Private Sector Development Initiative

ECONOMIC EMPOWERMENT OF WOMEN IN THE PACIFIC
WOMEN’S ROLE IN PRIVATE SECTOR IS LIMITED BY:

- Limited access to courts
- Limited capacity to enter business contracts
- A predominance of agriculture based informal businesses
- Limited access to social security and annual and maternity leave benefits
- Lower productivity in the informal sector
- Legal structures discouraging women’s entry into the formal sector
- Limited incentives to save through banks due to a lack of access to branches and banking systems in rural areas
- Limited access to government grants and support
- Limited access to formal lending institutions

RESULTING IN UNDER 5% OF AGRICULTURAL LAND HELD BY WOMEN IN THE PACIFIC

THESE BARRIERS TRANSLATE INTO UNMET ECONOMIC POTENTIAL
PSDI:
Economic empowerment of Women in the Pacific
1. BUSINESS LAW REFORM

PROBLEM

- Regulation, red tape, and discrimination discourage formal business
- The triple burden on women
- No specific business structures geared toward women in business

SOLUTION

- Simplified, automated business registrations take out discretion, reduce legal costs, eliminate discrimination, and take less time
- Remote company meetings, automated annual reports and email updates
- Single shareholder companies, reducing likelihood of male interference, separating legal and personal ownership and reducing informality
- Community companies allow for communal ownership and management of resources, reducing fraud potential
Results

826 female directors registered companies
25% increase 12/2010 – 5/2013

867 registered female shareholders
19% increase 12/2010 – 5/2013
2. ACCESS TO FINANCE

PROBLEM

- With males owning most land, loans using other collateral are difficult for women to obtain
- Identification requirements are too complex to open a bank account
- Bank branches are too far from rural populations

SOLUTION

- Secured transactions reforms simplify access to credit enabling use of tractors, crops, livestock and cars as collateral.
- Automated registries reduce loan processing time

LOAN APPROVAL TIME IN SOLOMON ISLANDS

PRE-REFORM: 28 days
POST-REFORM: 1 day

- Simplified identification procedures such as a letter from the tribal or church leader
- Mobile phone banking and point of sale machines provide branchless banking options and reduce exposure to risk of crime
Results

• 4,080 women have a MiCash account in PNG

• Secured Transactions:
  VAN 567 women; SOL: 222 Women
3. SOE REFORM

PROBLEM
Lack of female representation on boards

SOLUTION
Encouraging governments through advocacy to promote female board representation
Director training programs to promote women’s business skills

Australian AID
ADB
Results

- a pool of potential female SOE directors expanded
- 16% of SOE directors are women
PSDI: Economic empowerment of Women in the Pacific