



**Asia-Pacific
Economic Cooperation**

Advancing Free Trade
for Asia-Pacific **Prosperity**

Implementing Inclusion APEC Case Studies on Inclusive Policies

Annex: Case Studies by Key Contributing Economies

APEC Policy Support Unit

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ANNEX: CASE STUDIES

The case studies are published as submitted by Key Contributing Economies. No revision of content or substance was done on the case studies. Neither the SOM Steering Committee on Economic and Technical Cooperation (SCE) nor the APEC Policy Support Unit (PSU) has independently verified the case studies in the Appendix. The Appendix is not endorsed by the SCE.

CANADA

Advancing Indigenous Peoples' economic interests through Canada's trade agreements

Introduction

"There remains no more important relationship to me and to Canada than the one with Indigenous Peoples." – Prime Minister Justin Trudeau, December 13, 2019.

The Government of Canada has been closely following public and political discourse on trade and globalization at home and within its major trading partners. This discourse has included growing public concern with specific aspects of international trade and investment agreements, such as a perceived lack of transparency in the negotiating process; negative and/or divergent effects on certain segments of the population; and, the potential threats to the environment, health and safety, consumer standards, and the Government's right to regulate.

Informed by these realities, and as part of its Export Diversification Strategy, the Government of Canada is advancing an inclusive approach to trade that seeks to ensure that all Canadians can benefit from the opportunities that flow from international trade and investment.

The Government's inclusive approach to trade centers on three key pillars: (1) informed and inclusive trade policy-making; (2) provisions in trade agreements that promote sustainability, transparency, and inclusivity; and (3) international engagement to advance support for sustainable, transparent, and inclusive trade initiatives. Canada's approach is informed by ongoing dialogue with a broad range of Canadians, including those that are underrepresented in trade, such as women, SMEs and Indigenous peoples.

The social, cultural, and economic progress of Indigenous peoples is a key priority of the Government of Canada and this commitment is reaffirmed in each Federal Minister's mandate letter. In 2016, Indigenous peoples in Canada represented 1.6 million people, roughly five percent of Canada's total population¹. Indigenous peoples' economic development varies in degree and trade policy is one of the many vehicles available to advance concrete outcomes. As such, and in line with the Government's broader reconciliation efforts, Canada is advancing Indigenous peoples provisions in its free trade agreement negotiations that seek to ensure that Indigenous peoples and businesses in Canada have access to the benefits and opportunities that flow from international trade and investment.

¹ Statistics Canada. 2017. Focus on Geography Series, 2016 Census. Statistics Canada Catalogue no. 98-404-X2016001. Ottawa, Ontario. Data products, 2016 Census.

Barriers and Challenges

The Indigenous economy in Canada is diverse, with over 43,000 Indigenous-owned SMEs operating in all sectors of the economy. Over 10 percent of these Indigenous SMEs operate within Canada's top 15 export industries and 50 percent operate in sectors with high export potential. That said, in 2017, Statistics Canada data reported that only 7.9 percent of Indigenous businesses export, compared to 11.7 percent of Canadian SMEs that export². As workers, Indigenous peoples' employment rate in 2016, was 8.4 percent lower than their non-Indigenous counterparts. Employment rates vary between Indigenous peoples, with on-reserve First Nations employment rate 24.2 percent lower than the non-Indigenous population and Métis peoples exhibiting employment rates close to or exceeding those of the non-Indigenous rate³. Indigenous businesses encounter similar barriers in accessing international markets as their non-Indigenous counterparts, including lack of access to capital; market information; and mentoring networks. However, these barriers are compounded by additional Indigenous-specific challenges that are more difficult to surmount. These include a lack of infrastructure in rural and remote regions (where the majority of Indigenous peoples live in Canada); lower levels of education, skills, and training; higher rates of poverty; and lack of access to land and infrastructure to use as financial collateral. All these barriers and challenges are often exacerbated by racism, discrimination, and longstanding stereotypes.

If barriers and challenges for Indigenous businesses could be minimized and ultimately removed, the benefits for the Indigenous economy in Canada would be significant. For example, a 2016 report from the National Indigenous Economic Development Board highlighted that closing the opportunity gap between Indigenous peoples and non-Indigenous Canadians would have the potential of boosting Canada's economy by \$27.7 billion annually, roughly a 1.5 percent GDP increase⁴. Another report from Canada's Advisory Council on Economic Growth estimates that if Canada could increase its workforce participation rate among lower-income, lower-skilled workers, and Indigenous peoples, Canada's GDP per capita could rise by 6 percent⁵. This economic growth could have a big impact on Indigenous businesses and their communities, as Indigenous businesses tend to export to more diverse markets, compared to their non-Indigenous counterparts.

Policies and Actions for Inclusion

Through its inclusive approach to trade, the Government of Canada is actively advancing programs and policies that seek to ensure that Indigenous peoples in Canada can best take advantage of international trade and investment opportunities. In the context of trade policy and trade agreements, and through close and direct engagement with Indigenous peoples, Canada is implementing a two-track approach to advance the interest of Indigenous peoples by seeking:

1. Reservations, exceptions, and exclusions to provide the Government of Canada flexibility to take measures related to Indigenous peoples and businesses; and,

² Statistics Canada, Survey on Financing and Growth of SMEs, 2017.

³ CIRNAC 2016 Census Core Table 6.05

⁴ National Aboriginal Economic Development Board (2016), Reconciliation: Growing Canada's Economy by \$27.7B,

http://naedb-cndea.com/reports/naedb_report_reconciliation_27_7_billion.pdf

⁵ Advisory Council on Economic Growth (2017), Ideas Into Action: A Review of Progress Made on Recommendations of the Advisory Council on Economic Growth, <https://www.budget.gc.ca/aceg-ccce/pdf/ideas-into-action-eng.pdf>, pg.8

2. Provisions throughout the agreement designed to increase Indigenous peoples' access to trade and investment opportunities.

Canada's Reservations, Exceptions, and Exclusions in its Free Trade Agreements

The longstanding approach of the Government of Canada in negotiating free trade agreements has been to ensure that no obligation it takes in a trade agreement conflicts with its obligations to Indigenous peoples, including the rights of Indigenous peoples as set out in Section 35 of the Constitution Act, 1982. Furthermore, for broader socio-economic development, Canada also seeks to ensure that it maintains policy flexibility in order to provide Indigenous peoples and businesses with preferential treatment. To that effect, Canada has traditionally sought chapter-specific reservations, exceptions, and exclusions in the areas of services, investment, government procurement, the environment, and state-owned enterprises in its FTAs.

More recently, in addition to securing its traditional chapter-specific reservations, exceptions, and exclusions, the new Canada-United States-Mexico Agreement (CUSMA) included Canada's first Indigenous Rights General Exception. This dedicated General Exception provides the Government of Canada with greater certainty that it can adopt or maintain measures necessary to fulfill its obligations regarding the constitutionally protected rights of Indigenous peoples in Canada and those rights set forth in self-government agreements. The General Exception co-exists with and complements Canada's other chapter-specific reservations, exceptions, exclusions, and other Indigenous-specific provisions throughout the Agreement.

Increasing International Trade and Investment Opportunities for Indigenous Peoples

Canada is also advancing provisions in its trade negotiations to increase the opportunities for Indigenous peoples to benefit from trade and investment. Canada developed, in close collaboration with Indigenous peoples, various provisions on trade and Indigenous peoples for inclusion in Canada's FTAs, where appropriate. These provisions can take different forms, including as a dedicated chapter or chapter-specific provisions throughout the Agreement. The objective of these provisions are to:

- enhance the ability of Indigenous peoples and businesses to benefit from the opportunities created by international trade and investment;
- reaffirm important existing Indigenous-specific international instruments, such as the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP);
- recognize the important role of the environment in the economic, social, and cultural well-being of Indigenous peoples and the importance of respecting, preserving, and maintaining the knowledge and practices of Indigenous peoples that contribute to the conservation of the environment; and
- facilitate the sharing of information and best practices in support of Indigenous peoples' participations.

Engagement with Indigenous Peoples on the Government's Trade Policy Priorities

Canada has been proactively engaging in comprehensive dialogue with Indigenous peoples and their representatives on Canada's trade policy priorities. Global Affairs Canada, the federal department responsible for trade policy, established a trade-focused Indigenous Working Group (IWG) in September 2017. The IWG includes a wide-range of partners, including

representatives from the National Indigenous Organizations⁶, modern treaty partners, Indigenous groups and business associations, and legal and policy experts.

The catalyst for the development of the IWG was the Government's commitment for a renegotiated CUSMA to be as inclusive as possible. Since its inception, Government officials have engaged the IWG on a wide range of trade and investment issues of importance to Indigenous peoples, including chapter-specific issues (e.g., investment, the environment, and intellectual property). Through close collaboration with the IWG, the Government developed various Indigenous-specific provisions which it advanced in the CUSMA context for the first time; these included a dedicated Trade and Indigenous Peoples Chapter and an Indigenous Peoples Rights General Exception.

Impact

Canada's ongoing engagement with the IWG has provided the Government with an essential vehicle for the development of its Indigenous trade policy; in line with its commitment to informed trade policy making as part of its inclusive approach to trade. The IWG has assisted the Government in informing and developing its evidence-based Indigenous peoples trade policy by providing a useful and pragmatic mechanism for dialogue.

