federation in developing a gendered code of standard practice for MSMEs		The microfinance sector is more responsive to women’s needs		
Entrepreneurship				
<p>Promote Opportunity Entrepreneurship</p> <p>Develop the capacity of women entrepreneurs to establish strong business relationships with international buyers, and to compete in public procurements</p>	Short to Medium Term	Women business will grow and ‘opportunity entrepreneurship’ will increase	Female Entrepreneurs	NCW/WBDC; MTI; Business Associations; MOICT; Private Sector
<p>Expand female entrepreneurs access to information technology, including mobile phone banking and other financial technologies</p>		Service providers will look at women as potential clients		
Establish expert-led platforms for women owned businesses		Women will have access to information that will benefit their business and will get networking and mentorship opportunities		
Disseminate stories of successful entrepreneurs		Women will be encouraged to start a business		
Develop the capacity of BDS providers, business incubators, and thematic accelerators to provide services that are tailored to the needs of the business sizes in the different sectors		Women will be getting advice that is tailored to the needs of their businesses		
Implement innovative entrepreneurial trainings such as those designed by the World Bank Gender Innovation Lab and the Mind, Behavior and Development Unit		Increase in female labor participation		



Recommendations	Time Line	Impacts	Target Group	Stakeholders/ Owners
Decent Work/Safe Working Environment				
<p><i>The Gender Equity Seal</i></p> <p>Promote the GoE Gender Equity Seal for companies and expand it to Financial Institutions, including bank and non -bank service providers</p>	Short to Medium Term	<p>More women will be tempted to join private sector employment as opposed to aspiring to public sector employment;</p> <p>The bias of the private sector against recruiting and promoting women to leadership positions will be reduced</p>	Banks, MFIs, Companies	
<p><i>Family Friendly Policies and Programs</i></p> <p>Adapt to the Egyptian context best practice solutions based on public private partnerships to enable women to balance work with their domestic responsibilities.</p>		<p>Higher retention rates of female employees</p>	Married Employees of both Genders	
<p>Evaluate the impact of interventions such as your 'job next to your home' and scale up accordingly in all governorates</p>		<p>Women will be encouraged to work because they are better able to balance their work responsibilities and family obligations</p> <p>Families will be more accepting of women's work</p>		
<p><i>School to Work Transition</i></p> <p>Scale up the matchmaking efforts of initiatives such as the National Employment Pact Platform (NEP) and 'women pioneers for the future' to promote female employment in the private sector.²⁰⁷</p>		<p>The school to work transition will be easier for women who will get better jobs</p> <p>The private sector will be more supportive of women's employment</p>	Female Graduates	
<p><i>VAW & Sexual Harassment</i></p> <p>Enforce the legislation against VAW and sexual harassment in public spaces including on transport facilities and in the work space</p> <p>Support the expansion of the 'Safe City' initiative</p> <p>Inform the public of the law against VAW and sexual harassment using various channels, including the media and sexual harassment units of universities</p> <p>Monitor the effectiveness of the VAW National Strategy</p>	Short to Medium Term	<p>Decrease in incidents of violence and sexual harassment</p> <p>Women are more secure in the public space</p> <p>Women's mobility is less curtailed because they and their families feel that they are safe</p> <p>Increased participation of women in public life, including the economy</p> <p>The costs of VAW to the economy will be reduced</p>	Women and Men; Girls and Boys	NCW; CBE; EFSA; Ministry of Manpower; MTI, Governorates, Private Sector, Business Associations, Employment Offices and Platforms

207 - The NEP was established in 2011.) It is a know-how platform for creating, sustaining and scaling up best practice employment solutions for placing youth into fair blue-collar jobs

208 - The Ministry of Transport.

209 - The General Organization for Physical Planning.

210 - The Ministry of Interior.

211 - Ministry of Justice.



Recommendations	Time Line	Impacts	Target Group	Stakeholders/ Owners
Normative Change				
Leverage the Taa Marbouta & Knocking on Doors campaigns to shape the narrative around the value of women's work. Mid to long term	Medium to Long Term	Change in the mindset of both women and men regarding gender roles and what constitutes masculinity and femininity	Women and Men, Employers and Employees	NCW, MOE, ²¹² MOHE, Media, Women's Business Associations, NGOS
Show case positive role models in all sectors and positions using social media, edutainment, schools and universities		Women will be encouraged to aspire to interesting careers or to set up their own business		
Institute mentorship programs that are cross-gendered where women get to coach young men and vice versa		Existing stereotypes of working women propagated by the media will be challenged Employers in both public and private sector will be more inclined to give women the opportunity to assume leadership positions		
The Eco-System				
<i>Sectors of Attraction</i> Review and revise the regulations governing the sectors that attract women and those that hold potential for women, such as for example ICT and agribusiness including post-harvest processing) building on the success of the OVOP and Organic Cluster Model.	Short to Medium Term	Higher productivity in these sectors Better working conditions for women More women will be hired Women will be tempted to start their own businesses in these sectors	Companies, Employees, Entrepreneurs	MOI, MTI, Business Associations, MSMEDA NCW
<i>The Labor Law</i> Review and Revise the labor law so that articles/stipulations that constrain women's work are addressed		Women are protected by the law but not constrained Private sector companies are encouraged to hire women	Female Employees	NCW, Ministry of Labor
<i>Leadership Programs</i> Develop and Implement customized leadership programs to support career establishers	Short to Medium Term	A pipeline of senior female executives is available to employers	University Graduates, Female Employees	NCW/WBDC, Business Associations, Universities
<i>Returning to Work</i> Support programs that enable women's return to the labor force (ex. Vodafone) Women who want to reenter labor force		Higher labor force participation of women	Women who want to re-enter the labor force.	

