UKaid from the British people

WOW // Work and Opportunities for Women

Macroeconomic policy and women's economic empowerment during the COVID-19 pandemic

SUMMARY

Rapid review of emergency fiscal and monetary economic stimulus policies and their gender impact

This paper is a snapshot of how COVID-19 economic stimulus measures undertaken by sovereign governments can impact Women's Economic Empowerment. It provides a brief overview of emergency fiscal and monetary stimulus policy options and their potential impact on women, drawn from examples of responses to previous economic crises. Fiscal stimulus policy in general entail either increased government spending or reduced taxation. Monetary policy is action taken by a country's central bank or government to influence money is in the economy and the costs of borrowing.

This paper is a rapid review of evidence from web searches and key sources. It is not a comprehensive review. It aims to provide early examples of evidence, practices, and key issues for consideration. Evidence has primarily focused on low- and middle-income countries, but also on higher income countries where relevant information could be applicable. Additional sources and reading are hyperlinked throughout the document and in the references section.

The COVID-19 pandemic is a fast-moving situation and evidence is constantly emerging at the time of writing. Therefore this document should be treated as a snapshot in time, providing headline messages and key recommendations to take on board, going forward.

How gender sensitive are current government fiscal and monetary stimulus packages

The mapping of emergency fiscal and monetary economic stimulus packages across 12 DFID and Prosperity Fund priority countries found:

- **Fiscal stimulus measures that require raising additional capital tend to be more widely implemented in countries with more fiscal space, like middle-income countries:** such as expansion of social safety nets, labour market measures (such as expansion of unemployment benefits; training programmes for the unemployed; furlough schemes; private sector incentives such as low/zero interest loans to businesses to cover employee salaries), infrastructure and other measures to boost the aggregated demand (such as interest payment subsidies, loan guarantees, and other forms of liquidity support for SMEs).
- **Fiscal stimulus measures that are based on reducing government levies, such as tax cuts, are applied more universally**.
- **The most popular fiscal measures across the mapping were:** tax reductions (10 out of 12 countries, low and middle income); expansion of social safety nets (all middle-income countries and Nepal [low income]) and labour market measures, such as support for worker wages (six countries, middle income plus Nepal). Seven countries have implemented measures to boost the aggregate demand, mainly focused on SME liquidity. Only Nigeria has opted for infrastructure spending in the health sector.
- **Emergency monetary interventions were applied across nearly all 12 countries.** All countries decreased interest rates and relaxed capital reserve requirements, other than Somalia and Vietnam. None have yet engaged in Quantitative Easing.

The review of gender sensitivity across current government fiscal and monetary stimulus packages found a significant lack of data and analysis. The findings and recommendations therefore also draw on evidence from the Global Financial Crisis 2008 and Asian Financial Crisis 1997 and gender analysis of different policies more broadly:

- **There are significant evidence gaps in the focus on gender and understanding of gender impacts** across stimulus interventions in the context of COVID-19 crisis and more broadly.
- **A significant proportion of stimulus packages are delivered through monetary measures**. These support recovery at the macroeconomic level, but tend to ignore impact distribution.
- **Fiscal policy interventions that increase cash in people's hands, especially those on lower incomes, generally have greater positive impact on women and other disadvantaged groups**.

- **There are few examples of measures specifically targeting women**: These include the expansion of social safety nets, mainly deployed in middle-income countries. The only other example of a measure directly targeting women is the newly established public trust fund for women entrepreneurs and women-led businesses in Colombia**.**
- **Income tax cuts tend to have limited benefits for workers and businesses in the informal sector**, where women are disproportionately represented. Whilst reduction in sales tax on basic household goods are more likely to have wider benefits for women.

What recommendations are there for LIC/MIC government fiscal and monetary stimulus packages for women workers, women entrepreneurs and women-owned businesses

- **All response planning should consider differential impacts across women and men and identified vulnerable groups**. This needs to draw on context specific analysis and the sex segregation of workers across different sectors, types of work; the informal sector and entrepreneurs.
- **Ensure Government response and stimulus packages take account of barriers and risks for women's economic empowerment** during health crisis and economic downturn. These include increased risks of gender-based violence; increases in the unpaid care work; lack of access to sexual and reproductive care and lack of access to formal identification.
- **Pay particular attention to negative impacts and barriers for women in the most vulnerable social groups and geographies,** such as women with disabilities adolescent girls, single parents, women workers stranded abroad, refugees' and women in poor areas with limited access to water and other services.
- **Engage with representative organisations for women and other disadvantaged groups** to ensure that women in their different roles, as workers, entrepreneurs, and business-owners have space to lead, inform design and monitor impacts.
- **Prioritise monitoring of differential impacts** using sex and other disaggregated data (e.g. women with disabilities) and tracking of changes to economic advantages and agency as well as other forms of disaggregation e.g. by disability status.

What should DFID/HMG advisers be looking for when reviewing the design, implementation and monitoring of LIC/MIC government fiscal and monetary stimulus packages

HMG advisers should consider the following when reviewing the design, implementation and monitoring of LIC/MIC government fiscal and monetary stimulus packages, to ensure COVID-19 response supports women's economic empowerment.

Prioritise fiscal stimulus measures over gender-blind monetary measures: both fiscal and monetary stimulus measures have significant economic impact and can benefit women, but fiscal measures are easier to target to groups that need additional support.

Implement targeted spending of fiscal stimulus package, based on context gender analysis of the economy and barriers to economic opportunities and measures. Fiscal policy interventions that increase cash in people's hands, especially those on lower incomes, generally have greater positive impact on women and other disadvantaged groups. Some evidence suggests they can often be more effective too through higher multiplier effect, i.e. higher rate of increase of the total income in the economy due to increase in spending.

A checklist of considerations for each types of stimulus measures is found at the end of this report (p.15).

Mapping economic stimulus responses and their gender impacts

Governments have undertaken a wide variety of economic stimulus actions to protect businesses and individuals. The size of these stimulus packages varies depending on the economic capacity of the country (IMF, 2020). Brazil has allocated over 30% of their GDP, or approximately US$ 448 billion, while Indonesia has allocated 5.8% of their GDP, or approximately US$ 61 billion (IMF, 2020).

Economic stimulus responses have been mapped for 12 countries across five regions (see mapping in annex 2), drawing on frequently updated sources that map national interventions responding to Covid-19 crisis, including economic stimulus interventions. These are IMF Policy Responses to Covid- 19 (Policy Tracker) (IMF, 2020), Yale School of Management Covid-19 Financial Response Tracker (Yale School of Management, n.d.), KPMG Insights with country insights tracking policy responses (KPMG, n.d.), and ADB Covid-19 Policy Database (ADB, n.d.).

- Brazil and Colombia in Latin America and the Caribbean
- Sierra Leone and Nigeria in Sub-Saharan West Africa
- South Sudan, Somalia, and Tanzania in Sub-Saharan East Africa
- Bangladesh, Nepal and Pakistan in South Asia; and,
- Indonesia and Vietnam in South-East Asia.

Countries were selected from the DFID/Prosperity Fund priority country list and represent a mix of low, lower-middle, and upper-middle income level[1]: Five countries have low income status: Nepal, Sierra Leone, South Sudan, Somalia, and Tanzania; of which South Sudan and Somalia are also considered high fragility countries. Five countries have lower-middle income status: Bangladesh, Indonesia, Nigeria, Pakistan, and Vietnam. Two countries have upper-middle income status: Brazil and Colombia. First, we briefly explain different types of economic stimulus policies that have been applied across these countries followed by a short gender impact assessment. As the COVID-19 crisis is so recent, there is limited evidence on the gender impact of different types of stimulus interventions in the current context. This study can only provide some pointers based on previous studies of economic stimulus interventions responding to previous crises, such as the Global Financial Crisis of 2008 and the Asian Financial Crisis of 1997. Finally, we include a summary of economic stimulus packages for five countries that show variety of types of stimulus response.

There is no universally accepted categorisation of different types of fiscal and monetary stimulus policies. Fiscal stimulus policy in general entail either increased government spending or reduced taxation. This rapid review has adopted ILO/IILS's broad categories of fiscal stimulus interventions, namely: **labour market measures**, **expansion of social safety nets (social transfers)**, **taxation measures (tax cuts)**, **infrastructure spending**, and **other measures to boost the aggregate demand** (which covers all other fiscal interventions which aim to boost consumption) (ILO, 2011). Monetary policy is action taken by a country's central bank or government to influence how much money is in the economy and the costs of borrowing. The three main policy tools to achieve monetary policy objectives are **interest rates**, **reserve requirements**, and **open market operations**.

