

CHAPTER 5

Achieving gender equality is necessary to further reduce poverty and inequality



THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP

KEY MESSAGES

ACHIEVING GENDER EQUALITY
IS NECESSARY TO FURTHER
REDUCE POVERTY AND
INEQUALITY

- There is growing international evidence and consensus about the important associations between gender equality and poverty reduction: Gender inequality bears implications for inclusive growth and for a broad range of development outcomes.
- Peruvian women, especially younger mothers and the most vulnerable, still face lower levels of access to quality health services.
- There is a persistent gender gap in labor force participation that affects especially the most vulnerable women. The difficulties that women face in gaining access to economic opportunities can have implications for monetary poverty: The incidence of poverty among households with only women and children is high.
- Gender inequality in decision-making within households is persistent in the country, and the presence of Peruvian women in decision-making in public spaces also remains constrained.
- Gender-based violence (GBV) is a persistent challenge with negative impacts not only for the survivors and their families, but all Peruvian society.

5.1. Gender equality remains a challenge for development

Gender equality is important not only for its intrinsic value, but also as a prerequisite for shared prosperity and poverty reduction.

Gender equality is a matter of fairness and one of the foundations of cohesive societies. At the same time, there is broad consensus in the development community today that gender equality is also smart economics. A growing body of evidence from all parts of the world demonstrates that gender gaps can bear significant direct financial and opportunity costs and benefits for society. A recent World Bank report estimates, for instance, that the world could achieve a gender dividend of US\$172 trillion only by closing gaps in lifetime labor earnings between women and men.¹ Moreover, gender equality is a fundamental ingredient in monetary and multidimensional poverty reduction.

The evidence on the large impact that gender (in)equality can have on different development outcomes is mounting.² Gender equality can lead to improved living standards through higher human capital accumulation, higher productivity and earnings, and lower population growth, which can translate into reductions in poverty and, by benefiting women from lower socioeconomic backgrounds to a larger extent, in extreme poverty.³ A study covering 42 countries found, for instance, that women's economic empowerment (having an income of their own) and lower poverty rates tend to go hand in hand (UN Women 2019).

Although Peru has registered substantial progress on some dimensions of gender equality over the last decades, persistent gender gaps across all dimensions of welfare continue undermining poverty reduction efforts. The country ranked 90 out of 170 countries in the UNDP Gender Inequality Index in 2021, among the highest-ranking countries in LAC (Figure 1).⁴ Peru's position has been systematically improving over the last decade or so, which is an indication of positive progress. This is particularly notable around education, where gaps have been completely closed (and are now often reversed or to the advantage of girls). However, these and other positive developments have not yet fully translated into changes in traditional patterns in the distribution of paid work and caregiving tasks, effective access to quality economic opportunities on an equal footing with men, or stronger agency outcomes, as reflected by the incidence of gender-based violence (GBV) or women's representation in democratic institutions. Entrenched patriarchal social norms that constrain the opportunities and aspirations of women and men from an early age are still present in the country and operate as a major barrier to change.

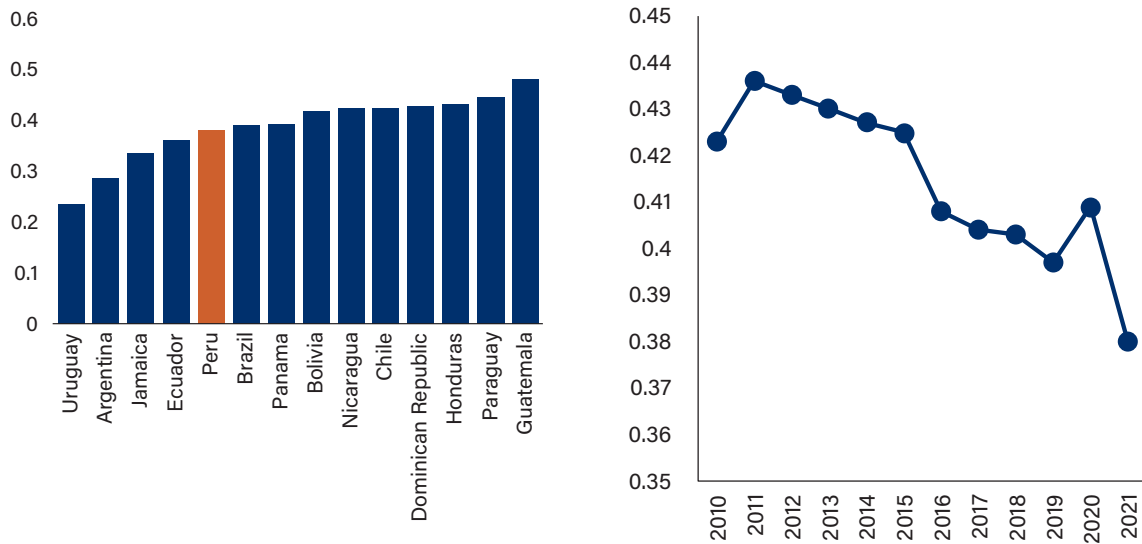
1. Wodon et al. 2020.

2. World Bank 2001, 2012, 2016, Klasen and Lamanna 2009, Duflo, 2012, Agenor and Canuto 2013, Elborgh-Woytek et al. 2013, Cuberes and Teignier 2015, McKinsey Global Institute 2015, Kabeer 2016, Aguirre et al. 2012, Klassen 2006, Knowles et al. 2002, Blackden et al. 2007, ILO 2018, Ostry et al. 2018, WEF 2018.

3. World Bank 2020, Beegle and Christiaensen, 2019.

4. The GII measures gender inequalities (the loss in human development due to inequality between female and male achievements) in three key dimensions – reproductive health, empowerment, and labor market outcomes. Reproductive health is measured by maternal mortality ratio and adolescent birth rates; empowerment is measured by the shares of parliamentary seats held and population with at least some secondary education by each gender; and labor market participation is measured by the labor force participation rates for women and men.

Figure 1. Gender Inequality in International Perspective: UNDP Gender Inequality Index

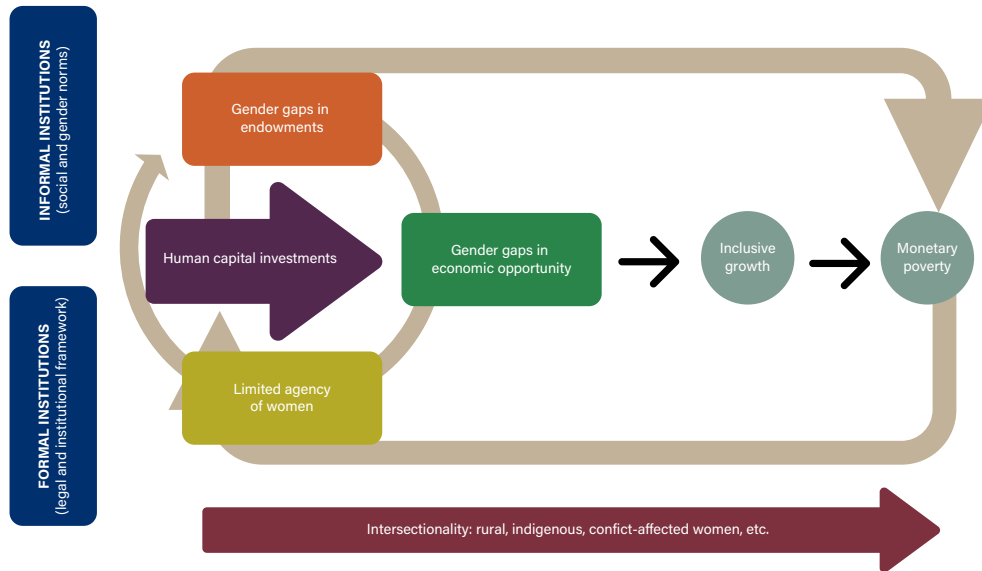


Source: UNDP 2022.

Note: The lower GII values represent a better performance regarding gender inequality.

This note discusses how gender disparities contribute to monetary and multidimensional poverty in Peru. The ultimate objective of the analysis is to inform the ongoing Peru Poverty Assessment (2022), identifying the key gender gaps and dynamics with implications for poverty reduction efforts in the country. The analysis is based on the framework proposed in “Poverty Assessments and Gender Equality: A Guidance Note for Poverty Economists” (de Paz and Müller 2021) (Figure 2), which builds on the *World Development Report 2012: Gender Equality and Development* (Box 1). According to this framework, gender gaps in endowments and limited agency influence human capital investments and accumulation, leading to gaps in economic opportunity and ultimately affecting inclusive growth and monetary poverty. Social norms and formal institutions are the main barriers and drivers of gaps in outcomes across all dimensions. Section 1 of the note covers gaps in endowments, including health, demographics, and educational outcomes. Section 2 addresses gaps in economic opportunity, including labor, earnings and productivity, and access to assets and entrepreneurship. Section 3 focuses on gaps in agency, including decision-making, social capital, and GBV.

Figure 2. The analytical framework



Source: UNDP 2022.

Note: De Paz and Müller 2021 based on World Bank 2012.

Box 1. The WDR 2012 framework

The WDR 2012 framework argues not only that the three dimensions of gender equality put forward there (endowments, economic opportunities, and agency) are interconnected but also that progress in each of those dimensions stimulates progress in the other dimensions (see Figure 1). For instance, human capital investments (health and education) affect the outcomes of women and men throughout the course of their lives, including their agency within the family and their communities; in addition, such investments provide important foundations for women’s access to economic opportunities. Similarly, women’s agency influences their ability to build their human capital and take up economic opportunities.

Formal and informal institutions are highlighted to operate as drivers and barriers to gender (in) equality. Informal institutions refer to social norms, which can shape from an early age what is deemed adequate and expected from both sexes. Social norms influence expectations, values, and behaviors, and, as such, they can prevent policies and services from working. Formal institutions, on the other hand, refer to laws, regulatory frameworks, and mechanisms for the delivery of services that the state provides. The enforcement of rights—and the ability of women to demand that their rights be enforced—is as critical as having them formally recognized.⁵

5. World Bank 2012.

5.2. Reducing gender inequality in health and education is crucial to development

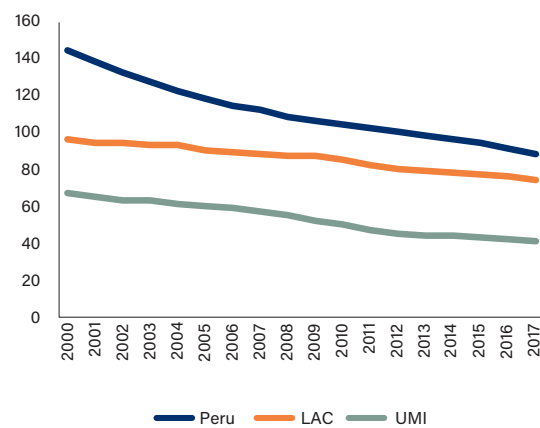
5.2.1. Health

The overall positive progress in the mortality and morbidity profile of both women and men in Peru does not preclude the persistence of some gender differences in this area most usually to the advantage of women. The life expectancy of women—following the trend observed across countries—is more than 5 years higher than that of men (79.7 years among women relative to 74.3 among men in 2021). Men show a higher mortality rate than women (142.1 compared with 82.3 in 2021), a pattern that is also observed among infants and children ages under 5. Men also appear to be more prone to risky health behaviors, such as smoking (although this does not translate into differences in mortality related to chronic disease), and are more affected by specific mortality drivers, such as suicide (WDI 2021).

A persistent area of specific concern among women continues to be maternal, sexual, and reproductive health. Unequal outcomes in maternal, sexual and reproductive health can have multiple negative implications, not only for mothers and their families, but the entire society. Maternal mortality imposes an important social cost.⁶ Adolescent mothers, in particular, face higher maternal mortality and pregnancy and child-birth related complications than older mothers.⁷ In addition, they are less likely to finish secondary education and are more likely to have lower labor force participation and earnings.⁸ The negative effects of maternal health gaps or adolescent fertility carry over into the next generation.⁹

Despite the positive trends in mortality among Peruvian women, giving birth continues to be an avoidable threat to their health and lives. Based on WDI data up to 2017, although overall maternal mortality has significantly decreased over the last two decades, it remains above the regional average and (especially) the average among countries that are income peers (upper-middle-income countries) (Figure 3). Using slightly different estimations from MINSA, the downward trend observed in the last two decades came to a halt in 2020 and 2021, when maternal mortality increased by 45 and 63 percent, respectively, to a large extent due to the COVID-19 pandemic. Indeed, 16.7 percent of maternal deaths in 2020 and 28.8 percent in 2021 were associated with the pandemic. Direct maternal deaths are also especially related to hemorrhage and hypertension, as well as abortion in some regions (Pasco, Amazonas, Ayacucho, and Callao).¹⁰

Figure 3. Maternal mortality in Peru



Source: World Development Indicators, accessed in June 2022.

6. (Kirigia et al. 2014; O'Neil et al. 2021.

7. UNICEF 2008; Azevedo et al., 2012; Klugman et al., 2014.

8. Kruger and Bethelon 2012.

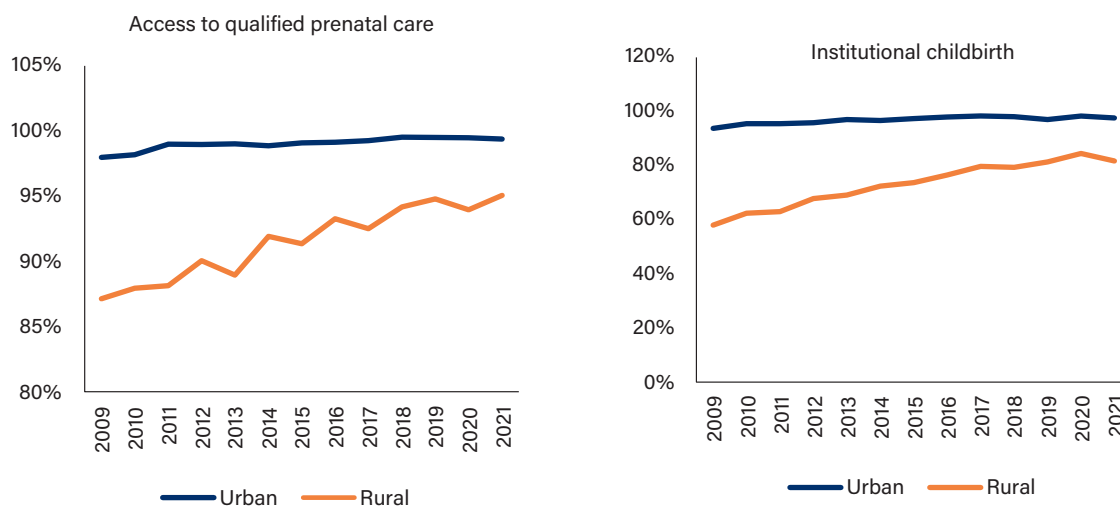
9. (Wodon et al. 2020; Azevedo et al. 2012; Hoffman 2008.

10. Mesa de Concertación 2022.

The risk of dying during birth is three times higher among teenagers than among older women; in addition, women from vulnerable backgrounds are also more likely to die during birth. Around 9 percent of the maternal deaths in 2021 were among women under 19 years old, although there are reasons to believe that this share is higher in reality since this type of deaths often go unreported. One of the main indirect causes of death among younger pregnant women in 2020 and 2021 was COVID-19 (11.8 and 11.4 percent). In addition, it is especially important to monitor the deaths among adolescents due to suicide and abortion associated with unwanted pregnancies.¹¹ The observed gaps in maternal health outcomes are likely to respond to differences in access to health services.

