



Technical Assistance Report

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Regional—Research and Development Technical Assistance (R-RDTA)
February 2014

Economic Analysis for Gender and Development (Financed by the Republic of Korea e-Asia and Knowledge Partnership Fund)

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Asian Development Bank

ABBREVIATIONS

ADB	–	Asian Development Bank
DMC	–	developing member country
TA	–	technical assistance

TECHNICAL ASSISTANCE CLASSIFICATION

Type	–	Regional—Research and development technical assistance (R–RDTA)
Targeting classification	–	General intervention
Sector (subsector)	–	Public sector management (economic and public affairs management)
Themes (subthemes)	–	Economic growth (knowledge, science, and technological capacities), gender equity (gender equity in [economic] opportunities), social development (human development)
Location (impact)	–	Rural (low), urban (low), national (high), regional (high)
Partnerships	–	Korea University; Republic of Korea e-Asia and Knowledge Partnership Fund

NOTE

In this report, "\$" refers to US dollars.

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I. INTRODUCTION

1. Gender inequality and economic development are closely related. Empirical studies have shown that gender inequality often links to uneven development outcomes, and that addressing gender-related issues can have a significant effect on the efficiency and welfare aspects of policy interventions. The Ministry of Gender Equality and Family of the Republic of Korea has requested the Asian Development Bank (ADB) to provide support for quantifying the cost of gender inequality in terms of foregone output growth, and to assist them in learning from gender policy initiatives in other countries in the region to further improve their own gender policy and strategies. ADB has prepared the technical assistance (TA) in close consultation with the Government of Korea and the ADB Gender Equity Community of Practice (including ADB members, gender specialists in regional departments, and resident missions). The proposed TA will support analysis of (i) the macro-level aggregated impact of gender inequality on economic growth, examining issues such as female labor market participation, wage differences, and economic growth; and (ii) micro-level (household) gender issues, such as access to education, labor participation, and types of jobs, that tend to reflect the resource allocation and bargaining power of females within households.¹ The TA design and monitoring framework is in Appendix 1.

II. ISSUES

2. Recent research suggests that economic growth can positively impact gender equity by reducing poverty and increasing opportunity. Gender inequality is often greater among the poor, both within and across countries. For example, while the gender gap in primary and secondary gross enrollment rates decreased rapidly worldwide during 1991–2009, it remains greater in poor countries than in middle income and rich countries,² with gaps between boys and girls persisting in poorer countries.³

3. There is considerable evidence that gender gaps in education reduce economic growth,⁴ primarily through the impact of female education on fertility, and on the creation of human capital for the next generation.

4. Researchers using a Solow-growth framework have found that gender gaps in education significantly reduce the level of gross domestic product and income;⁵ such gaps also have a negative impact on subsequent economic growth.⁶

¹ The TA first appeared in the business opportunities section of ADB's website on 18 January 2014.

² E. Duflo. 2012. Women Empowerment and Economic Development. *Journal of Economic Literature*. 50 (4). pp. 1051–1079.

³ World Bank. 2012. *World Development Report 2012: Gender Equality and Development*. Washington, DC: World Bank.

⁴ O. Galor and D. Weil. 1996. The Gender Gap, Fertility, and Growth. *American Economic Review*. 86 (3). pp. 374–87; J. Lagerlof. 2003. Insisting on a Non-Negative price: Oligopoly, Uncertainty, Welfare, and Multiple Equilibria. *Industrial Organization*. 0304007. EconWPA; L. Guiso, P. Sapienza and L. Zingales. 2003. Does Culture Affect Economic Outcomes? *The Journal of Economic Perspectives*. 20 (2) (Spring, 2006). pp. 23–48.

⁵ A. Hill and E. King, eds. 1993. *Women's Education in Developing Countries: an Overview in Women's Education in Developing Countries*. Washington D.C. The Johns Hopkins University Press. pp 1–50; S. Knowles, P. Lorgelly, and P. Owen. 2002. Are educational gender gaps a brake on economic development? Some cross-country empirical evidence. *Oxford Economic Paper*. 54 (1): pp. 118–49.

