



Completion Report

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Economic Analysis for Gender and Development

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TA Number, Country, and Name: TA 8620-REG: Economic Analysis for Gender and Development			Amount Approved: \$500,000	
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Description

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 requested the Asian Development Bank (ADB) to provide support for quantifying the cost of gender inequality in terms of foregone output growth to support their policy formulation. ADB has prepared the technical assistance (TA) in close consultation with the Government of Korea and the ADB Gender Equity Community of Practice (CoP). The TA was financed on a grant bases by the Republic of Korea e-Asia and Knowledge Partnership Fund. The TA supported analysis of the: (i) macro-level aggregated impact of gender inequality on economic growth, examining issues of 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. As each of the five selected countries for the study to have a background paper, a Synthesis Report, to be prepared will include three key areas: (i) quantifying the economic costs of gender inequality; (ii) examining similarities and differences in priorities in gender equality issues in countries and across regions; and (iii) examining issues in the implementation of public policy to reduce gender inequalities.

Expected Impact, Outcome, and Outputs

The expected impact of the TA was improved economic analysis of gender inequality issues and related opportunity costs in the People's Republic of China (PRC), India, Indonesia, the Republic of Korea (ROK), and Pakistan, for gender policies and strategies. The outcome was economic analysis methodologies for the study of gender inequality issues and related opportunity costs enhanced in selected developing member countries (DMCs). The TA delivered three main outputs: (i) gender inequality measured and analyzed; (ii) analysis of opportunity or foregone costs of gender inequality and priority gender issues; and (iii) sharing knowledge on economic analysis for gender development.

Delivery of Inputs and Conduct of Activities

The TA's design and formulation were adequate to assess the female labor force participation (FLFP) rate and identify the trends, characteristics of individuals and factors affecting FLFP in the selected DMCs. The terms of reference (TOR) of the consultants (a total of 18 engaged as individuals: 16 international and 2 national) were well formulated). All consultants performed well and rated as "satisfactory." Key consultants were engaged right after the TA approval. An inception workshop was organized on 31 March to 1 April 2014 in Seoul, ROK to confirm the TA objectives, key outputs, timelines, methodologies, data and key research area for both macro and micro studies. The mid-term workshop was conducted on 4–5 August 2014 at ADB Headquarters in Manila, Philippines to review the research methodologies and approaches, and country research issues and data requirements. Consultants presented initial findings of macro and micro studies to relevant ADB Gender CoP members, gender specialists from regional departments, and researchers on gender on the five selected countries, participated in the workshop. The TA consultants also presented initial findings to Gender CoP members at their retreat.

After the papers on the macroeconomic model on gender inequality and economic growth, the country study papers and synthesis report were drafted, and comments were solicited from key stakeholders. Comments provided during the workshops and from peer reviewers were largely addressed and the suggestions whenever possible were accommodated. The final workshop was held on 18–19 June 2015 in Manila, Philippines. ADB, experts from Korea University and Harvard Kennedy School presented the results of the study on the macro- and micro-analysis of FLFP in Asia using the selected country-case studies. Researchers and scholars from academic institutes from the five selected countries, Gender Thematic group members, gender specialists from regional departments participated in this workshop. Their comments were incorporated into the final draft. All planned activities were completed within the original timeframe. A minor change in scope of the TA was approved for reallocation of fund to increase workshop/conference cost by \$20,000 and add TOR for editor as part of national consultants. The estimated 27% undisbursed fund was mainly due to the change of venue for the final workshop (from ROK to ADB Manila) and the unutilized travel budget from consultants. No fund was utilized for procurement of equipment or goods.