During the initial dialogue with the Working Group, time was invested in learning from one another. For example, dedicated sessions were organized on specific trade policy areas, where members were provided detailed overviews of Canada's negotiating approach, including the purpose and goals of specific FTA chapters. This allowed members to provide informed comments, suggestions, and recommendations from Indigenous peoples' perspectives, which has assisted in the Government's objective of mainstreaming Indigenous-specific provisions throughout its FTA negotiations.

In addition to assisting in the mainstreaming of Indigenous-specific provisions in its FTAs, the IWG has also been fundamental in influencing the development of programs within Global Affairs Canada. For example, in October 2018, Canada's Trade Commissioner Service (TCS) led the first Government-sponsored Indigenous business trade mission to the World Indigenous Business Forum in New Zealand. The TCS also organized and led an Indigenous business delegation on a trade mission to the United States in May-June 2019. This trade mission's objective was to connect Indigenous businesses with Indigenous tribes in the United States to foster and take advantage of the inter-tribal trade networks. Indigenous participants have reported numerous business leads being pursued as a result of these trade missions.

Lessons Learned and Way Forward

Government of Canada officials have learned a lot from working with the Indigenous Working Group on trade policy. We have benefited from their perspectives and insights, and we have gained a richer understanding of the effects and opportunities of FTA provisions on Indigenous peoples in Canada and globally. The IWG highlighted that Indigenous peoples have been trading since time immemorial and that is far longer than FTAs have existed and as such we seek to facilitate trade and remove barriers to the greatest extent possible. The IWG has indicated that Indigenous peoples value and seek to protect their traditional knowledge and

⁶ Assembly of First Nations (AFN), Congress of Aboriginal Peoples (CAP), Inuit Tapiriit Kanatami (ITK), Métis National Council (MNC), Native Women's Association of Canada (NWAC), Les Femmes Michif Otipemisiwak

traditional cultural expressions from commercial exploitation and trade provisions can assist in those efforts. The IWG has also emphasized that Indigenous peoples want to protect their rights and they also want to participate in and benefit from trade like all economies around the world since doing so brings increased wages, productivity, innovation, and overall economic prosperity.

Canada is committed to keeping the IWG and Indigenous peoples apprised of Canada's ongoing trade negotiations (bilateral and multilateral), seeking their insights and support, and engaging on any other trade related issues of importance to Indigenous peoples.

Role for Regional Cooperation

With approximately 370 million Indigenous peoples worldwide, making up roughly 5 percent of the global population⁷, regional forums, such as APEC, where a majority of the world's Indigenous peoples live, can play a role in advancing Indigenous economic development and participation in trade. As an incubator, APEC is a perfect forum to engage a wide range of economies on new ideas and policies on advancing Indigenous economic empowerment through trade. This engagement could contribute to informing international trade policy by developing common norms and to facilitating cooperation activities, such as the sharing of experiences and best practices. Furthermore, engagement on this innovative and new trade policy issue would be in line with Chile's 2019 theme of inclusive growth and be supportive of New Zealand's APEC 2021 presidency where they have identified advancing Indigenous peoples in the economy and trade as one of their key priorities.

Canada's application of GBA+ to a trade negotiation: Helping to achieve socio-economic inclusion by applying gender and inclusivity lens to trade agreements

Trade has been a significant stimulus to economic development and global prosperity, including in Canada. To further stimulate prosperity, increasing the number of women-owned business exporters is important and will contribute to increased socio-economic inclusion, including in the APEC region. Data shows that increasing the number of women-owned exporting firms has been a challenge for Canada: Women-owned businesses contribute \$150 billion to the economy, employ over 1.5 million people, and start-up at a greater rate than men, but they accounted for only 15.7% of small- and medium-sized enterprises (SMEs) in Canada in 2017. Even though women-owned exporters in Canada have grown from 7.4% of all SME exporters in 2011 to 14.8% in 2017, they still represent a small proportion of exporters overall. The inclusion of as many firms as possible in the global trading system has the potential to directly impact Canadians' standards of living since firms that participate in international trade tend to be larger, more productive, more capital and skilled labour-intensive, grow faster, pay higher wages, and hire a more diverse work force. Therefore, increasing the number of women-owned SMEs and increasing their propensity to export have important socio-economic benefits for the economy and society. This is why Canada considers gender-related issues when developing trade policy and negotiating trade agreements.

Barriers and Challenges

There are many barriers and challenges that women-owned businesses face that affect their participation in trade, including:

⁷ The World Bank: Indigenous Peoples <https://www.worldbank.org/en/topic/indigenouspeoples>

- **Firm size:** Women-owned SMEs tend to be smaller (60% of women-owned SMEs in Canada are micro-enterprises) with lower revenue growth and thus less likely to participate in trade. Trade-related fixed export costs are also a greater burden for smaller firms (e.g., non-tariff measures such as certification or labelling standards).
- **Firm strategy:** Women-owned SMEs tend to be survival-oriented rather than growth-oriented; investment is not a long-term objective and in Canada they tend not to incorporate their businesses.
- **Sectoral concentration:** Women-owned SMEs are more likely to be in sectors and industries that are not high growth such as non-tradeable services which have lower start-up costs and lower value-added.
- **Access:** Women may lack access to a wide range of entrepreneurship and business development supports such as networks and mentors; incubators and accelerators; information and market intelligence; domestic and global value chains; government and corporate procurement markets; training and skills development; and financing, including trade financing.

Policies and Actions for Inclusion

In order to address these barriers and challenges, Canada is advancing an inclusive approach to trade that seeks to ensure that the benefits of trade are more widely shared with Canadians, including with under-represented groups such as women, SMEs, and Indigenous peoples. This trade policy approach is informed by the recognition that trade affects people differently, based on a wide range of factors, including gender. It also recognizes that trade policy that can help deliver on domestic economic, social and environmental priorities, and advance our policy of inclusive growth. Canada's inclusive approach to trade is informed by ongoing stakeholder consultations, collection and analysis of gender disaggregated data, and the application of a gender lens to trade negotiations on an ex ante and ex poste basis.

The gender lens that Canada uses is Gender-based Analysis Plus (GBA+): It is an assessment process that considers how diverse groups of women and men experience policies and programs across the economy. By utilizing a GBA+ approach, Canada is incorporating inclusivity and gender perspectives into trade policy in order to pursue inclusive and sustainable economic development and to achieve outcomes that are more beneficial for all, including workers, business owners and entrepreneurs, and consumers. In fact, GBA+ is changing the way we do trade policy.

When Canada launched trade negotiations with Mercosur in March 2018, the Government of Canada made a commitment to pursue a comprehensive, ambitious, and inclusive free trade agreement (FTA), and to conduct an expanded impact assessment on the FTA to ensure that the benefits from the agreement would be widely shared across Canada's population. To that end, Canada is conducting quantitative and qualitative impact analyses concurrently and is ensuring that the quantitative findings inform the qualitative analysis on an ongoing basis. Applying the GBA+ qualitative analytical framework to trade policy and an ongoing FTA negotiation is breaking new ground.

In addition to expanding its existing modelling capacity to include a newly developed labour market module that takes into account gender, age and the distribution of Canadian workers across eight different occupational groups and 57 sectors of the economy, Canada is conducting

a comprehensive GBA+ on each of the 25 chapters⁸ currently under negotiation as part of the potential Canada-Mercosur FTA. Supported by a custom-designed questionnaire to guide them in their analysis, lead negotiators are assessing the effects (positive and negative, direct and indirect, intended and unintended) of provisions on men and women in Canada in their roles in the economy as workers, entrepreneurs, business owners, and consumers. They are also considering any different effects of the chapter's provisions on men and women based on other identity factors which may be relevant and where data and evidence exists, such as indigeneity, disability, sexual orientation, religion, geographic residence (urban, rural, remote), etc. They are also considering how they could mitigate an effect or enhance an opportunity through a new trade policy provision in their chapter. In addition, lead negotiators are regularly updating their GBA+ before each round of negotiations with Mercosur by integrating information on progress to date, adding new data and evidence as it is identified, and analyzing these inputs to reveal findings to inform the negotiation strategy through the development of new provisions. This process is ongoing, and the GBA+ continues to be updated as Canada advances negotiations with Mercosur.

Impact

In order to promote sustainable and inclusive economic growth through evidence-based policies, we are conducting a GBA+ of the potential effects on Canadians of the potential Canada-Mercosur FTA. To date, the GBA+ has revealed that 15 of 25 chapters present opportunities to add at least one inclusive or gender-responsive trade provision. Therefore, the GBA+ is helping us mainstream inclusive and gender responsive provisions across the full FTA; it also allowed us to further innovate our Trade and Gender chapter (and other inclusive trade chapters, including on SMEs) in order to ensure that we were not missing any opportunities to make it more inclusive and gender responsive. As a result, and pending agreement on specific outcomes from our Mercosur negotiating partners, the GBA+ may help us to deliver a more inclusive and gender-responsive FTA where barriers to women's participation in trade are removed, and women realize the benefits and opportunities of trade as much as men do. In fact, a GBA+ of trade policies can help achieve not only gender equality outcomes but also sustainable economic development and decent work for all, consistent with the Sustainable Development Goals that all APEC economies have signed.