212 - Ministry of Education



Recommendations	Time Line	Impacts	Target Group	Stakeholders/ Owners
Evidence Informed Policy				
<p>Sex Disaggregated Data</p> <p>Issue directives to bank and non- bank financial intermediaries to collect their data by sex to monitor the performance of their investment in women</p>	Ongoing	<p>The business case for women's financial inclusion will be confirmed</p>	Working Women	<p>CBE; NCW; MOI; CAPMAS, Gender Unit Cairo University, ABE and Nasser Bank, EISA²¹³</p>
<p>The Added Worker Effect</p> <p>Undertake an assessment of the sectors where women's work has increased as a result of the economic deceleration resulting from 2011 transition.</p>		<p>Understand which sectors might benefit from targeted reforms to keep women working after economic conditions have improved</p>		
<p>Monitoring & Evaluation</p> <p>Monitor the performance of the two credit lines dedicated to women, and the Amman insurance.</p>		<p>Lessons learned will be extracted to inform policy and future expansion plans</p>		
<p>Monitor the impact of the new reforms on the business eco system and on women's economic participation</p>				



ANNEX 0A:

Measuring and benchmarking equality in Egypt

International organizations periodically release indicators that reflect developments in women's position over time, as well as differences among countries. **The Gender Inequality Index (GII)** produced by UNDP is a composite measure reflecting inequality in achievement between women and men in three dimensions: reproductive health, empowerment, and the labor market. It measures differences between men and women with respect to various opportunities, and relies on the following five variables: maternal mortality ratio, adolescent birth rate, women's share of seats in parliament, gender gap in population with at least some secondary education (25+), and, gender gap in labor force participation rate (15+). Out of 159 countries included in the GII for the year 2015, Egypt ranked 135st, with a GII value of 0.565. By analysing the values of the GII across the world's various geographical regions, we find that Egypt index is worse than the average of all regions in the world with the exception of Sub-Saharan Africa. The value of the GII was 0.28 in Europe and Central Asia, 0.32 in East Asia, 0.39 in Latin America, 0.52 in South Asia and 0.535 in Arab countries, whereas Egypt tied with the countries of Sub-Saharan Africa, where the average GII value was 0.572.

The Gender Gap Index (GGI) by the World Economic Forum is composed of four sub-indices reflecting economic participation and opportunity; education attainment; health and survival; and political empowerment. Economic participation and opportunity is reflecting the following dimensions: Labor force participation, wage equality for similar work, estimated earned income, legislators, senior officials, and managers, and, professional and technical workers.

Educational attainment is reflecting literacy rate, enrolment in primary education, enrolment in secondary education, and, enrolment in tertiary education. Health and survival is a combination of two indices sex ratio at birth and healthy life expectancy. Political empowerment is composed of three indices: women in parliament, women in ministerial positions, and, years with female head of state in the last 50 years.

The results of the GGI have yielded similar results to the GII. In 2017, Egypt ranked 134 out of 144 countries with a Gender Gap Index score of 0.608, where 0 reflects imparity and 1 reflects parity. The health sub-index was the highest, with Egypt ranking 99th worldwide. On the education index Egypt ranked 104th, and in relation to political empowerment index, Egypt ranked 119. The lowest ranking for Egypt - 135th out of 144 countries was for economic participation and opportunity. These figures reflect a notable decline in the indicators for women's economic empowerment despite a long history of achievements by Egyptian woman in numerous fields.

The Social Institutions and Gender Index (SIGI) produced by the OECD.²¹⁴ The SIGI is composed of 5 sub-indices:

1. Discriminatory family code measures the following dimensions: legal age of marriage, early marriage, parental authority and inheritance.
2. Restricted physical integrity measures violence against women, female genital mutilation and reproductive autonomy.
3. Son bias measures missing women and fertility preferences.
4. Restricted civil liberties reflect secure access to land, secure access to non-land assets and access to financial services.

214 - OECD (2015).



5. Restricted civil liberties include access to public space and political voice.

The SIGI was calculated for 160 countries, the value for Egypt was 0.4280 which places Egypt in the lowest category “very high level of discrimination”. The sub-indices (Table 4) reflect a very high level of discriminatory family code, of restricted physical integrity, and of restricted civil liberties. Restricted physical integrity and son bias was classified as “high”.

Table 0A.4 Gender Gap indices, last available year.

Index		Value	Rank
Gender Inequality Index (2015) ²¹⁵		0.565	135/188
Gender Gap Index (2017) ²¹⁶		0.614	132/144
Sub-indices	Economic participation and opportunity	0.444	132/144
	Educational attainment	0.952	112/144
	Health and survival	0.971	95/144
	Political empowerment	0.087	115/144
Social Institutions and Gender Index (2014) ²¹⁷		0.4280	100/108
Sub-indices	Discriminatory family code	0.6665	96/108
	Restricted physical integrity	0.7373	98/108
	Son bias	0.3741	88/108
	Restricted resources and assets	0.5913	65/108
	Restricted civil liberties	0.8140	104/108

215 - UNDP (2017).

