

25 April 2026

Madame Huang Xiaowei

Chair, Women and the Economy Forum
Vice President and First Member of the Secretariat
All-China Women's Federation
China

Dear Madame Huang,

The APEC Business Advisory Council (ABAC), representing the business community of a region which accounts for over 60 percent of global GDP, prioritizes the creation of a level playing field for women's equitable economic participation as central to resilience, innovation and continued prosperity. This is of particular importance as the region faces shocks, disruptions and uncertainty, including rapid digitalization, demographic change and disrupted supply chains and trade.

The World Economic Forum's *Global Gender Gap Report 2025* shows that, while there has been modest progress towards closing the global gender equity gap, full parity remains a long way off. It is estimated that it will take, respectively, 135 years and 162 years to close the gaps for 'Economic Participation and Opportunity' and 'Political Empowerment'. These persistent disparities prevent women from contributing their full potential to the prosperity of our region.¹ Closing the gender equity gap just in labor force participation and management roles could add USD\$7 trillion to global GDP².

Harnessing pay equity for regional prosperity

Addressing the gender employment and pay gap remains one of the most powerful and underutilized strategies for boosting productivity, innovation, and inclusive growth, potentially unlocking up to 20% additional GDP globally.³ In 2025, we developed the *ABAC Equal Pay Framework*, a voluntary and agile tool to enable businesses, particularly MSMEs, to measure, report and take action on wage disparities. In 2026, ABAC is working to make the Framework easily digitally accessible through an online calculator and toolkit, with localization for APEC economies' languages and regulatory contexts, to accelerate voluntary uptake by businesses of all sizes across the region.

- ABAC calls on APEC economies to support uptake of the *ABAC Equal Pay Framework* as it becomes available in economies

Women in Leadership

There is a persistent underrepresentation of women in management and leadership positions in both public and private sectors, as board members and chairs, as CEOs in the private sector, as

¹ https://reports.weforum.org/docs/WEF_GGGR_2025.pdf

² <https://www.weforum.org/stories/2026/03/gender-equality-smart-economics/>

³ World Bank Women Business and the Law

https://wbl.worldbank.org/content/dam/sites/wbl/documents/2024/212063_Chapter%202.pdf

legislators, in the judiciary, as members of cabinets as ministers, and as leaders of economies. The significant progress globally in women's education opportunities is not translating to hiring, promotions and leadership roles as women continue to face substantial structural barriers to their advancement. Globally, women hold 3 in 10 managerial positions, 27% of board seats and only 6% of CEO positions.⁴

The impact of that imbalance is profound in terms of public policy priorities and actions and the economic performance of firms and economies. Increasing women's participation in decision-making roles has consistently been demonstrated to lead to greater productivity and profitability in private sector enterprises, and stronger more inclusive public policy outcomes in public and political sectors. It is imperative that we work to remove the obstacles to women's participation in leadership roles, including longstanding social and cultural norms, systemic biases and practices, all forms of discrimination and threat, including the violence and harassment which is pervasive in women's lives. Addressing these policies and practices will take significant structural reform across the public, private and political sectors.

In 2024, APEC adopted the *Gender Equality Structural Reform Principles* as a tool to promote and provide guidance on women's education, training and skills development, access to capital, assets and markets, labor force participation and economic participation and leadership.

- ABAC calls on APEC economies to use the *Gender Equality Structural Reform Principles* as a guide for women's empowerment in the region.
- ABAC urges APEC economies to act to increase women's engagement in leadership roles through measures such as educational curricula and public awareness campaigns, quotas, voluntary targets and disclosure requirements and reporting as appropriate, to support gender balance on boards and in management, and embed transparency, objectivity and gender equity criteria in selection, recruitment and promotion practices for both public and private sector roles.

Transforming the Care Economy into APEC's Next Growth Driver

The care economy, encompassing both child and elder care, has become a critical yet underdeveloped pillar of economic productivity and resilience across APEC economies. The International Labor Organization (ILO) estimates that unpaid care and domestic work is valued at up to 9% of global GDP, equivalent to approximately USD 11 trillion, while within APEC economies this ranges from around 5.5% to over 40% of GDP, underscoring its significant but largely unrecognized economic contribution.⁵ As demographic ageing, declining fertility rates, and evolving workforce dynamics intensify demand for care services, gaps in care provision are increasingly constraining labor force participation - particularly for women - and weakening workforce utilization and labor market efficiency. By enhancing the efficiency, scalability, and productivity of the care economy, APEC economies can better meet the growing needs of society while unlocking workforce participation, strengthening human capital, and supporting more inclusive, resilient, and sustainable economic growth.

