

Opening Statement by Robert B. Zoellick, President, World Bank Group

Joint Conference between the World Bank &
The Arab International Women's Forum

PARTNERS FOR CHANGE **Realizing the Potential of Arab Women in the Private and Public Sectors**

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- Excellencies, Ladies, and Gentlemen. It is my great privilege to welcome you to the World Bank for this discussion on the empowerment of Arab women.
- I want to thank the Arab International Women's Forum and its Chair, Mrs. Haifa Fahoum Al-Kaylani, for co-organizing this important event. The World Bank Group has a longstanding partnership with the Forum, and the Forum has made significant contributions to advancing Arab women, in education, business, and public service –locally and globally. We are proud to be your partner.
- When I grew up, we learned a phrase called the “Golden Rule”: that everyone should be treated as you would like to be treated.
- So I have always felt that gender equality and the empowerment of women is a matter of basic fairness and decency—young girls should have the same opportunities as boys to lead full and productive lives.
- But creating an equal opportunity for girls and women offers something else: smart economics.

- Over recent decades, women and girls have, on average, seen a significant improvement in health and education levels. Yet progress on women's economic opportunity is lagging. Women still continue to trail men in formal labor force participation, access to credit, entrepreneurship rates, and in the income they can generate.
- This is not fair. It's also not smart economics. Studies show that investments in women yield large economic and social returns.
- Let me just give you one example: studies from sub-Saharan Africa indicate that agricultural yields could increase by up to 20% merely by redistributing existing resources more equally between men and women. In the context of the current food crisis, the empowerment of women—who make up the majority of the agricultural workforce in many countries—can make an enormous difference.
- Two years ago, the World Bank Group launched a Gender Action Plan under the title “Gender Equality as Smart Economics.” The plan aims to make markets work for women at the policy level, and empower women to compete in markets at the individual level. It focuses on four key markets: land, labor, agriculture, and finance, as well as on infrastructure, which underpins access to all markets.
- In April this year, together with the ministers from Germany, Denmark, and Sweden – who have been staunch supporters of the Bank's Gender work – I announced six additional measures to which the World Bank Group is committing in order to strengthen this Gender Action Plan.

- First: increasing investments in Gender Equality through the resources of our concessional arm, the International Development Association.
- Second, having World Bank Country Directors report to me on what we are doing and what more we should be doing to empower girls and women economically in countries that we support.
- Third, measurably improving the integration of gender equality into our agriculture and rural developments projects by the end of the implementation of the Gender Action Plan in December 2010.
- Fourth, launching a work program on “young women count for economic development.”
- Fifth, creating a Private Sector Leaders' Forum and convening their first meeting on the margins of the 2008 Annual Meetings. We are delighted that we've already received an enthusiastic response from businesses, including Goldman Sachs and Nike. We believe this is a most promising area, so please help us get the word out.
- And, sixth, channeling through the Bank's private sector arm, the International Finance Corporation or IFC, at least \$100m in credit lines at commercial banks for women entrepreneurs by the end of 2012.

- The Arab world is, of course, included in this program, which is critical for women's entrepreneurship. It has proven successful in generating sustainable results not just at the micro level, but across all sizes and sectors.
- Patterns of women's entrepreneurship in the Middle East and North Africa region are encouraging.
- A recent Bank report across eight countries in the Middle East found that 13% of all companies – that's more than one out of eight – were owned by women, and that there was no significant difference in terms of size, age, sector, exports, and foreign direct investment to those firms owned by men. Close to half the firms owned by women in this survey were of a medium to large size – a far higher share than expected, and higher than in other regions.
- Indeed, in certain aspects, firms owned by women performed, on average, slightly better than those owned by men. For instance, they made more use of websites and information and communications technology in their interactions with clients. They hired more women, especially in professional and managerial positions. And in Egypt, Jordan, Saudi Arabia, and the West Bank and Gaza, the share of firms owned by women that increased their workforces exceeded the share of firms owned by men over the same period of time.
- This is encouraging. Yet it raises the follow-on question: what needs to be done to increase the number of women entrepreneurs?
- I can offer two suggestions.

- First, women can benefit from reform of the investment climate in most Arab countries. The old ways benefit the old boys. Reforms afford all investors an easier entry into the formal business sector—it's the outsiders, including women, who have more to gain. Cross-country research suggests that countries with more cumbersome business environments have smaller shares of women entrepreneurs.

- Second, the Bank Group's report on women's entrepreneurship showed that, while women entrepreneurs did not encounter barriers from business and investment laws in the Middle East—which are largely gender neutral or gender blind—this was not always the case with laws outside the business environment. Businesses owned by women have to contend with gender-based barriers—though different from country to country—that were influenced by social norms and by the implementation of laws that treat women and men differently.

- Gender gaps exist in all countries, but are different in each country. The experience in countries which have been relatively more successful in bridging the gender gap is that change does not happen overnight – but considerable transformations have happened in only a few decades. I've seen it in my own lifetime in the United States. In some countries, where women only represented at most one out of four of the total workforce one to two generations ago, women today make up nearly half the labor force. This change has occurred with a considerable increase in women's education.

- The Arab world has some of the widest gender gaps. But the progress that women have made in this region is considerable. Female literacy rates have increased significantly. Greater gender parity has been achieved at primary and secondary school levels. In eleven out of eighteen countries in the region, women outnumber men at the university level. And women can increasingly be found across all disciplines, from engineering and the sciences, to medicine and law.
- There is no doubt that these developments will be important factors for the economic growth and social development for the region in the coming years.
- But we still need to bridge the gap between education and the workforce.
- Not long ago, I spoke with the Prime Minister of Jordan, who was proud that more women now graduate from Jordan's universities than men, but was frustrated at their difficulties in finding jobs.
- So we need to press ahead, to think creatively how to overcome barriers, create opportunities, and recognize success.
- I know that there are many women leaders, politicians, entrepreneurs, and journalists in the Middle East. These women serve as important role models, as do all of you in this room.
- So your success is part of something bigger.
- We welcome the opportunity to gain from your insights, ideas, and experience.

- With your help, the World Bank Group will be in the forefront of putting gender equality and the empowerment of women at the heart of our development. It is your proven potential in your fields that can give the greatest boost to expanding women's entrepreneurship and empowerment.
- So thank you again for joining us. I wish you success with the conference, and I hope you enjoy your visit to the World Bank Group.