216 - World Economic Forum (2016).

217 - OECD (2014).



ANNEX 4A:

The Configuration of Focus Group Discussion Participants

The 18 Focus Group Discussions (FGDs) were conducted with 3 groups of participants;

- 1- **Married/unmarried, employed/unemployed women with secondary or university education:** one FGD was conducted with each of the following groups of women; married employed with university education; never married employed with university education; married unemployed with university education; never married unemployed with university education; married employed with secondary education; never married employed with secondary education; married unemployed with secondary education; never married unemployed with secondary education; and divorced women. A total of 9 FGDs were conducted with the participation 81 women.
- 2- **Employed and unemployed wives and husbands:** one FGD was conducted with each of the following groups; employed wives whose husbands are employed; employed wives whose husbands are unemployed; unemployed wives whose husbands are employed; employed husbands whose wives are employed; employed husbands whose wives are unemployed; and, unemployed husbands whose wives are employed. A total of 6 FGDs were conducted with the participation of 31 wives and 28 husbands.
- 3- **Women's influential relatives:** one FGD was conducted with each of the following groups; women's fathers and brothers; women's mothers; and women's mothers in law. Twenty- eight participants were included in 3 FGDs.

The participants varied according to their education, age, employment status and type of job.



ANNEX 5A

FORMS OF UNCONSCIOUS BIAS

Forms of Unconscious Bias ²¹⁸

- **In-Group Bias**

- When individuals (un)consciously favor and are more comfortable with those who are similar to them, whether in terms of gender, background or personality
 - Women who have made it to the top take on stereotypically “masculine” leadership characteristics, and prefer hiring men, or women who manifest these same characteristics.²¹⁹

- **The Halo Effect**

- When individuals’ judgment of someone’s qualities is (un)consciously affected by the person’s physical characteristics;
 - Associating attractiveness with trust worthiness

- **Anchoring Bias**

- When an individual (un)consciously over relies on an irrelevant piece of data or belief to reconfirm a stereotype or balance;
 - “We once hired a woman for an outdoor sales position and it did not work out, so we have not tried hiring other women for the position.”²²⁰

- **Minority Pool Bias**

- When interviewers (un)consciously evaluate applicants from a minority pool more negatively.

218 - Toner, M. (2016). “We need to come to terms with unconscious bias.” Retrieved from: <http://2yj9t632cvox1ypnuhdzdu4.wpengine.netdna-cdn.com/wp-content/uploads/2016/09/We-need-to-come-to-terms-with-unconscious-bias.pdf>

219 - This was seen clearly in interviews conducted for this study.

220 - Derived from an interview carried out for this paper.



- From this study: An HR manager gave an account of an interview panel that was more harsh and aggressive with questions related to working hours when interviewing women for a specific position, than they were when interviewing men. The manager noted that the intention behind these questions were obvious, but could not be tangibly used against the interviewer.

- **Confirmation Bias**

- (Un)consciously using data and information that conforms our beliefs, stereotypes, and biases, and disregarding other pieces of information that do not.
 - Men and women continuously refer to and narrate stories of successful male leaders, or successful female leaders who acquire masculine traits, while stories of outliers exist.

- **Availability Bias**

- (Un)consciously basing decisions on readily available data, rather than using all available and relevant data, which will take longer to analyze.
 - Women and men narrate a story line around how not making it to leadership is a personal choice, and a personal prioritization process, rather than assessing the real root causes and factors affecting women's career growth paths.²²¹

221 - Verified by interviews carried out for this paper



ANNEX 6A:

Methodological Annex

Our analysis depends on a number of data sources. We begin by using the Economic Census of 2012/13 (EC-13), which was implemented by CAPMAS. Although called a census, the EC-13 is administered to a nationally-representative sample of all private and public enterprises in Egypt, including ones that are informal or unregistered. We focus, in particular, on enterprises that have waged employees. Second, we use pooled data from the Labor Force Survey (LFS) for 2008 to 2014. The LFS, the primary official source of labor market statistics in Egypt, is a household survey carried out quarterly by CAPMAS on a large nationally representative sample of households.²²² The third data source we use are the Investment Climate Assessment (ICA) enterprise surveys carried out by the World Bank and the International Finance Corporation. The ICA surveys are administered to private enterprises in Egypt in selected industries in manufacturing and services. The ICA surveys do not cover the social sectors (social care, education and health), the financial services sector, most of the business services sector, and some manufacturing industries, such as pharmaceuticals. We pool data from the ICA surveys for Egypt for 2013 and 2016.

This policy note uses the Fourth Revision International Standard Industrial Classification System (ISIC rev. 4) to classify industries. This is the classification used by CAPMAS in the labor force surveys since 2009 and in the Economic Census of 2012/13. The World Bank Enterprise Surveys use an older classification, ISIC rev. 3.1, which makes it somewhat challenging to identify the exact same industries in these surveys. Prior years of the Labor Force Survey from 2000 to 2008 use ISIC 3.1, but, in that case, it is possible to make an accurate translation because the 4-digit level of detail is available.