Evaluation of Outputs and Achievement of Outcome

A number of reports were generated and background papers were prepared involving analysis on gender inequality, including opportunity or foregone costs due to gender inequality using macro- and micro-approaches, and discussing

priority country gender issues in the PRC, India, Indonesia, the ROK and Pakistan. The background papers surveyed existing evidence, identified data gaps, and outlined tools to increase FLFP considering the country context. Additionally, a paper introducing a model of gender inequality and economic growth was prepared; the macroeconomic model for quantifying gender inequality in Asia was calibrated using micro-level data of Asian economies. Based on the research results, an Asia Synthesis Report was generated outlining some key constraints on FLFP in selected countries. Three ADB Working Paper publications came out of this TA: (i) A Model of Gender Inequality and Economic Growth, (ii) Impact of Gender Inequality on the Republic of Korea's Long-Term Economic Growth: An Application of the Theoretical Model of Gender Inequality and Economic Growth, and (iii) Female Labor Force Participation in Asia: Indonesia Country Study. Two other reports: (i) Asia Synthesis Report on Female Labor Force Participation, and (ii) Female Labor Force Participation: Pakistan Country Study was found to be more suitable to be published as policy briefs in 2016. In addition, the TA provided inputs to the Seminar of Gender Equity during the ADB Annual Meeting in Baku, Azerbaijan in 2015. Further, a Special Report *Women in the Workforce: An Unmet Potential in Asia and the Pacific* was published in 2015 under this TA which draws heavily from the synthesis and background papers. Furthermore, the TA provided inputs to the *Asian Development Outlook (ADOU) 2015 Update Enabling Women, Energizing Asia*. Blogs based on the background papers and reports were also prepared and coordinated with the Department of External Relations for wider dissemination of the research: "Why the Gender Gap Hurts Asia's Long-Term Growth Potential" on April 28, 2015, and "Different Genders, Different Decisions: Why Asian Women Aren't in Work" on 11 May 2015. Research results were also presented at an International Workshop on "Women's Employment, Entrepreneurship and Empowerment" in Bangkok, Thailand that was held on 20–22 May 2015.

Overall Assessment and Rating

The TA is rated highly successful. Target outputs (originally planned) and additional outputs such as contributions to ADB Annual Meeting in 2015, international workshop in 2015, ADOU in 2015, and social media events were achieved and delivered within the timeframe. The outcomes have offered several materials (exceeded the target) aimed at strengthening the gender discourse on economic analysis methodologies for gender and development and were published. ADB as executing agency is rated as successful.

Major Lessons

The TA intended to establish a methodology to measure forgone costs of economic analysis for gender and development and disseminate the results among selected countries. The TA team prepared both macro and micro methodology and analysis with publicly available data. The model and results of the analysis were appreciated in, and disseminated not only to the selected countries but also provided a discussion platform for all stakeholders within ADB (Gender experts and economists) and outside of ADB (government officials and researchers) through the TA workshops, the seminar at ADB annual meeting in Baku as well as through ADOU. The TA provided a good lesson on how to effectively and widely disseminate research results on gender issues.

Recommendations and Follow-Up Actions

Key challenges to increase FLFP in each of the country studies have been identified, and policy options were offered to address these constraints. Effective policy recommendations however, largely depend on reliable data and evidence available which may be utilized by key stakeholders, especially the government. Yet data needs on gender-specific questions and time use surveys, data harmonization and access to survey data remain part of the challenge. These are imperatives in addressing constraints and designing appropriate and meaningful policy options. As gender inequality remains a serious hurdle to inclusive and sustainable development in the Asia and Pacific region, more research needs to be undertaken, data collection improved, and a wider and more pro-active dissemination of results done, in particular, for Indonesia, Pakistan and the ROK. The findings in the Synthesis Report for Asia can be pursued to help stimulate and deepen policy discourse and assist in policy formulation to address gender inequality. As ADB has another TA 7951¹ Improving Employment Outcomes to conduct labor market analysis, we have expanded analysis to include female labor participation in Bangladesh. ADB initiatives through this TA on Economic Analysis for Gender and Development have fostered a stronger collaboration within ADB in particular the Economic Research and Regional Department and the Sustainable Development and Climate Change Department Gender Thematic Group in promoting policy discussions on the economics of gender and development.

ADOU= Asian Development Outlook, CoP=Community of Practice, FLFP =female labor force participation, DMC = developing member country, TA = technical assistance, TOR= terms of reference.

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¹ TA 7951 aims to study the functioning of labor markets, including market failures and government attempts to overcome those failures in four selected developing member countries, including Bangladesh. As such, the Bangladesh Employment Diagnostic Study aims to assess the nature of the labor market and labor market policies in Bangladesh, and presents a chapter examining key issues regarding women and work in Bangladesh.