[1] Country income status as of per June 2020 World Bank listing. Income status is defined as a GNI per capita, calculated using the World Bank Atlas method. Low-income economies of $1,025 or less in 2018; lower middle-income economies of $1,026 and $3,995; upper middle-income economies of $3,996 and $12,375; high-income economies of $12,376 or more.

Fiscal stimulus policies

Labour Market Measures

Policies aimed at stimulating labour markets to either protect old jobs, create new jobs, or support the unemployed. Typical interventions include expansion of unemployment benefits; training programmes for the unemployed; furlough schemes; private sector incentives such as low/zero interest loans to businesses to cover employee salaries. Such measures have been introduced by six of the 12 countries, generally those that already have achieved middle-income status. However, Nepal has also introduced a programme for informal workers.

Potential gender impact of the labour market measures

The two most common labour market measures implemented in half of the selected countries are the expansion of unemployment benefit programmes and measures to support businesses to retain their workforce (interest subsidies on loans, new credit lines, tax subsidies).

Women tend to be concentrated in particular sectors and occupations in many countries, often in those that are hardest hit in a pandemic such as retail, travel, leisure and hospitality. Women are also overrepresented in informal, insecure as well as part time work in most countries in the world. Labour market measures that target informal sector workers and consider sex segregation across sectors when planning measures will be more likely to have positive impacts on women (World Bank 2020b).

Indonesia, for example, expanded unemployment benefits to reach more unemployed workers who have been laid off and now include informal sector workers through the Pre-Work Card Programme – a training programme for new labour market entrants or the unemployed. In Vietnam, the Vietnam Social Policy Bank is offering concessional loans with zero interest to affected firms for making salary payment to their workers who temporarily stop working.

Evidence from the 2008 financial crisis shows that temporary wage subsidies can prevent mass layoffs and lead to faster economic recovery (ILO, 2020). According to ILO, wage subsidies allow liquidity constrained firms to engage in labour retention and preserving skilled workforce thus eliminating rehiring costs. The schemes can be implemented through either payments to enterprises or directly to the workers. While the former may be easier to operationalise for formal businesses through existing mechanisms such as tax system, the latter can be set up to include informal workers, and as such benefiting more women who are often overrepresented in the informal sector.

Expansion of unemployment benefit can be a meaningful benefit for women if it includes part-time workers and those on flexible contracts. These groups of workers are most at risk of losing their jobs and are often overrepresented by women. The lessons from the 2008 Global Financial Crisis in Vietnam (Corner, 2009)show that extending the unemployment insurance for full-time wage workers have reached only 22% of the total workforce, disproportionally excluding women.

Labour market stimulus interventions may include measures to reduce women's unpaid care work. The COVID-19 crisis has increased the burden of women's unpaid care work as women have shouldered unequal shares of care work in the face of school closures, working-from-home policies, or caring for people who are ill. According to the UN, women's unpaid care work and domestic work burden is three times more that of men and the pandemic will only intensify this difference (United Nations, 2020). Governments can expend social protection schemes to reduce care burden such as providing childcare support to women with more care responsibilities, like child vouchers or subsidies for child services, and reducing the cost of basic services; for example the Colombian government has extended free access to water services for low-income families. These measures can reduce the burden of care work, especially if paired with the support from employers, who can provide flexible working hours and paid leave for their staff (Nesbitt-Ahmed & Subrahmanian, 2020).

Expansion of social safety nets

Fiscal policy measures that aim to support households and individuals endure the crisis. These usually take the form of expanding already operational social assistance programmes targeting the most vulnerable parts of society through increases in the number of beneficiaries or size of benefits. Benefits can be in the form of cash (mostly conditional transfers), food aid, or subsidies (like electricity or gasoline subsidies). Like the labour market measures, expansion of social safety nets as a stimulus intervention is more prevalent among countries at middle-income status. The only exception amongst the 12 countries is Nepal, which includes these measures in their COVID-19 economic response package, subsidizing utility bills or providing daily food rations for the most affected groups.

Potential gender impact of the expansion of social safety nets

Women and other socially disadvantaged groups are key target recipients of social protection programmes. At the household level, governments tend to undertake the expansion of social safety nets, often paired with labour market measures, to address the economic and social impact of economic crises on the poorest and most vulnerable people. According to UN data, 35,6% of social assistance interventions in response to COVID 19 are in the form of cash-based transfers (United Nations, 2020).

There is established evidence that enhancing social safety nets in time of economic crisis can benefit women in poor households. For example, the economic stimulus package implemented in Vietnam during the 2008 Global Financial Crisis demonstrated that temporary cash-transfers targeting women or reducing school fees can effectively support women and poor households to improve their livelihoods (McCarty, Corner, & Guy, 2009). Though social protection measures need to be carefully designed to reach female headed households, informal workers and other vulnerable groups, often through universal/near universal or categorical targeting along and part of broader economic interventions and livelihood recovery plans (Chaturvedi & Hearle 2020).

ODI found, however, that even though cash transfer had positive impacts on the well-being and livelihood of poor women and girls, it did not automatically empower women due to existing gender dynamics in the household (ODI, 2017). Assessing dynamics in households receiving cash transfers is necessary to create a better gender-sensitive approach that can empower women.

Cash-based support programmes can have other residual positive impacts on women beyond improved livelihoods and economic agency. Among others, cash transfers can potentially decrease domestic violence through reduced poverty-related stress and improved household economic security (consumption, savings, food security, or investments) (Buller, et al., 2018). Yet, the impact and intensity of these residual effects depend on design, size, regularity, and duration of the benefits.

World Bank's assessment on Social Safety Nets and Gender finds that women are more likely to spend cash transfers on education, health, and nutrition, which will contribute to future poverty reduction (World Bank, 2014). This report also emphasises the importance of incorporating gender aspects from the design phase to monitoring and evaluation framework.

The lessons from the financial crisis show that social protection mechanisms were limited by reach and capacity, and did not manage to target those newly affected by the crisis rather the existing recipients (Independent Evaluation Group, 2012). Some early evidence indicates this may also be the case during the COVID-19 economic crisis.

Tax measures

Taxation measures are a popular economic stimulus intervention, as it does not require significant budget capital reserves to fund it. These include changes to the tax regime for personal and corporate clients in the form of tax cuts or tax holidays, as well as reductions in VAT/sales tax and import duties. Most countries have implemented some form of tax measures.

Potential gender impact of the taxation measures

Tax systems are usually developed on the basis that they are gender-neutral. However, as long as men and women face different socioeconomic realities, tax systems will affect them in different ways (Harding, Perrez-Navarro, & Simon, 2020). In practice, tax systems may exhibit a hidden, implicit bias and may even exacerbate gender inequalities, particularly in times of crisis. While tax rules are applied consistently across all genders and social groups, their different income levels and labour force participation can result in gendered impacts of the tax system.

Any reduction in personal or corporate income taxes will only benefit those in the formal economy. Men and women in the informal sector, both workers and entrepreneurs, will not be affected. Personal income tax reduction in low-income and fragile countries, such as South Sudan and Somalia, has little impact on women as they make up a very limited part of the tax base. This is because women mostly work in the informal sector or undertake unpaid work (Joshi, 2017).

Increase of personal allowance may benefit women more than cuts to the personal income tax rate as it reduces the tax burden more at the lower end of income distribution where women tend to be overrepresented (Smith, 2009).

Reduction of VAT/sales tax on household items, personal items, and children's items can be more beneficial to women. VAT reduction on household items may benefit women more than men since women tend to purchase these items on the household's behalf. However, as the VAT/sales tax is flat, high income earners who consume more receive most benefit from the tax cut (Lahey, 2008). Conversely, any increase in the standard rate of VAT/sales tax will hit the poor households more (De Henau & Santos, 2011). Many countries already exempt basic household goods, including personal and child items, from sales tax, so broadening reductions may only cover non-essential consumer goods, as such providing little additional benefit to women.

Reducing certain non-tax government levies, such as service fees for access to basic social services, can provide significant benefit to women and other most vulnerable groups. Often outside the formal tax system in low income countries, this group is not affected by formal tax changes. For example, a reduction of health service admission fees can be a quick way to provide relief to poor groups and women (Joshi, Kangave, & van den Boogaard, 2020).

