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Chair, APEC Women and the Economy Forum
Minister of Social Development and Human Security
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Excellency:

The APEC Business Advisory Council (ABAC) is committed to promoting women's economic empowerment and gender equality throughout the Asia-Pacific region. We recognize the fundamental role that women play towards driving inclusive and sustainable economic growth. However, their position as catalysts for growth has been threatened during the COVID-19 pandemic as a result of the disproportionate impact it has had upon them.

A [report](#) by McKinsey in 2020 estimated that women's jobs were 1.8 times more vulnerable to the impacts of the pandemic compared to men's jobs. Moreover, the report found that, despite women making up 39% of employment at the time, they accounted for nearly 54% of overall job losses during the pandemic. This is in part due to, among other factors, women composing a larger proportion of part-time and casual workers within most economies. Thus, as economic downturn arose as a result of the pandemic, women were relatively more susceptible to reductions in working hours or losing their jobs entirely compared to men. Given the central role of women to the wellbeing of our families and communities, and as leaders of many MSMEs, this has been devastating. Assisting women's financial security through more secure employment is essential.

Despite many economies already entering the endemic phase of COVID-19, the lingering impacts of the pandemic have continued to disproportionately affect women. For [example](#), of the nearly 5,000 policy measures implemented in response to the negative effects of the pandemic, only 226 addressed the issues of unpaid work, which represents a major challenge for women, as it prevents them from accessing economic opportunities. Our business community is ready to work with APEC economies in establishing an inclusive post-pandemic policy environment to address these significant issues, to enhance women's economic empowerment and address gender equality issues.

It is now more critical than ever that APEC addresses gaps and promotes women's economic participation in the economy. APEC must eliminate instances of gender inequality and barriers that disproportionately hurt women and women-owned businesses. We believe that due to the high levels of participation of women in certain sectors, there is an even greater opportunity to ramp up results by focusing on services, as well as e-commerce and the digital economy.

Services

Participation of women in services in the APEC region is high but lower in the global value chain due to their role in labor intensive manufacturing, tourism, healthcare, and education. In order for women to move up the value chain, we need to remove barriers that promote women-

led ownership in services. Removing licensing costs and barriers, supporting financing for women-owned businesses, and protecting intellectual property rights will make a material difference.

As such, ABAC calls for APEC to adopt the 2021 World Trade Organization (WTO) Plurilateral Agreement on Domestic Regulations for Services. Although the agreement promotes broad reform in the services sector, such reform has the effect of reducing barriers and facilitating participation in services trade of which women represent a significant proportion of in APEC. Of note, the agreement supports temporary special and differential measures to promote equality between men and women, and is an invitation for WTO Members, including APEC economies, to review and address current gaps impacting women in their own economies.

Digital Economy and e-Commerce

The pandemic showed us the resilience of women in APEC who have since built out digital capabilities to acquire knowledge and skills, networks, adopt new operating models, and reach new markets. However, digital transformation requires investment, many women have been unable to successfully do so due to high cost of technology and connectivity, low digital literacy, and restrictive social norms, to name a few. A [report](#) by the Web Foundation in 2021 estimated that barriers such as these, that have kept women from actively participating in the digital economy, will cause the global economy to miss out on approximately \$1 trillion of gross domestic product (GDP).

The pandemic has resulted in dramatic growth in e-commerce retail, which has created new opportunities for women to participate in the retail sector, many of whom are small business owners looking to sell online and reach new markets. Yet, due to an underdeveloped and uncoordinated patchwork of policies, women-owned small businesses continue to face complexities preventing new and continued regional expansion via this mode of supply. According to a [study](#) conducted by the World Bank, e-commerce in Southeast Asia could reach an additional \$280 billion by 2030 if the gap between women's and men's sales are closed by 2025.

ABAC believes that it is crucial, now more than ever, that policymakers work with the private sector to design practical support mechanisms that will help women develop the necessary digital skills and capabilities to thrive under this new global business landscape.

ABAC recommends that APEC policymakers:

- Support upfront costs of digitalization for women-owned businesses so they can invest in the required infrastructure to transform their businesses and upskill to compete in the digital economy.
- Develop legal and regulatory infrastructure, policies, and regional agreements that will simplify cross-border e-commerce for women-owned businesses incorporating important elements such as trade facilitation for low-value shipments, market access and recognition of e-payments, and interoperability of digital governance.
- Accelerate efforts towards attaining a regional digital trade/e-commerce agreement to harmonize rules across all APEC markets in order to assist in simplifying doing business in APEC and allow online small businesses to scale up and grow regional markets.

Women also continue to be an underutilized resource in many sections of the economy. Supporting women's contributions to meeting post-pandemic challenges, particularly in technology, medicine and health-related fields is urgently needed. Women are significantly

underrepresented in STEM fields, constituting only 28% of STEM workforce. Increasing that participation is critical to encouraging the innovation necessary to meet the challenges of the pandemic, and given the central role of women in leading MSMEs in the region, in enhancing the wellbeing of APEC communities. Increasing women's participation in STEM is one of the 2016-2030 APEC Education Strategy goals. **We urge APEC policymakers to encourage women's participation in STEM.**

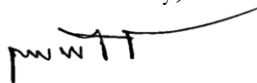
Developing the resources for stronger evidenced-based policymaking is essential. **ABAC urges policymakers to optimize the collection, analysis, and distribution of gender-disaggregated data to ensure relevant stakeholders are able to obtain a much stronger basis for the formulation of policies and measures that seek to address long-standing gender inequality issues.** This will allow for the generation of transformative actions and measures that can reduce the underlying barriers that have perpetuated gender inequality within the APEC region.

ABAC affirms our commitment to collaborate and provide support to the APEC fora and sub-fora in working towards realizing the La Serena Roadmap for Women and Inclusive Growth. We remain steadfast in our belief that the La Serena Roadmap will generate transformative opportunities for women's economic empowerment through increased labor force participation, support for suitable education and training, and access to new markets and capital.

ABAC recognizes that there is more work that needs to be done by the private sector to support women-led businesses, to enable them to participate in international markets and global value chains, including through digital skilling programs. More work is also required to ensure women's participation in leadership in areas such as entrepreneurship and innovation across APEC economies. ABAC aims to identify best practices for possible adoption by underrepresented and underserved micro, small and medium-sized enterprises (MSMEs) to enhance their efforts to foster greater economic inclusion, promote women's economic empowerment and gender equality efforts in their respective businesses. This will be done through a series of dialogues and workshops conducted in partnership with various stakeholders across the 21 APEC economies, including ABAC partners, the Policy Partnership on Women & the Economy (PPWE), public and private sector stakeholders, as well as members from academia, among others.

The Asia-Pacific region cannot recover and be rebuilt without fully incorporating women into strategic economic recovery plans. **We urge policymakers to design a conducive policy environment that will provide equal opportunities for women in the region, promote their participation in economic activities, and develop appropriate mechanisms to enable personal growth.** We look forward to working with you towards those goals.

Yours sincerely,



Kriengkrai Thiennukul
ABAC Chair 2022