Indeed, younger and more vulnerable mothers face particular barriers to access maternal health services. The share of institutional births and those attended by skilled staff is lower among women that had their first child when they were not yet 20 years old. In addition, women from the highest quintile are more likely to receive specialized attention than those from the poorest backgrounds: 99 percent of births among women from the highest income quintile were attended in institutions compared to 80.4 among those from the lowest. The gaps in access are also notable across rural and urban areas and regions, with Amazonas, Loreto and Ucayali showing some of the lowest rates of access to maternal health services. However, the largest discrepancies are found across the various levels of education attained: Only 71.2 and 73.1 percent of women without education gave birth in an institution and were assisted by skilled staff, respectively, compared with 97.3 and 99.6 percent of women with tertiary education.

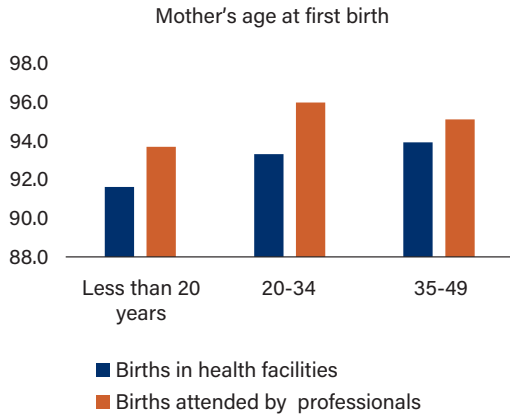
Figure 4. Discrepancies in access to maternal health services remain



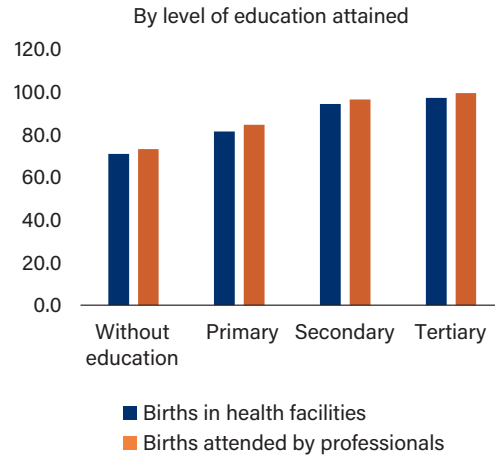
Source: ENDES, accessed July 2022

Source: ENDES, accessed July 2022

11. Mesa de Concertación 2022.



Source: ENDES, accessed July 2022



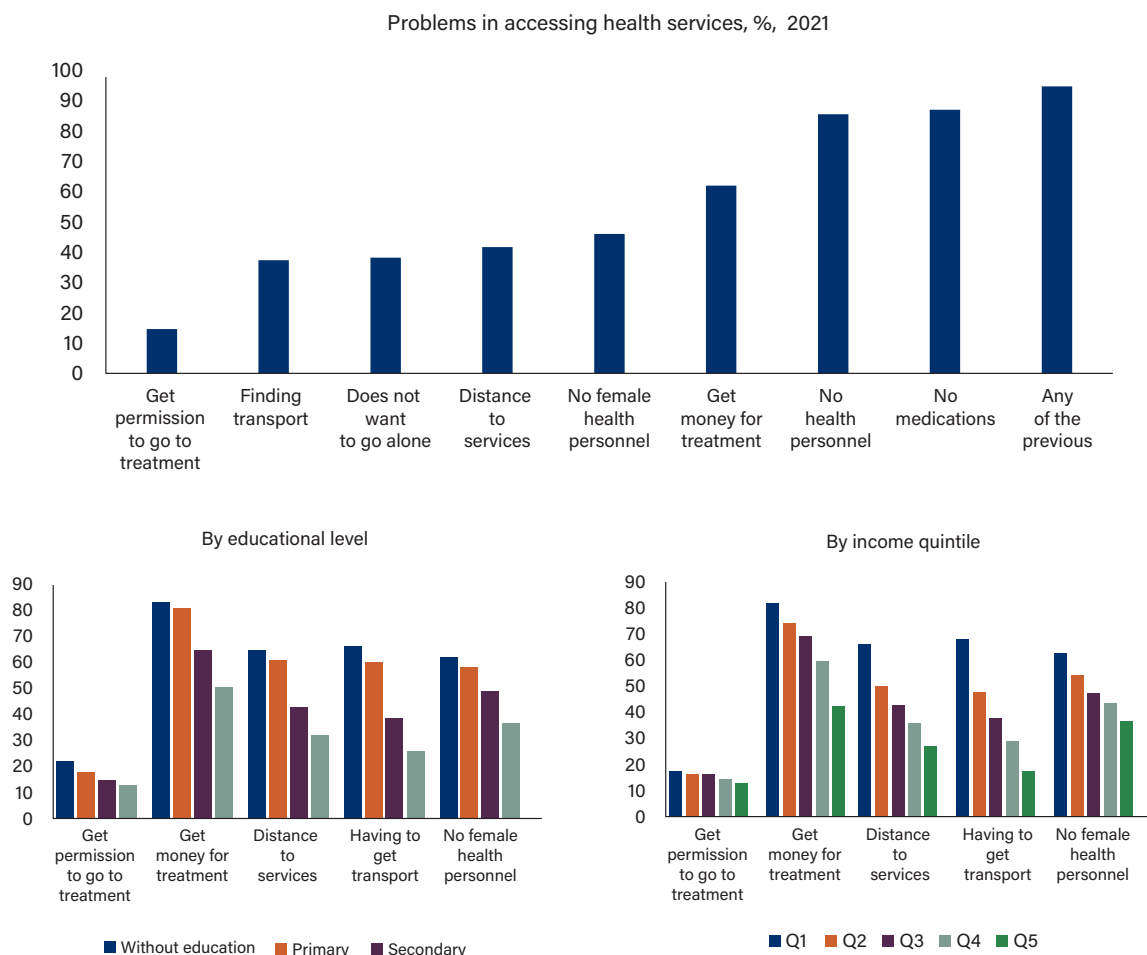
Source: ENDES, accessed July 2022

It must be noted that there has been a backlash in access to maternal services in 2020 and 2021 in connection with the pandemic and the consequent decrease in the quality of services delivered to pregnant women. Women did not visit health facilities for controls, there was a lack of staff for prenatal care and emergency situations and of information on which hospitals provided services and of telephonic assistance, insufficient inputs, and the intensive care units for pregnant women in Lima and Callao experienced a collapse. In addition, prenatal care was one of the first services affected by budgetary cuts. Although from 2009 to 2019 there has been a continued increase in the budget dedicated to reducing maternal and neonatal mortality within the maternal and neonatal health program (from S/511 million soles in 2009 to S/2,434 million soles in 2019), this trend reversed with the pandemic: In 2020 the whole program's budget decreased, which coincided with an increase in the number and rate of maternal deaths.¹²

In general, the share of women that report facing problems to access health services when sick for various reasons is high, especially among the poorest and most vulnerable. The lack of personnel or medication were the most cited problems in accessing health services across all sociodemographic groups in 2021 (reported by 85.4 and 86.9 percent of women, respectively). Financial constraints come second (61.8 percent), especially among non-educated and poor women that work without pay, and those that are divorced, separated, or widowed. Lack of female personnel is also an important reason (45.9 percent), especially for younger and single women, those with less education and from poorer backgrounds: 83 and 81 percent of women without education or with only primary education cited this as a reason. Physical distance and transportation are also relevant barriers among the most vulnerable women. Interestingly, the need to get permission to go to treatment is cited mostly by women without education (22 percent) and those from the lowest quintile of income (17 percent).

12. Mesa de Concertación 2022.

Figure 5. Problems in accessing health services when sick by sociodemographic characteristics

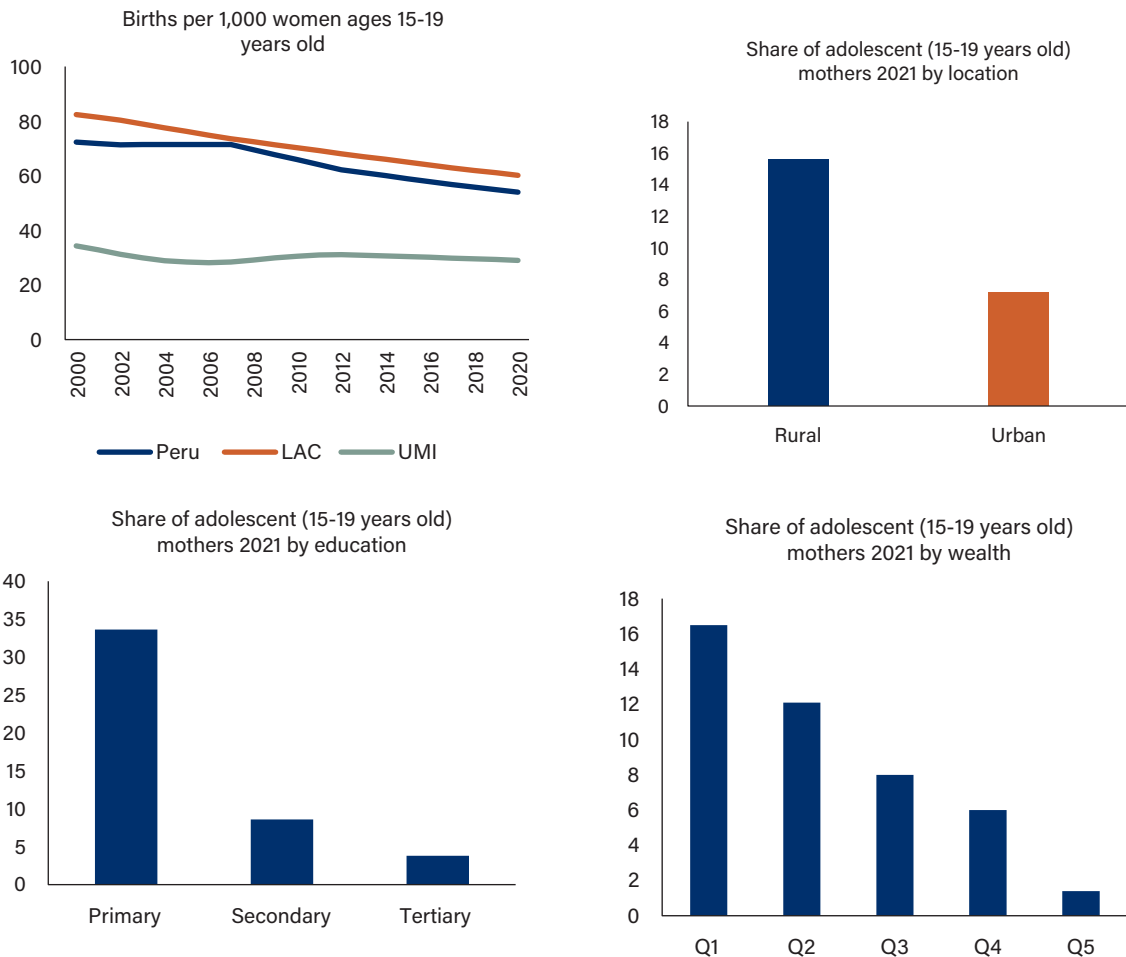


Source: ENDES, accessed July 2022

Challenges and disparities in access to health services, and especially maternal, sexual and reproductive health, are particularly relevant for adolescent girls, who tend to face higher barriers. Although adolescent fertility is below the regional average (Figure 6), it is still far from the upper-middle-income-country average, and substantial differences across sociodemographic groups exist. Female adolescents that are most likely to become pregnant are those living in rural areas, in poverty and with least education (Figure 6). As an example, in 2021 the share of adolescents 15-19 years old was 15.6 percent

in rural areas compared to 7.2 percent in urban areas, over one in three (33.6 percent) adolescent women with only primary education and 16.5 percent of those from the lowest income quintile (vis-à-vis only 1.4 percent among those from the highest) were mothers. The regions with some of the highest rates are Ucayali (25.1), Loreto (18.3) and La Libertad (17.4) – and more broadly, the Selva regions (14.6, almost twice the rate in the coastal and mountains regions). It is important to note an increase in the number of adolescent pregnancies during the pandemic: from 1117 in 2020 to 1437 in 2021.

Figure 6. Adolescent pregnancy in Peru



Source: World Development Indicators, accessed in June 2022; Demographic and Family Health Survey - INEI 2021.

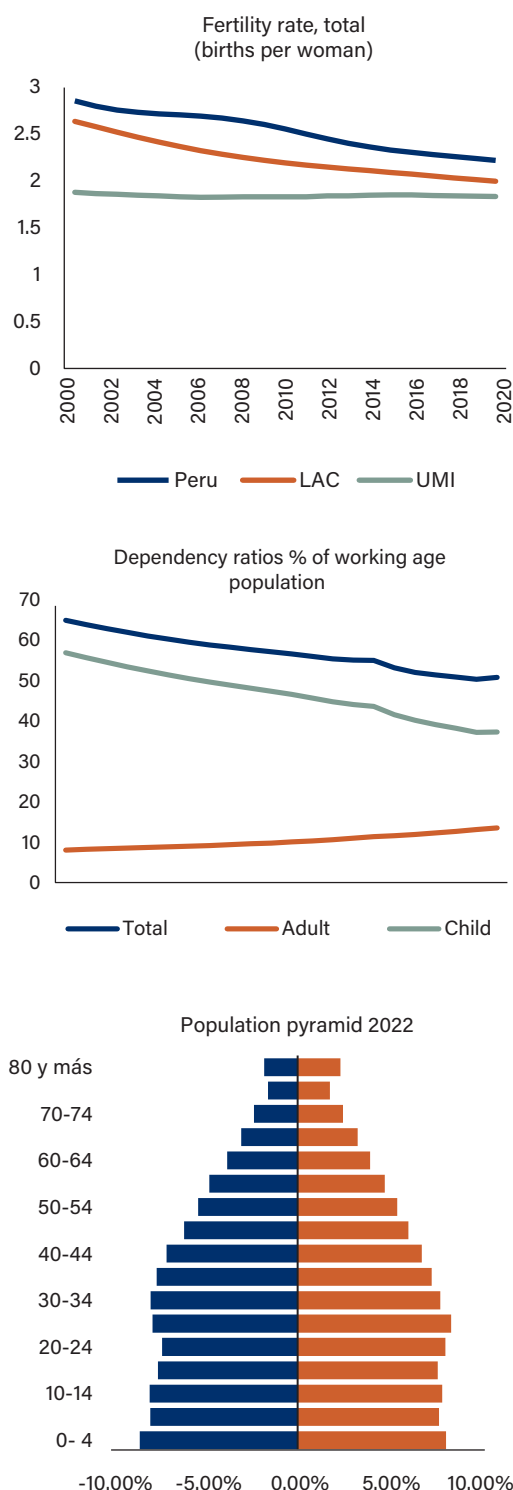
Gaps in the provision of family planning services can partly contribute to adolescent pregnancy.

As an example, the prevalence of contraception, at 77.4 percent in 2020 – and 55 percent when referred to modern methods – is lower in Peru than the upper-middle-income-country average (78.97 and 73.58 percent respectively in 2019). Difficulties in access to family planning over the pandemic years have been highlighted. Although this cannot be fully attributable to COVID-19, data from MINESA shows that as many as 3 out of 4 adolescent pregnancies in 2021 were not intentional. Moreover, access to family planning services decreased by 50 percent during the pandemic, while the response given to girl victims of sexual violence has been deemed inadequate. The main problem identified in this period was the decrease in the delivery of methods and the suspension of information and counselling services.