Lessons and Way Forward

In applying GBA+ to FTA negotiations, Canada has learned that trade policy may not have the solution for all GBA+ findings. In some instances, it may be necessary for Canada to re-design or develop domestic flanking policies and programs to address effects and opportunities that a trade agreement creates. In addition, GBA+ is confirming what has always been well known—that trade outcomes that benefit one segment of the population (e.g., consumers who benefit

⁸ The 25 chapters are broken down into four groups of related chapters: **Goods** (National Treatment and Market Access for Goods; Rules of Origin; Origin Procedures; Customs and Trade Facilitation; Sanitary and Phyto-sanitary Measures; Technical Barriers to Trade; Good Regulatory Practices; Trade Remedies); **Services, investment and government procurement** (Cross Border Trade in Services; Temporary Entry; Telecommunications; Electronic Commerce; Financial Services; Investment; State-Owned Enterprises; Competition Policy; Intellectual Property Government Procurement); **Inclusive trade** (Environment; Labour; Trade and Gender; Micro, Small and Medium-sized Enterprises (MSMEs); Trade and Indigenous Peoples); **Institutional and dispute settlement** (Preamble and five Institutional chapters [Initial Provisions and General Definitions; Institutional and Administrative Provisions; Exceptions and General Provisions; Transparency, Anti-Corruption, Corporate Social Responsibility and Responsible Business Conduct; Final Provisions]; and Dispute Settlement).

from lower-priced consumer products) may negatively affect another segment (e.g., workers in an industry that would face greater competition once tariffs are removed). So GBA+, while uncovering or confirming this tension, may not necessarily produce a win-win solution. However, it may help identify the population group most at risk so that impacts and implications can be taken into account during negotiations and implementation.

The GBA+ of the Canada-Mercosur FTA negotiations has realized some important early benefits. It is providing trade negotiators with a richer sense of the effects and opportunities of FTA provisions on Canadians. It is helping officials develop in real time, and on an ongoing basis, new and innovative inclusive and gender responsive trade policy provisions to address effects and opportunities. It is also supporting the continuous strengthening and innovating of our FTA chapters; and it has effectively informed the FTA negotiation strategy to date. Given that the GBA+ has yielded value added results and benefits, Canada intends to continue to conduct GBA+ of FTA negotiations going forward.

The approach that Canada developed for conducting GBA+ of the ongoing negotiations with Mercosur is founded on the principles of early and ongoing analysis, best efforts and continual improvement. It is custom-designed to be an iterative exercise that would achieve real value-added results while being strategic and pragmatic. That said, we recognize there is still much more work that needs to be done in terms of building our knowledge and skills in conducting the GBA+ and developing innovative inclusive and gender responsive provisions or other solutions to address GBA+ findings. We recognize that these solutions may reside in domestic flanking policies or bringing an inclusivity or gender lens to FTA implementation activities once the agreement is ratified. There may also be other solutions. In order to further strengthen our process, Canada is committed to monitor and measure results.

Role for Regional Cooperation

The application of GBA+ to the development and implementation of economic and trade policies in the APEC region can help achieve the objectives of APEC's *La Serena Roadmap for Women and Inclusive Growth (2019-2030)*. The Roadmap provides direction and catalyzes policy actions across APEC that will drive greater inclusive economic development and participation of women in the Asia-Pacific region, including women-owned businesses' participation in trade. GBA+ could inform the development of the La Serena Implementation Plan, as well as its related monitoring, reviewing and reporting processes.

Canada could provide GBA+ training workshops and share best practices (including on data collection and analysis methods) with APEC economies to speed progress in removing economic and trade barriers in the region so that women-owned business have an enhanced ability to participate in and benefit from regional and international trade. In addition, Canada would propose that APEC apply an inclusivity and gender lens to work plans under various committees with a view to mainstreaming gender and inclusivity considerations in order to have the greatest impact possible in terms of inclusivity and sustainable economic growth outcomes.

Canada could also work with ABAC members to increase their awareness of the benefits of conducting business and trade with an inclusive and gender lens. This would include promoting supplier diversity mandates to facilitate women-owned business participation in value chains, which is the approach that Canada's business women in international trade (BWIT) strategy has taken for more than 20 years.

Finally, Canada would welcome the opportunity to learn from APEC members on how they conduct inclusive and gender responsive impact assessments of economic and trade policies, what new and innovative trade policies provisions they have developed, as well as any other solutions to achieve inclusive and gender equality outcomes. We know this is important for our continued economic growth and prosperity.

CHILE

Entrepreneurship as a Female Labor Inclusion Policy: Learning the Phosis Seed Program

This document has been prepared by the technical team of the Solidarity and Social Investment Fund - FOSIS, and illustrates the nature and achievements of the “*Yo emprendo*” (which refers to someone who undertakes initiatives, that is a pioneer in something, that is being an entrepreneur) program whose objective is to support productive ventures, taking advantage of the market and stakeholder opportunities with all those peoples or organizations associated with productive tasks that can help strengthen and providing the tools to better manage the business, in order to increase the revenue generated.

In terms of its presentation, this document has been organized in 5 parts. The first gives a brief diagnosis of female labor inclusion in Chile, focused on the situation of the most vulnerable families; the second section describes the main policies, programs and interventions that promote social inclusion; the third part refers to the impact of the “*Yo Emprendo Semilla*” program (same program as before, but this time as a “seed” concept) on labor participation; The penultimate part refers to the lessons, challenges and opportunities of the program in labor participation. The fifth and last part refers to the international cooperation scenarios, with emphasis on the contributions of the FOSIS “*Yo Emprendo Semilla*” Program to various economies in Latin America and the Caribbean.

Female labor inclusion: the current Chilean scenario

The labor inclusion of women remains an important challenge for Chile. Although the percentage of women who are active in work has been growing in recent decades, the National Socioeconomic Characterization (CASEN) survey, conducted in 2017, showed that less than half (48.9%) of the economy's women participate in the labor market. This data places Chile below the average of the OECD economies and Latin America.

The unequal distribution of the unpaid workload - mainly domestic and care tasks - between men and women largely explains female labor inactivity. In CASEN 2017, 19.4% of women say they do not enter the labor market due to household chores and childcare, while in men these reasons represent only 1%. The differences found make sense when the figures given to us by the “2015 Time Use Survey” are analyzed; according to this, women spend an average of 6 hours a day on work of this type, while men only 2.7.

As with most social problems, if we analyze these figures for the lowest income quintile of the population, the labor exclusion of women becomes even more evident. According to CASEN 2017, the participation in the labor market of the 20% most vulnerable women is only 30.04%. The main reasons for being inactive are also domestic and care tasks, but these have a higher prevalence than in the general population, reaching 27.7% of cases.

Moving towards female labor inclusion is essential for overall economic development, but especially so that the most vulnerable families can improve their living conditions. This is effective not only for single-parent families where women are the sole or main income generator, but also for biparental families in which women's income represents a secondary contribution to the household economy. In fact, when doing the exercise of simulating what would happen if female income were excluded from the latter family category, it was found that extreme poverty in Chile would increase by 11% and non-extreme poverty by 9%.

Policies and actions for inclusion

Considering the aforementioned, during the last decades Chilean State has worked to increase female labor participation, promoting policies aimed at eliminating barriers that have historically hindered the incorporation of women into the labor market. This is the spirit that inspires and permeates - to name a few examples - the Parental Postnatal law enacted in 2011, and the bills for the Universal Nursery and Labor Flexibility. Special emphasis has been placed on the inclusion of women belonging to the most vulnerable sectors of the population, for which a Subsidy for Women's Work and various work authorization programs have been created.

The Solidarity and Social Investment Fund (FOSIS), as a government entity whose mission is to help overcome poverty or social vulnerability of people, families and communities, has played an important role in the development of work authorization programs. Among these, the “Yo Emprendo Semilla” Program stands out. This program - which is run at a local level (communes) and is aimed at the most vulnerable 40% of the population that is unemployed or has precarious employment - aims to support the development of business ideas, delivering capital, training and technical advice to its beneficiaries. Since its creation in 2008, the program has benefited more than 200,000 people throughout the economy, of which 89.6% correspond to women.

Impact of the “Yo Emprendo Semilla” program on labor participation

“Yo Emprendo Semilla” has proven to be a real contribution to the labor inclusion of the most disadvantaged of the population. An impact evaluation carried out in 2010 by J-PAL academics yielded positive results in relation to the effects that this program has in the short and long term on its beneficiaries. In a short term period (9 months after the intervention), it was shown that having participated in the program increased the probability of being employed by 12%, which was mainly explained by an increase in independent employment. In the long term (almost 3 years after the intervention), participants were 9% more likely to have a dependent job, which could be explained by the soft skills training component of the program, which prepares people for opt for different types of employment, not just the independent one.

In addition to promoting labor inclusion, the evaluation also showed that the program has a positive impact on the income and labor practices of the participants. In the short term, the beneficiaries experienced a 41% increase in their income from independent employment. In the long term, there was a 29% increase in income from dependent jobs. Regarding business practices, the beneficiaries made greater use of marketing, inventories, records and other financial planning instruments after having gone through the program.

In general terms, the researchers concluded that the program has a positive cost-benefit ratio, that is, the income generated by the program is higher in the expenses incurred for its implementation.

