

30 April 2024

The Honorable Angela Teresa Hernandez Cajo

Chair, High-Level Policy Dialogue on Women and the Economy
Minister for Women and Vulnerable Populations
Peru

Dear Minister Hernandez,

Overcoming the barriers hindering women's economic participation is not only a business imperative for ensuring future competitiveness, but it is also crucial to achieving our shared human development goals for the Asia-Pacific region.

To that end, the APEC Business Advisory Council has developed a set of recommendations, guided by our theme for the year, "People. Business. Prosperity". We strongly encourage the implementation of these recommendations, as they specifically target critical areas crucial for advancing women's economic empowerment.

Promoting women's transition to the formal economy. In 2021, the International Labor Organization (ILO) reported that more than six out of ten workers and eight out of ten enterprises in the world operate in the informal economy. Informal workers and businesses struggle to access conventional financial services, social security, and the protection of the judicial system due to their status. Women are the most exposed to poverty and risk, as a result of the informal economy. The informal economy remains a major challenge for the rights of workers, gender equality and inclusive development throughout the region, and tackling it is a complex task.

APEC economies should improve the ease and benefits of engaging in the formal economy, targeting particular sectors and adopting a gender responsive lens as appropriate, respecting the rule of law, addressing corruption, utilizing technology, promoting digital connectivity, implementing policies that influence productivity and business development, including access to financial services, education and skills.

Enabling women's participation in the digital and green economies. As technology advances, the digital and green economies can create significant new economic opportunities for women. However, women may face structural impediments and other barriers to such participation. For example, the disparities in accessing STEM education and careers potentially place women at a disadvantage as workplaces and industries, such as the artificial intelligence (AI)-based smart medicine sector, increasingly integrate digital technologies. Similarly, according to the ILO, the vast majority of new jobs in the sustainable energy sector are likely to be concentrated among mid-skill occupations where women are underrepresented.


APEC should address structural barriers to increase participation in the digital and green economies, and implement laws and policies promoting gender equity in the workplace, particularly in leadership positions. In addition, APEC should prioritize education on green, STEM, AI, and digital skills training and to promote collaboration with educational institutions and private sector stakeholders to address the skills gaps.

Empowering women through digitalization and digital tools. Women can benefit from using digital tools in a number of specific domains. First, digitalization can simplify and facilitate the transition from the informal to the formal economy by removing traditional barriers to women's participation. Second, AI presents significant opportunities to enhance workforce productivity and foster innovation, including for women-led businesses, thereby promoting gender equality. For example, AI applications such as multilingual translation, and digital platforms for trade and trade financing, can support women-led businesses in accessing global value chains, new markets and capital.

Supporting inclusive trade and women. ABAC welcomes the pioneer meeting between APEC Ministers for Women and Ministers Responsible for Trade. Trade provides an opportunity to improve the lives of women. However, many barriers still exist to women's participation in trade, including structural impediments, restrictions on access to finance, and prevailing sociocultural attitudes. ABAC is concerned about the obstacles and biases which operate to exclude women-led enterprises from access to venture capital funding to start or scale up their businesses. According to the Organization for Economic Cooperation and Development (OECD), the benefits of leveraging the untapped potential of women entrepreneurs could boost economic growth by up to 2% of global gross domestic product (GDP). APEC must continue to press ahead with persistent, tailored support for women and collaborate with the private sector to embrace diversity.

We look forward to participating in discussions on these and other topics of importance to women in our region at the High-Level Policy Dialogue on Women and the Economy in Arequipa.

Yours sincerely,



Julia Torreblanca
ABAC Chair 2024