Tax holidays, especially targeting SMEs, can have positive impact on women-owned enterprises and especially SMEs who tend to operate with lower cash reserves. Extending or deferring tax payments can help manage SMEs' cashflow while preserving tax receipts for the budget. Women-owned enterprises are predominantly in the SME category, hence any support to the SME sector is likely to benefit women as business owners and entrepreneurs.

Untargeted or universal corporate tax cuts are less likely to benefit women and/or women-owned enterprises who tend to be under-represented in many industries. The country context, sectoral composition and labour force composition, will dictate where women entrepreneurs and business-owners are focused. This is often but not always in garments, agriculture (including agro-processing), hospitality, and social services. Understanding the gender distribution across different sectors is important to understanding the gendered impacts of tax cuts.

Infrastructure spending

Government policies to stimulate economic activity, especially in the construction sector, through new public infrastructure projects, infrastructure maintenance projects, or accelerating/scaling-up on-going infrastructure projects. These projects are often large-scale in order to achieve economic impact. Only Nigeria has included this type of intervention in their emergency stimulus package, looking to develop physical infrastructure of healthcare facilities.

Potential gender impact of the emergency infrastructure spending

Public sector infrastructure investments disproportionately benefit men over women in the immediate term. The key short-term benefit of emergency infrastructure spending is job creation in the construction sector, which is dominated by men. While longer term benefits of improved infrastructure, such as safer roads, new water pumps, or community healthcare facilities, can benefit women, these do not materialise during the initial economic shock and are also reliant on ensuring that women's voices are part of design.

Women face considerable barriers to realise job opportunities on public infrastructure projects. A 2009 ILO study of the Employment Intensive Investment Program (EIIP) in Africa and Asia shows that infrastructure programmes in rural areas provided access for poor women to paid work and it contributed to improved quality of life (ILO, 2010). However, considerable barriers need to be addressed to enable women to access these opportunities (Gutierrez, 2009). The following measures can help address barriers and increase opportunities for women in infrastructure construction and management i) non-discrimination recruitment and employment measures ii) skills training and iii) the provision of safe transport, toilets and workers residents (ICED, 2016).

Infrastructure projects need to embed considerations of gender across all stages of the project cycle (planning, delivery and management) if it is to benefit all end users, including women and girls and do no harm. This is even more important during infrastructure construction that is part of an economic crisis response, when many communities are more vulnerable. This includes stakeholder engagement activities, gender training for project personnel and communities to ensure gender sensitive approaches and the prevention of gender-based violence and harassment on project sites and as a consideration in design (Morgan et al 2020).

Other measures to boost the Aggregate Demand

Includes all other fiscal interventions to increase consumption. In middle income countries these measures focus on supporting businesses (targeting mainly SMEs) through interest payment subsidies, loan guarantees, and other forms of liquidity support. In low income countries, the support may include expediting payments to government suppliers for businesses in affected sectors.

Potential impact of the additional measure to boost the Aggregate Demand

These measures focus on providing targeted support to the business sector, either general SME sector or firms in sectors and industries mostly affected by the Covid-19 crisis, such as hospitality and tourism. With the core of support focusing on improving business liquidity, these measures address one of the key constraints to growth of women-owned enterprises. IFC's assessment on women-owned SMEs finds that the most significant barriers for women in non-crisis times are access to financial products and services since women's business tends to more often be smaller, slow-growing, and informal (IFC, 2014). The other barriers are lack of reliable gender-disaggregated data which hinders the opportunity for government or financial institutions in supporting women's business. These are all amplified in times of crisis.

The study (IFC, 2014) recommends the following actions. Firstly, develop a comprehensive framework at the government level to assess the country's gap in supporting gender equality. Secondly, apply an ecosystem approach to encourage women's entrepreneurship. Thirdly, establish gender-disaggregated data and formal definition of women-owned SMEs. Fourthly, develop the value proposition of women's business as part of greater SME finance and actively engage financial institutions to support women-led SMEs.

Other studies also show that reducing liquidity constraints through grants and loans can contribute to the formation of women-led enterprises. A study responding to the impact of the 2008 UK recession shows that relaxing liquidity constraints can help women to start businesses (Sauer & Wilson, 2015). The Enterprise Allowance, which was initiated in 2011, aimed at reducing unemployment by providing allowances, government-funded loans and other non-financial support for individuals to start their business.

Yet, while relaxing capital constraints is a key contributing factor encouraging women-led SMEs growth, it may not be sufficient to grow subsistence-level female-owned firms (Buvinic & Furst-Nichols, 2014). Studies have found that social and family 'pressure' may prompt the use of additional capital for household expenses, rather than business investments. Any interventions targeting nascent women enterprises should consider the profile of the beneficiaries, social and cultural context, and include additional measures to boost women's agency and decision-making power. The COVID-19 crisis may intensify pressure on women to revert to traditional gender roles in the household, for example as a care giver, reducing economic agency.

A study from Colombia on women's small enterprises (Powers & Magnoni) recommends (1) providing business training programmes for women to develop particular skills e.g. management, marketing and business planning; (2) providing a broad range of financing options and access to women's business networks for various stage of their business development; (3) addressing barriers that can inhibit the formalisation of women's business; and (4) gender-sensitive monitoring and evaluation to assess the development of women's business.

In the current crisis, an initiative in Colombia is seeking to target support for women entrepreneurs as part of the government's fiscal stimulus measures aiming to sustain businesses, primarily SMEs, both in informal and formal economy, and support the formalisation process

Fiscal stimulus measures that require raising additional capital to finance them tend to be more widely implemented in countries with middle-income status; these countries have more fiscal space. **Fiscal stimulus measures that are based on reducing government levies are applied more universally.** Among the most popular fiscal measures across the mapping of countries are tax reductions (10 out of 12 countries, low and middle income); expansion of social safety nets (all middle-income counties and Nepal [low income]) and labour market measures (six countries, middle income plus Nepal). Seven countries have implemented other fiscal measures to boost aggregate demand, which mainly focus on support to SMEs to improve their liquidity. Only Nigeria has opted for infrastructure spending as part of their economic stimulus plan.

A recent IMF study (Akitoby, Honda, & Miyamoto, 2019) **shows that "fiscal stimulus, particularly during recessions, can achieve the twin objectives of supporting aggregate demand and improving gender gaps".** The paper examines data from G7 countries from the 1980's through to 2017 and finds that during recessions, a positive spending shock of 1% of GDP would, on average, lift female employment by 1%, while increasing male employment by 0.6%, thus increasing the female share of employment by 0.28%. These differences are explained by disproportionate employment changes in female-friendly industries, occupations, and part-time jobs in response to fiscal spending shocks.

Evidence from previous health and economic crises show that countries with larger fiscal responses had lower reductions in growth after the crises (Haider, 2020). After previous health crises, GDP immediately 'bounced back', but did not fully recover for several years. Similar pattern may be expected in case of COVID-19 crisis too given the inability to finance large responses in LICs).

Monetary stimulus policies

The three main policy tools to achieve monetary policy objectives are **interest rates**, **reserve requirements**, and **open market operations**.

Interest rate change	A key monetary policy tool, is the ability of central banks to set the rate of interest that commercial banks and other financial institutions will pay to borrow money from the central bank in order to increase their liquidity or meet overnight minimal capital reserve requirements (known as the *discount rate* or the *marginal lending facility rate*). Central banks also set the interest rate that they will pay to commercial banks and financial institutions for their overnight deposits in excess of the minimal capital reserve requirements; this rate is called *interest on reserves*, *deposit facility rate*, or the *bank rate*. Reducing interest rates makes borrowing cheaper, which encourages investment and consumption. All countries, except Somalia, have opted to reduce their interest rates.

Capital reserve requirement change	The deposits that commercial banks and other financial institutions are required to hold as reserves in their current accounts or at their national central banks. A decrease in capital reserve requirements will free up funds available in the financial system to lend to consumers and businesses. Almost all of the selected countries (10 out of 12) have introduced some form of relaxation of capital reserve requirements, including all the low-income countries. These measures included lowering statutory minimal reserve requirements on specific financial products (like savings deposits), overall cash reserve requirements and extending reserve requirement maintenance period.

Open market operations	Refers to the central bank buying and selling government securities, mostly in the form of short-term government bonds, in order to manage the supply of money in the economy. Purchasing these assets injects money into the economy, which increases liquidity in the financial system reducing the cost of borrowing for business and households, which increases investment and consumption. A mix of seven low- and middle-income countries have engaged in open market operations aimed at providing financing for governments to fight COVID-19 or supporting businesses that have been severely impacted by the COVID-19 crisis.