From July 2020, however, there was some recovery in the delivery of family planning methods, and alternative mechanisms for information and counselling were implemented (e.g., free telephone line, telematic service provision).¹³

In addition to the former health challenges, the gender-related implications of demographic change associated with fertility and mortality trends need to be considered. As an early dividend country, Peru is still benefiting from the first demographic dividend^{14,15}. Fertility and life expectancy trends over the last decades have translated into important economic gains for the country. The fertility rate has continuously (and rapidly) decreased over the last two decades, converging toward the LAC and upper-middle-income-country averages and around the replacement rate (2.12) in 2020 (Figure 7). At the same time mortality rates have substantially decreased, driving both female and male life expectancy upward (in 2020 it was 79.7 for women and 74.3 for men). These demographic changes have contributed on average around 0.04 percentage points to GDP growth between 2010 and 2020 – due to the continued increase in the working age population and the decrease in dependents (children).¹⁶ However, and as these trends continue to strengthen over time, they will eventually give raise to a demographic transition characterized by population ageing, the increase in the dependency ratio and, therefore, the imminent end of the first demographic dividend.

Figure 7. Demographic trends in Peru

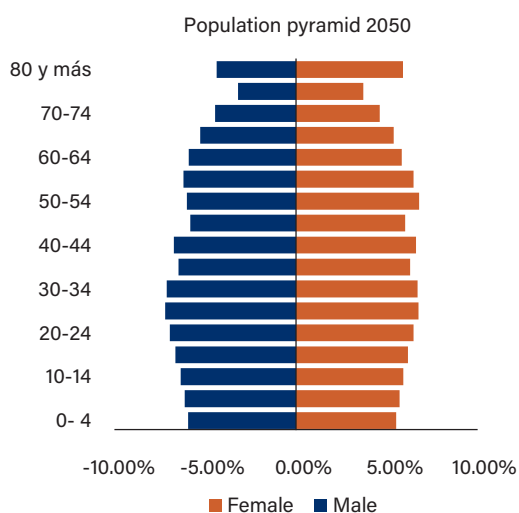


13. Mesa de Concertación 2022.

14. A transitory boost to growth with the increase in labor supply, labor participation, and per capita savings.

15. World Bank 2016a.

16. Huarancca and Castellares 2020.



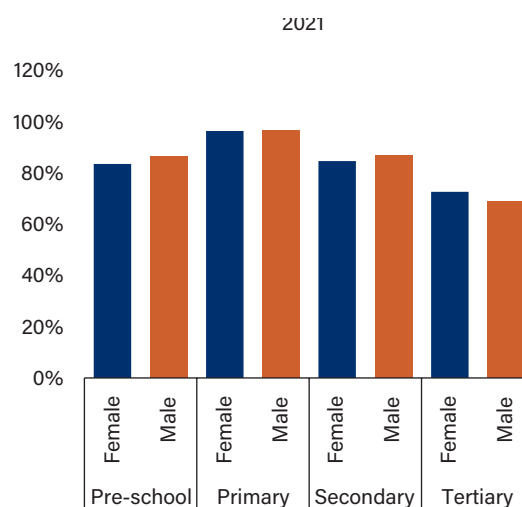
Source: World Development Indicators, accessed in September 2022 - INEI.

5.2.2. Education

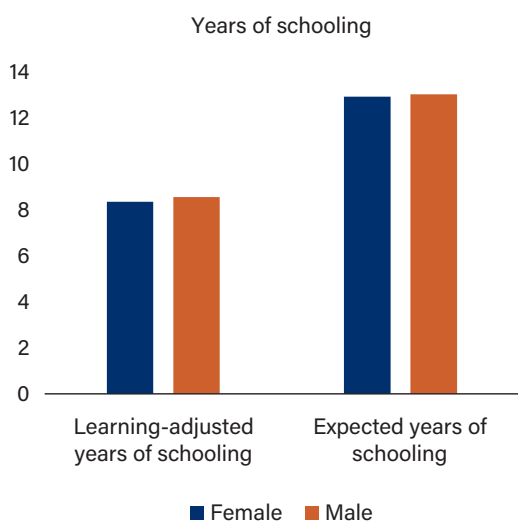
Gender gaps in educational outcomes (and the accumulation of human capital through them) bear relevant and multi-pronged impacts, not only for the concerned women and men and their families, but for the Peruvian society. Women with secondary education, for instance, are on average more likely to work, and they earn almost twice as much as those with no education. This affects the next generation, as more educated people tend to have fewer children and provide them with better health care and education opportunities.¹⁷ All these combined can help lift households, communities, and countries out of poverty. As an example, it has been estimated that the barriers to completing 12 years of education for girls cost countries between US\$15 and US\$30 trillion in lost lifetime productivity and earnings.¹⁸

Parity in enrolment exists across all levels in Peru, with small reverse gaps at pre-school, secondary and tertiary education – as well as in years of schooling. Pre-school enrollment (3-6 years old) has substantially increased over the last two decades among both boys and girls, reaching 86.5 percent for the latter and 83.4 percent for the former in 2021. Enrolment rates have also (although to a lower extent) increased at the primary and secondary levels. Whereas the primary enrolment rate, at 96.5 percent, is the same for both girls and boys, at the secondary level a gender gap in favor of girls can be observed with 87 percent of girls being enrolled compared to 84.6 percent of boys (ENAHO). A similar reverse gap exists at the tertiary level – 72.7 percent of women vis-à-vis 68.7 percent of men were enrolled (WDI 2017 data; Figure 8). However, the learning-adjusted years of schooling (8.34 among girls and 8.55 among boys) as well as the expected years of schooling (12.9 among girls and 13 among boys) are still slightly lower for women than men in Peru – likely in connection with the older population cohorts included.

Figure 8. Enrollment rates and years of schooling among girls and boys in Peru



17. World Bank 2012.
18. World Bank 2018.



Source: INEI - ENAHO 2021 for pre-school, primary and secondary; WDI 2017 for tertiary education. World Bank Gender Statistics for years of schooling.

Pre-school enrolment presents particular features and challenges.

Interestingly, pre-school enrollment rates are higher in rural than urban areas (90.1 percent overall in rural areas compared to 83.6 percent in urban), and the gender gap is in both cases to the advantage of girls. In areas where the Ministry of Education (MINEDU) does not have infrastructure, PRONOEI operates as an alternative system. Data on enrolment in this type of centers is however not available. It must also be noted that many informal (not authorized by the MINEDU) centers are in operation. In Lima Metropolitana, for instance, about 1577 private schools operate informally (1376 with at least one of their educational levels and 210 without any authorization at all). This means that about 23 percent of private education schools in Lima Metropolitana operate informally.¹⁹

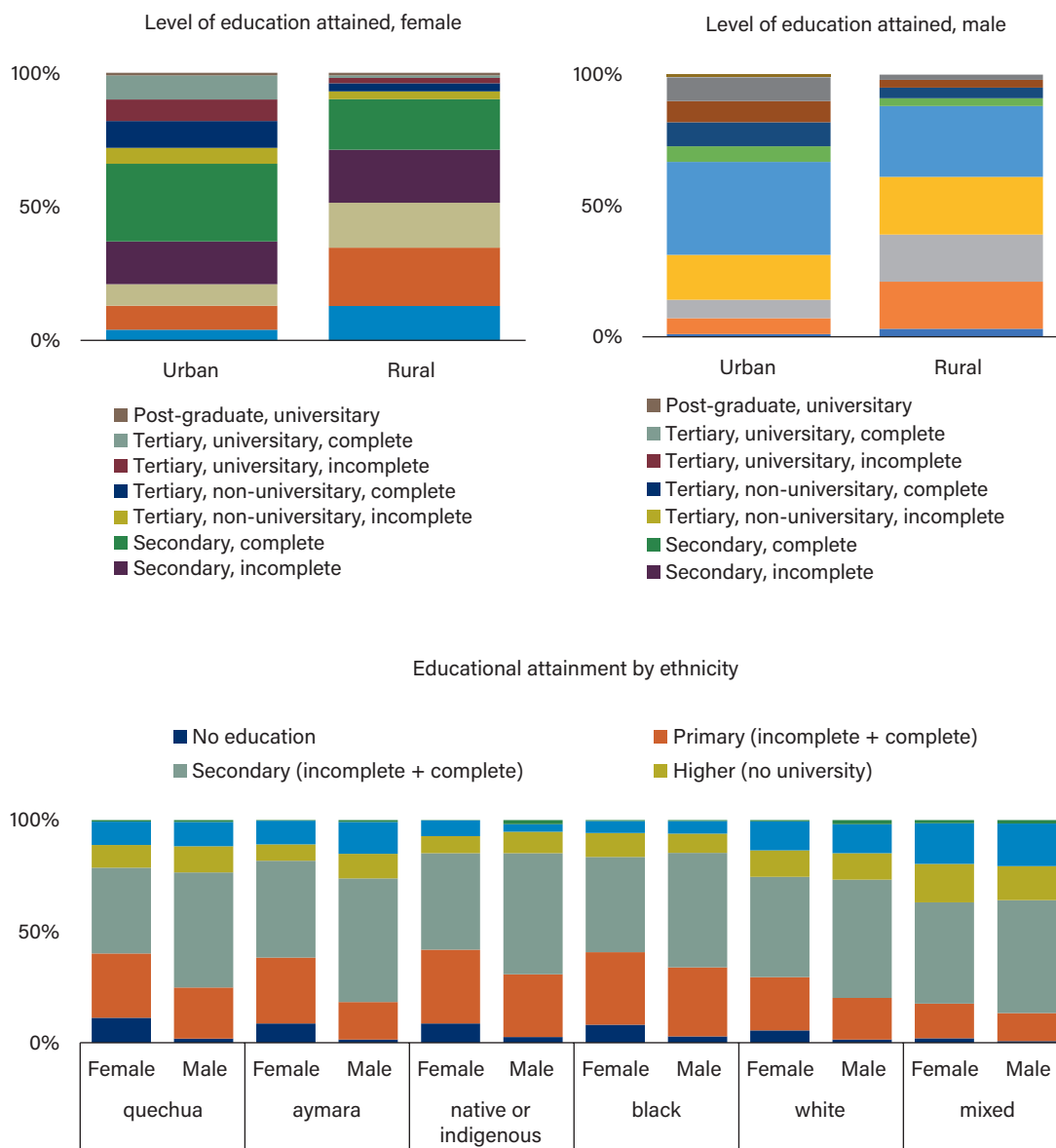
The gender gaps become more evident when it comes to attainment and completion, and especially so among rural and for particular ethnic groups.

Whereas minimal discrepancies (to the advantage of women) persist at the

primary and tertiary levels, a larger gap can be identified at the secondary level: 33.2 percent of boys complete this level compared to 26.8 percent of girls. Some small differences across socioeconomic background exist, although the gender gaps are similar. The rural-urban divide is the most evident: 13 percent of rural women and 4 percent in urban areas did not have any education compared to 1 and 3 percent among men. Similarly, the share of women with only primary education is higher in rural than urban areas, while the opposite is true at the secondary and tertiary levels (Figure 9). Gender gaps in attainment are strongly associated with ethnicity, with black, indigenous, Aymara and Quechua populations reporting the broader gaps. As an example, the share of women without education among Quechua respondents was 11.18 percent compared to only 1.84 percent among men. Similarly, the share of women with only primary education among Aymara people is 29.5 percent compared to 16.93 percent among men (Figure 9).

19. <https://identicole.minedu.gob.pe/escuela-privada-informal.pdf>

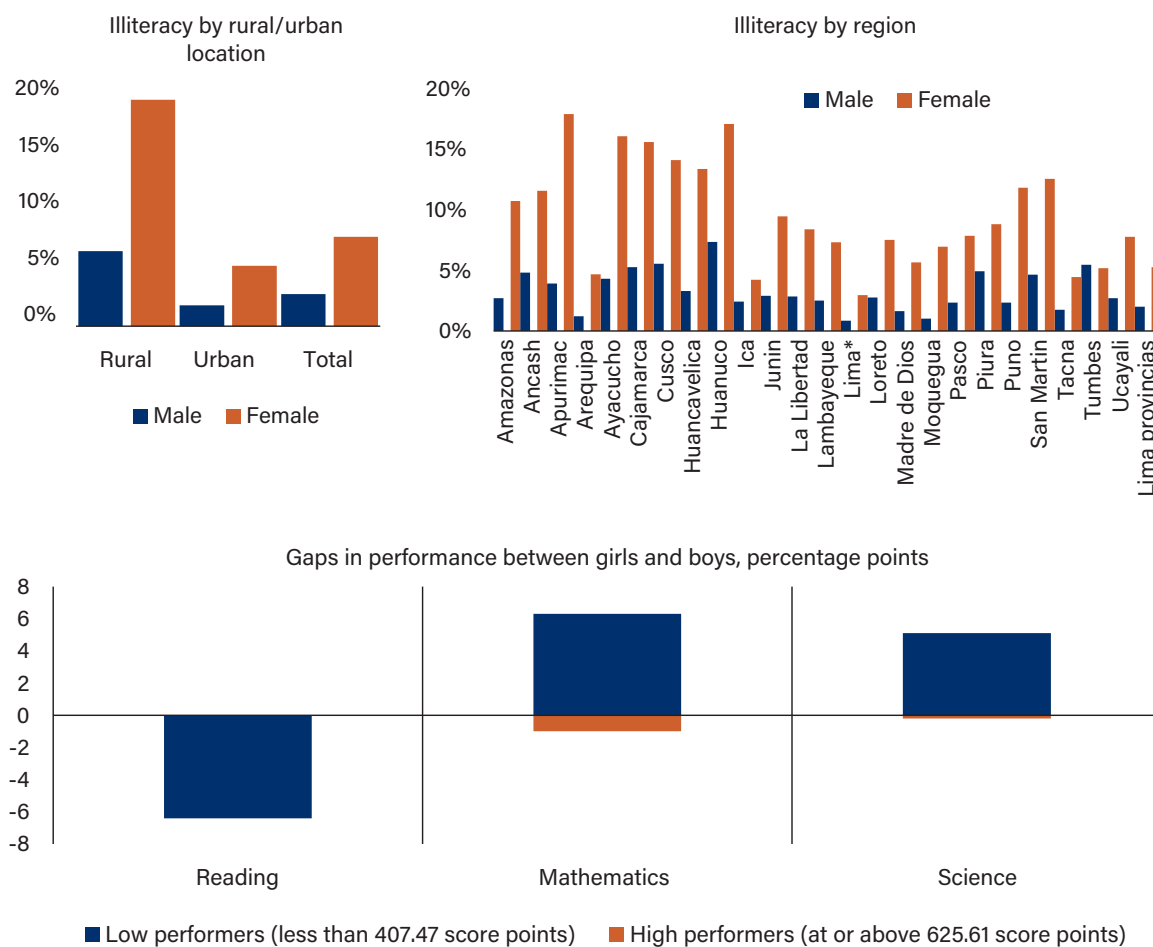
Figure 9: Educational attainment by rural/urban location and ethnicity, 2021



Source: INEI - ENAHO

Other gender gaps can be observed when looking at specific outcomes. First, and although gender gaps in illiteracy have decreased substantially in the last twenty years, they are still significant in rural regions of the country. Whereas only 1.8 percent of urban men and 5.1 percent of urban women were illiterate in 2021 (ENAH0), in rural areas the difference is still much larger: 19 percent of women compared to 6.3 percent of men are illiterate. The gap is also larger (above 10 percentage points) in certain regions of the country, such as Apurimac, Ayacucho, Cajamarca and Huancavelica (Figure 10). Second, there are some gender differences in performance. The PISA and PIAAC 2018 results indicate that, along what is observed across countries, girls tend to perform better than boys in reading while the opposite is true of science and mathematics, but the differences are only significant (and much wider) among low performance students (OECD 2019a, 2019b). Third, and to some extent in connection with the later, sex segregation by field of study still exists in Peru with disproportionately higher shares of women graduating in (traditionally regarded as) female fields of study such as health and welfare or arts and humanities – and the other way around.