To reduce the number of industries under consideration to a manageable number, we proceed to consolidate some of the smaller 2-digit ISIC industries with above average share of female employment shown in Table 1. into groups that are similar in nature. We thus define a financial services group (ISIC 64, 65, 66), an information, computing and telecommunication (ICT) services group (ISIC 58, 59, 60, 61, 62, 63), and a business services group (ISIC 69, 70, 71, 72, 73, 74, 78, 82).²²³ We then eliminate very small activities that have fewer than 5,000 female workers nationally, such as veterinary activities (ISIC 75), libraries archives and museums (ISIC 91), manufacture of tobacco products (ISIC 12), activities of membership organizations (ISIC 94), “other manufacturing” (ISIC 32), mining support services and activities (ISIC 9) and air transport (ISIC 51). We also set aside the relatively amorphous group of “other personal services” (ISIC 96) despite its relatively large size (2.9 percent of private sector female employment).²²⁴

222 - The data from 2015 and 2016 will be included in subsequent drafts of the report.

223 - “Financial Services” includes banks, pension funds, insurance companies, and auxiliary financial activities. “Information, computing and communication services” includes publishing, broadcasting, motion pictures, telecommunications, computer programming and information services. “Business services” includes legal and accounting services, head offices, management and consultancy activities, architectural and engineering activities, technical testing and analysis, scientific research and development, advertising and market research, other professional, scientific and technical activities, employment services, and office administrative, office support and other business support activities.

224 - This policy note uses the Fourth Revision International Standard Industrial Classification System (ISIC rev. 4) to classify industries. This is the classification used by CAPMAS in the labor force surveys since 2009 and in the Economic Census of 2012/13. The World Bank Enterprise Surveys use an older classification, ISIC rev. 3.1, which makes it somewhat challenging to identify the exact same industries in these surveys. Prior years of the Labor Force Survey from 2000 to 2008 use ISIC 3.1, but, in that case, it is possible to make an accurate translation because the 4-digit level of detail is available.



We list the industries with above average female employment as reported in the LFS in Table 1. The main activities listed in the table that are not included in our top-12 list based on the EC-13 are activities that are not covered in the EC-13 such as “activities of extra-territorial organization” and “public administration and defense.” These activities can be safely left out of our analysis of female employment in the Egyptian private sector. The main activities that are in our top-12 group but not included here are “manufacturing of computers, electronics, and optical products,” and “travel agencies”, which we believe need to be retained among the top 12 industries.

The final data set we use is from the ICA enterprise surveys of the World Bank and the International Finance Corporation. Only some of the industries in our top-12 group are covered in the ICA surveys. The ICA surveys do not cover any of the “care economy” sectors, namely social care, education, and health. They do not cover the financial services and the business services industries, nor do they cover the pharmaceuticals industry. Thus, the sectors that are represented in the ICA surveys among our top-12 industries are “manufacturing of garments”, “manufacturing of computers, electronics and optical products”, which is an amalgamation of the “manufacturing of electronics” and “precision instruments” industries in the ICA survey, “retail”, “information, computing and communications”, which is an amalgamation of “publishing and printing” and “IT” in the ICA data, “travel agencies” and “real estate”. The industries in our top-12 group that are represented in the ICA surveys are listed in Table 3 **Error! Reference source not found.** “Manufacturing of garments” and “Retail” figure prominently among them in terms of their size, as they did in our top-12 list.



ANNEX 6B:

Statistical Data Annex

Table 6.B.1 Industries with Above-Average Female Employment Share in Egyptian Public Enterprises from Economic Census 2012/13

Industry Rank	Industry Description	ISIC 2-digit code	Prop. Female (%)	No. of Female Workers	Distribution (Col. Percent)	No. of Establishments	Av. Est. Size
1	Human Health Activities	86	55.7	852	0.8	20	77
2	Manufacture of Pharmaceuticals	21	37.2	11,516	10.4	12	2,578
3	Manufacture of Computer, Electronic and Optical Products	26	28.0	1,474	1.3	2	2,636
4	Motion Picture, Video and Television Program Production, Sound Recording and Music Publishing Activities	59	24.5	50	0.0	10	20
5	Telecommunications	61	24.0	21,976	19.9	2	45,856
6	Financial Service Activities, except insurance and pension funding	64	23.9	8,730	7.9	4	9,128
7	Wholesale Trade, except of motor vehicles and motorcycles	46	19.9	5,392	4.9	18	1,504
8	Retail Trade, except of motor vehicles and motorcycles	47	15.8	4,136	3.7	8	3,280
9	Air Transport	51	14.7	9,458	8.5	2	32,121
10	Manufacture of Electrical Equipment	27	13.1	340	0.3	8	324
11	Electricity, Gas, Steam and Air Conditioning Supply	35	11.1	12,962	11.7	16	7,281
12	Warehousing and Support Activities for Transportation	52	11.0	1,048	0.9	18	530
13	Manufacture of coke and refined petroleum products	19	10.2	4,798	4.3	24	1,960
	All with above average female employment share		18.1	82,732	74.7	144	3,180
	All Public Enterprise Employment		10.2	110,686	100		