Learning and challenges for greater and better inclusion

Although the essence of “Yo Emprendo Semilla” - its focus, objectives and main components - has not undergone major changes over time, however, its instruments have been perfected in order to enhance the effectiveness of the program. These improvements reflect the learning that has been acquired in the more than 10 years that the program has been running. It is worth mentioning at least three:

- The first one tells about how to make the impact produced by the program last over time and not disappear as soon as the intervention ends. To achieve this goal, the key is to focus on capacity building and not just capital delivery. Unlike other programs that try to boost entrepreneurship, Yo Emprendo Semilla includes a very relevant training component. This training includes hours dedicated to matters related to the business itself, but also to the development of transversal skills, such as communication, innovation and financial knowledge. In fact, the incorporation of financial education in FOSIS entrepreneurship programs has been recognized by the OECD as good practice, since it is understood that it is essential for people to have access to financial instruments that allow them to plan for the medium and long term (savings), continue to grow your business (credits) and be protected from emergencies (insurance).
- The second lesson learnt has to do with how to ensure that the people who are the target of the program, and that are interested in participating, can really do it. The key to achieving this goal is to look at the potential user in their context, understand what elements of their daily lives could hinder their participation and take measures so that they do not become a barrier to entry or to stay in the programs. This - which is apparently obvious - is often forgotten and ends up being the cause of low applications or dropouts. Understanding that the vast majority of Yo Emprendo Semilla users are women, mothers and heads of household, care tasks become a relevant barrier to address. For this, child care services have been incorporated during all training sessions. Thus, women have the peace of mind that their children are well cared for while they are trained.
- Finally, the third learning has to do with how to strengthen the entrepreneurial trajectory of those who go through the program and wish to go beyond subsistence entrepreneurship. The entrepreneur's route is long, complex and uncertain. The punctual support granted by the Yo Emprendo Semilla Program is not enough for those profiles that want to continue exploiting their entrepreneurial potential. For this reason, it is necessary to promote effective chaining with more advanced programs that allow it to continue growing. In relation to this point, there are specific cases in which users of the FOSIS program have been referred to the offer of other public institutions, such as the National Training and Employment Service (SENCE) or the Technical Cooperation Service (SERCOTEC). However, the challenges in this area are still very important, as progress is required both in the scope of these joints and in their relevance.

Role for international cooperation

Since its founding in 1990, FOSIS has been characterized as an important actor in the International Cooperation Policy of Chile, as a recipient and supplier of technical collaboration in the field of social policies.

The overcoming of poverty, the dignity of people, social justice, human rights and sustainability are the central focus of the international cooperation for development that Chile offers in the region, aligning directly with the 2030 Agenda for Development Sustainable of the United Nations. In this context, FOSIS strategies, methodologies and programs are observed with interest by governments of developing economies, both in Latin America, the Caribbean and other regions of the world.

FOSIS is currently executing a South-South Cooperation Program in LATAM, where entrepreneurship programs have decidedly contributed to the support of the most vulnerable groups in the economies of the region. Two collaboration initiatives stand out in this area: a) the execution of the project of “Transfer of the methodology of promotion and attention of productive entrepreneurship with social impact aimed at vulnerable groups in Central America, with special emphasis on women”, which supports the Regional Center for the Promotion of Micro, Small and Medium Enterprises of the Central American Integration System; and b) the project executed within the framework of the Mexico-Chile Cooperation Fund called “Entrepreneurship and financial education for the generation of productive opportunities for established and returned migrant populations from El Salvador, Guatemala and Honduras”.

CHINA

Targeted poverty alleviation in China: Health Poverty Alleviation Experiences for APEC Case Studies on Inclusive Policies

Introduction

Poverty alleviation is an integral part of inclusive development. Chinese Government has attached great importance to poverty alleviation and implemented targeted poverty alleviation strategies, and integrated poverty alleviation development with inclusive development. The incidence of rural poverty in China dropped from 97.5 percent in 1978 to 1.7 percent in 2018, as measured by the current rural poverty standard (2,300 yuan per person per year with constant price 2010). Based on the World Bank’s \$1.90 international poverty line, China lifted more than 800 million people out of extreme poverty between 1981 and 2015, reducing the proportion of people living in extreme poverty from 88% to 0.7%. In rural and remote areas, investment in infrastructure and public services, development capacity, industries with distinctive features and advantages, the ecological environment, and the quality of life of the poor people improved significantly.

Since 2012, China has managed to lift 13 million people out of poverty per year for six consecutive years. The total contribution of China to global poverty reduction has exceeded 70%, and extreme poverty will be eliminated in 2020. By the year 2020, all rural residents living below the current poverty line will be lifted out of poverty, and poverty will be eliminated in all counties and regions.

Focusing mainly on health poverty alleviation, this case study analyzes targeted poverty alleviation policies and measures and their impacts and explores experiences that can be shared by other APEC economies.

Challenges and Barriers

There are a high percentage of people who are living in poverty because of disease and sickness. Health problem is the biggest challenge to lifting them out of poverty. Hence in China, treating illnesses has become an integral part of targeted poverty alleviation and eradication. With targeted measures of identification, in 2017 Hanzhong City of Shaanxi Province found that 393,247 people from 141,405 households were living below poverty line, which accounted for 13.5 percent of its total population. Among those, 30,184 people from 23,897 households were driven into or driven back to poverty due to illness, which accounted for 7.7 percent of its impoverished population and 17 percent of its impoverished households.

Policy measures and impacts: Upgrading Medical Services in Poverty-Stricken Areas with Integrated Measures: A Case Study in Hanzhong City, Shaanxi Province

Policies and practices

First, a poverty-targeting management system was created by identifying those people in poverty who were driven into or driven back to poverty due to illness. (1) A four-step screening approach was adopted to precisely identify people in poverty who were driven into or driven back to poverty due to illness. The first step involved unifying health check-up standards, making screening schemes, organizing trainings, assigning personnel, and deploying equipment. The second step entailed establishing 218 medical teams that provide screening services for impoverished people at township hospitals and provide on-the-spot services for those who have difficulty with mobility. These covered a total of 78,100 people. The third step was to conduct examinations and comparing information. The fourth step involved doctors from hospitals at the city, county, and township levels jointly analyzing and assessing patients' conditions and classifying their diseases into serious, chronic, and terminal illness categories, which accounted for 15.8 percent, 79.3 percent, and 4.9 percent of 30,184 poverty-stricken patients respectively. (2) Different management schemes were implemented for the serious, chronic, and terminal illness categories.

Second, medical costs have been greatly reduced for impoverished patients through the implementation of various policies. Local authorities adopted health care policies that benefited the rural poor. Finance departments offered fixed subsidies of RMB150 per person per year that can be used as personal contributions toward the new cooperative medical care system (NRCMS). The deductible for serious illness insurance was lowered from RMB10,000 to RMB3,000. The coverage ratio for inpatient costs at hospitals at all levels was raised by 10 percent, and the outpatient coverage ratio for special chronic diseases in outpatients was raised by 20 percent. Consultation fees for outpatients, deductible for township hospitals, and deposits for designated county-level hospitals have been exempted. A four-part guarantee system was established, consisting of the NRCMS, serious disease insurance, medical assistance provided by civil administration departments, and supplementary medical insurance. The Hanzhong municipal government also established special relief funds of 5 million RMB and 2 million RMB for counties with populations of over 50,000 people and those with less than 50,000 respectively to ensure that 80 to 90 percent of hospital expenses are covered for impoverished patients.

Third, efforts were made to further improve conditions at primary-level hospitals and to provide easier access for people in poverty. Publicly owned village clinics have been established by municipal government. Medical equipment of different categories has been gradually delivered

to township clinics in batches. A policy involving county-level hospitals recruiting candidates for township-level hospitals and township-level hospitals recruiting candidates for village clinics has been implemented to supplement technical personnel in primary hospitals. Candidate students who come from families that are registered as living below the poverty line have also been prioritized in recruitment. Hanzhong City recruited 121 graduates of junior medical college for its townships and villages in 2017 and recruited 195 doctors for its village clinics in 2018.

Fourth, a pilot program “Internet Plus Poverty Alleviation via Health Security” was implemented in Hanzhong to make it easier for the impoverished patients to get access to medical resources. The Hanzhong municipal government took advantage of information technology to compile local residents’ digital health archives, digital medical records, information on expenses that have been covered, and transaction data related to poverty reduction via health security. It facilitated a bidirectional and dynamic connection between the platform of Internet Plus Poverty Reduction via Health Security and the management system of poverty alleviation via health security. They established a service system in which patients can sign contracts with family doctors on mobile phones. Finally, Hanzhong launched an official WeChat platform that can be used for electronic health record queries, doctor-patient communication, fee queries, service evaluation, and real-time reminding of medicine-taking. Fifth, detailed and effective measures have been taken to provide contracted family physician services for patients suffering from chronic diseases and to enhance impoverished patients’ senses of benefit and happiness.

Impacts

Firstly, medical security for the rural poverty-stricken population has improved greatly. In 2018, all of the rural impoverished residents in Hanzhong joined the NRCMS. Clinics in poverty-stricken villages were standardized in 2018. Medical security policies now cover all the impoverished population. A four-part medical security guarantee system that integrates basic health care, serious illness insurance, assistance from civil administration department, and government-supplied supplementary medical insurance ensures that 80 to 90 percent of impoverished peoples’ medical costs are covered. They can also enjoy the convenience of one-stop services and one receipt that includes all coverage information of public hospitals in Hanzhong.