Quantitative Easing (QE) – also called *expanded asset purchase programme*, significantly increasing money supply in the economy in order to promote lending and investment by increasing liquidity in the banking sector. Sometimes referred to as “printing money”, QE measures involve using newly created bank reserves (i.e. new money) to purchase *long-term assets*, such as long-term bonds or other securities on the open market. Increased supply of money in the economy leads to reduction of interest rates, which reduces liquidity constraints for the financial sector, increasing borrowing in the real economy, which leads to higher business investments and household consumption. QE measures are usually implemented when other types of monetary interventions are not available or no longer work, for example when interest rates are already at, or close to, zero. None of the 12 countries has yet implemented QE measures. However, the US Federal Reserve announced a QE programme of $700bn, which may impact the global economy through devaluation of the US dollar[2].

[2] Similarly, ECB has launched a EUR 750bn programme.

Emergency monetary interventions have been consistently applied across almost all of the 12 selected countries. All but one country have decreased their interest rates. Similarly, other than Somalia and Vietnam, they have also relaxed their capital reserve requirements in order to increase liquidity of their financial sectors, stimulate lending, hence boosting investment and consumption. None of the countries have yet engaged in Quantitative Easing.

Potential gender impact of the monetary stimulus policies

There is little evidence on the disaggregated impact of monetary stimulus on women. One recent review of the distributional impact of quantitative easing (QE), a monetary stimulus intervention implemented during the 2008 Global Financial Crisis, found no information on the gender impact (Metzger & Young, 2020). The authors argue that this is mainly due to the structural neglect of gender analysis both in empirical studies and during policy formulation and implementation. However, their analysis shows that, in the long term, QE may contribute to the increase in wealth and income inequality as the policy fails to completely reverse negative impact on the low-income households, while stimulating growth for the rest of the economy.

There is debate on how other monetary policies can impact women indirectly. One argument is that contractionary monetary policy, including increase in short-term interest rates, may have adverse impact on employment, with women workers more likely effected[1] (UN Women). However, in a study of OECD countries (Takhtamanova, Yelena & Sierminska, Eva, 2008) examining gender and country differences in the effects of interest rates on employment disaggregated by sector (agriculture, industry and services), no strong link or gender variance was established.

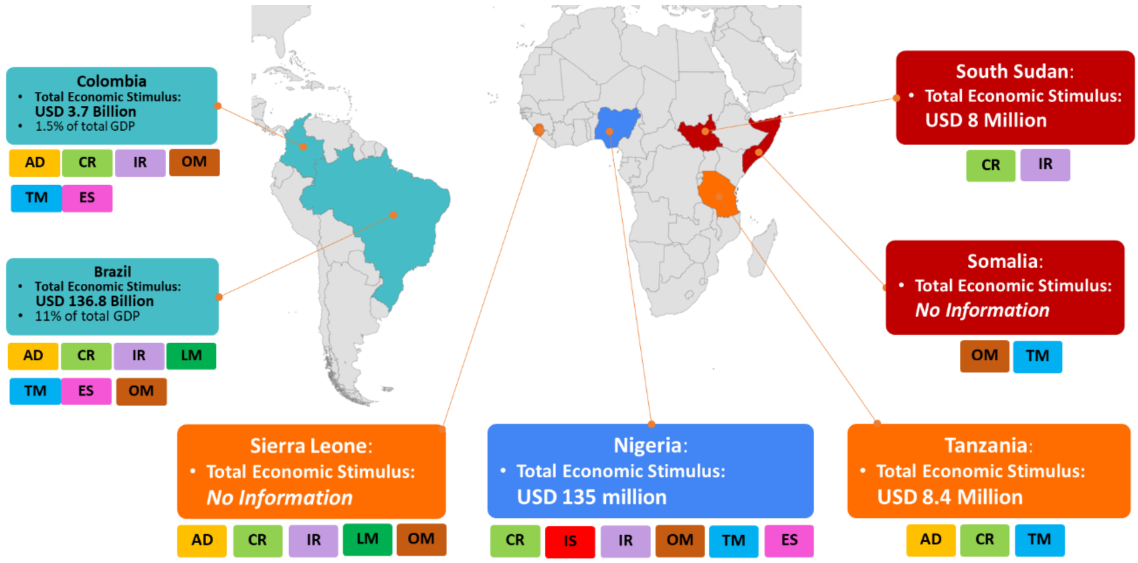
At its core, monetary policy is gender-blind – with little consideration of differential impacts. Policy aimed at regulating the supply of money is not meant to benefit or disadvantage any particular social group. However, in reality there are groups that derive greater benefit proportional to their earnings. Expansion of credit through increasing liquidity in the financial sector will benefit those in the formal sector as only they can access credit lines at reduced cost. Businesses, entrepreneurs and workers operating in the informal economy who have limited access to financial services will not benefit from this policy. Women are often proportionally more reliant on the informal economy.

Monetary policy interventions may be insufficient to effectively reduce the negative effects of economic crisis. Lessons from India show that in the aftermath of the 2008 Global Financial Crisis and rising food crisis, the Government of India's untargeted monetary and fiscal stimulus interventions achieved macroeconomic goals - improved liquidity and investor confidence in the economy – but fell short of helping those hit the hardest, poor women and children, especially in agriculture and food production sector (Dev, 2011).

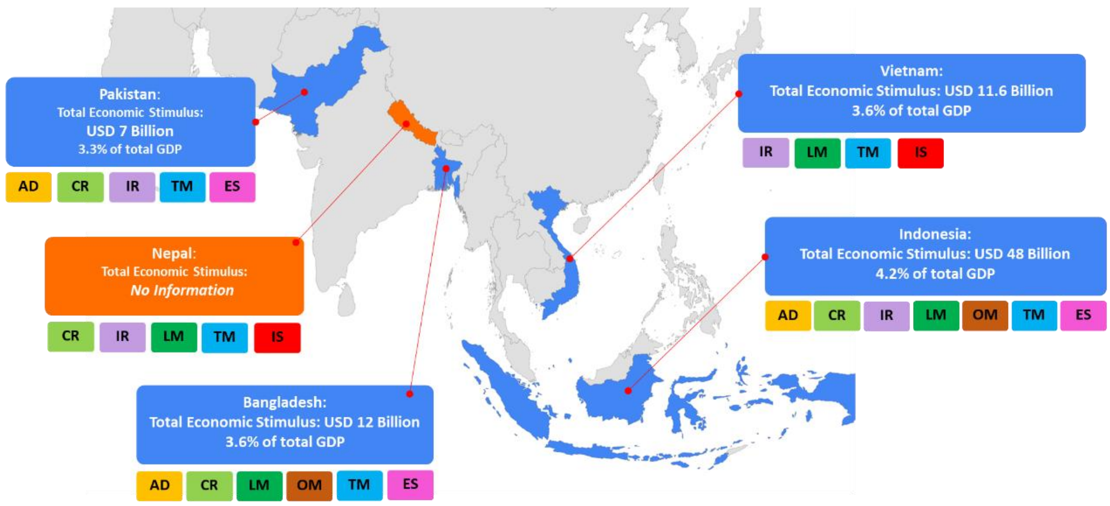
Country mappings

This section shows a mapping of the different types of fiscal and monetary stimulus and some examples demonstrating the mix of responses in some countries. The only country with evidence of an explicit gender sensitive approach was Colombia.

AFRICA & LATIN AMERICA



SOUTH & SOUTHEAST ASIA



Legend

Type of Economic Stimulus Package				*Category of Country*	
AD	Additional Measures to Boost the Aggregate Demand (AD)	LM	Labour market measures	Teal	Upper Middle Income
CR	Capital Reserve Requirement Change	OM	Open Market Operations	Blue	Lower Middle Income
IS	Infrastructure Spending	TM	Tax Measures	Orange	Low Income
IR	Interest Rate Change	ES	Expansion of Social Safety Nets	Red	Low Income FCAS Countries

Brazil - The Government of Brazil has allocated more than USD 448.7 billion to its COVID-19 stimulus package which is equivalent to 30.45% of Brazil's GDP in 2019. This is by far the biggest stimulus package of the 12 countries by value and proportion of GDP. The package is based mainly on monetary stimulus interventions, principally relying on open market operations. In addition, the central bank has lowered interest rates by 200 base points to the historical low of 2.25%, and implemented measures to increase liquidity in the financial system, including reduction of reserve requirements and capital conservation buffers, among others. The Government also provides a host of fiscal measures, totalling 11% of GDP, such as providing loans to financial institutions and temporary income support to the most vulnerable groups, including providing cash transfers, advance bonus salary payment, and expansion of the coverage of social assistance programmes, such as Bolsa Familia Program.