Figure 10: Gaps in literacy (15+ age-group) and performance

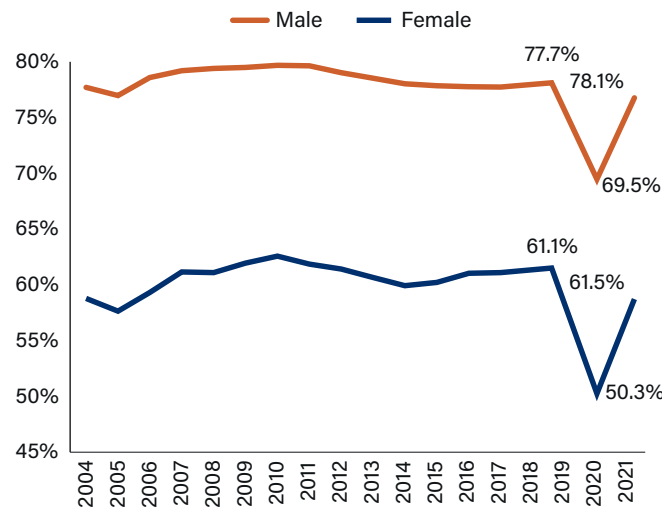


Source: INEI - ENAH0, accessed in July-October 2022

Note: Low performers refer to those with less than 407.47 score points, and high performers to those with a score higher than 625.61 points.

Lastly, and confirming some of the gaps observed in attainment, the share of female NEETs ages 15-29²⁰ has been systematically higher – around twice – than that of males for the last twenty years. In 2021 over a quarter of all women ages 15–29 were not working or in training/studying – compared to 16 percent of young men. This difference has barely changed over time (Figure 11). There is a clear peak in the share of NEETs among women and men during (and because of) the pandemic. There is no clear-cut evidence as to how the effects of the school closures due to the pandemic vary between boys and girls. Yet in families in which girls already had more unpaid care obligations than their brothers, the pandemic is likely to have exacerbated the divide, with girls’ educational outcomes suffering even more than boys’ and more girls being at risk of dropping out from school.²¹

Figure 11: Share of NEETs by sex



Source: INEI - ENAHO, accessed in July-October 2022

Early family formation is one of the key reasons for Peruvian female adolescents to drop out from school and become NEETs.

The existing literature from Peru indicates that one of the most relevant factors in adolescent school disengagement and underachievement is early pregnancy, both for girls and boys – although most of adolescents affected by this phenomenon are female. Other factors include poverty, child labor (which remains high in Peru) and negative experiences in school, including violence and bullying. A major driver of permanent drop-out from school for boys

and girls alike is economic problems in the family.²² Indeed, and based on ENAHO data, the youth who are more likely to become NEETs are women living with children under 5, married or in union – but not heads of household – who did not complete primary education and live in situations of extreme poverty in urban Lima. Especially in rural areas, girls are expected to contribute to household chores and caregiving while studying, while boys undertake agricultural activities.²³ The sub-sections on adolescent pregnancy and child marriage provide further evidence on how early family formation remains common, especially among women of certain backgrounds.

20. Defined as a person between 15 and 29 years old that is not enrolled in any educational center or regular teaching program and is not occupied.

21. UNESCO, 2021.

22. UNESCO 2020.

23. Alcázar et al. 2020.

Informal norms are likely to underlie the persistence of gender gaps in education.

Patriarchal social norms on the preferred societal role of girls and boys still exist in Peru, especially among certain more vulnerable groups, affecting their educational prospects. The WVS 2017-2020 results conclude that 13 percent of women and 10 percent of men still agree with the statement that a university education is more important for a boy than for a girl – even when enrolment at this level is higher among women. The tendency to prioritize the post-secondary education of boys remains dominant among low-income families in Peru, whereas the bulk of the domestic chores continues to fall on the shoulders of girls and women.²⁴ At the same time, the school is one of the spaces where patriarchal and discriminatory norms can be imbued in children from an early age. In Peru, for example, textbooks still largely misrepresent traditional gender roles.²⁵ The influence of teachers is also notable in this regard. As an example, female teachers in science and mathematics have a potentially important role to play in reorienting girls' interests and choices toward STEM disciplines.²⁶

Formal norms also can play a role. Education is compulsory from age 3 to 16 in Peru. However, compulsory pre-schooling is generally not enforced. Secondary and tertiary education in public institutions is free of charge. Central government spending on education had been increasing before the pandemic: Between 2011 and 2019 it went from 2.7 to 3.8 percent of GDP. However, it still was lower than that of other regional peers – in 2019 the average for LAC was 4 percent – and as much as 4.5 percent in Colombia or 5.4 percent in Chile. Moreover, issues of quality persisted, together with important regional and socioeconomic discrepancies that are likely to particularly affect

girls from vulnerable backgrounds. The Peruvian Government has introduced important measures to address discriminatory practices in the educational sector in recent years, for instance through scholarship programs, although their impact remains unclear. Access to ICTs – and gender gaps in this area – have become particularly relevant in view of the increase in the use of distance learning as a consequence of the pandemic.

5.3. Access to economic opportunities have major implications on poverty reduction

The lack of gender equality in access to economic opportunities and earnings is as much a drag on women and girls as on their entire societies. Enhancing women's economic opportunities can have a direct impact through women's productive contributions to the economy, but also an indirect one, by increasing educational attainment, improving women's health outcomes or increasing women's agency. Economic and financial independence expands the role of women in the household and society, which for instance can alleviate social pressure for early marriage and fertility.²⁷ Having more control over financial resources in the household is also associated with an increase in the use of contraception.²⁸ In addition, women's presence in businesses is associated with gains for companies.²⁹ If women were earning as much as men, women's human capital wealth could increase by more than half globally.³⁰

27. Chakravarty et al. 2017.

28. Blackstone 2017.

29. Hunt et al. 2015.

30. Wodon et al. 2020.

24. Rojas, Guerrero and Vargas, 2016.

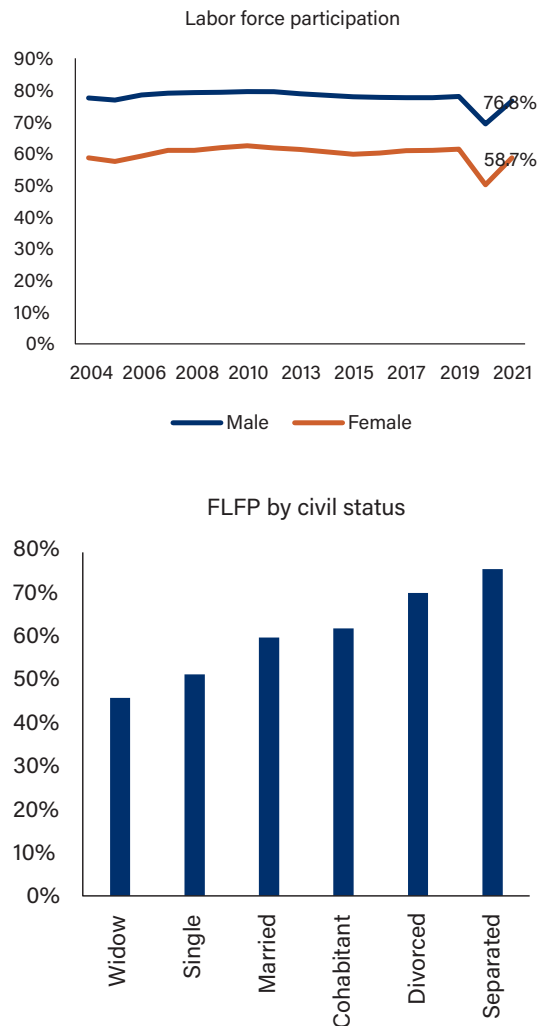
25. OECD 2022.

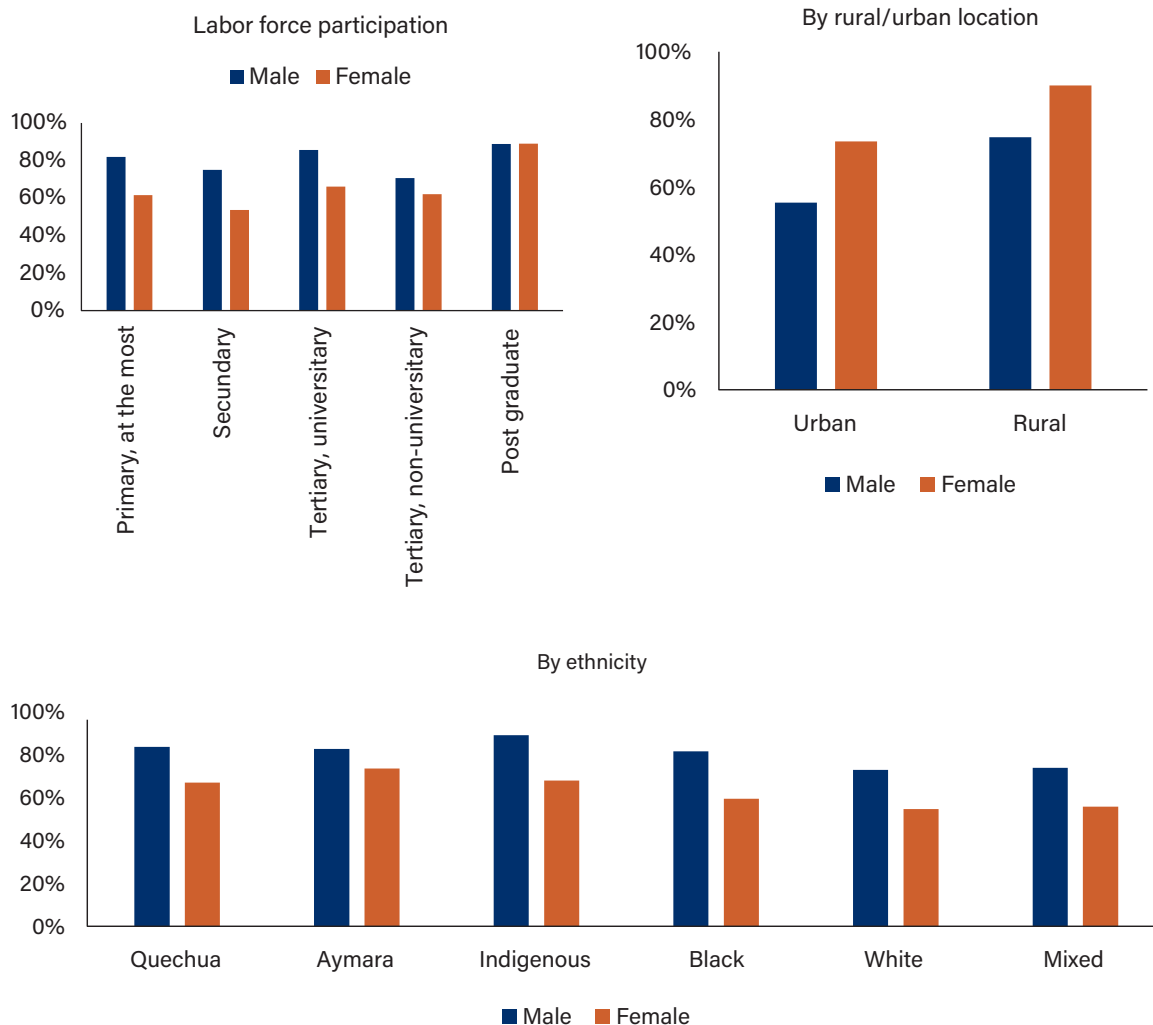
26. OECD 2022.

Although the FLFP in Peru is relatively high, there is a persistent gender gap in labor force participation especially affecting the most vulnerable women. Female labor force participation – as well as male’s – is the same today as it was in 2004: 58.8 percent of women were in the labor force in 2004, compared to 58.7 percent in 2021–vis-à-vis 77.7 and 76.8 percent among men, respectively. A particularly pronounced dip in participation can be noticed in 2019-2020, likely in connection with the impacts of the pandemic. Female labor force participation is much higher in rural than urban areas (74.7 percent compared to 55.4 percent), although the gender gap is larger in the latter. Notable differences exist across regions: In Piura, San Martin, Tumbes and Ucayali the gap is close to 25 percentage points. The gaps persist across all educational levels but the highest (postgraduate), where the labor force participation of both men and women becomes the same.

Female labor force participation also varies with civil status and (self-identified) ethnicity. The highest rates are observed among divorced and separated women, followed by cohabitant and married women. Interestingly, single women show a much lower rate of participation, as do widowed ones. Ethnicity also appears to play a role in this regard. While the gaps in participation appear to be particularly large among indigenous and black people, those observed among white and mixed people come close, which may be an indication of the prevalence of patriarchal social norms across all these groups. Somewhat counter intuitively, it is Aymara populations where the gap is smallest, followed by Quechuas. This may be related to the fact that these are mostly rural populations where women engage in work as much as men to contribute to the limited household income.

Figure 12. Gender gaps in labor force participation by sociodemographic characteristics, 2021





Source: INEI - ENAHO

When employed, women are more likely to engage in poor quality and low productivity jobs, which has clear implications for poverty. Peruvian women are disproportionately engaged in (invisible) underemployment³¹ and informal work across all regions of the country and both

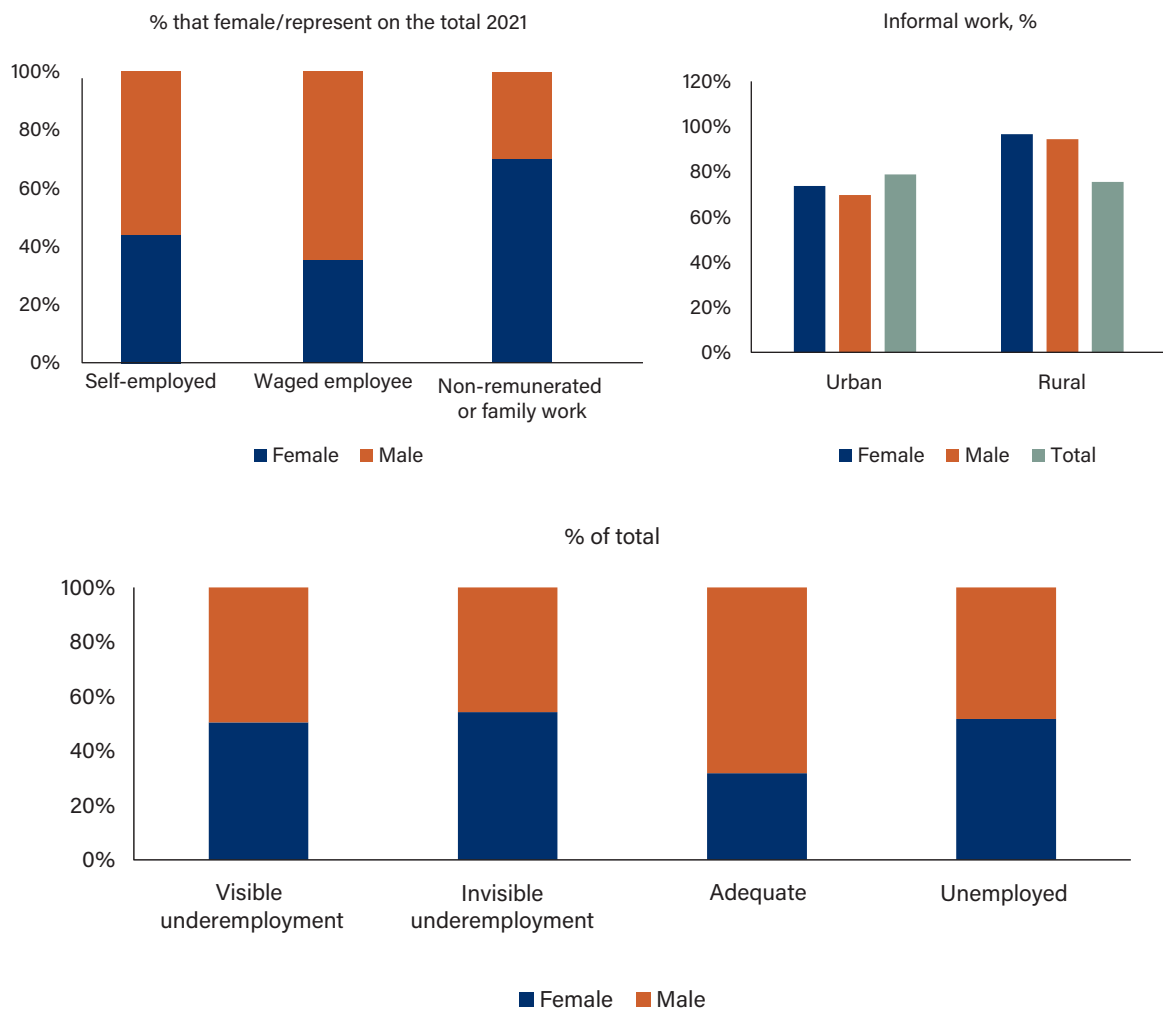
in rural and urban areas. More strikingly, they only represent around 32 percent of adequate employment (Figure 13).³² Women are also over-represented in vulnerable employment (58.7 compared to 45.6 among men) and part-time work (44.8 compared to 27.8 among men). The

31. Visible underemployment is defined by employed people who usually work less than a total of 35 hours per week in their main occupation and in their secondary occupation, who want to work more hours per week and are available to do it, but they don't because they can't get more paid work or more work independent. Moreover, a person with employment (salaried or self-employed) is in invisible underemployment ("Income Underemployment") when they normally work 35 or more hours a week, but whose income is less than the value of the minimum family consumption basket for income earner.

