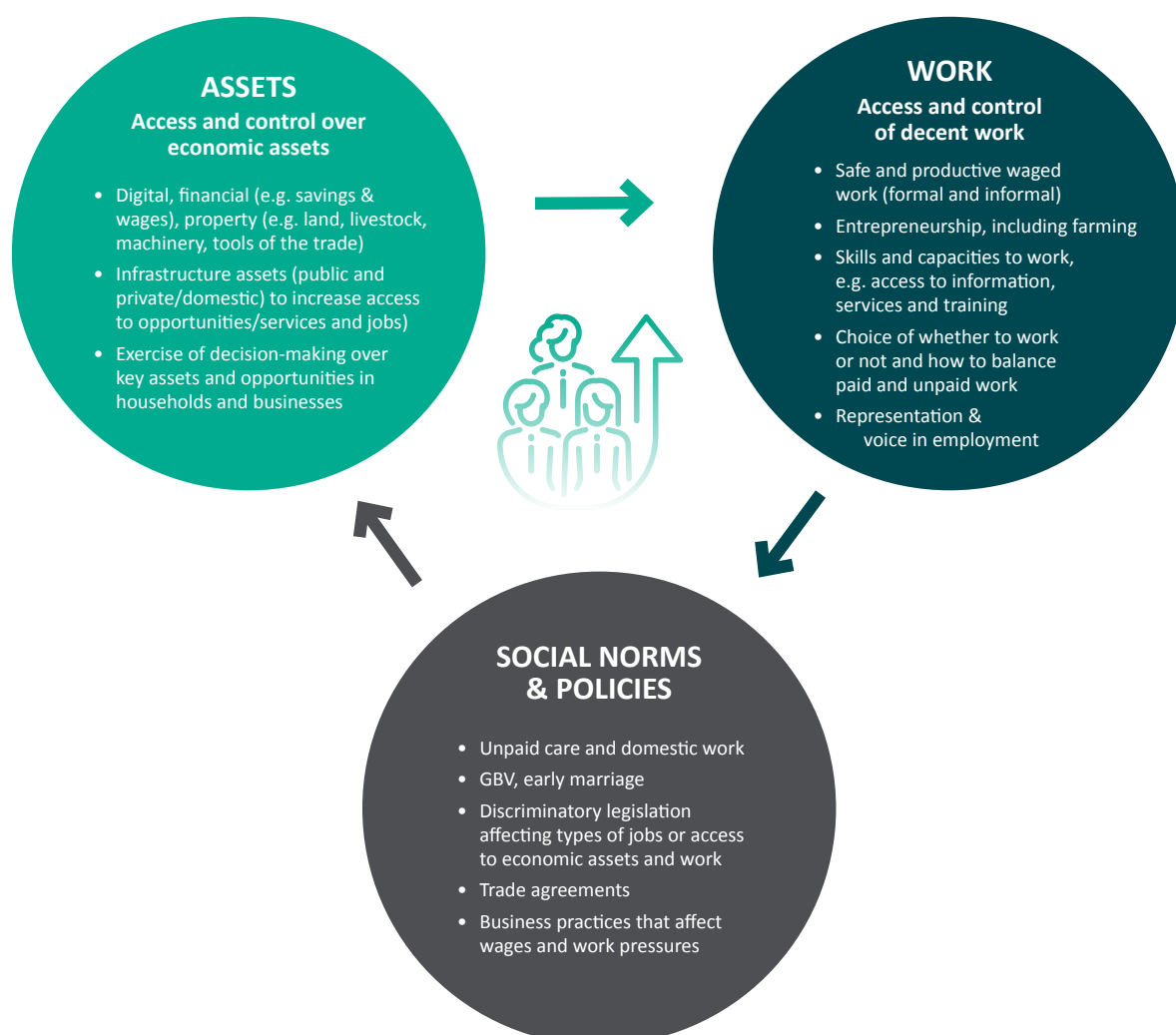


How can we measure the impact of women's economic empowerment in supply chains, and what can we learn?

OVERVIEW

What is Women's Economic Empowerment (WEE)?

Women's economic empowerment: Women having the ability to succeed and advance economically, and the power to make and act on economic decisions to enhance their well-being and position in society



Why does Women's Economic Empowerment (WEE) in supply chains matter to business?

Workers in global supply chains are critical to people's daily lives: they grow the food we eat, make the clothes we wear, and contribute to products we use every day. Before a shirt finds its way into the shops, the cotton is picked, dyed, weaved and distributed. The fabric was cut, sewed and assembled, labelled and packed. Many of these roles are performed by women: in the garment sector alone, approximately 50% to 90% of workers are women, depending on the country.

Between 55% and 80% of the world's trade passes through global value chains. While hundreds of millions of workers across multiple countries are involved throughout the process, companies lack consistent information on who they are and what they do, and – crucially – whether they are male or female. The information gap is huge.

Official estimates point to 190 million jobs held by women in global value chains (42% of global value chain employment) in OECD and middle-income countries. However, these calculations do not include workers in low-income supplier countries, nor those in subcontracted jobs or lower-value chain tiers, where women are significantly overrepresented. The real number of women in global value chains is, therefore, presumably much higher, with countless women workers left out of official estimates.