Nigeria - The Government of Nigeria has allocated up to USD 12.7 billion for COVID-19 stimulus measures (2.87% of GDP). The biggest share of the stimulus package involves monetary policy measures, specifically the Central Bank of Nigeria provides liquidity for the banking system targeting the health sector, manufacturing sector, agriculture, or other impacted industries – a package of interventions totalling USD 10.2 billion alone. The Bank also coordinates private sector loans targeting poor households and SMEs. On the fiscal side, the government has updated the social register – a database of poor and vulnerable households qualifying for state support —by adding 1 million new households to the register, bringing the total eligible households to 3.6 million. The Government has also implemented taxation measures including import duty waivers for pharmaceuticals, tax relief and labour market measures in the form of incentives to retain staff during economic downturn. Nigeria is the only country which has included infrastructure measures in their fiscal stimulus package. The government has established the Nigeria Solidarity and Support Fund to raise $50 million to support physical infrastructure of healthcare centres in local Governments and support existing social assistance programmes.

Somalia - Similar to other low income and highly fragile counties, Somalia lacks resources to develop a comprehensive economic stimulus response. The Government is currently seeking urgent donor support to finance stimulus measures. So far, the administration has implemented taxation measures and SME support through loans. On the fiscal side, the Government has introduced a three-month tax holiday effective from April 2020 and reduced consumption tax on some additional basic goods (like flour). It has also lifted restrictions on imports of rice from Vietnam. On the monetary side, the Central Bank has injected funds into commercial banks for SMEs loans, totalling USD 2.9 million, and have been encouraging commercial lenders to use excess liquidity to expand their lending. There is no reliable information on the total size of Somalia's current economic stimulus package but most likely it is the smallest among the mapped countries.

Pakistan – The Government has allocated up to USD 12.5 billion for its economic stimulus package, equivalent to 5.4% of Pakistan's GDP in 2019. Up to USD 7 billion is used by the government to support income or revenue generation, including cash disbursements to daily wage workers, cash transfers to low-middle income household and financial support to SMEs, farmers, and crop growers. The Central Bank has reduced the capital conversion buffer by 100 base points to 1.5%, lowered interest rates by 525 base points to 8% and plans to provide relaxation of the debt burden ratio for consumer loans from 50% to 60% and allow banks to defer clients' payment of principal on loan obligations by one year.

Indonesia – The Government of Indonesia has allocated more than USD 61.3 billion for the stimulus package or equivalent to 5.8% of GDP. The package is mostly allocated for fiscal stimulus, about USD 47.2 billion or 4.2% of GDP, which includes increasing benefits and expanding the coverage of social assistance schemes such as cash transfers to low-income households, electricity subsidies, expanding unemployment benefits and providing capital injection to state-owned enterprises (SOEs) and interest subsidies, credit guarantees, and loan restructuring funds for MSMEs. Indonesia is the only one of the 12 countries which has introduced a training and upskilling intervention (through an online platform) – the Pre-Employment Card – as part of their fiscal stimulus. It targets unemployed youth as well as workers laid off due to the COVID-19 crisis. On the monetary side, the Central Bank, Bank Indonesia, has lowered interest rates by 75 base points to 4.25%, and introduced measures to increase liquidity in the financial system, such as lowering reserve requirements for banks.

Colombia is the only country with evidence of explicit gender approaches.

Case of Colombia: Promoting Women Entrepreneurship during COVID-19 Crisis

To address the economic downturn resulting from COVID-19, the Government of Colombia has issued new legislative decrees to support women in public or private firms affected by the crisis. One of the decrees established a public trust fund to support entrepreneurship, formalisation and business strengthening for Colombian women by providing access to finance and investment, as well as non-financial assistance to women-owned enterprises_(Ministry of Finance and Public Credit, 2020). The trust fund will be allowed to purchase shares of private enterprises, aiming at women-owned firms, as a mean to re-capitalise them. It will also assess the ecosystem in which these businesses operate to identify and help address other barriers preventing their growth. While, women are still underrepresented in the SME sector in Colombia where 70% of small business are established by men_(Enabling Outcomes Ltd., 2019), the COVID-19 crisis is seen by the Government as an opportunity to promote women-entrepreneurship and women-led SMEs. Formalising business and employment, as well as promoting entrepreneurship, has been the objectives of Colombian Government in the recent years.

The government has also committed USD120 million to support 3 million informal economy workers, many of whom are women. Along with 2.6 million to "Families in Action" for an additional monthly cash transfer of USD80, mainly covering unemployed single mothers and poor rural families. In Bogota, local authorities have provided food parcels to the 53,000 registered street vendors (Chaturvedi and Hearle 2020).

Recommendations

Government (LIC and MIC) fiscal and monetary stimulus packages should consider the following to ensure they are benefiting women workers (both in formal and informal economy), women entrepreneurs and women-owned businesses and prevent disproportionate negative economic impact by COVID-19:

- **All response planning should consider what the differential impacts are likely to be for women and men and other vulnerable groups**. This needs to draw on context specific analysis of sex segregation of workers across different sectors and occupations and full and part time work; understanding where women work in the informal sector; analysis of entrepreneur ownership across different sectors and existing gaps and barriers to opportunities that may be exacerbated.

- **Ensure that Government's overall national response and specific stimulus take account of particular barriers and risks for women's economic empowerment**, likely to increase during a pandemic and economic downturn. These include increased risks of gender-based violence in the home, community and at work; increase in the unpaid care work or invisible work burden; lack of access to sexual and reproductive care; lack of access to formal identification documents.

- **Pay particular attention to the disproportionate negative impact and barriers of women in the most vulnerable social groups and geographies,** such as women with disabilities, adolescent girls, single parents, women workers stranded abroad, refugees' and women in poor areas with limited access to water and other services.

- **Engage with representative organisations for women and other disadvantaged groups** to ensure that women in their different roles, as workers, entrepreneurs, and business-owners inform design and monitor impacts and space to provide leadership and valuable contributions to response efforts.

- **Prioritise monitoring of differential impacts using sex disaggregated data and both economic advantages and agency** access to economic advancement in the form of assets and employment as well as control over assets and work-related decisions (Calder, Rickard & Kalsi 2020 and World Bank 2020) as well as other forms of disaggregation e.g. by disability status.

HMG advisers should consider the following when reviewing the design, implementation and monitoring of LIC/MIC government fiscal and monetary stimulus packages, to ensure COVID-19 response supports women's economic empowerment:

- **Prioritise fiscal stimulus measures over gender-blind monetary measures:** both fiscal and monetary stimulus measures have significant economic impact and can benefit women, but fiscal measures are easier to target to groups that need additional support.

- **Implement targeted spending of fiscal stimulus package,** based on context gender analysis of the economy and barriers to economic opportunities and measures. Fiscal policy interventions that increase cash in people's hands, especially those on lower incomes, generally have greater positive impact on women and other disadvantaged groups. Some evidence suggests they can often be more effective too through higher multiplier effect, i.e. higher rate of increase of the total income in the economy due to increase in spending.

Stimulus	Women's Economic Empowerment considerations
FISCAL STIMULUS MEASURES - generally entail either increased government spending or reduced taxation. This rapid review adopts ILO/IILS's categories of fiscal stimulus interventions listed below.	
Labour market measures Measures taken by the government to preserve employment and employment income, and retain skilled workforce across industries and sectors.	• Labour market measures, if targeted at enterprises only are unlikely to extend to the informal economy where women are often concentrated. • Labour market measures in the form of wage subsidies to workers rather than enterprises, may allow more reach to the informal economy, where women are often concentrated. • Targeting labour market measures to export and high value sectors where female employment rates are high may increase incentives to stay in employment. • Relaxing liquidity constraints for businesses through targeted support for worker wages, such as furlough scheme, can reduce job losses and help retain skilled workforce. • Expanding unemployment benefit to part-time workers and those on flexible contracts can significantly benefit women.
Expansion of social protection programmes Expanding the reach or benefits of established social protection programmes or creating a new social protection scheme to reduce the vulnerability of most affected groups and enhance their capacity to help them survive the crisis.	• Prioritise gender in needs assessment and targeting. • Consider specific design features that improve access for women. • If in-kind assistance provided, consider women's needs in selection of support provided. • Use gender messaging through programmes or media to advocate for empowering women and more balanced distribution of household resources, opportunities and labour. • If social insurance schemes exist, consider automatic enrolment without co-payments for women. • Ensure grievance and feedback mechanisms in place and accessible to women.
Taxation (tax cuts) Changes in tax policy or tax administration in order to ease the burden on taxpayers during the crisis.	• Conduct analysis of potential gender differential impact of tax measures using fiscal incidence analysis, which should consider the structure of local economy, the size of the informal economy, women's labour force participation and structure of the tax base. • Reductions in consumer taxes (VAT/sales tax) often benefit women when targeted at basic household goods. • Personal income tax cuts in low income and fragile countries are likely to have more limited benefits for women and socially disadvantaged groups who are typically excluded from the tax base. • Reductions in non-tax government levies, especially related to social services, can significantly benefit the poorest and most vulnerable social groups, especially in LIC. • If deemed appropriate to implement corporate tax cuts and tax holidays, ensure these include women-dominated sectors and industries based on analysis of the local context.
Additional measures to promote aggregate demand	• Target sectors with high rates of female employment and women-owned enterprises. Liquidity constraints and access to finance are critically important for both small and medium enterprises.

