



DEVELOPMENT INSIGHTS

An uncertain future for women? A glimpse
into the risks of the pandemic and climate crisis

March 2021

TSKB

Prepared By

Cihan Urhan
Gül Yücel

| urhanc@tskb.com.tr
| yucelg@tskb.com.tr

This document was produced by Türkiye Sınai Kalkınma Bankası A.Ş. ("Industrial Development Bank of Turkey") ("TSKB") solely for information purposes and for the use of registered broker or dealer, whether the registered broker or dealer is acting as principal for its own account or as agent for others, or a bank acting in a broker or dealer capacity as permitted by U.S.A. law. This document shall not be reproduced under any circumstances and is not to be copied or made available to any person other than the recipient. It is produced and distributed in the Republic of Turkey. This document does not constitute an offer of, or an invitation by or on behalf of TSKB or any other company to any person, to buy or sell any security. The information contained herein has been obtained from published information and other sources which TSKB considers to be reliable. No liability or responsibility whatsoever is accepted by TSKB for the accuracy or completeness of any such information. All estimates, expressions of opinion and other subjective judgments contained herein are made as of the date of this document. TSKB may, from time to time, have a long or short position in any of the securities mentioned herein and may buy or sell those securities or options thereon either on their own account or on behalf of their clients. TSKB may, to the extent permitted by law, act upon or use the above material or the conclusions stated above or the research or analysis on which they are based before the material is published to recipients and from time to time provide investment banking, investment management or other services for or solicit to seek to obtain investment banking, or other securities business from, any entity referred to in this document.

Any customer wishing to effect transactions in any securities referred to herein or options thereon should do so only by contacting a representative of TSKB.

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise, without the prior consent of Türkiye Sınai Kalkınma Bankası A.Ş. This document does not constitute an offer to sell, or an invitation to subscribe for or purchase, any of the offer shares in any jurisdiction to any person to whom it is unlawful to make such an offer or solicitation in such jurisdiction. The distribution of this document in certain jurisdictions may be restricted by law. Persons into whose possession this document comes are required by TSKB and the managers to inform themselves about and to observe any such restrictions. No person has been authorized to give any information or to make any representation except as contained in this publication.

In making an investment decision investors must rely on their own examination of the Company and the terms of the offering including the merits and risk involved.

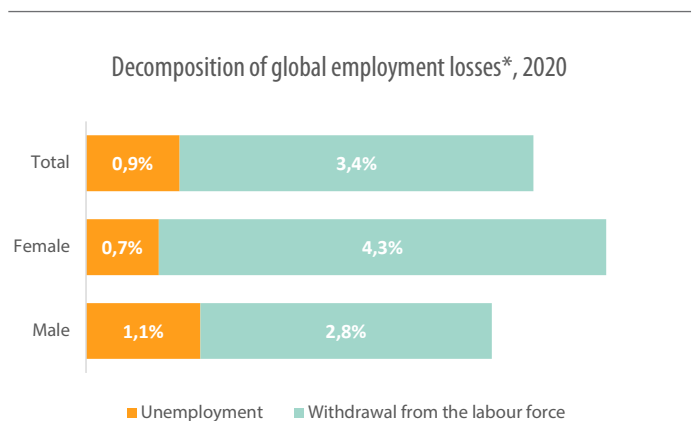
An uncertain future for women? A glimpse into the risks of the pandemic and climate crisis

COVID-19 continues to wreak its devastation, with more than 113 million confirmed cases globally and almost 2.5 million deaths as of February 2021. According to the International Monetary Fund (IMF) projections, global GDP contracted by 3.5% with the ranks of the new poor swelling to between 119 and 124 million in 2020 due to this unprecedented health crisis which the whole world has faced¹. The International Labour Organization (ILO) predicts that the impact of COVID-19 caused the equivalent of 255 million job losses, meaning 8.8% of annual global working-hours being lost in 2020. This is approximately four times greater than in the global financial crisis in 2009². Since COVID-19-related workplace restrictions remain in place, projections still indicate only a modest recovery in the global economy involving a high level of uncertainty in labour markets.