32. The adequately employed population is made up of those workers who work 35 or more hours a week and receive income above the minimum income reference, and for those who work less than 35 hours per week and do not wish to work more hours.

level of part-time work is indeed much higher in Peru than in other LAC countries³³, as only half of the total workers have a full-time job. In addition, as many as 61 percent of employed women were self-employed in 2019, compared to 50 percent among men in 2019 (WDI ILO modelled estimate). Unemployment rates are also slightly higher for women, with this gap becoming larger among youth: 5.8 percent of women +15 compared to 4 percent of men in 2021 were unemployed—while among youth the corresponding figures were 13.2 and 9.2 percent.

Figure 13: Type and sector of employment by sex

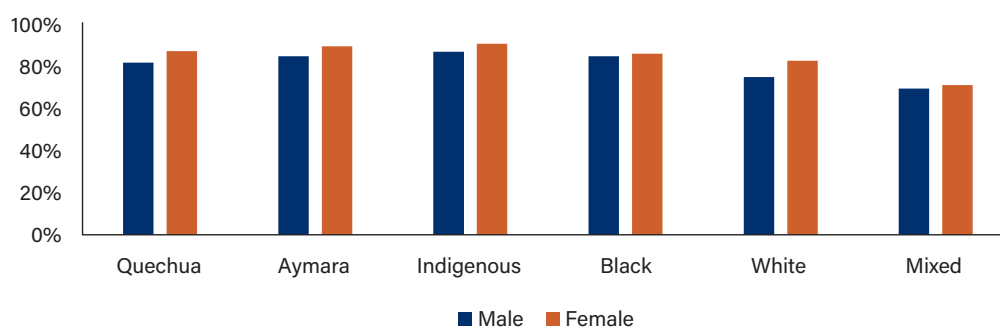


Source: INEI - ENAHO

33. OECD 2022.

Most of Peruvian workers, both men and women, work in the informal sector, especially in rural areas outside the capital. The share of the female and male labor force working in the informal sector reaches 72 percent outside of the capital (Lima) and Callao province. Indeed, 93.1 percent of women and 91.2 percent of men living in rural areas work informally – compared to 53.4 and 54 percent in urban areas. Similarly, these shares are much higher in the Sierra (mountains) and Selva (rainforest) than in the Costa (coast). Although the shares of women and men in the informal sector are similar across regions, gender gaps to the detriment of men are observed in Lima and Pasco (5 percentage points), Tacna (6 percentage points), Madre de Dios (8 percentage points), Tumbes (13 percentage points), and to the detriment of women in Moquegua (6 percentage points). In addition, white women tend to show much higher rates of informal work vis-à-vis men as compared to other ethnicities such as mixed or black, where the gaps are smaller. Informal work is associated with poor working conditions, which can have negative impacts on various outcomes. As an example, a recent study has confirmed the negative impacts of poor working conditions among female informal workers and self-perceived health in Peru.³⁴

Figure 14: Informality by ethnicity, 2021



Source: INEI – ENAHO

Horizontal and vertical gender segregation persists in the Peruvian labor market, with women being disproportionately represented in some of the occupations and positions associated with lower productivity and pay. Men are substantially more present than women in construction, commerce, transport, and manufacturing. At the same time, women are over-represented in the category of other (which includes the social and health sectors, for instance, typically female), and in hotel and restaurants. Indeed, women predominate in occupations related to personal

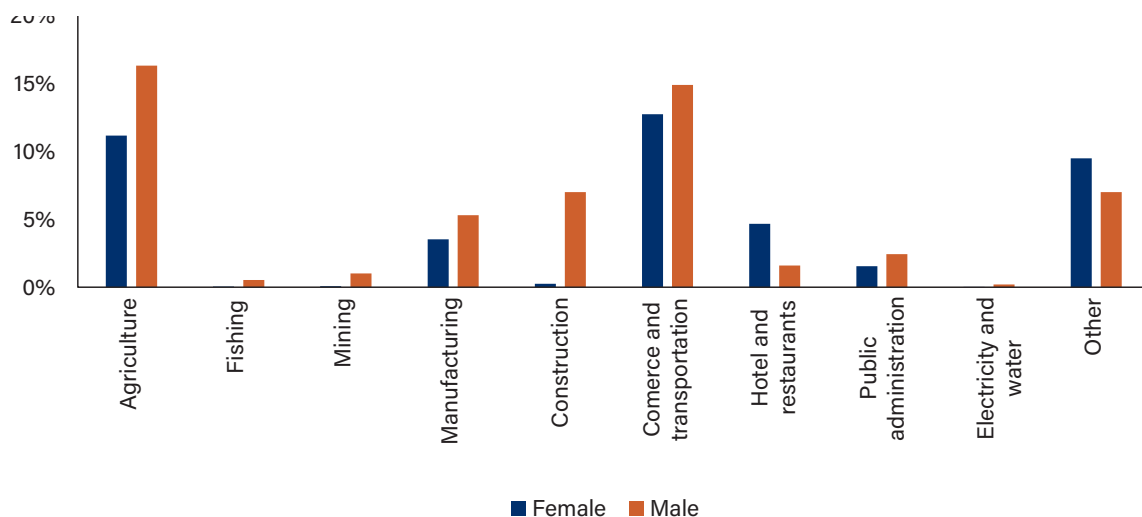
care, as cashiers and receptionists, nurses, administrative staff, and teachers, while men represent a larger share of drivers, workers in agriculture and fishing or construction, mining, machinery, security, and mechanics.³⁵ At the same time, women only occupy around 30 percent of the managerial positions.³⁶

34. Silva-Peñaherrera et al. 2022.

35. Ministry of Labor 2019.

36. UN Women.

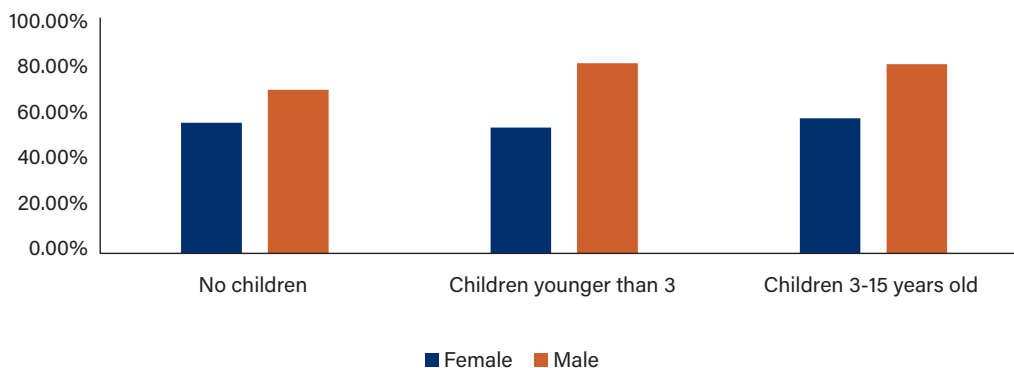
Figure 14: Occupational segregation
% on total employment



Source: INEI - ENAHO

Interestingly, being a mother does not operate as a barrier for labor force participation, but it seems to have an impact on the type of employment. Indeed, Peruvian women appear to participate to a larger extent in the labor market when there are older children in the HH (3-15 years old) than those with younger or no children. For men, the labor force participation rate is independent of the age of the children, but it is significantly lower among men in HH with no children (Figure 16). A recent international evaluation of the linkages between maternity and labor market outcomes in four LAC countries including Peru showed that maternity entails a bias toward occupational choices that are more flexible, such as part time jobs, informal contracts, and self-employment.³⁷ In addition, access to childcare is likely to be a predictor of FLFP. As an example, a recent review in LICs and MICs found systematic evidence of causal impact of institutional childcare on maternal labor market outcomes.³⁸

Figure 16: Association between parenthood and FLFP
Children in HH



Source: INEI - ENAHO

37. Berniell et al., 2021.

38. Halim et al. 2021.

The differences in the types (intensity and spans) of employment between men and women translate into systematic gaps in labor market income. The average labor income of women was around 74 percent of that of men in 2021; this share has remained unchanged over the last decades (as an example, in 2005 it was 73 percent). This gap persists across all regions and is particularly large in some of them (e.g., Piura, Moquegua and Tacna). By civil status, the gaps disappear among divorced and single women, whereas they are the largest among cohabitant (66.3 percent) and married women (67 percent). Gender earnings gaps are also the largest among the white population followed by Aymara and Quechua groups. The difference is also particularly large among households with children, where the earnings of women only account for around 66 percent of those of men, vis-à-vis those without children – where women’s earnings represent 81 percent of those of men. The discrepancies in earnings also vary across sectors, with manufacturing, hotel and restaurants and electricity and water showing the largest ones – the labor earnings of women in these sectors account only for around 50-60 percent of those of men.

Moreover, and regardless of the characteristics of the job and the worker, a large gender wage gap persists. The unexplained gender wage gap has remained stable over the period 2007-2018, at around 17 percent, with only small reductions at the lowest end of the wage distribution. This suggests that social norms and discrimination are at play in the Peruvian labor market. Human capital variables appear to narrow the differentials. Indeed, education plays an equalizing role as it contributes to reducing the observable gap. The most vulnerable (informal, low paid and uneducated workers) are exposed

to the largest gaps.³⁹ The gender wage gap grew by 30 percent in 2021 – from 19 percent in 2020 to 25 percent in 2021, based on IPE calculations, likely in connection with the disproportionate impacts of the pandemic on working women.

Also in connection with gaps in labor market participation and employment, access to formal social protection remains more limited among women than men, with important implications for poverty. Only 41.3 percent of women are contributing to the social protection system in Peru, compared to 48.73 of men. The coverage rates for women (and men) are particularly low in Amazonas, Apurímac, Puno and Huancavelica). Women also represented only around 40 percent of the total number of affiliates to private pension plans in December 2021.⁴⁰

On the other hand, women’s engagement in businesses is increasing in Peru, while access to productive assets such as finance seems to have improved over time. Around 57 percent of all Peruvian firms had female ownership in 2017, compared to 28.7 percent only seven years before that date. In addition, access to finance appears to be high. Based on World Bank World Development Indicators data, and although high, the share of women that owned an account at a financial institution or with a mobile-money-service provider in 2021, at 53 percent, was still lower than that for men (62 percent). The same data indicate a substantial improvement in access to bank accounts among women since 2004. Most women (and men) who have no card or account report that the main reason is not having enough income, followed by not being interested. Women also represented around half of the registered debtors in December 2021.⁴¹

39. Vaccaro et al. 2022; OECD 2022.

40. SBS - Superintendencia of Banking and Insurance of Peru.

41. SBS - Superintendencia of Banking and Insurance of Peru.

However, gaps in access to other relevant productive assets persist. As an example, in 2020 only 33.5 percent of women compared to 41 percent of men reported owning a computer, 79 percent compared to 85.2 percent among men reported owning a mobile/smart phone and 36.5 compared to 41 percent had connection to the Internet at home.⁴² Data from a 2019 survey⁴³ used in a recent study indicates that Peruvian women face constraints in access to land ownership. Out of the sample used, only in 9.8 percent of households women owned all plots, while in 12.6 it was both men and women that held the ownership. The study found that female land ownership significantly increases the level of crop diversity and improves the household's probability of being food secure in Peru by 20 percentage points.⁴⁴

The COVID-19 pandemic had gender-differentiated economic impacts, making some of the observed gender gaps wider and more pronounced. High frequency phone surveys carried out across LAC showed that women were 44 percent more likely than men to lose their jobs. This was partly related to their disproportionate shouldering of additional care needs during the pandemic.⁴⁵ A recent study found that the labor market outcomes of women who live in rural areas, have children and do not have a partner are the worst hit by the crisis originated by the pandemic.⁴⁶ The two most important job characteristics that helped workers remain employed were being formal or having a job in an essential sector. Peruvian women were 9 percent more likely to lose their jobs in connection with the fact that female-dominated sectors are more intensive in face-to-face interactions and thereby more affected by social distancing measures. Increased childcare responsibilities also help to explain the worse impacts on women in rural areas.⁴⁷

The difficulties that women face to access economic opportunities can have implications for monetary poverty. Poverty (and extreme) poverty rates are similar among both men and women in Peru. However, the incidence of poverty tends to be higher among young female adolescents (11-14 years old), older women (65-75 years old) and those in the peak reproductive ages (20-40 years old) (Figure 17, panel a). When looking at household composition, households with only adult women show a higher poverty incidence than those with only men. The same trend can be observed for households with only women and children, compared to those with only men with children (Figure 17, panel b). Considering the proportion of the population that lives in households with only female/male and children, however, the poverty rate among both groups is quite large – vis-à-vis the households with adults of both sexes and children. Over a quarter of households are headed by women in Peru. Out of these, 22.9 percent were poor in 2021 – compared to 27.3 percent of those headed by men. However, and at the same time, a recent study focusing on Villa El Salvador in Lima, Peru, found that female headed households had almost thrice the odds of being food insecure compared to man-headed households.⁴⁸

45. Cucagna et al. 2021.

46. Durán 2022.

47. Cueva et al. 2021.

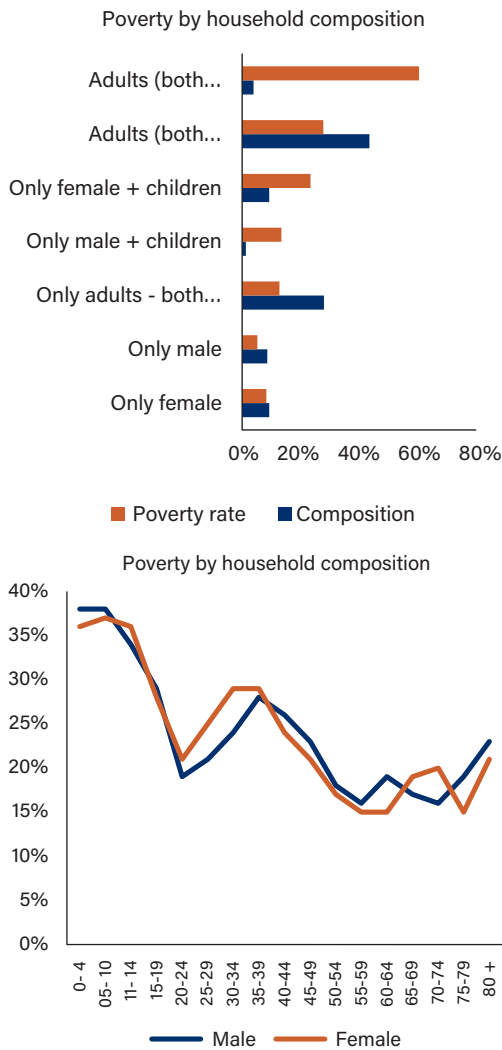
48. Cueva et al. 2021, As mentioned in the Chapter 1 "Trends in poverty and inequality" 56 percent of poor households have adults of both sexes and children under three years old, while this proportion is only 38 percent among the non-poor and 42 percent in total. Additionally, 17 percent of poor households are composed by adults from both sexes, which arises to 30 and 27 percent, respectively, for non-poor households and total households.