Source: Calculated by authors from CAPMAS, Economic Census 2012/13



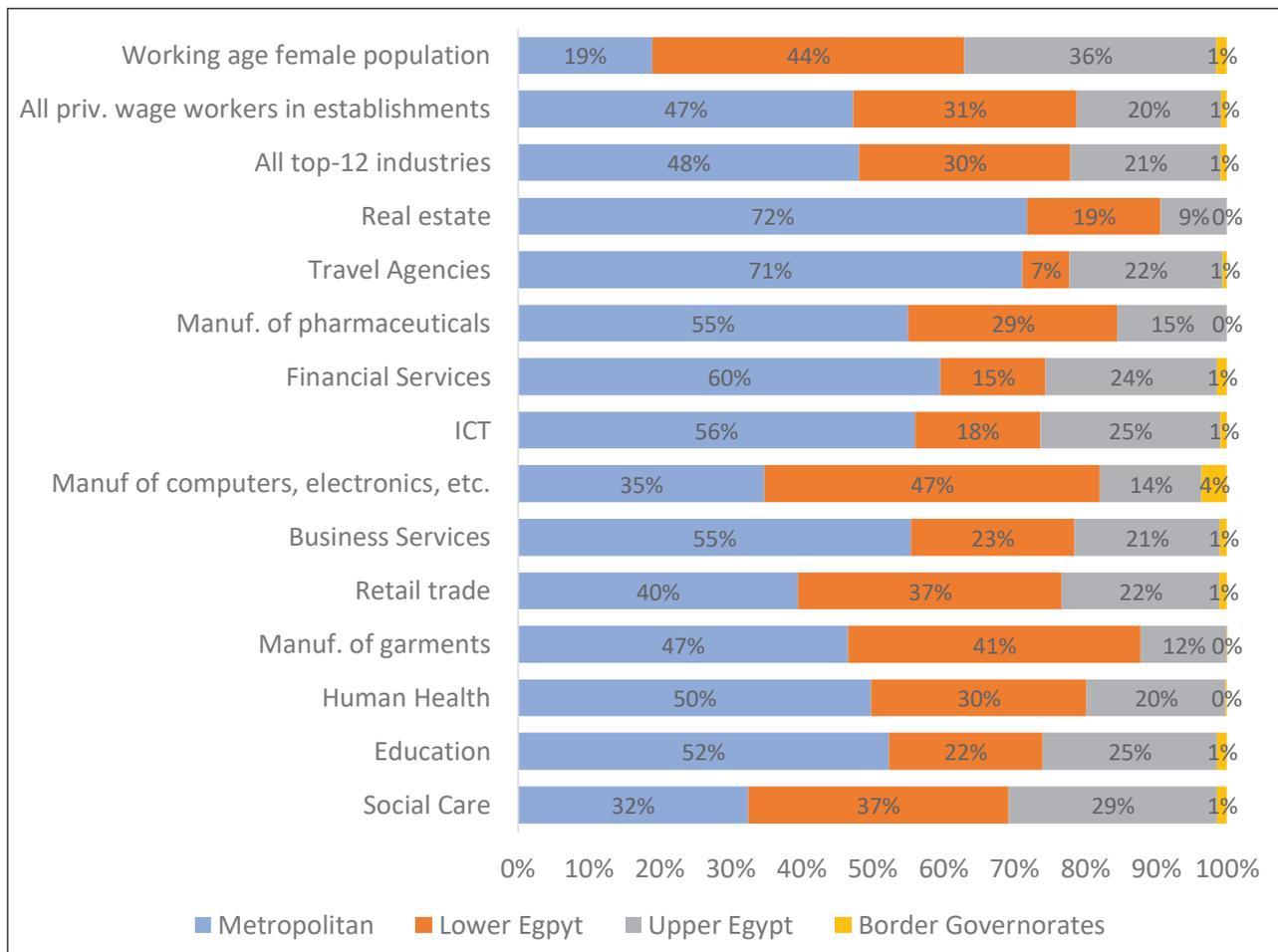
Table 6.B.2 Trend in the Growth of Employment in the Top-12 Industries for Female Employment in the Private Sector According to the Labor Force Survey, 2000-2014

	Total Employment			Index (2000-01=100)		Av. Annual Growth Rate (%)	
	2000-01	2008-09	2013-14	2008-09	2013-14	2000/1-2008/9	2008/9-2013/4
Social Care	26,667	56,875	86,224	213	323	9	8
Education	206,099	266,691	390,196	129	189	3	8
Human Health	90,608	138,046	158,435	152	175	5	3
Garment Manufacturing	179,191	408,921	405,280	228	226	10	0
Retail Trade	596,519	990,781	1,153,470	166	193	6	3
Business Services	189,764	304,439	299,867	160	158	6	0
Manufacturing of Computers, Electronics & Optical Equipment	14,919	19,236	16,848	129	113	3	-3
ICTs	46,249	183,232	179,819	396	389	17	0
Financial Services	52,451	94,823	84,518	181	161	7	-2
Manufacturing of Pharmaceuticals	64,370	68,065	87,107	106	135	1	5
Travel Agencies	51,063	104,349	103,888	204	203	9	0
Real Estate	3,669	14,173	18,418	386	502	17	5
All	1,521,568	2,649,631	2,984,069	174	196	7	2
All private sector wage employment in establishments	4,756,550	8,170,219	8,897,422	172	187	7	2

Source: Calculated by Authors from CAPMAS, Labor Force Survey, 2000, 2001, 2008-2014.