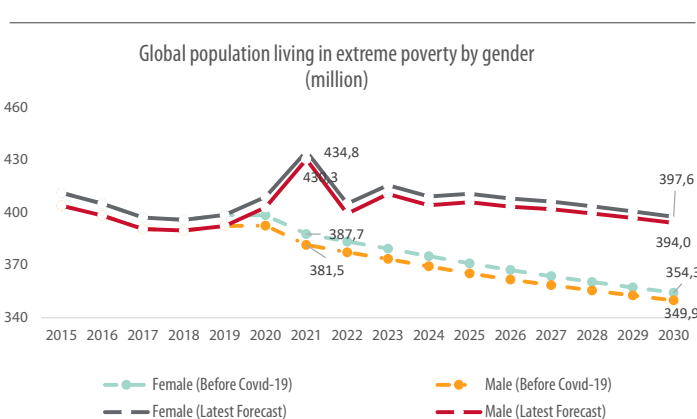
The COVID-19 pandemic has widened the gender gap in certain areas

Women have borne the brunt of the pandemic's impact on employment, as the pandemic has led to more job losses globally for women than it has for men. While the loss of employment for men, relative to the ILO's "no pandemic" scenario for the years 2018 and 2021³ stood at 3.9% in 2020, this figure was 5% for women. This "no pandemic" scenario assumes that the long-term trend in the labour force participation rate held in 2020 and that unemployment rates in 2020 were equal to their 2019 values. Even though the loss in employment was larger for men in terms of numbers, due to the ongoing gender gap in labour force participation rates, the female workforce globally suffered a loss of 64 million jobs⁴.

Global extreme poverty is expected to rise in 2020 for the first time in over 20 years due to the disruption brought about by COVID-19. Extreme poverty, defined as living on less than \$1.90 a day, is likely to have affected between 9.1% and 9.4% of the world's population in 2020, according to the biennial Poverty and Shared Prosperity Report⁵. It is estimated that the pandemic will push an additional 95.9 million people into extreme poverty in 2021, depending on the severity of the economic contraction. The UNDP predictions demonstrate that 435 million women will be living in extreme poverty in 2021, including 47.1 million specifically resulted by COVID-19⁶.



Source: ILO, TSKB Economic Research, * The total of the bars in each case is the difference in employment compared to the "no pandemic" scenario.



Source: UNDP, TSKB Economic Research

¹ World Bank. (2021). Global Economic Prospects, IMF, World Economic Outlook Update

^{2,3,4} ILO (2021), ILO Monitor: COVID-19 and the World of Work, 7th edition

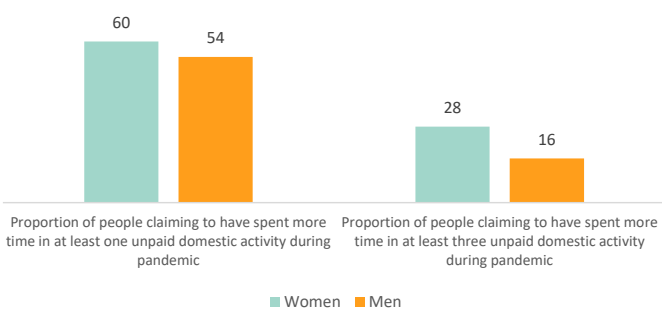
⁵ World Bank. (2020). Poverty and Shared Prosperity Report

⁶ UN Women. (2020). From Insights to Action: Gender Equality in the Wake of COVID-19

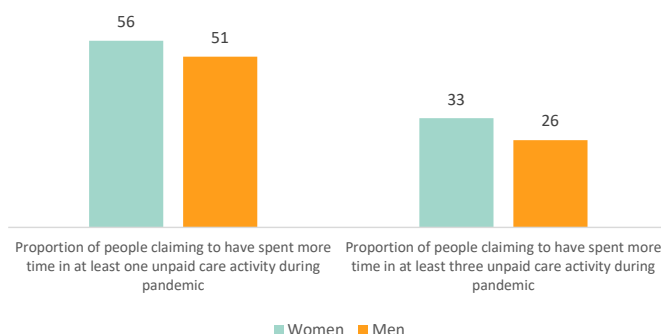
The most prominent reason behind the widening of existing gender inequalities during the pandemic is that the burden of unpaid domestic work (cooking, cleaning etc.) and care work (childcare, adult care etc.) has increased for women. The UN Women Survey overwhelmingly confirms that while both men and women are shouldering an increased unpaid workload, the COVID-19 pandemic has disproportionately increased women's unpaid workload. Women have reported spending much more time carrying out unpaid care work than men during the lockdown, underlying the fact that they are burdened considerably more by the drudgery of unpaid work⁷.