Secondly, by the end of August 2019, the number of people in poverty who were driven into or driven back to poverty due to illness has decreased by 74.7% and 76.1%, respectively.

Lessons and experiences

Targeted poverty alleviation is a strategy aimed at precision in identifying the target population, arranging appropriate projects, using funds, taking measures specific to poor households, selecting and designating the right officials to help specific groups of people and producing the desired outcomes.

From the health poverty alleviation case, we have learned many useful experiences. First, it is important to first of all find out the cause of poverty, then design and implement different measures according to different situations. Second, local government’s targeting health care policies of sharply reducing the expense burden of impoverished patients plays a critical role in poverty alleviation. Local government need to take a people-centered approach when

considering social policies. Third, improving the capacity of health-care institutions and raising the income of primary-level healthcare personnel contributes to the success of health poverty alleviation. Fourth, digital technology greatly improves the effectiveness of poverty alleviation work. Internet plus healthcare, which integrates the advanced technology such as Big Data, Cloud Computing and Internet of Things, helps expand the coverage of medical service and upgrade and improve primary medical services for poverty-stricken population.

There are poverty issues of different levels and causes for APEC economies, especially for developing economies taking into account the diversity of the Asia-Pacific Region. If the Asia-Pacific Region is to realize the goal of sustainable and inclusive growth and shared prosperity, poverty alleviation should be promoted as one of the top priorities of APEC. APEC should also take an inclusive approach in overall economic cooperation. Meanwhile, the rapid development and evolution of digital technology and digital economy over the past decade has brought new tools and opportunities to alleviate poverty in a more effective way. Not only they help indirectly eradicate poverty by accelerating economic development, enhancing productivity, cultivating new markets and industries, but also provide feasible, efficient, and innovative solutions for precise and targeted poverty alleviation. China would like to work closely with other APEC member economies to carry forward cooperation on poverty alleviation as a priority in the context of a digital era, thus make positive contributions to the realization of the 2030 Sustainable Development Agenda. The sharing of China's targeted poverty alleviation experiences will also enrich APEC's ECOTECH Cooperation, and therefore make contributions to the inclusive and sustainable growth agenda of APEC and the building of an Asia-Pacific community with a shared future.

KOREA

Housing Support Plans for Youth

Introduction

The young generation of Korea is also suffering from growing economic challenges including lower job stability and higher burden of housing costs. As housing prices have rapidly increased, a number of young adults and newly married couples would find it nearly impossible to buy their own houses. As an increasing number of young people refuse to get married and give birth due to housing insecurity, Korea has experienced the lowest birth rate in the world. Although 31.2% of newly married couples assume housing security as a prerequisite of family planning, most of them are at the lowest level of housing security.⁹

While rental costs are rising due to a decrease in real income and an increase in housing prices, the increase in the percentage of young people renting a house implies that fewer people are able to accumulate enough assets to own a house. The burden of housing costs also cause 33-59% of young people aged 25-34 live with their parents even after they graduate college and be employed. Young single-person households live in a significantly worse environment than those living in their parents'. The average length of residence in a house of young single-person households appears to be 31.4 months, implying high instability of residence.¹⁰

⁹ The Ministry of Land, Infrastructure and Transport (2017), *Korea Housing Survey 2017*

¹⁰ Land and Housing Institute (2017), *A Study on the Housing problems and Housing Support Plan for the Young People*

Barriers and Challenges

As the number of single-person households has rapidly increased (27.2% of total households in 2015, estimated 36.3% in 2045), more young adults are experiencing housing insecurity. Young people consider 20-30% lower housing costs than current level as appropriate and rely on their parents to pay 71% of security deposits and 65% of monthly rent.¹¹ A significant number of young people attempt to save housing costs and start building assets by living with their parents, but they are often not considered for benefits of policies to support housing because they live in their parents' home and thus are not identified.

The majority of young people say housing costs would severely put pressure on their life decisions such as marriage and childbirth. Therefore, policies to support housing costs and improve housing security become critical for young adults in Korea to settle down and build a family. Studies show homeownership has positive impacts on increasing birth rates: married couples with homeownership tend to have a greater number of children.

Policies and Actions for Inclusion

In 2018, the government announced the *Housing Support Plan for Youth* for young adults to improve their living conditions by providing public housing and funding to newly married couples (880,000 couples for 5 years), single-parent families with children under age of 6 (60,000 households), and single-person households (750,000). In accordance with the plan, the Ministry of Land, Infrastructure, and Transport have supplied approximately 176,000 public rental housing. To strengthen customized housing programs, the government specifically provided newly married couples with 10,000 homes and 76,000 public rentals in 2018 and 2019. Additionally, 53,000 homes and 33,000 public rentals were supplied to young single-person households.

Moreover, the plan supports 260,000 young households in financing for purchasing homes or paying security deposits and include programs to assist young entrepreneurs and employees in SMEs in getting loans at lower interest rates for paying security deposits.

Impact

The government has significantly increased inclusiveness in the housing market for the last two years¹². Overall living conditions of young people have been improved. In 2018, the government reached the highest record ever, supporting 1.4 million households that include 194,000 public rentals, housing benefits for 940,000 households, and financial assistance for 258,000 households. Newly married couples' homeownership increased from 44.7% to 48%. 28,000 rental homes were provided to young single-person households at lower than market prices.

The policies also strengthened financial support to improve young adults' living conditions, including supporting loans for young employees working in SMEs aged 34 or younger with annual income of 35 million KRW (30,000 USD) or less and increasing tax-exempt, housing subscription savings accounts that give preference to young adults. The government also started to grant benefits of up to 1.5 million KRW (1,300 USD) to young single-person households

¹¹ Korea Research Institute for Human Settlements (2017)

¹² The Ministry of Land, Infrastructure and Transport (2018), *Korea Housing Survey 2018*

with annual income of less than 20 million KRW (17,000 USD) and total assets of 0.2 billion KRW (170,000 USD) to encourage their economic activities and supplement their income.

Lessons and Way Forward

The Korean government's responses to the lasting low birthrate have transformed from providing welfare programs for childbirth and childcare to more structural and macroeconomic approaches. Previous policies to increase birthrate had some achievements, but they were muted by other factors such as the trend of late marriage and unstable economic conditions. Since 2015, the government assessed the policies to address low birthrate for the past 10 years and shifted its approach to removing primary obstacles of marriage such as unemployment and housing insecurity.

The government's efforts to maintain the stability of the housing market and strengthen customized housing support programs have resonated with a lot of citizens. Supporting youth-related housing can also alleviate the financial burden of older generations as well as younger, lessening the burden for all generations. To further the inclusiveness of housing, customized housing support programs need to be consistently implemented and programs to protect those who are still in the dead zone of welfare and measurements for housing support programs need to be developed.

Role for Regional Cooperation

An economy should adopt vigorous housing policies to ensure that all citizens have access to quality and affordable housing. Although Korean housing policies have been mainly implemented by the central government, the role of local government needs to be strengthened in the long run. Having proper authorities, responsibilities, and resources, local government could be more practical and effective in fulfilling the housing needs of the region and focusing exclusively on the needs and concerns of local residents, specifically from the most disadvantaged groups. The central government should invest in building systems for participation and cooperation of various stakeholders, including local governments, private businesses, and civil organizations. There are no easy solutions to providing adequate and affordable housing; however, partnerships among landlords, housing providers, and local authorities could contribute to community cohesion and the region's economic revitalization.

Tuition Reduction Policies

Introduction

Korean households shoulder a high level of financial burden of education expenditures such as private education and college tuition. According to OECD, Korea ranked at 4th in average tuition at private universities per year, following the United States, Australia, and Japan.¹³ Education expenses paid by the private sector in Korea take up 66%, ranked 2nd with Japan following the United Kingdom. Although 8 out of 10 high school graduates go to college, only 18% of total colleges are public with lower tuition. A growing number of young people have bad credit scores because they were not able to repay their student loans in time. The number of people who did not repay their student loans after being employed increased by seven times

¹³ OECD (2017), *Education at a Glance*

between 2012 and 2015.¹⁴ Out of accumulated dissatisfaction with high college tuition, candlelight protests were held calling for “cutting college tuition in half” in 2011.

Barriers and Challenges

High tuition can put not only young people but also older generations at risk of poverty, which can lead to more social costs in the rapidly aging society. Because college tuition has risen above the rate of inflation, the proportion of educational expenses of households has steadily increased. Many of the Baby Boom generation in Korea in their mid-40s to mid-50s would not save or invest money for their retirement due to educational and housing expenses for their children in college.

Excessive burden of tuition may cause a cycle of poverty as well. Average household income of college graduates or above is approximately 5 million KRW (4,200 USD) per month, whereas household income high school graduates is 3.5 million KRW (3,000 USD), which shows distinct income disparity by educational level.¹⁵ It is critical to provide equal opportunities in education by alleviating households’ burden of educational costs in order to promote equal distribution and social inclusion.

Policies and Actions for Inclusion

In 2018, the Ministry of Education introduced the *National Scholarship Operation Basic Plan*, which aims to support half-price tuition to reduce the financial burden for students and parents. A total budget of 3.68 trillion KRW was further raised by 49.9 billion KRW from 2017, aiming to reduce the tuition burden for low and middle-income families. Furthermore, since the establishment of the Korea Scholarship Foundation in 2009, the Ministry of Education and the Korea Scholarship Foundation have continuously reduced the student loan interest rate from 5.8% in 2009 to 2.5% in the second quarter of 2016.