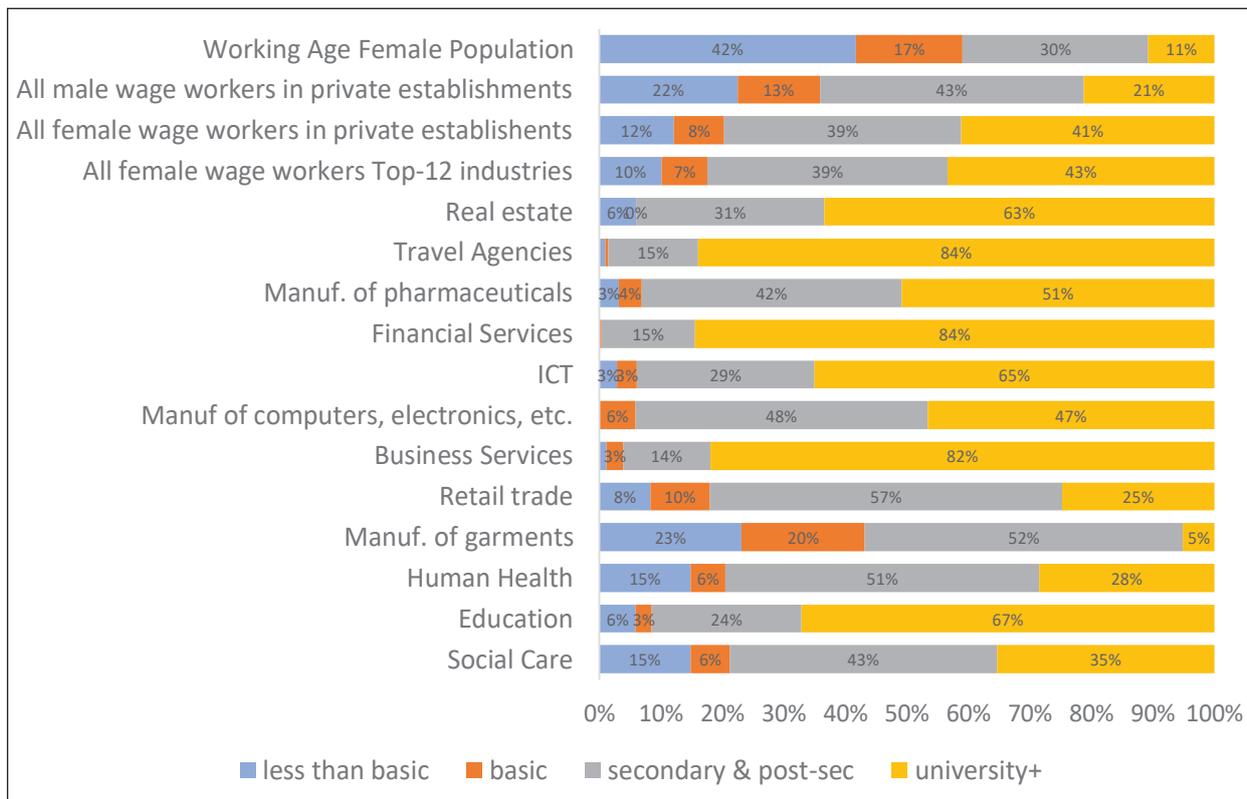
Figure 6.B.1 Regional Distribution of Female Workforce in Top-12 Industries



Source: Calculated by authors from CAPMAS Labor Force Survey, 2008-2014.

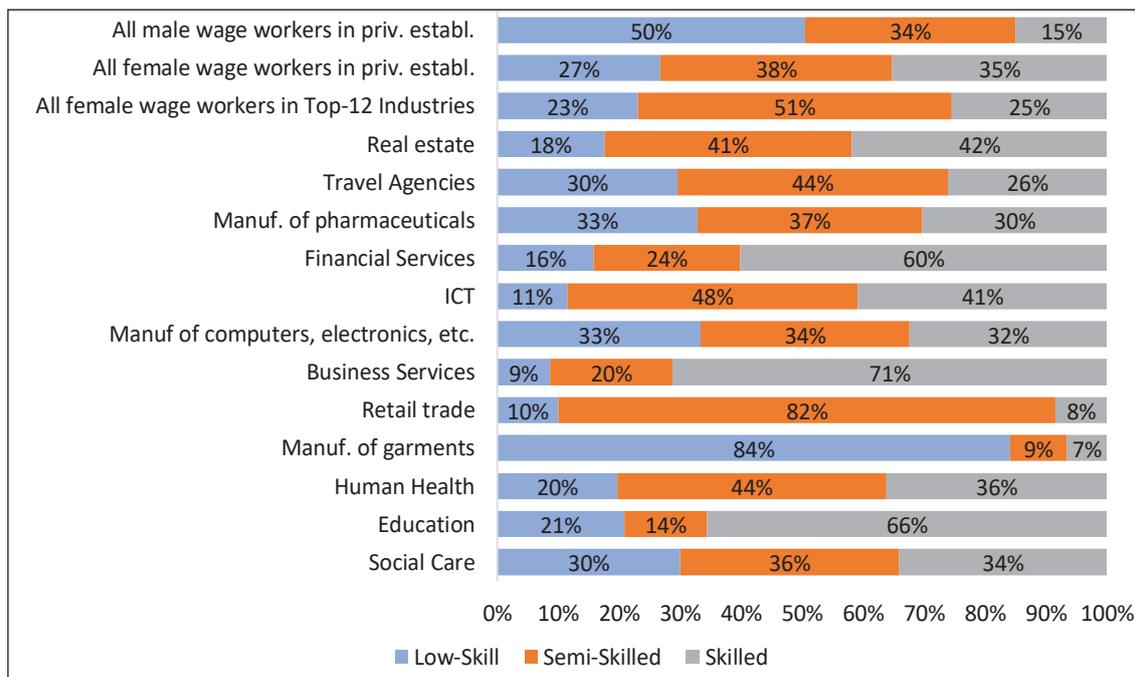


Figure 6.B.2 Distribution of Female Workforce in Top-12 Industries by Educational Attainment



Source: Calculated by authors from CAPMAS Labor Force Survey, 2008-2014.