Any other fiscal measures undertaken by the Government to increase consumption in the economy.	• Tailor support to size of enterprise and address barriers to access for women owned enterprises in terms of information, eligibility requirements, such as the level of formalisation, and application procedures. • Complement women entrepreneurs' access to finance measures with other non-financial measures including business training and access to business networks. • Monitoring the gender impact of SME support requires gender disaggregated data collection and analysis. • Implement SME support measures within a broader government framework for improving women's economic empowerment.
Emergency infrastructure spending Launching new or scaling up existing infrastructure projects to boost the economy and stimulate employment during the crisis.	• Introduce special measures will be needed to promote greater recruitment of women in construction and safeguarding of workers and communities. • Embed gender across all stages of the infrastructure project cycle (planning, delivery and management) to ensure benefit for women and girls and do no harm. This includes stakeholder engagement, gender sensitive approaches and prevention of gender-based violence and harassment on project sites and in design.
MONETARY MEASURES – are taken by a country's central bank or government to influence how much money is in the economy and the costs of borrowing.	
Monetary stimulus Actions undertaken by the Central Bank to manage money supply, including controlling the interest rates and capital reserve requirements.	• Monetary policy interventions are quicker to implement and so can be useful to address immediate impacts of an economic crisis. Yet, in their current form, they are not designed to benefit target groups such as women and socially disadvantaged groups. Including gender analysis during policy formulation and gender impact assessment to help bridge the evidence gap on gender impacts of different monetary stimulus.

References

ADB. (n.d.). *ADB COVID-19 Policy Database*. Retrieved from ADB COVID-19: https://covid19policy.adb.org/

Akitoby, B., Honda, J., & Miyamoto, H. (2019, January 11). *Countercyclical Fiscal Policy and Gender Employment: Evidence from the G-7 Countries.* Retrieved from IMF Working Papers: https://www.imf.org/en/Publications/WP/Issues/2019/01/11/Countercyclical-Fiscal-Policy-and-Gender-Employment-Evidence-from-the-G-7-Countries-46468

Ambler, K., & De Brauw, A. (2017, February). *The Impacts of Cash Transfers on Women's Empowerment: Learning from Pakistan BISP Program.* Retrieved from World Bank: https://openknowledge.worldbank.org/bitstream/handle/10986/26272/113161-WP-P103160-PUBLIC-Social-Protection-Labor-no-1702.pdf?sequence=1

Anwar, S., Downs, A., & Davidson, E. (2016). Retrieved from www.UNWomen.org: https://gender-financing.unwomen.org/en/resources/h/o/w/how-can-pfm-reforms-contribute-to-gender-equality-outcomes

Buller, A. M., Peterman, A., Ranganathan, M., Bleile, A., Hidrobo, M., & Heise, L. (2018, September 07). *A Mixed-method review of cash transfers and intimate partner violence in low-middle income countries.* Retrieved from IGWG: https://www.igwg.org/wp-content/uploads/2018/09/GBV-Task-Force-Cash-Transfer-Paper_Mixed-Methods-Review-of-CT-and-IPV-in-LMICs_Heise.pdf

Buvinic, M., & Furst-Nichols, R. (2014, November). *Promoting Women's Economic Empowerment.* Retrieved from World Bank Policy Research Working Paper: https://elibrary.worldbank.org/doi/pdf/10.1596/1813-9450-7087

Corner, L. (2009). Gender Analysis of Fiscal Responses to the Economic Crisis in Asia. *Social and Political Dimensions of the Global Crisis: Implications for Developing Countries.* Geneva: United Nations Research Institution for Social Development.

De Henau , J., & Santos, C. (2011). *Gender analysis of the changes in indirect taxes introduced by the coalition government 2010-2011.* Retrieved from Open Research Online: http://oro.open.ac.uk/33158/1/Indirect_tax_Budget_2011_final_report_June_20.pdf

Dev, S. (2011, January). *Rising Food Crisis and Financial Crisis in India: Impact on Women and Children and Ways of Tackling the Problem.* Retrieved from Indira Gandhi Institute of Development Research: http://re.indiaenvironmentportal.org.in/files/Rising%20Food%20Crisis%20and%20Financial%20Crisis%20in%20India.pdf

Enabling Outcomes Ltd. (2019, September 06). *The Entrepreneurship and Enterprise Growth Landscape: Columbia.* Retrieved from Agridius: https://www.argidius.com/wp-content/uploads/2019/10/Colombia-Entrepreneurship-and-Enterprise-Growth-Landscape-Final-Public.pdf

GSDRC. (2009, April 20). *Helpdesk Research Report: Humanitarian Impact of the Global Economic Crisis on the.* Retrieved from GSDRC Helpdesk Report: http://gsdrc.org/docs/open/hd587.pdf

Gutierrez, M. T. (2009, April). *Gender Participation in Infrastructure Investment Projects and Rural Transport.* Retrieved from Gender and Rural Employment: Pathways Out of Poverty: http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.550.8968&rep=rep1&type=pdf

Haider, H. (2020, May 11). *https://opendocs.ids.ac.uk/opendocs/handle/20.500.12413/13022.* Retrieved from www.ids.ac.uk: https://opendocs.ids.ac.uk/opendocs/bitstream/handle/20.500.12413/15306/812_mitigating_the_economic_impacts_of_epidemics_financial_crises.pdf?sequence=6&isAllowed=y

Harding, M., Perrez-Navarro, G., & Simon, H. (2020, June 01). *In Tax, Gender Blind is not Gender Neutral: why tax policy responses to COVID-19 must consider women.* Retrieved from ECOSCOPE: https://oecdecoscope.blog/2020/06/01/in-tax-gender-blind-is-not-gender-neutral-why-tax-policy-responses-to-covid-19-must-consider-women/

IFC. (2014). *Women-owned SMEs: A business opportunity for financial institutions.* Retrieved from International Finance Corporation: https://www.ifc.org/wps/wcm/connect/44b004b2-ed46-48fc-8ade-aa0f485069a1/WomenOwnedSMes+Report-Final.pdf?MOD=AJPERES&CVID=kiiZZDZ

ILO. (2009, February). *Technical Note: Asia in the Global Economic Crisis: Impact and Response from a Gender Perspective.* Retrieved from ILO: https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/meetingdocument/wcms_101737.pdf

ILO. (2010). *Women in infrastructure works: Boosting gender equality and rural development.* Retrieved from Gender and Rural Employment Policy Brief #5: https://www.ilo.org/wcmsp5/groups/public/---ed_emp/documents/publication/wcms_150834.pdf

ILO. (2011, November 16). *A review of global fiscal stimulus.* Retrieved from ILO: https://www.coursehero.com/file/46891339/wcms-194175pdf/

ILO. (2020, May 21). *Temporary wage subsidies.* Retrieved from ILO: https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_745666.pdf

IMF. (2020, June 26). *Policy Response Tracker to COVID-19*. Retrieved from International Monetary Fund: https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19

Independent Evaluation Group. (2012). *The World Bank Group's Response to the Global Economic Crisis—Phase II.* Washington, DC: Independent Evaluation Group, the World Bank Group.