⁶ K. Forbes. 2000. "A Reassessment of the Relationship between Inequality and Growth." *American Economic Review*. 90. pp. 869–887; S. Yamarik and S. Ghosh. 2003. "Is female education productive? A reassessment." Mimeographed, Medford, MA: Tufts University; Appiah, E. N., and W. W. McMahon. 2002. "The Social Outcomes of Education and Feedbacks on Growth in Africa." *Journal of Development Studies*. 38(4). pp. 27–68; S. Klasen. 2002. Low Schooling for Girls, Slower Growth for All? Cross-Country Evidence on the Effect of Gender Inequality in Education on Economic Development. *World Bank Economic Review*. 16 (3). pp. 345–73.

5. However, while the majority of the literature finds that gender inequality in education reduces economic growth, there are a few exceptions. For example, male secondary school attainment has been found to be positively correlated with economic growth, while the correlation between female secondary school attainment and economic growth is negative, although only marginally statistically significant. This surprising result may arise from the low labor participation rate of highly educated women, and the omission of other important explanatory variables.⁷ In contrast, a positive correlation has been found between the growth of per capita income and the initial level of female secondary school attainment, controlling for male secondary school attainment.⁸

6. Women's labor market participation grew in East Asia and Latin America during 1971–1995. Although the growth rate exceeded that for men, with a consequent narrowing of the gender gap in wages, significant barriers to women's participation in labor markets remain.⁹ Analysis of data for 18 Organisation for Economic Co-operation and Development countries from 1970 to 2005 found the gender wage gap for high-, medium-, and low-skilled workers is negatively correlated with sector growth.¹⁰ In addition to the unequal access of females to education, which adversely impacts their ability to build human and social capital, a key source of the gap between women and men in labor force participation stems from the expectations about how women are to spend their time and what their activities should be.

7. There is evidence that high female labor force participation contributes substantially to economic growth. Using a growth accounting approach, research has found that the rise in female labor force participation in the four East Asian tiger economies¹¹ accounted for 0.6%–1.6% of annual per capita growth in these economies, giving rise to a controversy on the relative role of productivity and factor inputs as explanations for economic growth.¹²

8. The impact on economic growth of gender inequality in employment and pay has received insufficient attention; the few existing studies of the effect of gender gaps in employment on economic growth must be treated with caution as a result of problems of endogeneity, unobserved heterogeneity, and poor data availability and quality.¹³ The theoretical literature on the subject also yields conflicting results.¹⁴ Some empirical literature suggests that

⁷ R. Barro and J.Lee. 1994. Sources of Economic Growth. Carnegie-Rochester Conference Series on Public Policy 40 (10). pp.1–46.

⁸ D. Dollar and R.Gatti.1999. Gender, Inequality, Income and Growth: Are Good Times Good for Women? Background paper for Engendering Development. Washington, DC: World Bank.

⁹ K. Elborsh-Woytek et al. 2013. Women, Work, and the Economy: Macroeconomic Gains From Gender Equity. *IMF Staff Discussion Note* (SDN/13/10). Washington, DC: International Monetary Fund.

¹⁰ J. Wolszczak-Derlacz.2013. The Impact of Gender Wage Gap on Sectoral Economic Growth-Cross-Country Approach. *GUT Faculty of Management and Economics Working Paper Series A..* No.6/2013 (6). Gdansk: Gdansk University of Technology.

¹¹ Hong Kong, China; Singapore; People's Republic of South Korea, and Taipei,China

¹² A. Young 1995. The Tyranny of Numbers: Accounting for the Economic Miracle in East Asia. *Quarterly Journal of Economics*, 641-680.

¹³ S. Klasen and F.Lamanna. 2009. The Impact of Gender Inequality in Education and Employment on Economic Growth: New Evidence for a Panel of Countries. *Feminist Economics*. 15 (3). pp. 91–132.

¹⁴ R. Blecker and S. Seguino. 2002, Macroeconomic, Effects of Reducing Gender Wage Inequality in an Export-Oriented, Semi-Industrialized Economy. *Review of Development Economics*. 6 (1). pp 103–119; B. Esteve-Volart. 2009. "Gender Discrimination and Growth: Theory and Evidence from India," mimeo, York University, Toronto; T. Cavalcanti and J. Tavares. 2007. The Output Cost of Gender Discrimination: A Model-Based Macroeconomic Estimate. *Center for Economic Policy Research Discussion Papers No.DP6477*.

high earnings gaps, combined with female labor participation rates, helped spur export-oriented economic growth in some Asian countries.¹⁵

9. There is extensive literature on gender inequality and economic development at both the macro level (including cross-country analyses) and micro level (e.g., analyses using household data). Nevertheless, research is needed that combines the extensive information available in micro-level data (for example, national census data) with a macro-level model (e.g., a growth model) to help understand the contribution made by various factors associated with gender inequality to economic performance in country economies. An in-depth country analysis is needed that focuses on the impacts of gender inequality on opportunity cost, resource allocation, and decision making on factors such as employment and education.