The Ministry of Education have made years of efforts to abolish college enrollment fees. College enrollment fees range between 700,000 and 1,000,000 KRW (590-840 USD) but colleges have been accused of unclear basis of calculation and usage of the fees. The Ministry established a council for improving the enrollment fee systems for private colleges to seek a way to reduce college enrollment fees and conducted a total inspection on income and real costs of enrollment in 156 private colleges.

Impact

The government has expanded scholarship, reduced interest rates of student loans, and abolished college enrollment fees in stages for the last few years. The current administration established a goal of spending 1 trillion KRW (0.8 billion USD) in scholarship and expanded the income limit of recipients who are more than half funded from the lowest 3rd quintile to the lowest 4th. As a result, the tuition burden of the income-linked recipients has decreased by 82.6% in 2018.

The Ministry of Education reached an agreement with colleges to abolish college enrollment fees. Enrollment fees in public universities have been fully revoked and private universities

¹⁴ The Ministry of Education (2017)

¹⁵ Statistics Korea (2014)

will discontinue enrollment fees in stages until 2022. Interest rates on student loans have gradually decreased, for example, from 2.5% in 2017 to 2.2% in 2018. The income limit of college graduates for repaying student loan went up from 18.6 million KRW to 20 million KRW (16,000-17,000 USD) in order to reduce financial pressure on young adults.

Lessons and Way Forward

The government strengthened the economy's responsibility in the educational sector by decreasing college tuition and contributed to social inclusiveness by promoting equal opportunities in higher education. Reduced financial burden would stabilize households' financial situation, and college students from low-income families would be able to focus on studying without financial pressure and have higher social mobility.

In the long run, the government should be committed to enhancing the quality and efficiency of college education and restructuring poor-quality educational institutes. Improving the quality of colleges would involve financial investment in recruitment and infrastructure. Proper assessment and monitoring on academic and financial management of the collegiate system need to be executed. Colleges should make efforts as well to increase efficiency of financial management, voluntarily reduce tuitions, and expand scholarship.

Role for Regional Cooperation

For the APEC members' economic cooperation and common prosperity, each should be able to provide the citizens with opportunities for education and training to succeed in the rapidly changing world. The members need to share standards and practices in the educational sector to provide equal opportunities for higher education and increase social inclusion. As Korea is facing a challenge of reform and reinforcement in university education, universities and relevant government agencies could use consulting for advancing university systems through cooperation with the members. Forming a network of universities participating in this cooperation and sharing performance would also contribute to development of each university. Additionally, the members could operate exchange programs to assist faculty and scholars in obtaining international experience and qualifications.

MALAYSIA

Inclusive Policy: Malaysia

Introduction

Socio-economic development reflects a good performance at the macro level for economic and social inclusion. Malaysia's past policies development all are centred on inclusive development principles. Issues in inclusivity include income inequality, lack of access to education and health as well as inadequate standard of living. As a result, based on the World Economic Forum (2018)¹⁶ report on Inclusive Economic Growth and Development, Malaysia ranked 13th place out of 74 emerging economy. Moreover, in the ASEAN, Malaysia ranks number 1 as the most inclusive economy in the region.

¹⁶ Retrieved from http://www3.weforum.org/docs/WEF_Forum_IncGrwth_2018.pdf

However, there are still issues related to growth inequality between different states in Malaysia and income disparity among income groups as well as structural issues such as relatively high unemployment among youth, rising cost of living and most industries are still in the low production of the value chain. Thus, agenda for inclusive growth and development remains hurdles and have affected the purchasing power and hence making the goal of becoming a developed and inclusive economy less meaningful. In the course of development, some households will be left behind due to lack of opportunities in participating in the socio-economic activities.

To ensure the agenda for inclusive growth and development continues to be carried out through the Post-2020 Vision, the Government of Malaysia has launched the Shared Prosperity Vision 2030 (*Wawasan Kemakmuran Bersama 2030 - WKB 2030*) on October 5th, 2019, which put forth three main objectives, namely development for all, achieving standard of living and equal distribution and building Malaysia as a united, prosperous and dignified economy. Through WKB, the *rakyat* or citizens will have equitable opportunities to participate and benefit from economic growth and development irrespective of their background. Increasing income will be a key strategy in uplifting the level of prosperity and wellbeing of the *rakyat* as well as addressing socioeconomic inequalities.

Barriers and Challenges

After achieving independence in 1957, the economy registered high growth with Gross National Product (GNP) at 7.3%. Malaysia experienced high employment rate at 6.6% in 1967 and increased to 8.0% in the 1970s (Idris, 2016). However, Malaysia continued to face high poverty rate for both rural and urban areas, with overall poverty rate in the 1970s was high at 49.3%, with rural areas at 58.7% while urban at 21.3% (Idris, 2016). In addition, the incidence of poverty among Bumiputera (Malays and other indigenous groups) was higher at 64.8%, while Chinese at 26% and Indian at 39.2% (Idris, 2016). The overall income inequality with Gini coefficient of 0.51% and income share of B40 household was low at 11.5% compared to T20 households at 55.7%. The serious economic imbalances in the areas of distribution of income, employment, ownership and control of economic are resulted from the colonial legacy (Ravallion, 2019). In 1957, the average monthly income of main ethnics mainly Malay are (\$144), Chinese (\$272) and Indian (\$217) (Khalid, 2014). While majority of Bumiputera which comprises of Malays and indigenous group of Orang Asli, Anak Negeri Sabah and Bumiputera Sarawak involved in the subsistence agriculture and traditional sectors, other ethnics were involved with higher earnings economic activities which created ethnic polarisation. Although economic development had increases income, the average monthly income of the ethnics showed inequality where Bumiputera (RM172), Chinese (RM394) and Indian (RM304) in their earning respectively. Based on the 2nd Malaysia Plan (Economic Planning Unit, 1971), the Malay outnumbered non-Malay by a factor of nearly 3 to 1 in Traditional Rural Sector compared to Traditional Urban Sector, meanwhile in the Modern Rural Sector and in the Modern Urban Sector the non-Malays outnumbered by a factor of 5 to 2. As for the Government Sector, the Malays outnumbered the non-Malays by 5 to 3.

During the post-independence period, Malaysia experienced rapid expansion in school enrolment which was expected to reduce income poverty (Ravallion, 2019). While the majority of modern schooling was concentrated in urban areas, most Bumiputera lived in rural area. The lack of access to modern education had increased earning inequality between rural-urban and inter-ethnic. Furthermore, due to geographical reasons and limitations, data for some segments of Malaysian including the vulnerable group were not carefully and accurately captured. The

lack of accurate information is also led to the economic imbalances in the areas of distribution of income.

Even though New Economic Policy (NEP) has reduced poverty, reduce income gap between inter-ethnic and rural-urban areas as well increase the Malaysia to middle income status, yet there are still considerable income and wealth inequalities due to persistent disparities in inter- and intra-ethnic distribution. Therefore, post-NEP is expected to move away from race-based to need-based approach. Moreover, the Government also recognised there are new issues as well as differences between rural and urban incomes and between less developed and more developed regions.

Policies and Action Plan

Post-independence, all policy development policy was primarily aimed at promoting growth with strong emphasis on export market (Idris, 2016). As the result from high poverty rate and economic imbalances between inter-ethnic as well as between rural-urban areas, in 1971, the government implemented New Economic Policy (NEP) 1971-1991 under the 2nd Malaysia Plan (1971-1975) to promote equality and inclusive growth. The NEP was implemented in two stages, first, to eradicate poverty irrespective of race, and second, to restructure society as to eliminate ethnic identification with economic function. This policy was further expanded to 5th Malaysia Plan (1986-1990). By the end of NEP, the incidence of poverty was reduced based on the official data, percentage of households living below poverty line across all ethnic groups has been reduced from 49.3% in 1970 to 17.1% in 1990.

In the third stage of development, the approaches have been shifted towards market-friendly policies and instruments that are compatible with competitiveness. Inclusivity has been seen as key principle in Malaysia's development agenda post-NEP to ensure all citizens enjoy the fruits of growth and development regardless of gender, ethnic, socio-economic status and geographic location. In this regard, two new policies were introduced, namely, the National Development Policy (NDP) (1991 to 2000) and the National Vision Policy (2001 to 2010).

Inclusive development principle was seen in the New Economic Model that was stipulated under the 10th Malaysia Plan, 2000-2015 and 11th Malaysia Plan, 2016-2020. The inclusive policy approach ensured that no one is left out in contributing to and subsequently enjoying their share as the result of the economic growth and development.