Izvorski, I., & Ollero, A. (2009). *East Asia and Pacific economic update, November 2009 : transforming the rebound into recovery.* Retrieved from World Bank Document and Report: https://documents.worldbank.org/en/publication/documents-reports/documentdetail/669101468234281348/east-asia-and-pacific-economic-update-november-2009-transforming-the-rebound-into-recovery

Joshi, A. (2017, February). *Tax and gender in developing countries: What are the issues?* Retrieved from ICTD Summary Brief Number 6: https://opendocs.ids.ac.uk/opendocs/bitstream/handle/20.500.12413/13066/ICTD_SumBrief%236_OnlineNew2.pdf?sequence=1&isAllowed=y

Joshi, A., Kangave, J., & van den Boogaard, V. (2020, May 26). *Gender and tax policies in the global south.* Retrieved from K4D Helpdesk Report: https://opendocs.ids.ac.uk/opendocs/bitstream/handle/20.500.12413/15450/817_Gender_and_Tax.pdf

KPMG. (n.d.). *Government Stimulus Tracker*. Retrieved from Government Response - Global Landscape: https://home.kpmg/xx/en/home/insights/2020/04/government-response-global-landscape.html

Lahey, K. (2008, November 10). *How the tax system affects women's access to paid work.* Retrieved from Increasing women's participation in workforce: What works where?: http://adva.org/wp-content/uploads/2014/09/genderandbudget2008-protocol-ENG1.pdf

Leschke , J., & Jepsen, M. (2011). *The economic crisis – challenge or opportunity for gender equality in social policy outcomes?* Retrieved from Working Paper European Trade Union Institute: http://library.fes.de/pdf-files/gurn/00394.pdf

McCarty, A., Corner, L., & Guy, K. (2009, January). *The Differential Impact of the Vietnamese Economic Stimulus Package on Women and Men.* Retrieved from Research Gate: https://www.researchgate.net/publication/228880477_The_Differential_Impact_of_the_Vietnamese_Economic_Stimulus_Package_on_Women_and_Men

Metzger, M., & Young, B. (2020, March). *No gender please, We're central bankers: Distributional impact of quantitative easing.* Retrieved from Institute for International Politcal Economy Berlin: https://www.econstor.eu/bitstream/10419/214915/1/1692376071.pdf

Ministry of Finance and Public Credit. (2020, June 05). *Government issues new legislative decrees to continue supporting Colombians in the midst of the emergency*. Retrieved from Ministry of Finance and Public Credit: https://www.minhacienda.gov.co/webcenter/portal/SaladePrensa/pages_DetalleNoticia?documentId=WCC_CLUSTER-132841

Nesbitt-Ahmed, Z., & Subrahmanian, R. (2020, April 23). *www.blog.unicef.org/evidence-for-action/.* Retrieved from www.unicef.org: https://blogs.unicef.org/evidence-for-action/caring-in-the-time-of-covid-19-gender-unpaid-care-work-and-social-protection/

ODI. (2017, March). *The impact of cash transfers on women and girls.* Retrieved from Social Protection: https://socialprotection-humanrights.org/wp-content/uploads/2017/03/11374.pdf

OECD. (2020, April 01). *Women at the core of the fight against COVID-19 Crisis.* Retrieved from Tackling Coronavirus (COVID-19) Contributing to a Global Effort: https://read.oecd-ilibrary.org/view/?ref=127_127000-awfnqj80me&title=Women-at-the-core-of-the-fight-against-COVID-19-crisis

OECD/European Union. (2019, December 10). *The Missing Entrepreneurs 2019: Policies for Inclusive Entrepreneurship.* Retrieved from OECD Library: https://www.oecd-ilibrary.org/industry-and-services/the-missing-entrepreneurs-2019_3ed84801-en

Ozili, P., & Arun, T. (2020, April 26). *Spillover of COVID-19: Impact on Global Economy.* Retrieved from Munich Personal RePEc Archive: https://mpra.ub.uni-muenchen.de/99850/1/MPRA_paper_99850.pdf

Powers, J., & Magnoni, B. (n.d.). *A Study of women's small business in Columbia: Understanding success factors of women's and men's small business in Bucaramanga, Colombia.* Retrieved from Inter-American Development Bank: https://publications.iadb.org/publications/english/document/Pure-Perseverance-A-Study-of-Women-Small-Businesses-in-Colombia-Understanding-Success-Factors-of-Women-and-Men-Small-Businesses-in-Bucaramanga-Colombia.pdf

Sauer, R. M., & Wilson, T. (2015). *The Rise of Female Entrepreneurs: New Evidence on Gender Differences in Liquidity Constraints.* Retrieved from ECONSTOR: https://www.econstor.eu/bitstream/10419/110715/1/dp8981.pdf

Smith, M. (2009, May). *Analysis Note: Gender, Equality, and Recession.* Retrieved from EGGE: http://www.lm.gov.lv/upload/dzimumu_lidztiesiba/equality-crisis-final.pdf

Takhtamanova, Y., & Sierminska, E. (2008, March). *Gender differences in the effect of monetary policy on employment: The case of nine OECD countries.* Retrieved from Research Gate: https://www.researchgate.net/publication/5129757_Gender_differences_in_the_effect_of_monetary_policy_on_employment_The_case_of_nine_OECD_countries

UN Women. (n.d.). *Why macroeconomic policy matters for gender equality.* Retrieved from UN Women Policy Brief No. 4: https://www.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2015/unwomen-policybrief04-macroeconomicpolicymattersforgenderequality-en.pdf?la=en&vs=349

UNICEF. (2020, April 23). *Gender-responsive social protection during COVID-19: Technical Note.* Retrieved from UNICEF: https://www.unicef.org/media/68631/file/Gender-responsive-social-protection-during-covid-19-ENG.pdf

United Nations. (2020, April 09). *Policy Brief: The Impact of COVID-19 on Women.* Retrieved from UN: https://www.un.org/sexualviolenceinconflict/wp-content/uploads/2020/06/report/policy-brief-the-impact-of-covid-19-on-women/policy-brief-the-impact-of-covid-19-on-women-en-1.pdf

World Bank. (2014). *Social safety nets and gender: Learning from impact evaluations and World Bank projects.* Retrieved from IEG World Bank: https://ieg.worldbankgroup.org/sites/default/files/Data/reports/ssn-gender-ie-full-report.pdf

Yale School of Management. (n.d.). *COVID-19 Crisis: Helpful Material*. Retrieved from Program on Financial Stability: https://som.yale.edu/faculty-research-centers/centers-initiatives/program-on-financial-stability/covid-19-crisis

Annex 1: Overview of economic stimulus interventions

South and South-East Asia

Bangladesh	
Type	**Brief description**
AM	Subsidy interest payment in working capital loans under the financial stimulus package for SMEs sector. Commercial banks and financial institutes provide working capital loan from their own fund at existing rate 9% per annum. The government will pay 5% interest of loan as a subsidiary.
CR	Lowering repo rate from 6 percent to 5,25 percent effective as per April 2020
	Raising the advance-deposit ratio (ADR) and investment-deposit ratio (IDR) to facilitate credit to the private sector and improve liquidity in the banking system
	Bank of Bangladesh (BB) has created several refinancing schemes amounting to a total of Tk 380 billion and a 360-day tenor special repo facility to support exporters, farmers and to facilitate the implementation of the government stimulus packages
LM	Provision of loan for exporting industries which aims to protect the workers
	Provision of health insurance for government employee most at risk and bonus payment for doctors and medical workers who treat COVID-19 patients
OM	Bangladesh Bank will buy treasury bonds and bills from banks
	Bangladesh Bank also announced an agriculture subsidy program
	Delaying non-performing loan classification, waiving credit card fees and interests, suspending loan interest payments, imposing restrictions on bank dividend payments, extending tenures of trade instruments, and ensuring access to financial services
TM	Suspension of duties and taxes of import medical supplies
ES	Expanding cash transfer programs targeting more poor people
	Increasing allocation for Open Market Sale (OMS) program to facilitate purchase of rice one-third of the market price and distributing food supplies to district level
	Funding allocated for housing for homeless and aid for poor people who lost their jobs
Indonesia	
TYPE	**Brief description**
AD	Capital injection into SOEs and interest subsidies, credit guarantees, and loan restructuring funds for micro, small, and medium enterprises (MSMEs).
CR	Lowering reserve requirement ratios for banks
	Increasing the maximum duration for repo and reverse repo operations and introducing daily repo auctions
IR	Lowering policy rate from 4,5 percent to 4,25 percent as per June 18th, 2020
LM	Expanding unemployment benefits, including for workers in the informal sector, eg. expanded the Pre-Work Card program, previously only given training for workers is now combined with the social safety net.
OM	Increasing the frequency of FX swap auctions for 1, 3, 6 and 12-month tenors from three times per week to daily auctions
	A Presidential decree has expanded Bank of Indonesia (BI)'s authority to maintain the stability of the financial system in presence of the COVID-19 shock, including by facilitating BI liquidity assistance to banks, allowing BI to purchase government bonds in the primary market as a last resort, and financing the deposit insurance agency (LPS) for bank solvency problems
	Regulator, OJK, has introduced a new share buyback policy (allowing listed companies to repurchase their shares without a prior shareholders' meeting) and introduced limits on stock price declines
	Issuing a Global Bond of US $ 4.3 billion in 3 forms of global securities namely Government Securities (SBN) to support COVID-19 financing
TM	Tax reliefs, including for the tourism sector and individuals (with an income ceiling)
	Permanent reductions of the corporate income tax rate, also exemption for microloans and small and medium-sized businesses (SMEs)
ES	Increasing benefits and broader coverage of existing social assistance schemes to low-income households such as food aid, conditional cash transfers, and electricity subsidy
	Amended the Village Direct Cash Assistance (Desa BLT) for COVID-19
Nepal	
TYPE	**Brief description**
CR	Nepal Rastra Bank has lowered cash reserve ratio from 4 percent to 3 percent
IR	Lowering interest rate from 6 percent to 5 percent
LM	Informal sector workers who lost their jobs due to the ongoing crisis will be given the opportunity to participate in public-works projects for a subsistence wage or receive 25 percent of local daily wage should they choose not to participate
TM	Exempting imported medical supplies
ES	Increasing health spending by providing additional insurance coverage to all medical personnel fighting the coronavirus
	Providing social assistance to the most vulnerable with groups daily food rations, subsidizing utility bills for low-usage customers, extending tax-filing deadlines, and taking measures to partially compensate those in the formal sector for lost wages in the event of job loss
Pakistan	