III. THE TECHNICAL ASSISTANCE

10. The TA will support micro-level analysis associated with gender inequality at the household level. Because gender issues have intrinsic, instrumental effects on development, gender-related research often encompasses other research areas, and could take the form of an extension of existing research. For example, research on access to education or increased skills training and/or retraining on development could be extended to examine gender. Where gender differences have strong intrinsic effects (e.g., education and human capital formation), however, it is necessary to conduct more intensive micro-level research that would provide a better perspective on the impact of intra-household decision making on the allocation of resources for education, sanitation, and health care, in order to provide a basis for improved targeting of policy initiatives and projects. This research can be based on micro-level data and focus on identifying country-specific policy priorities needed to improve gender equality.

11. Gender-related research for purposes of development planning is generally implemented at two levels. Microeconomic approaches focus on the behavior of the household and examine the roles of household members, the decision processes within the household, the allocation of resources, the outcomes at the micro level, and their implications on the efficiency and effectiveness of interventions. Macro-level approaches, on the other hand, examine the impact of gender at an aggregated level, often examining development impacts within a broader context, and in relation to other factors that contribute to economic development. Secondary data available in the selected country will be used for the analysis.

12. A number of gender issues may be relevant across all countries irrespective of region or economic development stage, while some gender issues may be relevant only for a specific group of countries. Women in developing regions tend to have less job security than those in developed regions. In addition, gender issues faced by women in East Asia may not be similar to those faced by women in South Asia. Hence, the TA will look for similarities and differences in gender issues and economic development for selected countries. The country-specific issues relevant to those selected countries will be drawn from existing country gender assessments, and further examined during the TA.

¹⁵ S. Seguino. 2000. Gender Inequality and Economic Growth: A Cross-Country Analysis. *World Development*. 28 (7). pp. 1211–1230; M. Busse and C. Spielmann. 2006. Gender Inequality and Trade. *Review of International Economics*. 14 (3). pp. 362–379.

A. Impact and Outcome

13. The TA impact will be improved economic analysis of gender inequality issues and related opportunity cost in the selected DMCs (the People's Republic of China, India, Indonesia, the Republic of Korea, and Pakistan), for gender policies and strategies. The outcome will be economic analysis methodologies for the study of gender inequality issues and related opportunity costs enhanced in selected DMCs.

B. Methodology and Key Activities

14. The TA outputs are as follows:

- (i) **Output 1: Gender inequality measured and analyzed.** The TA will support analysis on gender inequality, including opportunity or forgone costs due to gender inequality using macro- and micro-approaches and discuss priority country gender issues. Background papers will be prepared for each country. A short policy note including recommendations will be prepared.
- (ii) **Output 2: Analysis of opportunity or forgone costs of gender inequality and priority gender issues.** Based on the research results under output 1, a consolidated synthesis report will be prepared. Three key focuses of the report are (a) quantifying the economic costs of gender inequality; (b) examining similarities and differences in priorities in gender equality countries and across regions; and (c) examining issues in the implementation of public policy to reduce gender inequalities.
- (iii) **Output 3: Sharing knowledge on economic analysis for gender development.** Inception and midterm TA consultation workshops will support the preparation of outputs 1 and 2. National workshops and a regional conference will be held to disseminate final research results from outputs 1 and 2 to a wider audience. Representative public policy makers from selected countries and scholars from within and outside the region will participate in the conference. A book will be published based on the analysis under outputs 1 and 2 and will be disseminated at a book launch.

C. Cost and Financing

15. The TA is estimated to cost \$500,000, which will be financed on a grant basis by the Republic of Korea e-Asia and Knowledge Partnership Fund and administrated by ADB. ADB will not finance any activity in the selected five DMCs unless a no objection is received from the government of that DMC.

D. Implementation Arrangements

16. ADB, through its Economics and Research Department, will be the executing agency of the TA, responsible for all consultant recruitment and procurement, including administration of the workshops. Throughout the TA period, the department will work closely with ADB's Gender Equity Community of Practice, gender specialists in regional departments and the Poverty Reduction, Gender, and Social Development division of the Regional and Sustainable Development Department, centers of excellence such as the Harvard Kennedy School and Korea University, and relevant ministries of the selected countries.