Impact

Realising on the new challenges faces moving towards inclusive and developed economy, the Government realised that the domestic economic growth must be centred on inclusiveness/inclusive policy. As a result on the implementation of these successful policies, the overall hard-core poverty has reduced significantly from 6.9% in 1989 to 0.1% in 2014, while the incidence of overall poverty reduced from 49.3% in 1970 to 0.6% 2014 (Idris, 2016). The Gini Coefficient using grow income measures dropped from 0.513 in 1970 to 0.4 in 2016. Moreover, the poverty across all ethnic groups, strata and region in Malaysia has also reduced. By 2016, the income share for B40 increased from 11.5% in 1970 to 16.5% in 2014. The Ministry of Women, Family and Community Development (MWFCD) has introduced several policies and initiatives to address issues related to women, children, people with disabilities and older people. The continuous effort by the Government in revising policies for women has reduced gender disparity between male and female. Female labour participation increased from

44.5% in 1982 to 55.2% in 2019. In upholding the need and interest of children, the Child Act 2001 was amended in 2016 to include core principles on the Convention on the Rights of the Children. To address the aging society, Beautiful Life for seniors program was introduced in 2017 to provide senior citizens with easy access to job opportunities and social activities.

Lesson and Way Forward

While the population has become increasingly urbanised and educated and the middle-income group has expanded, there are still considerable income and wealth inequalities due to persistent disparities among the households and in inter- and intra-ethnic distribution. Moreover, the Government also recognised there are new emerging issues as well as differences between rural and urban incomes and between less developed and more developed regions. Thus, on October 5th, 2019 the Prime Minister launched WKB 2030 with the aim to achieving sustainable growth along with fair and equitable distribution across income groups, ethnicities, regions and supply chains.

The objectives of WKB 2030 are to achieve development for all, addressing wealth and income disparities, and to build a united, prosperous and dignified Malaysia. The underlying guiding principles are (i) continuous prosperity, (ii) equitable outcome, (iii) equitable growth, (iv) distributed economy, (v) inclusivity, (vi) learning society, (vii) future economy, (viii) needs based approach economy, (ix) institutional political economy, (x) integrated social model, (xi) economic centre of Asia, (xii) democracy and stability, (xiii) integrity and good governance, (xiv) unity in diversity as well as (xv) sovereignty and sustainability. Based on Ministry of Economic Affairs (2019), the WKB 2030 has set out 10 key economic targets and will be measured through 10 indicators as follows:

1. real GDP expands at an average of 4.7% per annum at constant prices and is targeted to reach RM3.4 trillion at nominal prices;
2. contribution of SMEs and micro businesses to GDP by 50% as compared to 38.3% in 2018;
3. contribution of Bumiputera enterprises of 20% to GDP
4. average decent living income (expenditure-based) not less than RM5,800 per month for B40 household group;
5. monthly median wage among Bumiputera, Chinese and Indian ethnic groups is targeted at 1:1:1 ratio.
6. monthly median household income ratio of Bumiputera, Chinese and Indian ethnic groups is targeted at 0.9:1:1;
7. the targeted ratio of financial assets per capita of Bumiputera to Chinese is 0.6:1 while Indian to Chinese is 0.8:1;
8. compensation of employee to GDP is targeted at 48%, which is equivalent to the current high-income economies;
9. addressing regional development disparity, among others, targeting regional development ratios based on GDP per capita;
10. Gini coefficient value at 0.34.

Meanwhile, the Government also realised that there is a need for structural reform. The government realised GDP is not able to properly distinguish between welfare enhancing and welfare degrading expenditures, and ignores non-monetised costs and benefits. Furthermore, it does not capture the changes in the stock of resources that are used to produce economic outputs as well as its associated pollution impacts. Hence, there is a need for a more comprehensive

measurement beyond GDP indicator of economic progress which integrates the economic, environmental and social elements. Currently, efforts have been taken to widen measurement of economic development to include social components such as Malaysian Wellbeing Index (MyWI) besides economic indicator such as GDP per se. MyWI will take into consideration the changes in economic and social components such as transportation, communications, income and distribution, housing, public safety, health, environment and family.

Role of Regional Cooperation

Regional Cooperation can contribute in terms of sharing best practices and sharing capacity to enhance social and economic inclusion in Malaysia. Since the Eight Malaysia Plan, Malaysia has worked closely with the UN by incorporating Millennium Development Goal, 2000-2015 and followed by the 2030 Agenda for Sustainable Development. As the host of APEC 2020, Malaysia is proposing for a robust communication and initiatives centred on “Beyond GDP” to be enhanced in APEC, with a Multi-Stakeholder Dialogue to be held at the margins of SOM3 and Related Meetings in August 2020. In order for the regional corporation to contribute towards inclusiveness, APEC economies are encouraged to embrace inclusive policies and continue to share their best practices and relevant economic model with other members.

NEW ZEALAND

Living Standards Framework and Wellbeing Approach to Inclusive Policies

Introduction

Evidence suggests that, at an aggregate level, New Zealand has a healthy, well-educated population with increasing material standards of living. There are however, disparities in living standards across socio-economic and ethnic groups:

- Income inequality increased between the late 1980s and mid 1990s but has been relatively stable since then.¹⁷ However, one in ten New Zealanders said they do not have enough money to meet their everyday needs, and this figure is significantly higher for Māori and Pasifika, the disabled, sole parents and young people (aged 15 to 24).
- There are inequalities across a broad range of other wellbeing indicators, including trust in public institutions, mental health, suicides, victims of homicide, housing quality and overcrowding, unemployment, qualifications and life satisfaction.

These issues highlight the importance of ensuring that the broad range of factors that matter to New Zealanders, together with distributional and intergenerational impacts, are central to any definition of progress and drive policy decision making. Two key responses have been:

- The Treasury’s development of the **Living Standards Framework (LSF)**¹⁸ as a tool to support policymakers to more consistently reflect broader factors—as well as distributional and sustainability impacts—in their advice. The purpose of the LSF is to ensure that social and environmental impacts are as systematically quantified and assessed as economic and fiscal impacts.

¹⁷ <http://socialreport.msd.govt.nz/economic-standard-of-living/income-inequality.html>

¹⁸ <https://treasury.govt.nz/information-and-services/nz-economy/higher-living-standards/our-living-standards-framework>

- The Government is also using the LSF to support it in its objective of embedding the **Wellbeing Approach** in its budgeting, and in policy development across the public sector. The principles underlying the Wellbeing Approach are:
 - making decisions and tracking progress using broader measures of success, beyond just GDP;
 - breaking down agency silos and working across government; and
 - consideration and prioritisation of long-term and intergenerational outcomes.

Barriers and Challenges

While governments have always been concerned about broader outcomes for citizens, complex economic and social inclusion issues in New Zealand society have persisted, despite changes to improve public service delivery. These changes include a series of reforms in the late 1980s that created a clear set of output-focused accountability measures for public sector agencies. While these reforms were largely successful at meeting their intended aim of improving overall public sector efficiency, some of the unintended consequences of these reforms included a tendency for public sector agencies to work in silos, and focus on their narrow outputs, as opposed to broader outcomes.

An example of the complex economic and social inclusion issues that have persisted include the previously discussed inequalities by socio-economic background and ethnicity. Māori and Pasifika experience lower rates of secondary education attainment, poorer mental health outcomes, and a significantly higher percentage experience high levels of psychological stress when compared to other groups in society¹⁹²⁰.

Policies and Actions for Inclusion

The Living Standards Framework: The Treasury's development of the LSF has been evolving since 2011, with the aim of supporting policymakers to more consistently reflect broader factors—as well as distributional and sustainability impacts—in their advice. The most recent version of the LSF draws on the OECD's wellbeing framework, the Better Life Index (BLI).

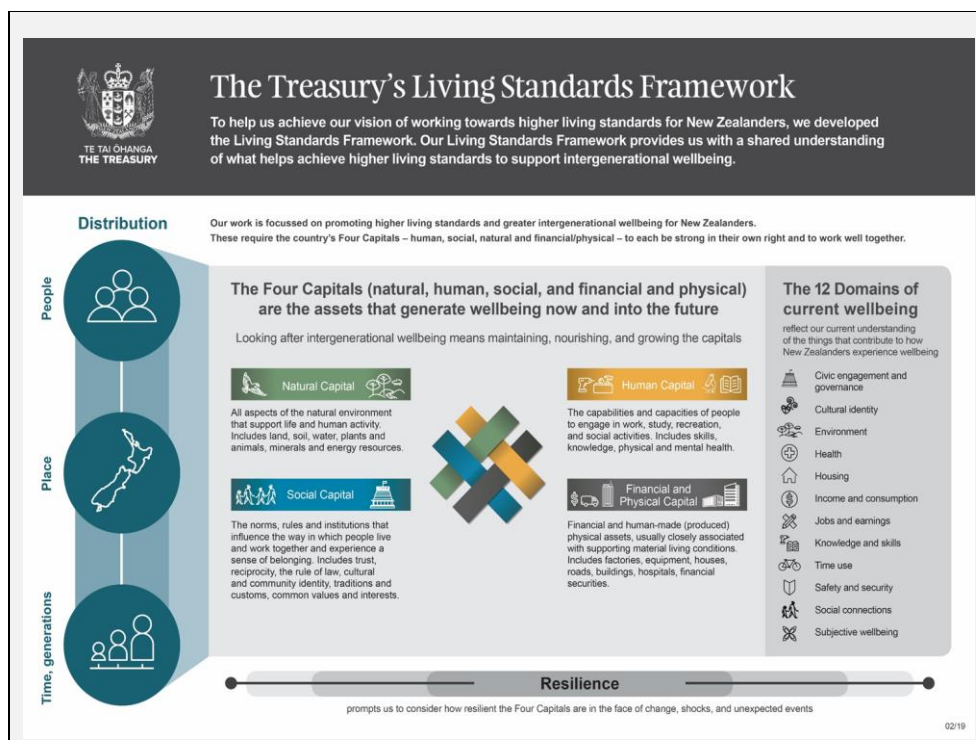
Like the BLI, the LSF includes the domains of current wellbeing (12 in total²¹), as well as the four capital stocks (natural, human, social, and physical and financial) that underpin our wellbeing and our ability to sustain future wellbeing. The BLI also highlights that we need to think about distribution of wellbeing across people, places and time or generations.

