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A new Decade of Women's Financial and Economic Inclusion; why scaling up actions is inevitable.

The February 2020 African Union Summit held in Addis Ababa, Ethiopia, afforded African women and girls various platforms and opportunities to rally support and advance actions towards the implementation of commitments on gender equality and women's empowerment (GEWE). Their efforts translated into the declaration of years 2020 to 2030 as the new Decade of Women's Financial and Economic Inclusion. In this declaration, African leaders recommitted to scale up actions for the progressive gender inclusion towards sustainable development at the national, regional and continental levels.

A recent report on the "Status of Gender and Development in Africa" presented to the African Union Assembly of Heads of State and Government during the February 2020 Summit by Nana Akufo-Addo, the President of the Republic of Ghana and the African Union Leader on Gender and Development issues in Africa, shows that the continent has made considerable progress in implementing commitments towards GEWE. African Union Member States such as Rwanda, Namibia, South Africa and Senegal, are among the top ten (10) countries in the world with the highest level of women representation in their Parliaments. Others, such as Ethiopia have, for the first time, achieved a parity government, with women fifty percent (50%) of its Cabinet and appointed its first female president. Sixteen (16) Member States have surpassed the thirty percent (30%) threshold of women's representation in national Parliaments, with significant progress made in advancing women's participation in holding elective offices and in positions of leadership. Further, Ghana, Madagascar, Mozambique, Burkina's Faso, Ethiopia, Liberia and Mali, have reduced significantly, the gender gap in terms of access and attainment of education.

However, despite these laudable achievements, the African Union Commission Acting Director of the Women and Gender Development Directorate, Victoria Maloka says more efforts and resources particularly for African women are needed for the continent to achieve gender equality in all spheres of life.

Q 1: What is the expectation from this new declaration of years 2020 to 2030 as the new Decade of Women's Financial and Economic Inclusion?

This decade is of great importance for the African women and our young girls to build the momentum and consolidate the gains realized over the years in its efforts to close the existing gender gaps. You know that inequality and poverty are intertwined and therefore this decade's focus is on building strategies around catalyzing and breaking that cycle that has held women and girls back for many decades. In terms of economic inclusion, the declaration is particularly timely as women account for 70 per cent of the informal cross border traders and at a time the continent is scheduled to kick off trading under the African Continental Free Trade area (AfCFTA). Among the benefits of this common market is the reduction of both tariff and non-tariff barriers and implementing the simplified trade regimes, which will make it more affordable for informal traders to operate through formal channels. What this means then is that, for instance, women can also benefit from initiatives to connect female agricultural workers to export food markets. That is just one broad example but at the regional and national levels, we expect similar momentum and push because the exponential potential in this continent will not be realized in a vacuum but through purposed gender sensitive economic policies, a sound business environment and political commitment. However, for all this to be realized gender mainstreaming in AfCFTA National Strategies should be intensified in order to draw the attention of Member States to the critical importance of operationalizing the AfCFTA and AfCFTA policy and ensuring that it is responsive to gender considerations.

Financial inclusion refers to all initiatives that make formal financial services *Available*, *Accessible* and *Affordable* to all segments of the population. This requires particular attention to specific portions of the population that have been historically excluded from the formal financial sector either because of their income level and volatility, gender, location, type of activity, or level of financial literacy. In so doing, there is a need to harness the untapped potential of those individuals and businesses currently excluded from the formal financial sector or underserved, and enable them to develop their capacity, strengthen their human and physical capital, engage in income-generating activities, and manage risks associated with their livelihoods. What we mean by financial inclusion of women throughout the decade is to seek strengthened financial services and capacity building, especially for women living in rural areas, to gain access to technology and to use it to increase productivity in all industrious sectors and with tailor-made financial products for the women, have access to not only formal but reliable means to save, access and borrow money. Studies have shown that women invest 70% of their financial resources in the social welfare cost of the family, particularly education and the health of children, while human investment ranges from 30% to 40%. Further, going forward in 2020, the women and girls are keen on, not only managing funds at the various public and private institutional set-ups, but also in owning the funds. There is nothing small about women and therefore we are thinking big and looking at how women can have more control over their

earnings and savings as well as managing and owning large amounts of funds. We must be able to make significant progress in improving the lives and livelihoods of millions of women and young girls around the continent, and that means that we are leaving no one behind because when you empower a woman, you empower the family and the community at large. There is evidence to that trickle-down effect. It is for that reason that in February 2020, African Women Leaders Network launched the African Women Leaders Fund, demonstrating their commitment to move from commitment to action. With a target of USD 100M, the launch pooled over USD 20M from the leaders present and the private sector and more commitments will see that fund grow.

According to the World Bank, more than 70% of the African Women are excluded by the financial institutions or are unable to receive financial services, such as a savings or current account, loans, credit and other institutional services, with adequate conditions to meet their needs.

