



YEAR 2022 INTERNATIONAL WOMEN DAY

PRESS RELEASE

Gender Equality: Breaking the Bias To Financial Freedom.

Despite being entrenched as a fundamental human right, the drive to achieve gender equality has been largely elusive over the years due to a wide range of factors ranging from religious, economic, social, and cultural factors.

Globally, women have fewer opportunities for economic participation than men, less access to basic and higher education, greater health and safety risks, and less political representation.

It is imperative to note this gap varies by country. While some countries have recorded remarkable progress in addressing the gender inequality gap, others have trailed behind in addressing some of the institutional and foundational biases that contribute to the widening of the gap.

The World Economic Forum (WEF) in its latest "**Global Gender Gap Report 2021**" opined that pre-existing gender inequality gap was further exacerbated by the ravaging Covid-19 pandemic. **It added that it will now take about 136 years to close the gender gap worldwide, from a forecast of about 100 years predicted a year earlier.**

Published annually by the WEF, the global gender gap index measures gender parity and ranks countries based on four key metrics, which are: Political empowerment, economic participation and opportunity, educational attainment, and health/survival.

Below is a summary of how countries fared in the four key metrics in 2021.

- **Political empowerment:** Of the four key metrics tracked, the gender gap in Political Empowerment remains the largest in 2021, with only 22% closed. The gap widened by about 2.4% YoY.

Across the 156 countries surveyed, only 26% of parliamentary seats and about 23% of ministerial slots were filled by women worldwide. In fact, 81 of the countries surveyed have never had a woman head of states/ president. At the current rate it will take about 146 years to attain gender parity in politics.

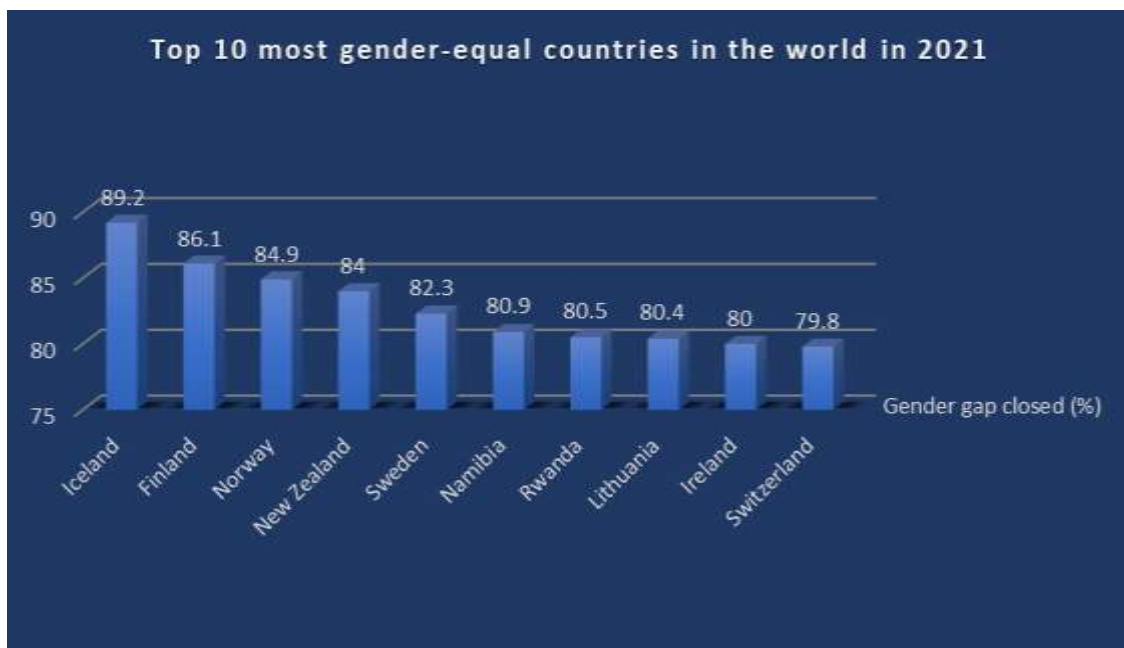
- **Economic participation and opportunity:** The economic participation and opportunity gap has seen marginal improvement since 2020. According to the data from WEF, 58% of this gap has been closed, but