17. Four developing member countries (DMCs)—the People’s Republic of China, India, Indonesia, and Pakistan—and a graduated DMC, the Republic of Korea, were selected for the country analysis based on their size, stage of economic development, and availability of relevant data. Country background papers on gender inequality will discuss the cost of gender equality, priority areas in gender inequality, and design and implementation challenges in identifying effective gender policies. The analysis will be prepared in consultation with the respective governments in the selected countries. The TA will be implemented from 1 February 2014 to 31 December 2015 (all activities will be completed by 30 September 2015).¹⁶

18. The proceeds of the TA will be disbursed in accordance with ADB’s *Technical Assistance Disbursement Handbook* (2010, as amended from time to time). The TA will support a total of 34 person-months of consulting services (14 person-months for international consultants, and 20 person-months for national consultants). The following specialists will be recruited to conduct the analyses and produce TA outputs: an international lead economist, an international economic methodology expert, international labor and/or gender economists, an editor, and at least five national experts and/or international research assistants to support the international consultants. Any equipment purchased under this TA will be accounted for in an equipment turnover and/or disposal certificate prepared at the end of TA implementation.

19. International and national consultants will be engaged by ADB using individual selection methods in accordance with ADB Guidelines on the Use of Consultants (2013, as amended from time to time). Procurement of survey equipment will follow ADB Procurement Guidelines (2013, as amended from time to time). Consultant inputs will be prepared on an intermittent basis, with regular progress reports made to ADB and the selected government counterparts during implementation.

IV. THE PRESIDENT’S DECISION

20. The President, acting under the authority delegated by the Board, has approved ADB administering technical assistance not exceeding the equivalent of \$500,000 to be financed on a grant basis by the Republic of Korea e-Asia and Knowledge Partnership Fund for Economic Analysis for Gender and Development, and hereby reports this action to the Board.

¹⁶ DMC endorsements will be obtained before TA activities begin.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
<p>Impact</p> <p>Improved economic analysis of gender inequality issues and related opportunity cost in selected DMCs for gender policies and strategies</p>	<p>By 2019</p> <p>Economic analysis of gender inequality has provided clear policy recommendations for the direction of gender policies and strategies (baseline: limited)</p>	<p>Government medium-term planning, policy, and strategy documents</p>	<p>Assumption</p> <p>Selected governments provide priorities to improve gender equity.</p> <p>Risk</p> <p>Governments are not open to discussing gender outcomes and implementing policies that promote gender equality.</p>
<p>Outcome</p> <p>Economic analysis methodologies for the study of gender inequality issues and related opportunity costs enhanced in selected DMCs</p>	<p>By September 2015</p> <p>An econometric model to estimate the cost of foregone output due to a lack of labor force participation by females established</p>	<p>Publication of an economic analysis for gender development, a synthesis report on comparative analysis on gender inequality and economic growth, country analysis background papers</p>	<p>Assumption</p> <p>Governments and ADB have the capacity to establish a methodology for the economic analysis.</p> <p>Risk</p> <p>Governments are not open to studies analyzing gender issues that connect to a macro-level economic analysis.</p>
<p>Outputs</p> <p>1. Gender inequality measured and analyzed</p> <p>2. Analysis of opportunity or forgone costs of gender inequality and priority gender issues</p> <p>3. Sharing knowledge on economic analysis for gender development</p>	<p>At least five country background papers prepared that quantify opportunity or forgone costs of gender inequality in selected countries by Q3 2014 and that will appear as ADB Working Papers</p> <p>A report on the comparative analysis of opportunity or forgone cost of gender inequality prepared by Q4 2014</p> <p>Synthesis report discussion workshops conducted by Q4 2014</p> <p>An edited book prepared on economic</p>	<p>Internal monitoring (including inception and midterm review) against TA milestones and schedules</p> <p>Internal monitoring against TA milestones</p> <p>Internal monitoring against TA milestones</p>	<p>Assumptions</p> <p>Governments support involving ADB and relevant stakeholders in gender analysis.</p> <p>Data are available and accessible.</p> <p>Risks</p> <p>Lack of interest and low participation in the analysis process and workshops in specific countries.</p> <p>Delay in acquiring data for timely analysis.</p>