The overall goal of this new AWD is that every woman must be able to work, be paid and participate in the economy of her country. This will involve examining the regulatory, legislative and policy context to determine the changes needed to foster the financial inclusion of women and to assist financial institutions in adopting approaches tailored to women, as separate market segment.

Furthermore, as declared by the AU Heads of State and Government during the 33rd AU Summit in February 2020, one of the main objectives of this new African Women Decade is the development of market access by enhancing new credit solutions for women, generating access to infrastructure in downstream processing and distribution, as well as training them in agro-industrial technology.

Finally, in addition to access to financial products, technologies and services, achieving financial inclusion for women would require overcoming socio-cultural norms and gender barriers.

Q 2: What is the role of the member states and the regional economic blocs from the bottom- top approach of women equality and empowerment?

Our states and regional blocs have a key role to play in galvanizing support at the various economic and financial sectors be it the banking sector, the microfinance institutions, the telecommunication companies for the mobile money services, push for the domestication and implementation of affirmative action policies, engage in civic education and even establish relationships with innovators and development partners who can support the tailor-made solutions needed to achieve women's financial inclusion and empowerment. Concretely, African Governments must put in place policies and targeted complementary measures that help women to overcome the constraints of accessing finance, as well as market information and networks. Special programmes, including targeted entrepreneurship, business management and

technology training, financial literacy, financial planning, investment and capacity building, particularly for women small business owners. The African Union Commission cannot do this on its own. We need all hands on deck. We also need the civil societies and the women bodies join this call to enable us meet the commitments on women equality and empowerment.

Q 3: The report on the “Status of Gender and Development in Africa” shows commendable progress by member states in terms of gender parity, how has that made tangible difference for the women and girls?

We are very much encouraged by the progress on gender parity, equality and empowerment by the member states, which demonstrates great commitment to the policies and frameworks they have adopted at the continental level. In fact, to see our African states among the top ten globally on matters of gender equality and empowerment shows that the efforts by our women and girls over the years have borne fruit. Having said that however, there is need to scale up actions towards the universal ratification of the African Charter on Human and Peoples’ Rights on the Rights of Women in Africa popularly known as Maputo protocol, and beyond that we are saying we need to see more action in the full implementation of the commitments we have made to advance the welfare of women and girls on the continent. As of March 2020, forty-two (42) out of fifty-five (55) Member States having ratified the Maputo Protocol on Women’s Rights, and our call to the remaining thirteen (13) Member States, is to ratify the Maputo Protocol as 2020 is the year all member states agreed to have universal ratification of the protocol.

For the AU Commission, this is not just about the numbers, these policies and frameworks have been key once integrated into the national policies because it is from there that we can have effective monitoring and evaluation of the progressive actions to benefit the women and girls of this continent. This is manifested in various ways, be it in resource allocation to gender matters, be it the inclusion of women in top level positions, the access to quality education for girls, the expansion of business opportunities and favorable working environment for women and young girls and so on.

Q 4: This new declaration comes right at the end of the African Women’s Decade (2010-2020), what were some of the key milestones achieved for women in the previous decade and challenges?

The African Women’s Decade 2010- 2020 on Grassroots Approach to Gender Equality and Women’s Empowerment was a very important decade for the women of this continent as it was a critical time to advance Gender Equality by accelerating the implementation of agreed global and regional commitments, particularly that of Dakar, Beijing and AU Assembly Decisions on Gender Equality and Women’s Empowerment (GEWE) The AWD had 10 themes, which were implemented on an

annual basis through the financial support of the Fund for African Women (FAW). The Fund for African Women (AU-FAW), established in 2010, is the mobilizing vehicle through which national resources are pooled at the continental level, and gender equality, targeted projects implemented for the AWD. The Assembly of the AU Heads of State and Government committed to investing 1% of Member States' annual contributions to the AU budget (based on actual received contributions) in the AU-FAW. The AU-FAW supports grassroots projects submitted by Member States and Civil Society Organizations (CSOs) under AWD themes.

The AWD was implemented in two phases. The first phase was from 2010 to 2015 and the second phase of the AWD started in 2016 and will end in December 2020. In this regard, a Mid-Term Status Update Report was developed and launched in 2016 as part of the commitment to review implementation during the mid-term of the AWD. The report contained experiences from twenty-two (22)¹ AU Member States which submitted their mid-term national reports. This mid-term report highlighted progress made by Member States in establishing legislative, policy, administrative and institutional mechanisms in the implementation of the AWD at national level. However, despite these achievements some challenges were met during this period such as resistance towards the notion of gender equality, the existence of inequalities in national laws, inadequate financing of gender equality programmes, low representation of women in politics and public decision-making spaces, increase in the spread of HIV/AIDS and sexual violence.

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¹ 22 Countries which submitted reports in 2015 are: Algeria, Benin, Burkina Faso, Egypt, Ethiopia, Guinea, Liberia, Madagascar, Mali, Mauritius, Mauritania, Namibia, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, Sudan, Swaziland, Togo and Zambia.