42. Latinobarómetro 2020.

43. Rural Land Cadaster, Titling, and Registration Project (PTRT-3).

44. Schling and Pazos 2022

Figure 17. Poverty incidence by sex, type of households and age group



Source: INEI – ENAHO

A large gap in the time that women and men dedicate to non-remunerated (and remunerated) activities exists in Peru.⁴⁹ A much larger share of employed women than men work in non-remunerated or family work: 21.3 percent compared to 7 percent in 2021. Women also represent 70.12 percent of the total non-remunerated or family workers, while they are

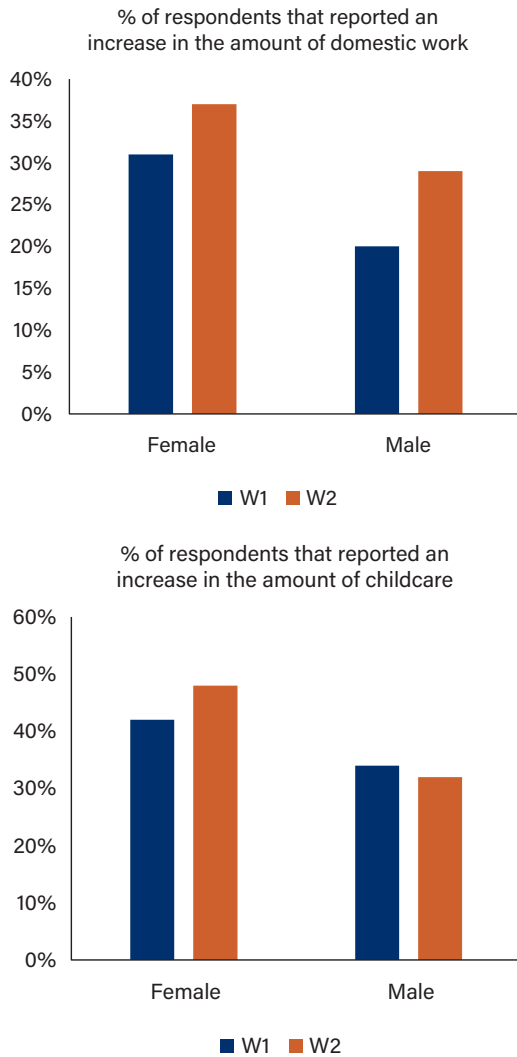
under-represented in waged employment: only 35.49 percent of the total employees are women. The latest data from a Time Survey in Peru (2010) indicates that women dedicate on average 39 hours per week to domestic work compared to 15 among men. A recent study from Metropolitan Lima confirms this trend. The study concluded that women report more intense working days compared to men (they work overall 1.3 hours more than men daily) and dedicate a larger share of their time to non-remunerated activities (21.4 compared to 11.1 percent among men). This diminishes their opportunities for development, saving and for having improved wellbeing.⁵⁰

Again, the COVID-19 pandemic has made this gap worse, as women have disproportionately taken on the additional needs for domestic care and childcare. Indeed, 31 of women vis-à-vis 20 percent of men reported that they experienced an increase in the amount of time dedicated to domestic work in the first wave of the HFPS (May 2020). In the second wave (June 2020) the corresponding shares were 29 and 37 percent. Similarly, 42 and 48 percent of women reported an increase in the time dedicated to childcare in the first and second waves, compared to 34 and 32 percent among men. These figures indicate that the existing gender gap in the impact of COVID-19 has widened during the pandemic (Figure 18).

49. OECD 2022.

50. Avolio et al. 2020.

Figure 18. The impact of COVID-19 and associated measures on time use



Source: HFPS 2021, W1 and W2

Differences in the use of time are already an indication of the prevalence of patriarchal social norms with respect to the economic participation and autonomy of women and men. This is confirmed by the WVS 2017-2022 results, according to which 22 percent of women and 27 percent of men agree with the statement that in times of job scarcity men should be given priority. Moreover, 45 percent of women and 43.5 percent of men indicated agreement with the

statement that when women work, their children suffer, while 29.3 percent of women and 22.1 percent of men believe that women having a higher income than the husband is a problem. More than a third and a quarter of adult respondents in another survey agreed that a woman who leaves the house neglects her domestic duties and that a woman should not work if her partner did not want her to, respectively. More than half agreed that women needed to first fulfil their role as mother, wife, or housewife before realizing other aspirations.⁵¹

Gaps in formal institutions, including the legal framework for work and the existing family policies also play a key role in explaining these trends: First, Peruvian women engaged in informal work remain excluded from family benefits including maternity leave. In Peru, mothers have a right to 14 weeks of maternity leave, equally divided between prenatal and postnatal days. Although this length corresponds to the minimum standard as defined by 2000 ILO Convention No. 183 on Maternity Protection, it is below the 18 weeks suggested by ILO Recommendation No. 191. The costs of maternity leave are born by the social security system. However, women who work in the informal sector cannot benefit from the system because they are not associated. A recent survey by the INEI shows that in 2021 out of a total of 8.7 million mothers in Peru (aged 15 years and above), 48.4 percent work as self-employed and 78.7 percent work in a small enterprise. It is likely that many new mothers in these groups are not covered by a maternity leave. Beyond income losses, the lack of maternity protection for female informal workers can exacerbate risks of infant mortality reflecting the fact that expectant mothers cannot afford to take time off work before the birth. It also inhibits the capacity of mothers to breastfeed exclusively for a six-month period.⁵²

51. INEI, 2016.

52. OECD 2022.

Second, the current leave system does not cater to the need to improve the balance in the distribution of caregiving responsibilities between men and women. There is no shared parental leave, while paternity leave remains relatively short: The two weeks available to new fathers working in the formal sector, although twice as much as the regional average, are still far below the OECD average for paternity leave and other parental leave reserved to fathers.⁵³ No leave for emergencies is mandated.⁵⁴ Moreover, once parents return to work, they have little options to ease the demands on their time. At 48 hours for full-time and a maximum of 24 hours for part-time work, maximum work hours are above the standard work week of 40 hours that is common in high income countries. In addition, many workers may work longer hours.⁵⁵

In addition, Peru has no integrated and universal early childcare (ECC) system, while important coverage gaps remain, especially among some of the most vulnerable populations (Cruz Saco and Pérez 2020). The public free ECC provision starts from 72 months onward, which makes up for a childcare policy gap of 68.4 months (or 5.7 years).⁵⁶ Rates of attendance among children ages under 3 are low.⁵⁷ Existing services rely to a large extent on (not adequately trained) community volunteers, which reinforces negative gender stereotypes (since these are usually unpaid or poorly paid women). The Cuna Más Program provided to some of the most at-risk families offers a combination of out of home care (in urban areas) and home visits (in rural areas) for children 6-36 months old.⁵⁸ However, the program remains limited and concentrates in rural areas.⁵⁹

Box 2. The importance of family policies for economic gender equality

Maternity, paternity, and parental leaves are key for gender equality in access to economic opportunity. Leave policies are necessary to ensuring the financial protection of families during pregnancy, childbirth and child raising, and in promoting gender equality – by enabling women to continue working when they become parents. They are also key to support the health and early development of children (World Bank 2019; UNICEF 2020). Paternity and shared parental leaves with some embedded incentives (such as quotas for fathers) are the most effective to re-balance the distribution of childcare responsibilities between mothers and fathers, preventing discrimination in labor markets.

53. OECD 2022.

54. ILO 2022.

55. OECD 2022.

56. The time difference (in months or years) between the end of paid leave available to households and the right to free and universal ECCE or primary education is referred to as the “childcare policy gap”. It points to the period in which parents lack any type of care policy entitlement and in which care needs are covered by unpaid care work or individual sub-optimal paid care solutions (such as domestic, migrant or other care workers lacking labor and social protection rights).

57. Cruz Saco and Pérez 2020.

58. ILO 2022.

59. Cruz Saco and Pérez 2020.

Ensuring access to quality childcare is another important family policy for gender equality with potentially positive impacts on children -- from a certain age, and especially among vulnerable families. There is evidence from different countries that access to quality childcare can significantly benefit women's labor market participation, increase household's earnings, and bring strong economic value for the entire society and economy. Based on ILO estimations, investing in universal childcare and long-term care services could generate up to 280 million jobs by 2030 and a further 19 million by 2035, for a total of 299 million jobs. Of these jobs, by 2035, 234 million (78 per cent) would go to women and 251 million (84 per cent) would be formal jobs (ILO 2022).

5.4. Encouraging woman to lead in decision-making and reducing gender-based violence are key to gender equality

Increased agency for women leads to improvements in women's welfare and that of their children.⁶⁰ On the contrary, limited decision-making power within families is associated with increased risks of experiencing IPV, higher vulnerability to economic dependence, reduced civil activities and educational attainment, and higher maternal and infant mortality.⁶¹ In addition, when more women are elected to office, policymaking increasingly reflects the priorities of families, women, and excluded groups, resulting in democratic gains.⁶² On the other hand, GBV, the most extreme manifestation of an absence of agency, bears large individual costs in terms of education, employment and civic life for the women affected and negative impacts on their children.⁶³ Moreover, this phenomenon is costly to societies: The costs of lost productivity due to domestic violence conservatively range from 1.2 to 2 percent of GDP across countries.⁶⁴

Gender inequality in decision-making within households is persistent in the country. This is indicated by the low percentage of women 15-49 years old who reported participating in the three main decisions regarding their own health care, major household purchases, and visiting family and friends in 2021. As an example, only in 65.5 percent of cases the women interviewed made the decisions pertaining their own health care, while in 14.8 percent of the cases it was solely the husband or partner that made the decisions on major household purchases. In addition, only 63.3 percent of women reported making decisions on how to manage their own income. A socioeconomic gradient can be observed: The capacity to make decisions on these important topics is higher among older women, those without children, with higher educational attainment, from higher income backgrounds and living in urban areas (Figure 19). Another clear indication of the unequal distribution of valuable assets such as time is the fact that women spend over twice as much time as men on unpaid domestic and care work.

60. World Bank 2012.

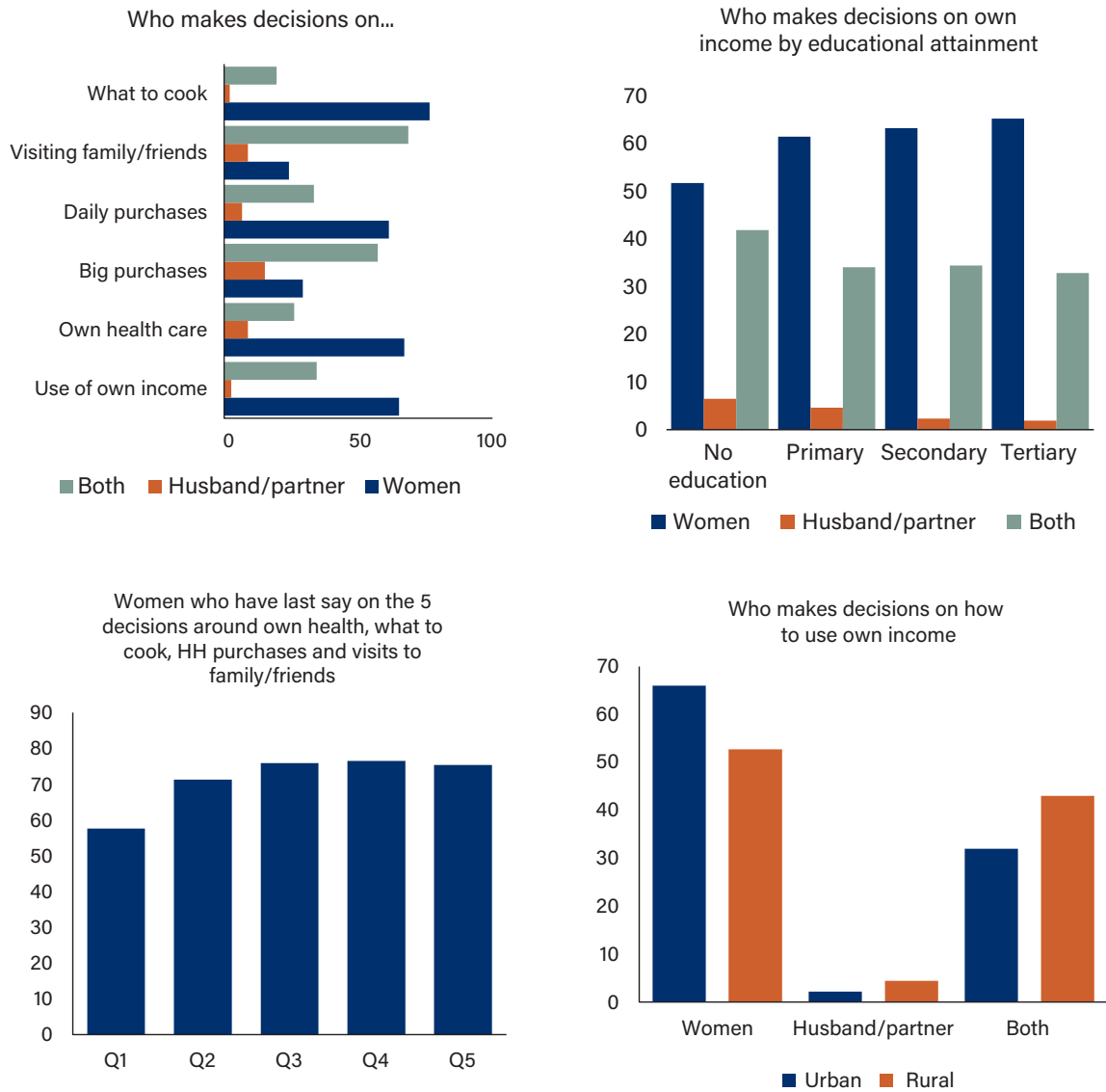
61. Hou & Ma 2013.