Design Summary	Performance Targets and Indicators with Baselines	Data Sources and Reporting Mechanisms	Assumptions and Risks
	analysis for gender development by Q2 2015		
<p>Activities with Milestones</p> <p>1. Gender equality measured and analyzed</p> <p>1.1 Lead consultant engaged and other experts identified and engaged by February 2014.</p> <p>1.2 Data for each country's analysis identified and obtained by the experts by March 2014.</p> <p>1.3 Inception workshop conducted to discuss methodologies for economic analysis for each country by March 2014.</p> <p>1.4 Draft outline for each background paper discussed at inception workshop, with revised version submitted by April 2014.</p> <p>1.5 First draft paper submitted to the lead consultant and ADB by June 2014</p> <p>1.6 Consultation on the draft paper in each country in June–July 2014</p> <p>1.7 Revised draft papers submitted and discussed at a midterm review workshop by July 2014.</p> <p>1.8 Second draft background paper submitted to ADB and the lead consultant by Q3 2014.</p> <p>1.9 Final background papers for the edited book submitted to the lead consultant and ADB by Q4 2014.</p> <p>2. Analysis of opportunity or forgone costs of gender inequality and priority gender issues</p> <p>2.1 An outline of synthesis report is prepared for inception mission in March 2014.</p> <p>2.2 In-country consultations in June–July 2014.</p> <p>2.3 Based on the draft background papers by the selected countries, a draft synthesis report will be prepared by August–September 2014.</p> <p>2.4 Final report prepared by November 2014.</p> <p>3. Sharing knowledge on economic analysis for gender development</p> <p>3.1 Inception workshop conducted in March 2014.</p> <p>3.2 Midterm review mission and workshop conducted in July 2014.</p> <p>3.3 Discussions of the synthesis report at the national and/or regional workshop conducted in November–December 2014.</p> <p>3.4 Drafts for an edited book finalized by January 2015.</p> <p>3.5 Lay out, proofs of the book draft prepared by March 2015.</p> <p>3.6 Edited book printed by May 2015.</p> <p>3.7 Book launched by June 2015.</p> <p>3.8 Consultants' contracts closed and financial printed transaction for TA activities completed by September 2015.</p>			<p>Inputs</p> <p>Republic of Korea e-Asia and Knowledge Partnership Fund: \$500,000</p>

ADB = Asian Development Bank, DMC = developing member country, Q = quarter, TA = technical assistance.
Source: Asian Development Bank.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Amount
Republic of Korea e-Asia and Knowledge Partnership Fund ^a	
1. Consultants	
a. Remuneration and per diem	
i. International consultants	201.0
ii. National consultants	60.0
b. International and local travel	105.0
c. Reports and communications	5.0
2. Equipment ^b	2.0
3. Workshops and conferences	75.0
4. Miscellaneous administration and support costs	5.0
5. Contingencies	47.0
Total	500.0

Note: The technical assistance (TA) is estimated to cost \$500,000, of which contributions from the Republic of Korea e-Asia and Knowledge Partnership Fund are presented in the table above.

^a Administered by the Asian Development Bank.

^b Type of equipment includes survey and analytical tools.

Source: Asian Development Bank estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

A. Introduction

1. Specialists are required to implement the Asian Development Bank (ADB) technical assistance (TA) on Economic Analysis for Gender and Development. The TA will support a total of 34 person-months of consulting services (14 person-months for international consultants and 20 person-months for national consultants). The following consultants will be recruited to conduct the analyses and produce TA outputs: an international lead economist, an international economic methodology expert, at least 3 international labor or gender economists, a copy editor, and at least 5 national experts to support the international consultants. ADB will facilitate inception and midterm workshops, a regional conference, and a book launch. Consultants' outputs or papers will be presented as ADB Working Papers and the edited book. Data collected for the analyses will be submitted to ADB by the consultants. Consultants need to obtain permission from ADB when he or she uses the information from the analysis for other purposes.

B. International Consultants

2. **Lead economist** (international, 3.5 person-months). The consultant will have extensive knowledge and experience related to economic analysis of gender inequality and economic growth, specifically in Asia and the Pacific. The consultant will lead the activities under the TA, and will in particular (i) guide each country expert in preparing a background paper, with a discussion of priority country-specific gender issues; (ii) based on the background papers, prepare a synthesis report to provide recommendations for policy makers; and (iii) prepare a book consisting of the background country papers. The consultant's main responsibilities will be to:

- (i) prepare a framework for each country analysis and provide guidance to each country expert in preparing the background paper, particularly the discussions on the priority country-specific gender issues with an economic analysis of gender inequality;
- (ii) help organize inception, midterm, and final regional workshops to ensure the quality of the analysis and that outputs are completed within the TA timeframe;
- (iii) prepare a synthesis report to provide recommendations for policy makers;
- (iv) prepare a book consisting of the background country papers; and
- (v) perform other tasks that may be required to ensure successful and timely delivery of TA outputs.