- ABAC calls on APEC economies to prioritize the development of robust, efficient, and well-regulated care ecosystems, including through clear policy frameworks, standards, and incentives to support the expansion, formalization, and scaling of investments into the care economy. This should be complemented by efforts to strengthen regulatory coherence, improve service quality and accessibility, and enable greater private sector participation and innovation in care delivery.

⁴ https://www.ilo.org/sites/default/files/2025-03/%28March%202025%29%20IWD%20WIBM%20brief_2025%20final.pdf

⁵ Hernando, Rhea C. *Unpaid Care and Domestic Work: Counting the Costs*. APEC Policy Unit. March 2022.

<https://www.apec.org/publications/2022/03/unpaid-care-and-domestic-work-counting-the-costs>

Artificial Intelligence, Digitalization and Women's Economic Opportunities

Rapid adoption of artificial intelligence (AI) across the Asia-Pacific presents both significant opportunities for and risks to women's economic participation. The ILO has estimated that the share of women's jobs at highest risk of AI-driven automation is nearly three times that of men – worldwide, affecting nearly 5 percent of female employment – and that women remain underrepresented in science, technology, engineering and mathematics (STEM) fields, including AI.⁶ Low rates of participation of women in AI development constrains economies' ability to fully realize AI's economic potential.

- ABAC calls on APEC economies to affirm that AI-driven labor market shifts may widen existing gender equity gaps, and that equitable access to education, careers and financing including venture capital in the digital and AI sectors, particularly expanding access to AI development, will be critical not only to inclusive growth but also to overall prosperity.

Enabling Women in Trade

Trade remains a powerful engine for creating new and better economic opportunities for women, through creation of jobs, raising wages, and providing independence through economic participation. The rise of e-commerce has been of particular significance for small, women-led enterprises in our region, bypassing traditional barriers and offering previously unavailable access to global markets. However, to maximize these opportunities, the barriers women face - including limited access to finance, digital and AI skills development, networking, mentoring and training opportunities - and supportive social and care policies, must be addressed in trade and economic integration initiatives.

- ABAC calls on APEC economies to continue to encourage wider adoption of the Global Trade and Gender Arrangement and the establishment of a New Services Agenda to facilitate women's engagement in digitally-deliverable services – a rapidly growing segment of trade where women-led businesses can thrive with the right enabling infrastructure, digital skills and market access.

Transitioning to the Formal Economy

Transitioning the informal sector to the formal economy is of critical importance for the rights of workers, gender equality and for inclusive development. Across many APEC economies, women are disproportionately represented in informal work and are more vulnerable to the insecurities of operating without legal, social or economic safeguards and safety nets, and ongoing risk of poverty. Transitioning to the formal sector is difficult while women continue to face persistent inequality there, including around access to jobs and opportunities, pay equity, inflexible workplace arrangements, limited access to finance, and exposure to discrimination, threat, harassment and violence. These obstacles must be addressed within the formal economy if women are to be incentivized to make the transition. The formal economy must offer opportunities and protections, access to education and skills training, equal remuneration for equal work, access to finance and credit, and family-supportive policies. This includes childcare and other care services, leave arrangements, inclusive digitally-enabled healthcare that supports women's health and wellbeing, and legal protections to ensure women's safety.

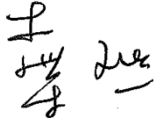
- ABAC calls on APEC economies to accelerate efforts to bring women into the formal economy, including through enabling more equitable access to inclusive care services, digitalization and finance.

⁶ ILO, *GenAI, occupational segregation and gender equality in the world of work*, <https://www.ilo.org/resource/news/new-ilo-data-confirm-women-face-higher-workplace-risks-generative-ai-men>

The Bottom Line

Women's empowerment – across jobs, firms, in the care economy, in trade, in the digital economy and in leadership – delivers significant economic returns. Businesses and economies that invest in women's full participation will be more innovative, productive and resilient. ABAC stands ready to partner with you to advance the initiatives we have outlined, and to support the translation of commitments into tangible outcomes for women across the Asia Pacific. Our region has always led through pragmatic innovation. Let us all apply that same mindset to unlocking our region's greatest untapped economic resource.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Li Fanrong', with a stylized flourish at the end.

Li Fanrong
ABAC Chair 2026