The risks

Many women are concentrated in precarious jobs: they are homeworkers in the garment sector, contributing family labour in agriculture, or informal workers for the personal care industry. These jobs

are focused in the lower tiers of the value chain, where women are confronted with specific risks which can only be addressed by proactive strategies. These risks include:

- Precarious and insecure work, e.g. informal jobs, seasonal contracts and homeworking with lower pay and benefits
- High exposure to sexual harassment and gender-based violence
- Limited access to formal training, financial and technical inputs
- Long hours and excessive overtime

Yet if women participated in the economy 'identically to men', they could add as much as \$28 trillion or 26% to annual GDP by 2025¹. Women in global supply chains often play important value-addition roles in processing raw materials. Women's participation is a critical success factor in climate adaptation and creating stronger communities – in essence, their contribution helps build more resilient supply chains.

¹ <https://www.weforum.org/agenda/2023/06/women-entrepreneurs-frontier-markets-opportunity>

By understanding where women workers are and the roles they play in their value chains, businesses can play an important role in the prevention and mitigation of the risks faced by women and, consequentially, to their operations.

For a company to make ambitious commitments to increasing female leadership across its supply chain, it would require a detailed knowledge of its workers' gender profile.

However, the current state of tracking and recording of data is often inadequate. Issues occur at all stages of the audit process, from completion, collection and recording to reporting.

1. Businesses do not know the gender profile of their workers as audits do not consistently ask for the number of women and men across the workforce.
2. Businesses are not aware of potential risks affecting women. Factories fill in self-assessment questionnaires on their risk management strategy regarding topics such as labour standards, health and safety, business ethics and the environment. This crucial information is almost never requested by gender, hindering the identification of potential risks for women.
3. Businesses do not know how many women face ill-treatment. Social audits collect data on non-compliance – for example, the number of workers doing excessive overtime. This is rarely collected by gender.

What can businesses do?

- Encourage social compliance organisations to instigate gender-disaggregated data. WOW worked with Sedex to do just this –

40,000 companies using [Sedex](#) can now access more robust gender data.

- Data collection – at a minimum, companies should record the gender profile of production workers, supervisors, administrative staff and management. Integrate gender into self-assessment questionnaires to help understand if women are paid less than men in the same position.
- Audits must take gender into account when they identify non-compliance.

What can businesses do beyond audit?

In recognition of some of the challenges that the social compliance model brings, many companies, including some supported by the WOW programme, have adopted more proactive approaches to support women's economic empowerment in their supply chains.

Working in partnership with Cotton Connect, Primark has spent over 10 years supporting women in their [cotton supply chain](#) – including strengthening the ability of women farmers to adopt organic farming through farmer field schools. Twinings and Unilever have both supported efforts in their tea supply chains to address gender-based violence, often using community development forums on tea estates to build worker-management structures and facilitate remediation and [grievance mechanisms](#). Increasingly, companies are seeking to take more sector-wide approaches, including efforts across the garment sector through initiatives such as [RISE](#), which brings together buyers, suppliers and international organisations like the ILO and UN. In the cocoa sector in West Africa, CARE and Mars have established extensive networks of

village savings and loans schemes to improve women's access to financial inclusion. Companies are increasingly being measured on their action by others – for example, Oxfam's [Behind the Brands campaign](#), which scores the efforts of 10 major companies on a range of issues, including gender equality, and the World Benchmarking Alliance's [gender assessment](#) of 1,006 companies.

How can we measure WEE in supply chains?

Progressive businesses have taken action to promote WEE in recent years, signing up to initiatives such as the UN Women and UN Global Compact (UNGC)'s '[Women's Empowerment Principles](#)'. These commit businesses to empower women in the marketplace, workplace and community.

Girls' and women's empowerment and how to achieve it is central to the growth of [Gender Smart Investing](#) (GSI). Gender equality in the workplace has emerged as an important focus for measurement. [Equileap](#), for example, offers a gender equality scoring mechanism for publicly listed companies which can be used by investors to build financial products with a gender lens. Companies are scored on gender equality based on 19 criteria across four themes: i. Gender Balance in Leadership and Workforce; ii. Equal Compensation and Work-life Balance; iii. Policies Promoting Gender Equality; and iv. Commitment, Transparency and Accountability. The 19 criteria within these four themes provide a good source of indicators on workplace equality for initiatives that focus on medium to larger businesses, but this naturally excludes many jobs and economic roles that women perform, including informal work. The field is fast-moving and, as it

matures, it is seeking to better capture all of women's economic roles and contributions.

The Work and Opportunities for Women (WOW) Programme has highlighted some key measurements that are frequently ignored when designing WEE projects and programmes and that should be considered by companies looking to develop supply chain projects:

- Measuring change for different groups of women (and understanding intersectionality)
- Measuring changes in men's attitudes and behaviours
- Measuring changes in household-level decision-making processes, as well as income or access to skills
- Measuring women's participation in collective organisations, as well as women's exercise of voice and agency in (economic) decision-making in the market and the community
- Measuring women's unpaid care and other household work
- Measuring gender-inclusive policies and business practices and market innovations to transform gender bias in the world of work

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