3. **Economic methodology expert** (international, 2 person-months). The consultant will have extensive knowledge and experience related to macroeconomic modeling to quantify the forgone costs of gender inequality. The main responsibilities of the consultant will be to:

- (i) take the lead in establishing a methodology to quantify opportunity or forgone costs resulting from gender inequality;
- (ii) provide guidance to each country specialist in conducting an economic analysis of gender inequality through application of the methodology;
- (iii) in cooperation with the economist for the case study (Republic of Korea), prepare a short paper quantifying the opportunity costs resulting from the gender inequality in the Republic of Korea;

- (iv) in cooperation with the lead consultant, provide inputs to explain the methodology developed the case (Republic of Korea) for a book publication; and
- (v) perform other tasks that may be required to ensure the successful and timely delivery of TA outputs.

4. **Labor or gender economists** (international, 7.5 person-months). The consultants will have extensive expertise and experience in economic analysis of gender inequality and economic growth, especially in the assigned country. The consultants will lead the country analysis to quantify opportunity or forgone costs resulting from gender inequality, and include a discussion on priority country-specific gender issues. The consultants should be able to provide in-depth analysis and relevant policy recommendations, and present these to key stakeholders and policymakers at workshops. The main responsibilities of the consultants will be to:

- (i) review and synthesize the relevant literature for the economic analysis in the assigned country, including the availability and usage of micro-level empirical data;
- (ii) conduct an economic analysis that quantifies the opportunity or forgone costs resulting from gender inequality, with a discussion of priority country-specific gender issues;
- (iii) provide expert inputs to the lead economist for inclusion in the synthesis report;
- (iv) consult with the government and stakeholders in the assigned country to coordinate and ensure the quality and practicality of the analysis and associated policy recommendations;
- (v) help organize and participate in country and regional workshops to present outlines, a research framework, draft and final analyses, results, and policy recommendations;
- (vi) serve as co-author of final reports and TA publications; and
- (vii) perform other tasks that may be required to ensure successful and timely delivery of TA outputs.

5. **Editor** (international, 1 person-month). The editor will ensure that the quality of the outputs produced by the TA are high, and conform to ADB *Handbook of Style and Usage* requirements. The consultant should have expertise and experience in copy editing and desktop publishing, especially of economic development and gender-related publications.

C. **National Consultants and Research Assistants**

6. **Labor or gender economists and/or research assistants and workshop coordinator** (national, 18 person-months). The consultants will have expertise and experience in gender issues, and with relevant macro- and micro-level data in assigned countries (the People's Republic of China, India, Indonesia, the Republic of Korea, and Pakistan). The national consultants will support the international consultant assigned to the country in undertaking an in-depth country economic analysis to quantify the opportunity or forgone costs resulting from gender inequality, with a discussion of priority country-specific gender issues. The consultants will also support the international consultants in preparing a synthesis report, and presenting the report at workshops. The consultants will support the organization of country and regional workshops. The main responsibilities of the consultants will be to:

- (i) assess existing literature on gender issues and economic development (including assessing economic loss resulting from gender inequality) in their assigned country;

- (ii) identify and help to obtain micro-level (household) data for use in quantifying opportunity or forgone costs resulting from gender inequality, with a discussion of priority country-specific gender issues;
- (iii) conduct data processing and supporting analysis under the supervision of the assigned international consultant;
- (iv) help organize and participate in country and regional workshops to prepare relevant materials for presentation; present outlines, the framework of the research, draft and final analyses, results, and policy recommendations;
- (v) support coordination with the government and research institutes for the purposes of the country analysis;
- (vi) organize and participate in consultations with the government and all relevant stakeholders for the purposes of the country analysis; and
- (vii) perform other tasks as required to ensure successful and timely delivery of the country background papers.