62. Klugman et al. 2014; Chattopadhyay & Dufflo 2004; Iyer et al. 2010; Markham 2013

63. ILO 2020; IFC 2021; UNICEF.

64. World Bank 2013.

Figure 19. Decision-making in the household, 2021



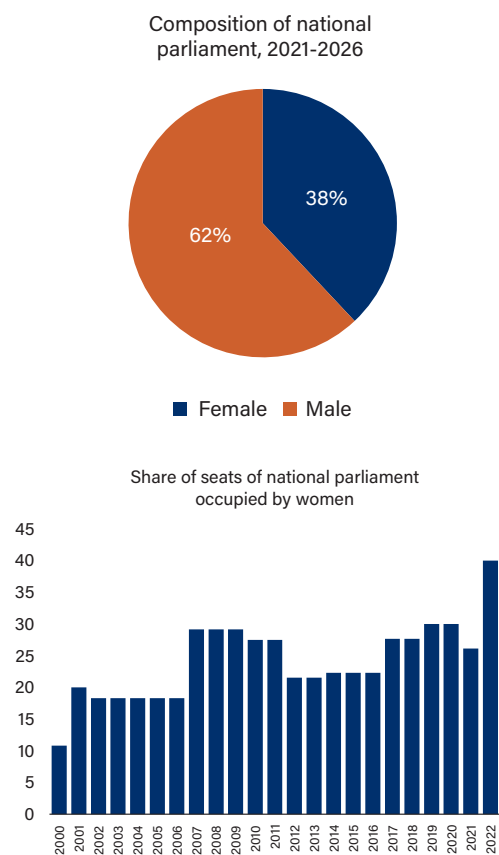
Source: ENDES, accessed October 2022

The presence of Peruvian women in decision making in the public sphere also remains constrained. The share that women represent in the national parliament has been increasing since 2000, especially since the introduction of the 30 percent quota in candidate lists.⁶⁵ In 2022, 38 percent of seats at the national parliament are occupied by women, above the LAC average of 34 percent in 2021 (WDI) even if still far from parity. Yet, and based on data from the National Electoral Court, only 4 out of 100 Peruvian women stay in politics longer than 5 years, largely in connection with the high prevalence of political violence.⁶⁶ Almost a quarter of women declared experiencing it in the 2018 elections. Based on the WVS 2017-2022, 38.3 and 37.8 percent of women and men, respectively, think women do not often have equal opportunities to run for office. The share of female ministers decreased substantially in the last mandate to 15.7 percent – from 42 percent in 2020 and compared to an average of 39 percent since 2010. The lower presence of women in decision making spaces is also manifested in their minimal representation in management: Only 19.9 percent of firms (of more than 5 employees) had women among the top managers in 2017.

Not surprisingly, women’s engagement or interest in public or civic activities is more limited than that of men. As an example, 36 percent of women compared to 28.8 percent of men reported not being interested at all in politics in the Latinobarómetro 2020. In addition, 50.7 percent of women compared to 45.8 percent of men reported that they would never take part in demonstrations, 58 percent vis-à-vis 50.8 percent among men stated that they would never sign a petition, and 36.8 percent compared to 27.3 percent would never work on an issue that affects them or their community. The WVS 2017-

2022 results also confirm that women tend to participate actively to a lower extent than men in political parties, although they do participate to a larger extent in other types of organizations, such as churches, religious, artistic, and educational organizations and self-help or mutual aid groups.

Figure 20. Women’s representation in political institutions



Source: CEPALSTAT

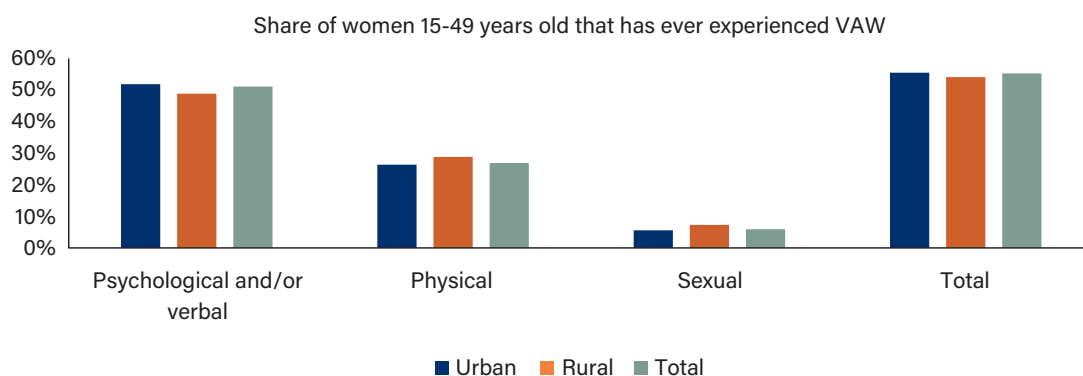
As many as 1 in 2 women has ever experienced psychological or verbal violence while almost 1 in 3 women reports having experienced physical violence. GBV is a persistent phenomenon in Peru that undermines women and girls’ accumulation of human capital and their potential to engage in productive activities.

65. World Bank 2018

66. The National Plan against GBV 2016-2021 recognizes political harassment as a new form of violence, defined as “any action, behavior or omission, based on gender, that aims to undermine, annulate, impede, be an obstacle to or restrain the political rights of women”

The share of women that has ever experienced any form of violence remains high. Psychological violence is the most common (51 percent of women), followed by physical (27 percent) and sexual violence (6 percent). The incidence of the two latter forms is higher in rural areas, although reports of psychological or verbal violence are higher in urban areas (Figure 21). Reported incidents of violence are higher among indigenous and non-Spanish speaking women, women with no education (60.4 percent) vis-à-vis women with tertiary education (48.7 percent), and among women from the second lowest income quintile (58.2 percent) compared to those in the highest (45.7 percent). The highest rates are registered in the Sierra, and in the regions of Madre de Dios, Puno y Apurimac. The situation appears to have worsened with the pandemic lockdowns, and the associated stress and isolation, combined with lack of access to support services.⁶⁷

Figure 21. Prevalence of GBV 2021



Source: Demographic and Health Survey 2021

Child marriage/union is another form of violence against women that can have particularly negative impacts for women and the entire Peruvian society. Child brides, in particular, are at greater risk of dropping out of school, with negative impacts on their capacity to make a living and their vulnerability to poverty. They are also more likely to experience poor health outcomes, early pregnancy and childbearing, maternal mortality, and GBV.⁶⁸ These dynamics also affect their children and households, as well as communities and entire societies.⁶⁹ Overall, if child marriage had ended in 2015, the global economy could have saved US\$566 billion by 2030.⁷⁰

Child marriage/union is still quite common in Peru, especially among vulnerable families. Although only 2.5 percent of women ages 20-24 were married before they turned 15 years old in 2018, the share goes up to 17.4 percent when considering all women married before they turned 18 years old. The country performs relatively well in this area compared to other regional peers for which data is available (WDI). However, the share of adolescent women living in unions (and early cohabitation) is much higher, while large differences across sociodemographic characteristics persist. Indeed, and based on ENDES 2017 data, out of the total of married/in union adolescents, only 23 percent were married.

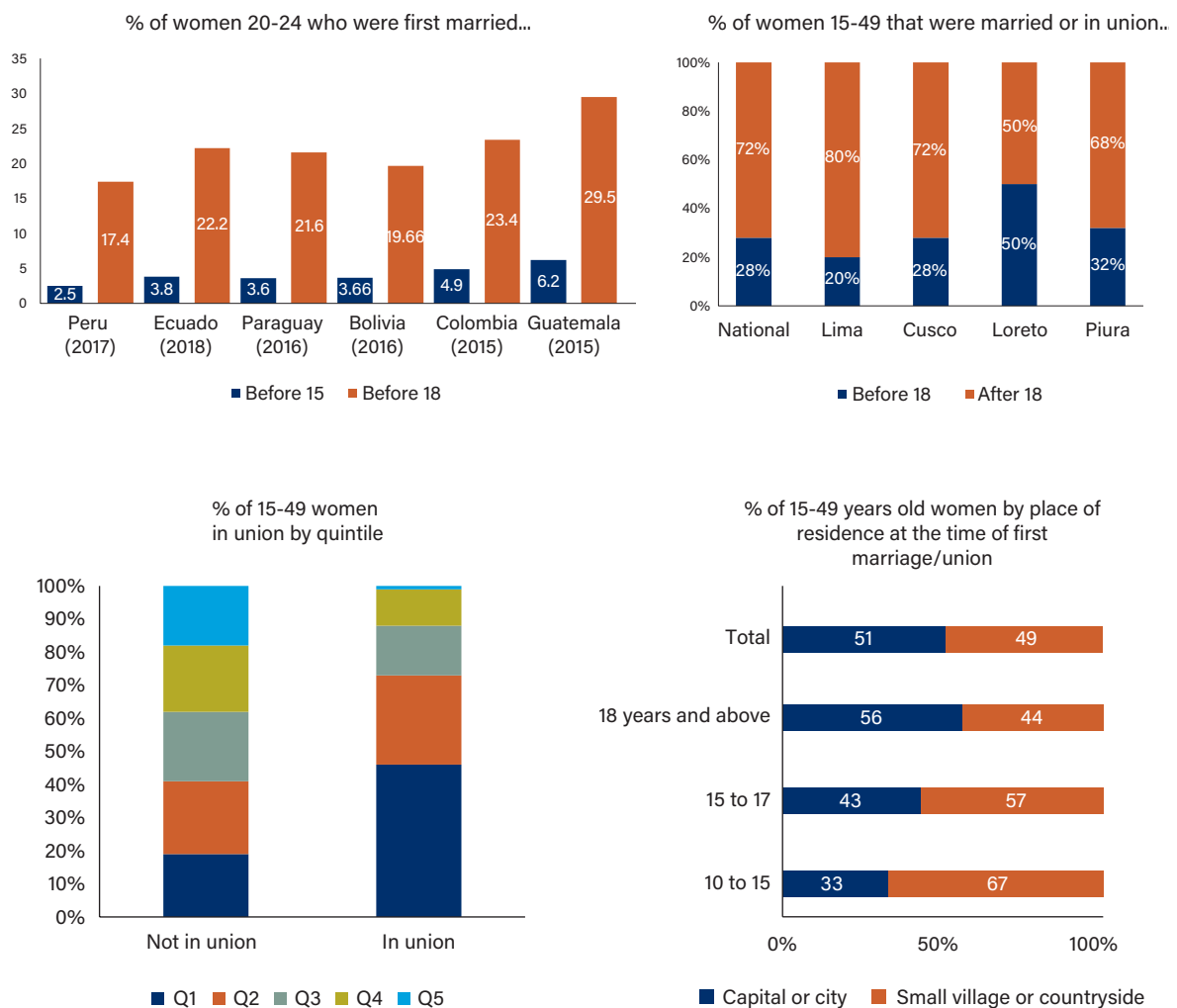
68. Wodon et al. 2017; Hindin and Fatusi 2009; World Bank 2014.

69. Wodon et al. 2017.

70. Wodon and Petroni 2017.

Moreover, the share of women in unions was especially high among women in Loreto (50 percent) and Piura (32 percent) and among native Amazonian women (20 percent, twice the national average, both for unions before 15 years old and 18 years old). There is a clear correlation between income and early unions: 46 percent of the teenagers that were married or in union between 15 and 17 years old were from the lowest quintile of income. In addition, the share of women married or in union as children is higher in smaller villages or rural areas (Figure 22).⁷¹

Figure 22. Child marriage and early unions in Peru



Source: WDI for interational comparison; ENDESA 2017 for regional, income based and residential area data.

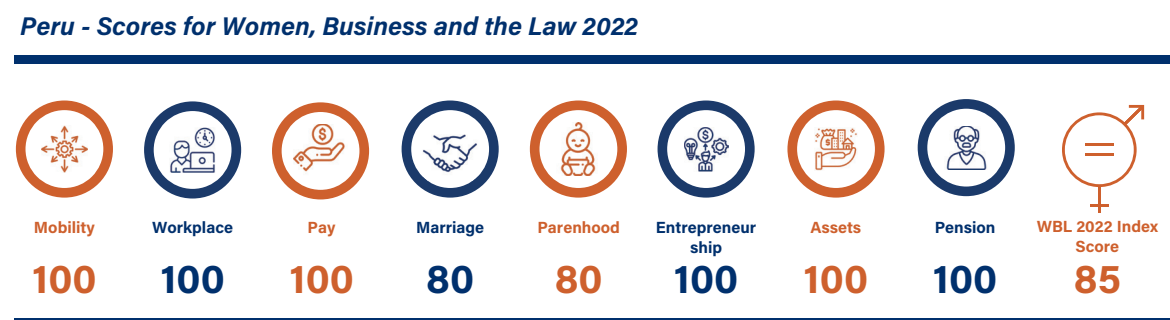
71. UNFPA 2019

The legal and institutional framework for gender equality in Peru is – at least on paper – one of the most complete in the region. Indeed, Peru scores 95 out of 100 in the most recent Women, Business and the Law assessment (2022) – the maximum score observed in Latin America and the Caribbean (LAC) (for which the average was 80.4). When it comes to constraints on freedom of movement, laws affecting women's decisions to work, women's pay and size of pension, constraints on women starting and running a business and gender differences in property and inheritance Peru gets a perfect score (Figure 23).

However, some legal gaps need to be addressed. Peruvian women still do not have the same legal rights to divorce as men, as provision 243 (3) under the Civil Code states that (female) widowers and divorcees must wait for at least 300 days after the husband’s decease or the divorce to remarry, unless they become pregnant. With regards to the legal framework for the prevention of child marriage, and although the minimum legal age of marriage for both girls and boys is 18 years old (Código Civil, art. 241), it can be lowered to 16 years old with parental consent (and the authorization by a judge). Informal unions remain unregulated. The main provision in this respect is that adolescents from 14 years old of age will have full legal capacity when they become parents. Confusion exists around the protection that this group needs to be granted and how to do it in the legislation and its application.⁷²

More importantly, enforcement challenges persist, which makes this achievement ineffectual in practice. This is particularly evident in the area of GBV, which the government has recently placed at the center of the public debate and policy agenda, with mounting public investments and actions on the prevention of and response to this phenomenon.⁷³ However, many of the institutions in charge are pervaded by patriarchal views that often leave women and girls in situations of abuse unprotected. As an example, and although there are various policies and programs in place to prevent early family formation, there is evidence that resistance in the sector exists against prioritizing the provision of family planning to and attention to pregnancy for adolescents.⁷⁴ A large share of the population reports the belief that gender equality is not adequately guaranteed in Peru. As many as 18 percent of women compared to 9.7 percent of men indeed reported that it was not guaranteed at all.⁷⁵

Figure 23. Legal framework for gender equality in Peru



Source: Women, Business and the Law 2022.

72. UNFPA 2019.

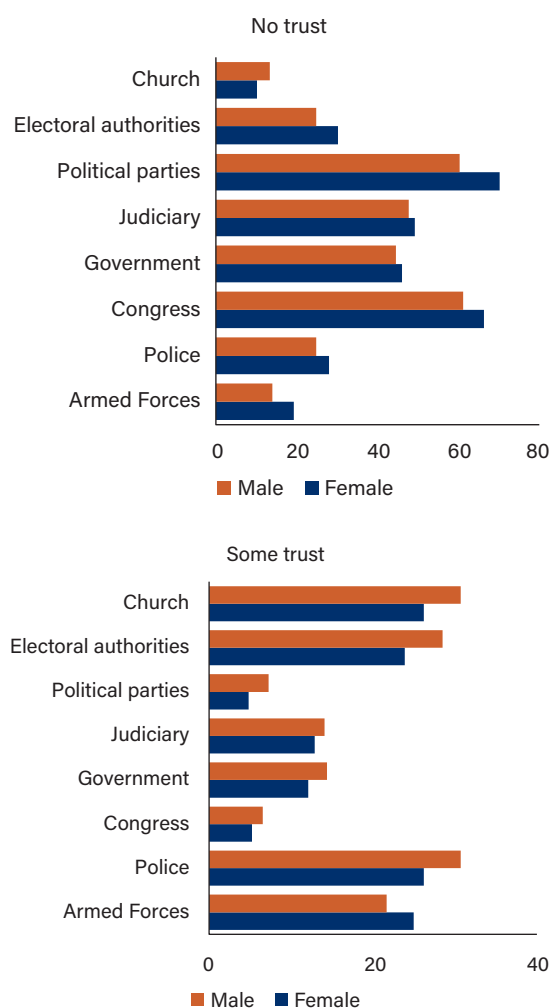
73. World Bank 2019.

74. UNFPA 2019.

75. Latinobarómetro 2020.

Gender differences exist when it comes to trust in institutions. Based on the Latinobarómetro 2020, women tend to report having no trust in institutions such as the armed forces, the police, Congress, the Government, the Judiciary, political parties and electoral authorities to a higher degree than men. The only exception seems to be the Church. In parallel, they express having some trust in these institutions to a lower degree than men, except in the case of the armed forces. Total distrust appears to be particularly high among both men and women when it comes to political institutions and the judiciary (Figure 24).