TYPE	Brief description
AD	Financial support to SMEs and the agriculture sector in the form of relief on electricity bill payments, bank lending support, as well as subsidies and tax incentives
CR	Reducing the capital conservation buffer to 1,5 percent
	Increasing the regulatory limit on extension of credit to SMEs by 44 percent to PRs 180 million
	Relaxation of the debt burden ratio for consumer loans from 50 percent to 60 percent
	Allowing banks to defer clients' payment of principal on loan obligations by one year
	Suspension of bank dividends for the first two quarters of 2020 to shore up capital
IR	Lowering policy rate from 9 percent to 8 percent as per May 15th, 2020
TM	Elimination of import duties on emergency health equipment
	Accelerated tax refunds to the export industry
ES	Providing relief to daily wage workers including PKR 75 billion of approved cash disbursements to 6.2 million workers and cash transfers to low-income families

Vietnam

TYPE	Brief description
IR	Lowering policy rate from 5 percent to 4,5 percent
LM	Affected firms are eligible to concessional loans from Vietnam Social Policy Bank (VSPB) with no interest for making salary payment to their workers who temporarily stopped working
TM	Deferring excise tax on domestically produced cars, lowering land rental, and cutting or exempting various fees and charges
	Tax exemptions for medical equipment, lower business registration fee, streamlined tax and custom audit and inspection at firms, and allowing firms and workers to defer contributions to the pension fund and survivorship fund without interest penalty
ES	Cash transfer package worth VND 36 trillion for affected workers and households

Latin America and Africa

Brazil

Type	Brief description
AD	Provision of an Operations Guarantee Fund (FGO) to guarantee loans for micro and small companies in the National Support Program for Micro and Small Enterprises
CR	Reduction of reserve requirements and capital conservation buffers and temporary relaxation of provisioning rules
	Central Bank of Brazil established Special Temporary Liquidity Line (LTEL), with the objective of offering the necessary liquidity so that the National Financial System can remain stable in the face of the increased demand observed in the credit market as resulted of the spread of COVID-19
IR	Reducing interest rate (SELIC) from 4,5 percent to 3.00 percent
LM	Provision of employment support which includes partial compensation to workers which are temporarily suspended or have a cut in working hours, temporary tax breaks and credit lines for firms that preserve employment, e.g. establishing Emergency Employment and Income Maintenance Program
OM	Central Bank of Brazil announced a BRL 40 billion emergency credit line in order to support the payroll costs of micro and SMEs
	The National Treasury responded to pressures in the interest rate futures market by announcing a program for the simultaneous auctions (buying and selling) of government securities.
	Provision of loans to financial institutions backed by private corporate bonds as collateral
	Provision of up to US$60 billion to the central bank through a swap facility for the next six months starting from May 2020
TM	Reducing taxes and import levies on essential medical supplies, e.g. zeroed import tax for 80 drugs used in the treatment of hospitalised COVID-19 patients
ES	Providing temporary income support to vulnerable households including cash transfer, advance bonus salary payment, expansion of Bolsa Familia Program

Colombia

Type	Brief description
AD	Provision of new credit lines to provide liquidity support coffee sector, education sector, health providers, all tourism-related companies, and aviation
	Provision of new credit lines for payroll and loan payments for SMES trough the National Guarantee Fund
CR	An expansion of liquidity and facilities in terms of amounts, applicable securities, and eligible counterparts
	Lowering the reserve requirement applicable to savings and checking accounts
IR	Reducing policy rate from 4,25 percent in the early year to 2,75 percent as per May 29th, 2020
	Establishing programs to purchase securities issued by credit institutions
	Government Debt Security purchases in the secondary market
TM	Delaying tax collection
	An exemption of tariffs and VAT for strategic health imports and selected food industries and services
ES	Expanding cash transfers for the most vulnerable and affected groups and delayed utility payments for poor and middle-income households, and providing additional benefit for unemployment

Nigeria

Type	Brief description
CR	Liquidity injection to banking systems, health sectors, industry and manufacture, agriculture up to N3,6 trillion
IS	The Nigeria Solidarity and Support Fund was established and looking to raise $50 million to support physical infrastructure of healthcare centres in Local Governments and existing Social Investment Program
IR	Reducing interest rates on all applicable central bank interventions from 9 percent to 5 percent
OM	Creating targeted credit facility
TM	Providing relief for taxpayers and incentivize employers to retain and recruit staff during the downturn
	Import duty waivers for pharmaceutical firms
ES	Increasing of the social register by 1 million households to 3.6 million to help cushion the effect of the lockdown

Sierra Leone

Type	Brief description
AD	Through Quick Action Economic Response Program (QAERP), the government mitigates socio-economic impact by ensuring a stable supply of essential commodities and food, providing support to affected small and medium enterprises; and scaling up social protection and planned public works for the most vulnerable
CR	Extending the reserve requirement maintenance period from 14 to 28 days to ease tight liquidity
IR	Lowering policy rate from 16,5 percent to 15 percent as per March 19th, 2020
LM	Providing incentives for healthcare workers, including a risk allowance, life insurance and compensation for living expenses when in-field
OM	Creating special credit facility (Le 500 billion) to support production, procurement and distribution of essential goods

Somalia

TYPE	Brief description
OM	The Central Bank is releasing funding-for-lending support for medium and small enterprises through commercial banks, initially $2.9 million
TM	The government undertakes three-month tax holiday on some specific basic commodities (including rice), reduced consumption tax on some additional basic goods (including flour) by 50 percent and lifted restrictions on imports of rice from Vietnam

South Sudan

Type	Brief description
CR	Reducing the Reserve Requirement Ratio from 20 percent to 18 percent
IR	Lower policy rate from 15 percent to 13 percent

Tanzania

Type	Brief description
AD	The government has indicated that it expedited the payment of verified expenditure areas with priority given to the affected SMEs
CR	Reducing discount rate from 7 percent to 5 percent
	Bank of Tanzania Statutory Minimum Reserves requirement is reduced from 7 percent to 6 percent
	Lowering statutory minimum reserves requirements
TM	The government has granted VAT and customs exemptions to additional medical items requested by the Ministry of Health.

About WOW Helpdesk reports: The WOW Helpdesk is funded by the UK Department for International Development (DFID). WOW Helpdesk services are provided by the Work and Opportunities for Women (WOW) Programme alliance. For any further request or enquiry, contact enquiry@WOWHelpdesk.org.uk

Experts consulted, organisation: Andrzej Dabkowski (Oxford Policy Management), Isabelle Cardinal (Social Development Direct), Mayarani Islami (Oxford Policy management), William Smith (Oxford Policy Management).