7. **Publication layout and designer** (national, 2 person-months). The layout consultant will have expertise in publication layout and graphic design and will assist in producing TA publications. Working with the project team, the consultant will lay out tables, graphs, charts, text, boxes, and pictures, convert files into the required publication formats, and ensure the quality of all publications produced under the TA.

OUTLINE OF THE FINAL REPORT

1. The report will consist of three parts, followed by conclusions and policy recommendations.

2. Part 1 will attempt to quantify the economic costs of gender inequality or gender gaps in selected Asian countries. These costs are reflected in the loss of potential output resulting from low labor force participation by women, as well as through other specific channels. Typical econometric studies that estimate potential output loss resulting from gender inequality have been based on gender differences in labor force participation. This study needs to go beyond this traditional approach, and may consider the following:

- (i) A low level of education among women tends to have an inter-generational impact. A lack of investment in the education of females has been found to lead to adverse educational, nutritional, and health outcomes for the next generation, which then affects the quality of the future labor force.
- (ii) The shortage of female role models in high-level political, corporate and other private sector positions may have implications for efficiency and for efforts to improve governance, enhance transparency, curb corruption, and strengthen institutions. These, in turn, affect the ability of a country to efficiently produce its potential economic output, or effectively use that output to benefit its populace.
- (iii) High female labor force participation in an economy tends to be in the informal sector and in low productivity jobs, where wages are low, including primarily those in the agricultural sector, or in low-productivity service sector jobs. Many women may not have the choice to work outside the home, where they could find better paying, more productive work. There are both opportunity costs and foregone output when females hold low-productivity jobs. Low incomes from low wages tend to depress consumption and investment as well, reducing output to a level below its potential.
- (iv) Violence against females tends to reflect both a lack of respect for their persons and a lack of female empowerment in the household and in society, and tends to circumscribe the ability of women to fully participate in the economic and political life of a society. The lack of physical, financial, and emotional security keeps women bound to their husbands and homes, instead of affording them the freedom to be independent and develop and use their talents outside of the home.
- (v) We expect to add (and quantify the impact of) other channels. By comparing the potential output loss resulting from these different channels, we can identify policy priorities in gender issues across subregions in Asia, which is the topic of the second part of this research.

3. Part 2 will examine similarities and differences in gender inequality priorities within high-, middle-, and low-income countries, and regionally, with the goal of identifying priority gender issues, both regionally and in selected countries. Initially, assessment of how specific regions, subregions and countries rank relative to a global gender gap standard will be made based on their income status (high-, middle, or low-income).

4. Facts and priority areas in gender issues differ across regions, subregions, and within countries.

5. Income levels in East Asian countries are similar to those in the Organisation for Economic Co-operation and Development countries, but the existence and level of gender gaps between these groups of countries may be quite different. This may lead to the conclusion that high levels of income and growth, which have been characteristic of East Asian countries, do not guarantee favorable gender outcomes, and raise the question why gender outcomes differ between regions or groups of countries that have similar incomes and levels of development.
6. Association of Southeast Asian Nations countries may be more heterogeneous in terms of household income and gender outcomes. Females from wealthy households in Association of South East Asian Nations countries tend to have better access to education and health services, and better nutrition compared to females from poorer households. Hence, gender outcomes may be dichotomized along income levels. It is important to determine why gender outcomes may differ within a country. Will increases in income levels necessarily lead to better gender outcomes within the same country?
7. Political participation seems less problematic, but there is a great inequality between women with high and low incomes.
8. In South Asia, Central West Asia, and the Pacific island countries, female access to education and violence against women are particularly relevant gender issues. This is true even in some Central West Asian countries with high per capita income levels, in which females have high educational attainment. A large proportion of women do not work outside the home in formal employment; thus the underlying causes and channels of gender inequality are complex, and not characterized by a simple linear relationship between women's income or educational attainment and gender equality.
9. The next step is to examine priority areas or issues in each selected country, and to develop policy recommendations.
10. Part 3 will examine implementation issues in using public policy to reduce gender inequities. This would consist of a detailed analysis of (i) the politics of inequality across countries being studied (from state level through regional, ethnic, community, and family structure), and of the various state and non-state actors who may have interests in furthering equality, or retaining the status quo; and (ii) the existing theoretical and empirical evidence around policies that seek to improve equality in these and similar countries. This will allow for a detailed, and wide-ranging analysis of policy options.
11. The conclusions section will summarize the main findings in parts 1–3 and draw policy recommendations on how to reduce the economic costs of gender inequality based on a better understanding of the causes.