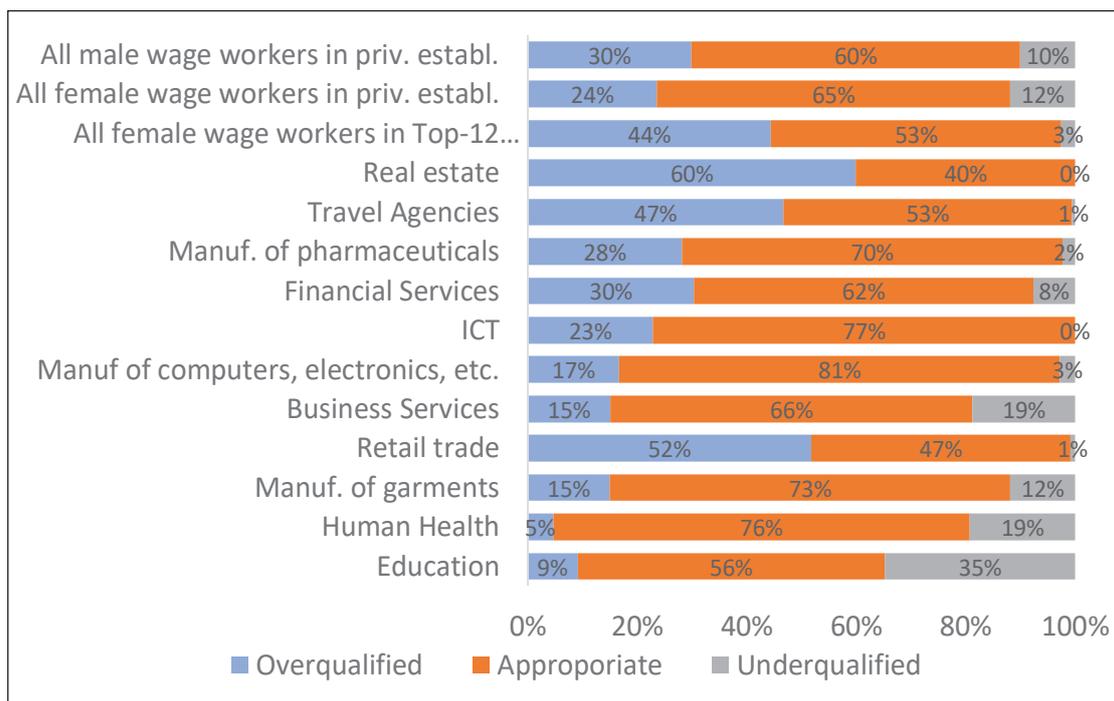
Figure 6.B.3 Distribution of Female Workforce in Top-12 Industries by Skill Level of Jobs



Source: Calculated by authors from CAPMAS Labor Force Survey, 2009-2014.