The gender gap in unpaid domestic work during the COVID-19 pandemic (%)



The gender gap in unpaid care work during the COVID-19 pandemic (%)

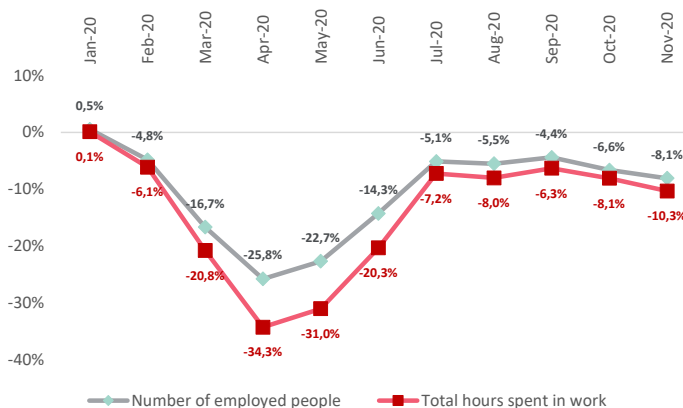


Source: UN Women, TSKB Economic Research

The COVID-19 pandemic has piled an additional burden on women in Turkey

The Turkish economy faces a challenging outlook for labour markets as COVID-19 has taken its toll on economic activity. Both the number of people in employment and the total hours spent in work have been decreased during the pandemic period, and the consequences of COVID-19 are likely to affect women and men differently with a stark drop in production and unprecedented job losses. The fall in total hours of work captures both the change in the number of people at work but also any reduction in working hours for those workers still at work. Monthly labour force data by TurkStat points that the decline in the number of total hours spent in work was considerably greater than the fall in the number of people in employment alone. The loss in total working hours reached to 34.3%, year-on-year, 8.5 percentage points steeper than the decline in the number of people in employment (25.8%), as of April 2020, when Turkey put strict measures in place, as cases soared⁸.

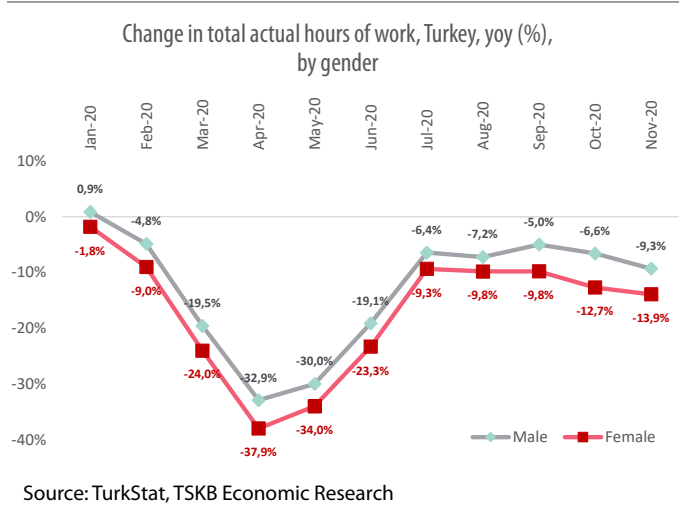
Change in total actual hours of work and employment figures, Turkey, yoy (%)



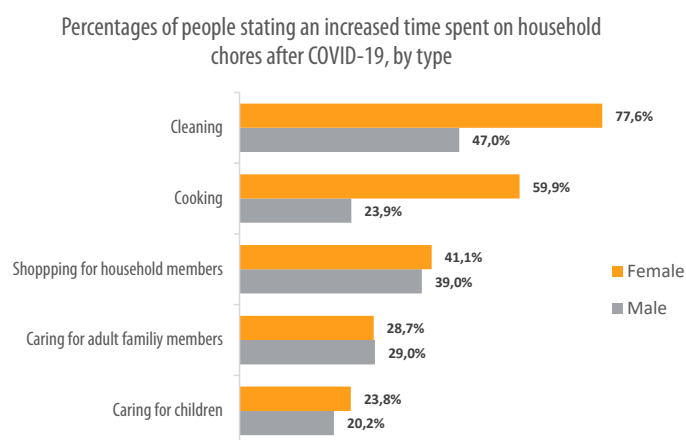
Source: TurkStat, TSKB Economic Research

⁷ UN Women. (2020). Whose Time to Care: Unpaid Care and Domestic Work During COVID-19, UN Women's Rapid Gender Assessments: Leading Gender-Responsive Data Collection on COVID-19
⁸ TurkStat, The average actual working hours of those employed at work

The COVID-19 pandemic has proven especially difficult for working women, as vividly demonstrated by the actual working hours of those employed at work figures in Turkey. Total working-hour losses were higher for female workers as the gender gap in working hours has constantly widened since before the COVID-19 outbreak became widespread. The reduction in working hours for female workers had reached 37.9% as of April 2020, while the decline in the total hours worked for men had declined by 32.9%.