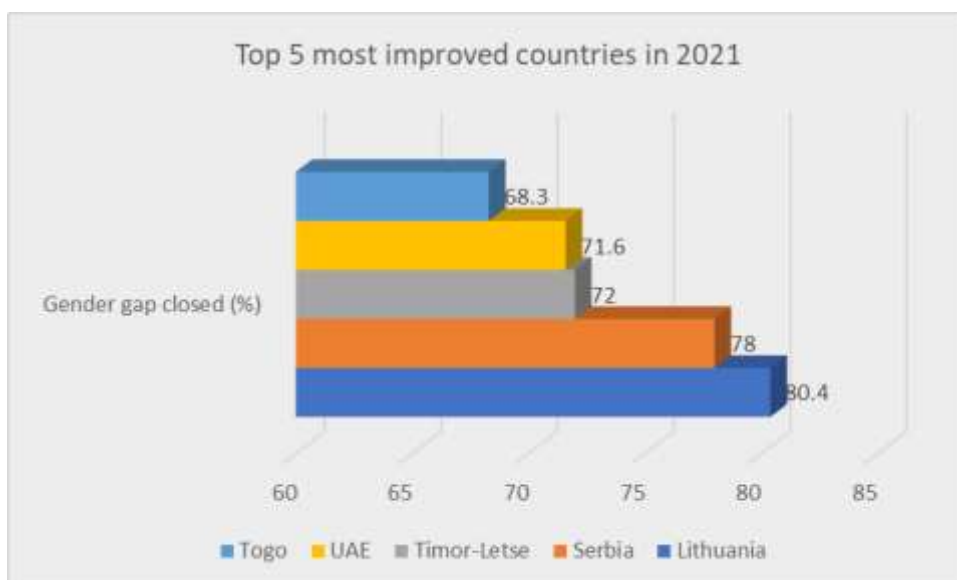
it remains the second largest of the four key gaps tracked by the index. It will take about 267.6 years to close this gap.

- **Educational attainment:** This gap has been notably closed in recent times. According to the report, 95% of the gender gap in educational attainment has been closed globally with about 37 countries already at parity. It will take about 14 years to completely close this gap.
- **Health and Survival:** 96% of this gap has been closed and the timeline to completely phase out this gap remains unspecified.

The top 10 most gender-equal countries in 2021 are:



Source: Author's computation from WEF data.



Source: Author's computation from WEF data.



Key Findings:

- Iceland retained her spot as the most-gender equal country in the world for the 12th time.
- The list of the most-gender equal countries were largely dominated by Nordic countries like Norway, Sweden, Finland, etc.
- Three countries (Afghanistan, Guyana, and Niger) were added in the most recent 2021 rankings.

Nigeria's performance.

With a score of about 62.7%, Nigeria dropped by 10 spots to 139th position in the year under review, from 128th position in 2020, shedding about 8% in score.

The abysmal performance in contrast to what was recorded by some other countries in the continent, such as: South Africa, Kenya, Namibia, Mozambique, Zimbabwe, etc, which all fared better and ranked ahead of the continent most populous nation.

The Central Bank of Nigeria (CBN) in an earlier [report](#) in 2019, had alluded to the fact that despite appreciable gains recorded in its financial inclusion campaign, the inherent gender inequality gap in the country has continued to exacerbate in recent years.

Excerpts of the report read: *'' The gender gap in Nigeria represents a major issue to be resolved if the country is to achieve the targets it set in its National Financial Inclusion Strategy (NFIS).''*

Gender Equality in the Financial Context.

The widening gender inequality gap has manifested in several ways including in financial access and inclusion.

Empirically, Nigerian women are more likely to be financially excluded than men.