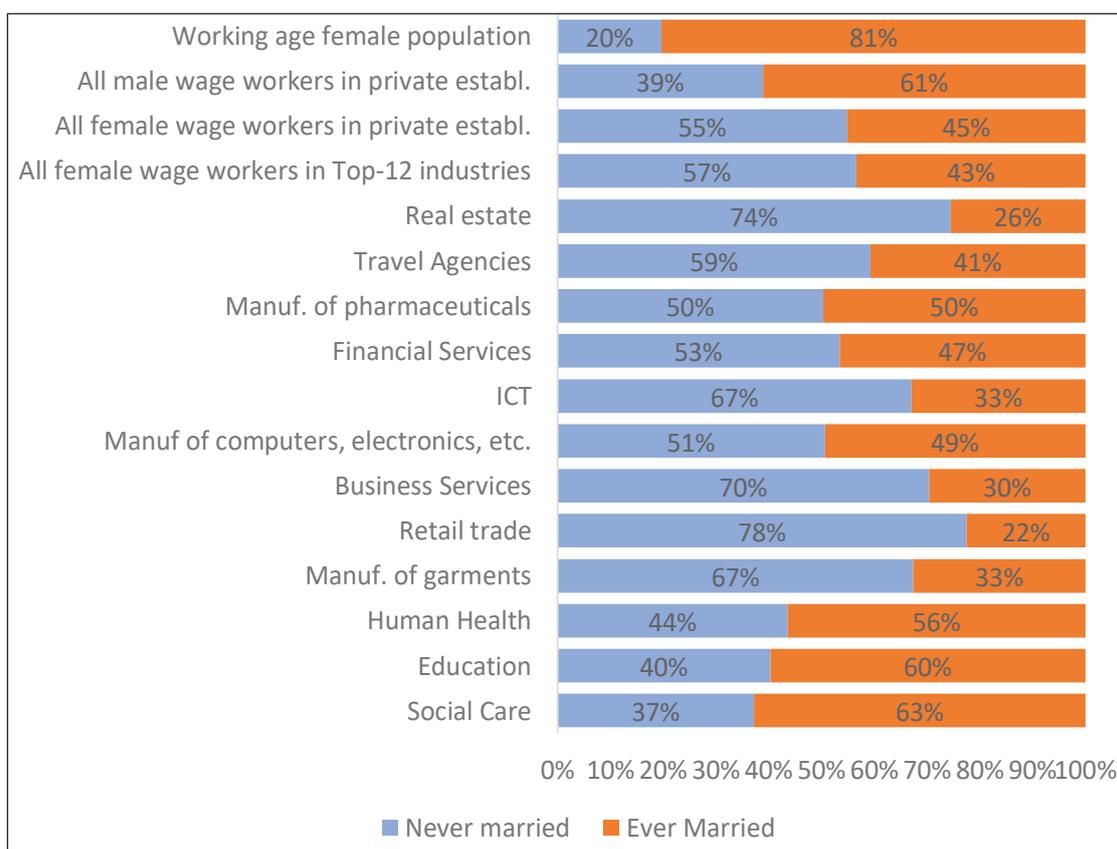


Figure 6.B.4 Distribution of Female Workforce in Top-12 Industries by Match Between Educational Attainment and Skill-Requirements of Jobs



Source: Calculated by authors from CAPMAS Labor Force Survey, 2009-2014.

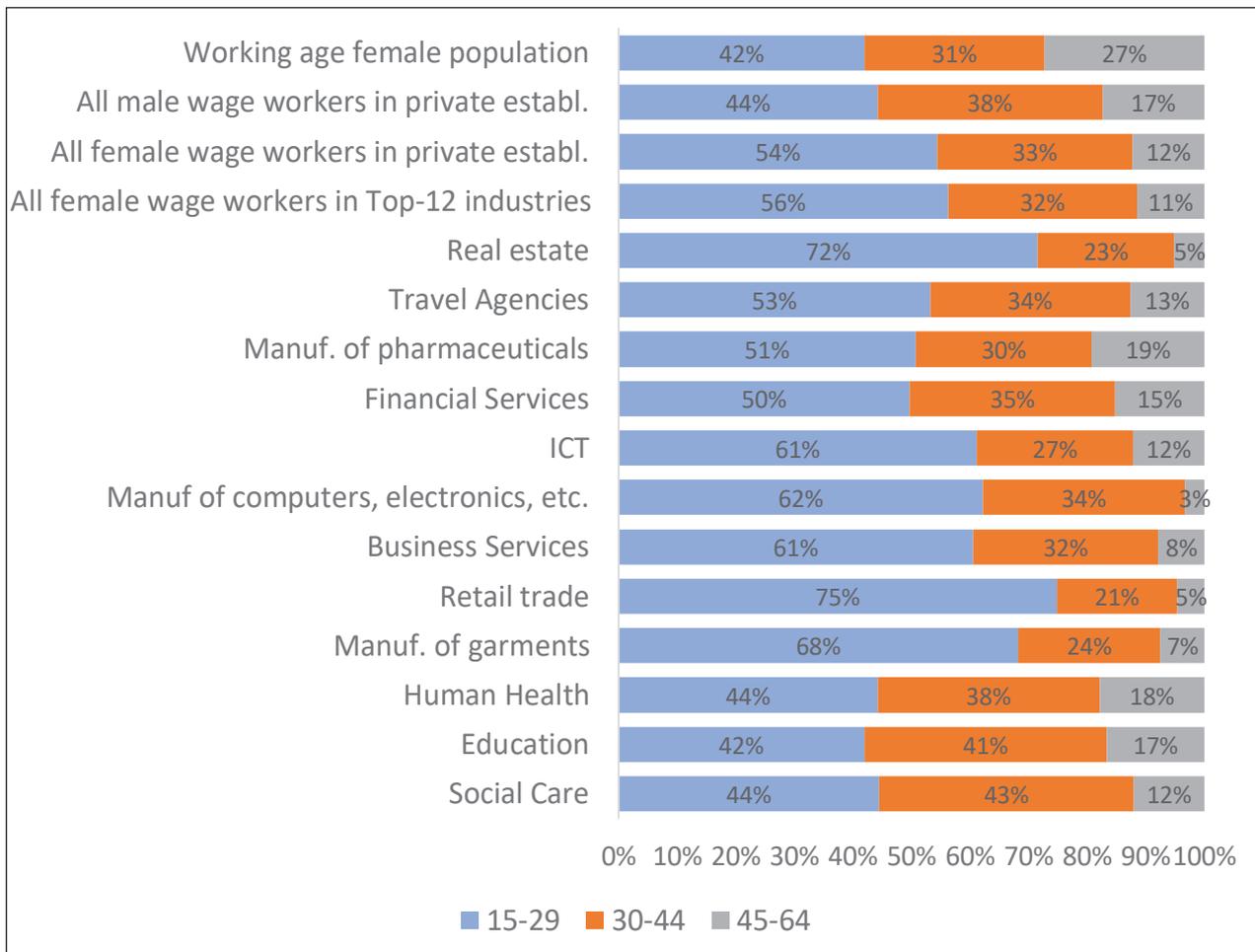
Figure 6.B.5 Distribution of Female Workforce in Top-12 Industries by Marital Status



Source: Calculated by authors from CAPMAS Labor Force Survey, 2008-2014.



Figure 6.B.6 Distribution of Female Workforce in Top-12 Industries by Age Group



Source: Calculated by authors from CAPMAS Labor Force Survey, 2008-2014