Furthermore, although lockdown conditions have increased the unpaid workload for both men and women, women have spent four times more time on unpaid care work than men during the pandemic in Turkey⁹. The UN Women study suggests that women bear a disproportionate share of the burden of unpaid work when compared to men. Women report a larger increase across all categories of unpaid care work in comparison with male



respondents and before the COVID-19 outbreak. Some 77.6% of female respondents stated that their workload had increased in “cleaning” and 59.9% said their “cooking and serving meals” workload had increased, comparing to increases 47% and 23.9% among the male respondents reporting increase in these household chores, respectively.

Female employment also disproportionately vulnerable to risks posed by climate change

As with the COVID-19 pandemic, women and men are impacted in different ways by climate change as a result of gender norms. A growing body of research demonstrates the ways in which climate change also has a disproportionately large impact on women¹⁰. All around the world, women represent 37% of all agricultural workers; however, in low income countries, this proportion reaches 45%¹¹. This shouldn't come as a surprise since women tend to be more involved in



⁹ UN Women. (2020). The Economic and Social Impact of COVID-19 on Women and Men Rapid Gender Assessment of COVID-19 Implications in Turkey

¹⁰ United Nations. <https://www.un.org/en/chronicle/article/women-in-shadow-climate-change> UN Women. (2016). Gender Dimensions of Vulnerability to Climate Change in China

¹¹ ILOStat. (2019)

subsistence farming in poorer households living in rural conditions. Because women and girls are dependent on natural resources due to their subsistence farming and family care responsibilities, they are more exposed to the economic consequences of climate change¹².

Women and children are 14 times as likely as men to die during extreme weather events and disasters due to climate change¹³. Held back by cultural and social norms, women struggle to leave the disaster zones without their husbands. Furthermore, because women tend to look after children and the elderly, leaving home in an emergency situation is relatively difficult for them. After displacement, the women's struggle continues, as the camps or settlement areas often do not provide gender sensitive services.

Research suggests that farms run by women generate lower yields, not so much because women are less skilled in farming but because women lack equal ease of access to productive inputs¹⁴. As extreme weather conditions caused by climate change threaten yields, women, unable to access resources and technology to mitigate these effects, are likely to suffer the economic consequences of climate change. Loss of employment due to climate change is more prominent in the agricultural sector. According to the ILO's (2018) estimates, a rise of 1.5°C in global temperatures by the end of the century could lead to a 2% loss in the total hours of work, equivalent to a labour productivity loss of 72 million full-time jobs, with agricultural jobs accounting for 66% of these job losses¹⁵. With its position in the southern belt of Mediterranean Europe, Turkey is considered to be one of the countries to be most vulnerable to climate change. Currently, 24% of total female workers are employed in the agriculture, forestry and fishing sectors in Turkey and it is these women who are at high risk of losing their jobs due to climate change.

The destructive impact of climate change also raises concerns over women's position in agricultural production through its risk of potential food losses in the future. According to projections set out by the International Food Policy Research Institute (IFPRI), on the current trajectory of emissions, global food consumption per capita will reach 546 kilograms by

2050. However, this is 26 kilograms lower than in a scenario of no climate change¹⁶. Same study also finds that global agricultural production will reach 8.82 billion metric tonnes by 2050, which is 523 million metric tonnes lower than under "no climate change" scenario. From this point of view, educating women farmers to adopt climate mitigation technologies in agriculture is not only a matter of gender equality, but one of food security.



Development finance addressing the needs of the gender-climate nexus

International development institutions acknowledge the necessity of empowering women in order to achieve numerous solutions to climate-related issues such as the water crisis and food security through rural development. Assessments carried out by these financial agents propose the identification of gender-transformative approaches to promote women's economic participation as well as tracing gender-related climate risks. Gender perspective in reporting constantly gains prominence too: Developing gender-sensitive monitoring and evaluation plans paves the way for demonstrating the gender-related gains of climate resilience projects¹⁷.