Laying credence to the fact that Nigerian women remain significantly excluded compared to men, [EFInA](#) in its **''Access to Financial Services in Nigeria 2020 Survey''** noted that about 40% of the total adult Nigerian women translating to about 21.3 million remain financially excluded. This figure is comparatively higher than the 32% financial exclusion rate recorded for Nigerian men in the same period.

Historically, this has remained the trend over the years, for example in 2018, while about 41% of the total adult Nigerian women were financially excluded,



comparatively, only 33% of Nigerian men suffered same fate in the corresponding period.

In addition, in the same period of 2018, only 33% of the total adult Nigerian women had formal bank accounts, compared to 46% of Nigerian men. Likewise in 2020, only 39% of Nigerian women operated formal accounts, compared to 51% of their male counterparts.

In terms of financial health, EFinA further stated that 2 out of every 5 Nigerian women are financially vulnerable, with a similar number also financially coping.

Factors leading to the financial exclusion gap in Nigeria

The following are factors that widens the gender financial exclusion gap in Nigeria:

- **Low Income:** 17.7 million out of the total 53 million adult Nigerian women earn about N15,000 and below. Women with low levels of income are eight times (8x) likely to be excluded.
- **Education:** Women attain significantly lower education compared to men. According to EFinA, women with lower levels of education are seven times (7x) likely to be excluded.
- **Trust:** Due to lower levels of education, more women do not trust the formal financial system compared to men.
- **Location:** Rural women are less likely than urban women to be formally served. Of the 21.3 million adult Nigerian women that are financially excluded, 81 percent of these women live in rural areas.

Why gender inequality gap needs to be addressed.

Several studies have shown that supporting a stronger role or empowering women is a key enabler in reducing poverty, stimulating economic growth, and ensuring sustainable development. For example, a World Bank [report](#) in 2003 reported that promoting gender equality is an essential component of an effective economic and human development strategy.

In addition, a Power Parity [Report](#) by McKinsey in 2015 reported that pursuing gender equality would add up to \$28 trillion, or 26 percent, to annual global GDP in 2025.



Ways forward/breaking the bias to financial freedom.

Considering the imperativeness and nexus between gender equality and economic growth, it is therefore advisable for government and policy makers to initiate programmes and initiatives that would specifically target and empower women and girls.

Empowering women through education, economic and political means and caring for their health and safety will go a long way in enabling them to become financially independent.

In addition, financial leaders need to design and deploy innovative gender centric financial products that would bridge the financial exclusion gender gap. Regulators need to deploy women focused economic development initiatives and ensure a stable/balanced financial environment.

FGN's efforts so far.

- In September 2020, the Central Bank of Nigeria (CBN) virtually launched the framework for advancing women's financial inclusion. The framework identified eight (8) strategic imperatives that would help Nigeria to develop an all-inclusive financial sector in Nigeria and close gender gap by 2024.

This framework is in line with the commitment made by CBN to the Alliance for Financial Inclusion (AFI)'s Denarau Action Plan (DAP), which aims to halve the global financial inclusion gender gap.

- The launching of the framework is to complement existing initiatives of the CBN aimed towards advancing access to finance for women, Some of these initiatives are: Micro, Small and Medium Enterprise Development Fund (MSMEDF) which earmarked 60% of its fund to women and women-owned enterprises, and the establishment of the Financial Inclusion Special Interventions Working Group (FISIWG) which seeks to address issues relating to the financial inclusion of women, youth and persons with disabilities.
- As of November 2020, the Deputy Governor, Financial System Stability in CBN and Chairperson of the National Financial Inclusion Technical Committee, Mrs. Aisha Ahmad disclosed that about 134,000 women have accessed 62% of the MSMEDF, while over N9.5billion has been disbursed to over 3,600 women through the Agribusiness Small and Medium Enterprises Equity Investment Scheme (AGSMEIS).

Women have also significantly benefitted from other interventions such as; Textile Sector Intervention Facility, Real Sector Support Facility, and Commercial Agriculture Credit Scheme.