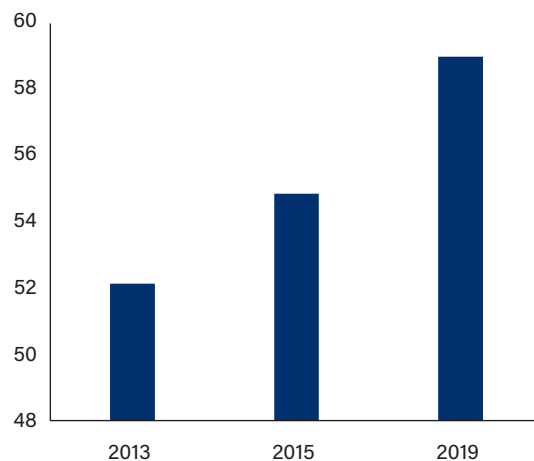
Figure 24. Reported trust in institutions



Source: Latinobarómetro 2020.

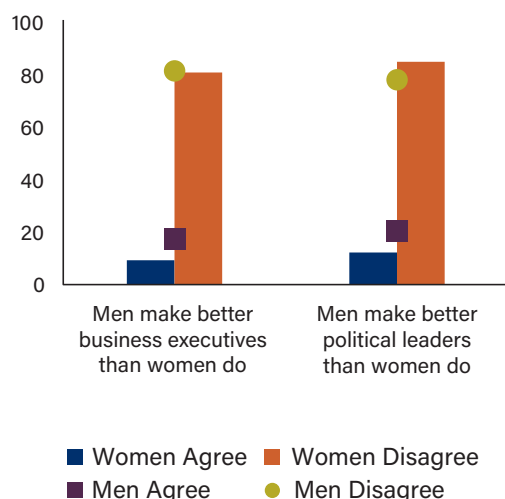
Patriarchal social norms constraining women’s autonomy and decision-making capacity are also still prevalent in the Peruvian society – and in particular those that justify violence against women. Indeed, and based on ENARES (2019), the index of tolerance toward GBV within the family has been on the increase (Figure 25). The persistence of discriminatory social norms undermining women’s agency is also evident from the WVS 2017-2022 results with regards to the view of both Peruvian women and men on whether women are worse business managers and political leaders than men. As shown in Figure 26, still 17.3 and 20.5 of men believe that is the case, respectively. Patriarchal views in this area tend to be more entrenched among older generations. Respondents ages under 29 disagree with such views in larger numbers (89.4 and 84.5 percent, respectively, compared with 82.9 and 80.1 percent among respondents ages 50+).

Figure 25. Index of social tolerance with regards to family violence against women 2013-2015-2019



Source: ENARES 2013, 2015 and 2019
 Note: the methodology for the calculation of the index has been modified in the last round.

Figure 26. Social norms related to gender roles and agency in Peru 2017-2020



Source: WVS 2017-2020.

5.5. Policy recommendations

An essential foundation of inclusive and sustainable growth, gender equality is also deeply interconnected with and instrumental to poverty reduction. On the one hand, gender gaps can reinforce monetary poverty. Conversely, removing barriers for women to accumulate endowments and access to economic opportunity will generate broad productivity gains, it will feed other development outcomes, including those of children, and will lead to more representative and inclusive institutions and policy choices⁷⁶ Relevant gender gaps are also evident when looking at multi-dimensional measures of poverty that cover non-monetary aspects such as access to basic services. On the other hand, some of the gender gaps observed across countries tend to vary with income levels, with women from the most vulnerable backgrounds facing the most severe constraints.⁷⁷ Therefore, ignoring the interlinkages between poverty and gender gaps can undermine the effectiveness of poverty

reduction efforts and the take-up of interventions that do not address the needs and constraints of the poorest.⁷⁸ The associations between poverty and gender (in) equality in Peru also run in both directions.

On the one hand, Peruvian women are particularly exposed to monetary poverty in the country. As the data presented in this note shows, Peruvian women are more likely to be monetary poor during the core productive and reproductive stages of life, and in old age. Furthermore, households composed of only one female adult with children are among the poorest among all household compositions. This is especially relevant given the implications that it can have for the next generation, as well as in light of the limited access that Peruvian women have to formal social protection including old age pensions. Indeed, and as seen above, the limitations that Peruvian women face to access formal economic opportunities – and thus their much shorter working lives and smaller contributions to the social protection system – may render many of them unprotected before the risk of old age (among others). This, combined with the fact that they tend to have longer lives than men, makes them especially vulnerable to poverty when they reach a certain age. This trend will become more pronounced over time, as the age composition of the Peruvian population continues changing.

Non-monetary measures of poverty also show how Peruvian women are more vulnerable across different dimensions of well-being than men. Women and young girls in the country still face difficulties in access basic services such as maternal, sexual and reproductive health and show poorer results than men and boys for

76. World Bank 2012.

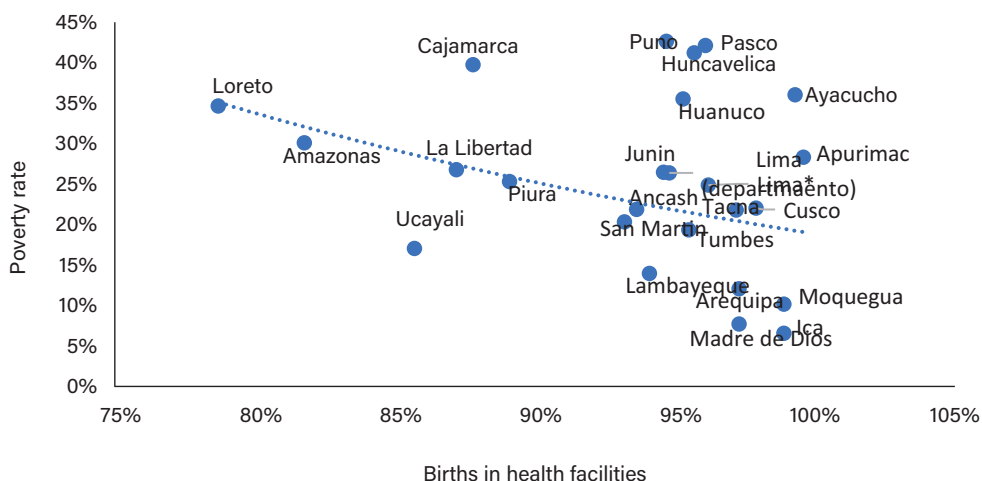
77. World Bank 2012, PSRP 2018.

78. PSRP 2018.

instance with regards to relevant outcomes such as educational attainment and literacy. The lower accumulation and investments in basic endowments combined with limitations on their aspirations and their capacity to make decisions translate into higher barriers to access economic opportunity on an equal footing with men. Peruvian women and girls continue shouldering most of the household and care work, in connection with the prevalence of patriarchal social norms that ascribe them to the private domain, while they are confronted with extreme phenomena such as GBV.

On the other hand, it is generally the poorest and most vulnerable women that are confronted with the largest gender gaps. The most notable gaps across all relevant outcomes including health, education, employment and decision-making capacity are systematically observed for women from the lowest quintiles of income, the least educated, living in rural – and some of the poorest – regions of the country, and from specific (usually poorer) ethnic groups. It is therefore the women that are already disadvantaged on other dimensions of wellbeing – and therefore more poorly equipped to assert their rights – that face the most pronounced barriers to participate in economic and social life in Peru on an equal footing with men. This translates into a vicious cycle where poverty and inequality are transmitted onto the next generation. The association between poverty and gender inequality across dimensions of wellbeing is particularly exemplified by the correlation between certain outcomes and the incidence of poverty across regions. For instance, the regions with the highest poverty rates also show some of the lowest rates of access to maternal health services as indicated by the share of births in medical facilities (Figure 27).

Figure 27. Association between poverty rates by region and access to maternal services



Source: Author’s calculations based on ENAHO – INEI data.

The economic implications of gender (in) equality are particularly important in light of the current demographic stage in Peru and the projections for the future.

Facilitating access to the labor market for women has simultaneous effects on demography, human capital, and growth, and is needed to realize the first demographic dividend. In addition, and in order to benefit from a (potential) second demographic dividend in the future, Peru will need to start introducing measures that will facilitate it, such as encouraging savings among the working age population (and future elderly) and setting the foundations to further invest in the human capital of its labor force, especially of girls and women. As seen before, population ageing will also challenge the sustainability of the pension and long-term care systems⁷⁹, with special implications for women as the main caregivers and those that tend to live longer into old age.

In view of the key gender gaps and the main explanatory barriers and drivers identified in this note, some general conclusions can be extracted to inform the main lines of action moving forward.

- First, and with regards to health gaps, *expanding information and access to sexual, reproductive and maternal health services that meet the necessary quality standards for all women should continue to be prioritized – with a particular focus on the most vulnerable and younger women and men.* It is rural, poorer, indigenous and least educated women that continue facing the largest constraints in access to these type of services and information, and therefore *strengthening adapted responses to their needs – through culturally friendly services, use of community outreach mechanisms, training, subsidized transportation, etc. – is required.*
- *In the area of education, and while enrolment does not appear to be an issue, it is important to better understand and address the drivers and barriers that lead to early dropout (especially among women) and its connections with the NEET phenomenon.* Again, this would require a *specific emphasis on facilitating and expanding access to quality and culturally adapted services and on changing social norms and beliefs about the value of education (especially among girls) and the roles and aspirations for women vis-à-vis men among the most vulnerable population groups.*
- With regards to gaps in economic opportunity, addressing barriers will require strengthening family policies, with a focus on *implementing a shared parental leave with embedded incentives for fathers´ take-up, improving flexibility in working schedules and times for both women and men, and extending maternity leave to the informal sector.* Ensuring *adapted access to quality childcare* for working parents from a certain age will also be necessary – *especially among the most vulnerable populations.* Strengthening programs that aim to *facilitate women´s access to productive assets such as land and developing the competencies and resources of female entrepreneurs to start and grow their businesses* would be an additional general line of action in this area.
- Ultimately, and with regards to agency, ramping up efforts to *ensure that the advanced legal framework for gender equality in Peru is adequately enforced and that the existing policies are effectively implemented and evaluated* is a necessary next step. This is especially important, for instance, in the field of GBV, and would entail, among others, *capacity building efforts of first responders*

79. World Bank 2016.

(e.g., police, health and judiciary staff, etc.) to make services female friendly and adapted to the needs of the most vulnerable women. Other broad directions in this area would include *mandating and ensuring the effective enforcement of parity* in democratic institutions, *resolving the existing legal tensions with regards to the minimum age to marry and providing some legal coverage to children involved in informal unions.*

References

- Agénor, P. R. and O. Canuto. 2013. Gender Equality and Economic Growth in Brazil: A Long-Run Analysis, Policy Research Working Paper 6348. Washington, DC: The World Bank.
- Azevedo, J. P., Favara, M., Haddock, S. E., López-Calva, L. F., Muller, M., & Perova, E. (2012). Teenage pregnancy and opportunities in Latin America and the Caribbean: on teenage fertility decisions, poverty, and economic achievement.
- Cuberes, D. and M. Teignier (2015). How Costly Are Labor Gender Gaps? Estimates for the Balkans and Turkey. World Bank Policy Research Working Paper 7319. Washington, DC: The World Bank.
- Duflo, E. (2012). Women Empowerment and Economic Development, *Journal of Economic Literature* 50(4): 1051-79.
- Elborgh-Woytek, K., M. Newiak, K. Kochhar, S. Fabrizio, K. Kpodar, P. Wingender, B. Clements, and G. Schwartz. 2013. Women, Work and the Economy: Macroeconomic Gains from Gender Equity. IMF Staff Discussion Note. Washington, DC: International Monetary Fund.
- Halim, D., Perova, E., Reynolds, S. (2021). Childcare and Mothers' Labor Market Outcomes in Lower- and Middle-Income Countries. Policy Research Working Paper; No. 9828. World Bank, Washington, DC. © World Bank. <https://openknowledge.worldbank.org/handle/10986/36479>
- Huarancca, M. and Castellares, R. (2020). Bono demográfico, productividad y crecimiento económico. Banco Central de Reserva del Perú.
- INEI (2016). Encuesta Nacional sobre Relaciones Sociales ENARES 2013 y 2015 - Principales Resultados. Instituto Nacional de Estadística e Informática, Lima.
- International Labor Organization. 2018. Global Wage Report 2018/19: What Lies Behind Gender Gaps. Geneva: International Labor Organization.
- Kabeer, N. 2016. Gender Equality, Economic Growth, and Women's Agency: the "Endless Variety" and "Monotonous Similarity" of Patriarchal Constraints, *Feminist Economics*, 22(1): 295-321.
- Kirigia, J.M., Mwabu, G.M., Orem, J.N., Muthuri, R.D.K. (2014). Indirect cost of maternal deaths in the WHO African Region in 2010. *BMC Pregnancy Childbirth* 2014 Aug 31; 14:299.
- Klasen, S. and F. Lamanna. 2009. The Impact of Gender Inequality in Education and Employment on Economic Growth: New Evidence for a Panel of Countries, *Feminist Economics* 15(3): 91-132.
- Klugman, J, L Hanmer, S. Twigg, T. Hasan, J. Mcleary-Sills, J. Santa Maria. (2014). Voice and Agency: Empowering women and girls for shared prosperity. Washington D.C.: World Bank.
- McKinsey Global Institute. 2015. The Power of Parity: How Advancing Women's Equality Can Add US\$12 Trillion to Global Growth. London: McKinsey Global Institute.
- OECD (2019a). Skills Matter: Additional Results from the Survey of Adult Skills. OECD Skills Studies, OECD Publishing, Paris.
- OECD (2019b). Resultados de PISA 2018 (Volumen II).

Ostry, J. D., J. Alvarez, R. Espinoza, and C. Papageorgiou. 2018. Economic Gains from Gender Inclusion: New Mechanisms, New Evidence. IMF Staff Discussion Note SDN/18/06. Washington, DC: International Monetary Fund.

Schling and Pazos (2022). Effective Land Ownership, Female Empowerment, and Food Security: Evidence from Peru. IDB WORKING PAPER SERIES No IDB-WP-01298.

UNESCO (2021). When schools shut - Gendered impacts of COVID-19 school closures.

UNFPA (2019). Las adolescentes peruanas en matrimonio o unión. Tradiciones, desafíos y recomendaciones.

UNICEF. (2008). Young People and Family Planning: Teenage Pregnancy. Fact Sheet. New York: UNICEF.

Vaccaro, G., Basurto, M.P., Beltrán, A. and Montoya, M. (2022). The Gender Wage Gap in Peru: Drivers, Evolution, and Heterogeneities. Social Inclusion (ISSN: 2183-2803) 2022, Volume 10, Issue 1, Pages 19-34.

Wodon, Q., and B. de la Brière. (2018). Unrealized Potential: The High Cost of Gender Inequality in Earnings. The Cost of Gender Inequality Notes Series. Washington, DC: The World Bank.

World Bank (2001). Engendering Development through Gender Equality in Rights, Resources, and Voice, Washington, DC: The World Bank.

World Bank (2012). World Development Report 2012: Gender Equality and Development. Washington, DC: The World Bank.

World Bank (2016). Gender Equality, Poverty Reduction, and Inclusive Growth: 2016-2023 Gender Strategy. Washington, DC: The World Bank.

World Economic Forum (2020). The Global Gender Gap Report 2018. Geneva: The World Economic Forum.

Achieving gender equality is necessary to further reduce poverty and inequality



www.bancomundial.org.pe



[/BancoMundialPeru](https://www.facebook.com/BancoMundialPeru)



[@BancoMundialLAC](https://twitter.com/BancoMundialLAC)



THE WORLD BANK
IBRD • IDA | WORLD BANK GROUP