Bilateral official development assistance (ODA) allocated by the members of the OECD Development Assistance Committee (DAC) represents an important example of aid

¹² CARE International. (2019). Gender-Transformative Adaptation – From Good Practice to Better Policy

¹³ United Nations. (2018). Turning Promises into Action: Gender Equality in the 2030 Agenda for Sustainable Development

¹⁴ Gebre, G. et al. (2019). Gender differences in agricultural productivity: evidence from maize farm households in southern Ethiopia. *GeoJournal*. <https://doi.org/10.1007/s10708-019-10098-y>

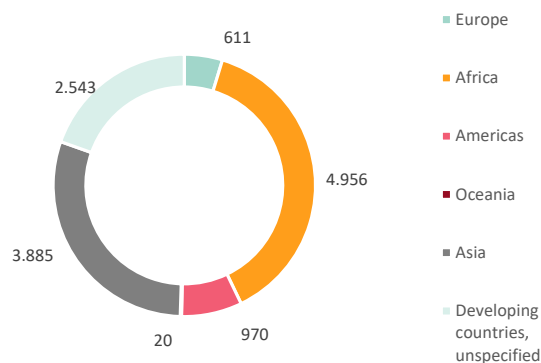
¹⁵ ILO. (2018). The Employment Impact of Climate Change Adaptation. Input Document for the G20 Climate Sustainability Working Group International Labour Office

¹⁶ International Food Policy Research Institute (IFPRI). (2019). IMPACT Projections of Food Production, Consumption, and Hunger to 2050, With and Without Climate Change

¹⁷ Asian Development Bank. (2020). How to Use Gender Approaches to Build Climate Resilience

where gender equality is supported as much as climate mitigation and adaptation measures. According to the latest figures, total aid provided to developing countries to support climate mitigation activities targeting Global Environment Objectives has reached USD 6.5 billion, whereas aid for climate adaptation activities has totaled USD 5.9 billion. On the other hand, projects targeting gender equality and women's empowerment received USD 12.9 billion of aid in the same year¹⁸. Geographically, Africa is the focal point of the aid as food and water crises continue to worsen in this region.

Aid targeting gender equality and women's empowerment (2019, million \$)



Source: OECDStat, TSKB Economic Research

COVID-19 and climate change present major social and economic challenges

The COVID-19 pandemic has affected almost all of our daily habits in some way, along with causing disruption of global supply chains, a slowdown in economic activity, the loss of millions of jobs, restrictions on social life and even changes in the way of doing business. International organizations, funds, governments, academics and the private sector are carrying out assessments to estimate the extent to which the uncertainties brought about by the “new normal” are shaping our lives.

The disruption to healthcare could reverse decades of improvement. During this recovery phase, it is more crucial than ever that joint action is taken with coherent policies drawn up to tackle this global health crisis, which is the major obstacle to sustainable and inclusive development. The awareness, determination and cooperation of all stakeholders is imperative when it comes to solving the gender gaps which have arisen because of the COVID-19

pandemic with its highly destructive potential. Taking coherent action and allocating financial resources to the right channels with the aim of strengthening health policies will improve the ability to generate effective solutions to ongoing inequalities and to tackle unpredictable outbreaks of contagious viruses, like COVID-19.

The sudden shock of the pandemic required investment in improving the resilience of female employment to risks associated with human interaction with nature. The increased frequency of extreme weather events, due to rising temperatures, are now understood to be leaving women in a more disadvantageous position. Hence, climate mitigation and adaptation policies should now have a gender lens, in order to ensure that the post-COVID “new world” provides an opportunity to tackle the economic, social and cultural gender gaps.



¹⁸ OECDStat.(2019)

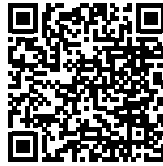


Advisory Services

Economic Research
ekonomikarastirmalar@tskb.com.tr

Meclisi Mebusan Cad. No: 81
Fındıklı İstanbul 34427, Türkiye
T: +90 (212) 334 5041 F: +90 (212) 334 5234

In order to access TSKB Economic Research products please use the QR code below:



Industrial Development Bank of Turkey
www.tskb.com

P: +90 212 334 50 50 F: +90 212 334 52 34

E: info@tskb.com.tr    