However, the LSF adapts elements of the BLI for a New Zealand context. There is ongoing work to develop a specific Te Ao Māori dimension—with the approach and indicators reflective of New Zealand's indigenous population and culture.

¹⁹ *He Ara Oranga : Report of the Government Inquiry into Mental Health and Addiction*

²⁰ Budget Policy Statement 2019: <https://treasury.govt.nz/sites/default/files/2018-12/bps-2019.pdf>

²¹ The 12 Domains of wellbeing are: civic engagement and governance, cultural identity, environment, health, housing, income and consumption, jobs and earnings, knowledge and skills, time use, safety and security, social connections and subjective wellbeing.



The Treasury has released the Living Standards Framework Dashboard²² as a measurement tool to support the LSF. It provides a range of outcome indicators across the twelve wellbeing domains, and four capital stocks. Where data is available, the Dashboard provides international comparisons, distributional analysis and time trends. The ‘Our People’ section allows you to explore inter-relationships across the wellbeing domains for different population groups.

The Government’s Wellbeing Approach: While The Treasury developed the LSF and Dashboard as tools for departmental policymakers, the current Government has adopted them to support its objective of embedding a wider **Wellbeing Approach** in its budgeting, and in policy development across the public sector, as part of a broader set of public sector reforms. This is a system-wide change in how the public sector works to move beyond output-based measures, take a whole of government approach, and look at intergenerational outcomes. It includes:

- *The Budget process:* Budget 2019 was the first time a Wellbeing Approach was used in the New Zealand Budget process—from design through to publication. Analysis of wellbeing indicators, and other wellbeing evidence, informed the development of five Wellbeing Budget priorities—the areas where Government identified new spending could make the most impact on living standards²³. In presenting funding requests, agencies were asked to outline and, where possible, quantify how their initiative impacted on the relevant wellbeing domains, as well as how they align with the Budget priorities.
- *Embedding a focus on wellbeing in the Public Finance Act 1989.* The Public Finance Act (which governs New Zealand’s public financial management regime) is being

²² <https://lsfdashboard.treasury.govt.nz/>

²³ The five Budget priorities were: taking mental health seriously; improving child well-being; supporting Māori and Pasifika aspirations; building a productive economy; transforming the economy.

amended to require future governments to set out how their wellbeing objectives, together with their fiscal objectives, to guide their Budgets and fiscal policy. Additionally, governments will be required to report on New Zealand's wellbeing data at least every four years.

- *The Child Poverty Reduction Act 2018* puts into law a requirement to have measures and targets for child poverty. The Act requires Statistics NZ to independently report on child poverty levels and for the first time in Budget 2019, the Government reported on the impact of budget initiatives on child poverty. The Act also creates a greater commitment by Government to address child wellbeing by requiring the development of a Child and Youth Wellbeing Strategy.
- *Strategic planning and performance reporting*: The Government has instructed agencies to apply an effective wellbeing approach to their external planning and reporting to help achieve the following three impacts:
 - Parliament and the public are better-informed through performance information with a wellbeing dimension;
 - government decision-making is informed by meaningful agency wellbeing performance information; and
 - agencies orientating behaviours, actions and delivery to improve wellbeing through their strategy, planning and reporting processes.

Impact

It is too early to expect significant impacts as a result of this approach given we are in the first year of implementation. Many of the issues that the Wellbeing Approach is looking to address are long-term, complex, previously intractable issues, for some of which (such as the impacts of technological disruption) the impacts are yet to be fully understood. Many of the measurement indicators used are slow-moving—that is, we don't expect to see measurable short-term impacts.

However, some early impacts observed in the Budget 2019 process include:

- The Budget decision-making process was more collaborative across government, with senior officials groups from different agencies identifying the focus for each Budget priority and Ministerial groups actively shaping development of Budget packages. At each stage, summary information on expected wellbeing impacts was included in advice, which led to additional rigour in shaping Budget advice.
- Including this summary information helped direct new spending towards the areas highlighted by the wellbeing analysis. In the 2019 Budget this resulted in \$1.9 billion directed towards improving mental health services and outcomes, and significant investments to address family and sexual violence, support low income individuals and families, and tackle homelessness.
- More detailed information can be found at:
<https://www.budget.govt.nz/budget/2019/wellbeing/index.htm>

Lessons and Way Forward

The LSF and the Dashboard are still evolving. As noted, there is ongoing work to develop a specific Te Ao Māori (a Māori worldview) dimension. This follows research The Treasury

commissioned to consider an indigenous approach to the LSF, which has a focus on Māori specifically, but also articulates how this approach could apply to the full range of populations within New Zealand, and to indigenous populations more broadly. It is expected that the LSF and LSF Dashboard will be refreshed in 2021 to incorporate both this Te Ao Māori dimension and Pasifika perspectives, and the different ways in which culture contributes to wellbeing. In addition to continuing to build the evidence base underpinning the LSF, work is ongoing to build public sector capability around the Living Standards Framework and wellbeing analysis more broadly.

Role for Regional Cooperation

Regional cooperation can potentially help address some of the gaps in the measurement and monitoring of wellbeing, by sharing approaches to the collection of data and evidence, as well as sharing and making publically available policy tools such as the LSF and wellbeing budgeting guidance.

Because this approach is relatively new in New Zealand, we are focusing on building the depth of capability among our staff. As we do so, we are sharing our experiences with others, including by presenting on the LSF and wellbeing budgeting as part of discussions under the ‘Shared Prosperity’ theme of Malaysia’s 2020 APEC host year.

We would welcome engagement with other APEC economies about their experiences as well as sharing their expertise with officials in the region who are also working to assess and embed wellbeing outcomes in economic policy, and across government.

Sharing policy approaches to intersectionality issues in the region (women and gender, disabilities, ethnicity and indigenous communities, for example) may also be informative as we look to refine the LSF and future Wellbeing Budgets.

RUSSIA

Development of women's entrepreneurship

Introduction

Measures to support small and medium-sized businesses, including women’s entrepreneurship, are envisaged within the framework of the small and medium-sized business support program implemented by the Russian Ministry of Economic Development since 2005.

Starting from 2019, within the framework of the implementation of the project “Small and medium entrepreneurship and support for individual entrepreneurial initiative”, measures to provide a range of services and support measures to small and medium-sized businesses are being implemented through the specialized centers «My business». Measures include financial (credit, guarantee, leasing) services, consulting and educational support, support for the creation and modernization of production facilities.

Special attention is focused on such areas as social entrepreneurship, improvement of the urban environment and rural areas, ecology, women's entrepreneurship, the sports industry, expanding the use of franchises in the small and medium-sized business sector.

The rapid pace of women's involvement into economic activity has become a characteristic feature of the modern economic development of the world community as a whole.

In recent years the share of women in key positions in enterprises has increased significantly – about 43% of companies in Russia are headed by women.

Currently there are about 5.8 million SMEs in Russia. According to the MED of Russia analytics 30% of them are headed by women.

The share of female entrepreneurship in the service sector is 58%, 28% are employed in trade and least of all in production – only 14%.

Barriers and Challenges

At the same time, as in any other area of entrepreneurial activity, women have a number of stop factors, both general and specific, that prevent them from starting their own business. Two key stop factors are:

1. Lack of starting financial capacity
2. Lack of knowledge on how to start a business.

Others of them - self-doubt; unstable economic situation; lack of understanding in what area to develop business; administrative barriers; household duties; lack of time; inaccessibility of infrastructure.

Policies and Actions for Inclusion

In order to overcome these barriers, the My Business Centers conduct consultations and organize educational events on women's entrepreneurship.

Examples of educational programs selected by MED of Russia as part of the implementation of the project:

1. “Women's Entrepreneurship” accelerator
2. “Women's Business. Business bachelorette party. I want, I can, I do”
3. “Academy of Women's Business”
4. “Women's Business”
5. “Women's Entrepreneurship: How to Start and Develop Your Own Business. Fundamentals of Entrepreneurship and Business Planning”
6. “Mother-Entrepreneur”
7. “Women's Entrepreneurship in Modern Society: Features and Prospects”.

At the same time, women most often choose certain industries: consulting, advertising, the beauty industry, tourism, and the provision of social services. Doing business in these areas creates good opportunities for self-realization. Mostly women are engaged in social business: as a matter of fact it has a female face – the number of women in this area reaches 90%.

Russian State Social University jointly with MED of Russia annually for the past 5 years holds the All-Russian competition of projects in the field of social entrepreneurship «The Best Social Project of the Year». According to statistics more than 60% of the projects participating in the competition are implemented by women every year.

Also, as part of the activities of the Centers for Social Innovation, women entrepreneurship entities are provided with consulting and educational services, including assistance in promoting and supporting social projects, conducting trainings, seminars, master classes, practical and lecture classes on social topics.

A key change in the field of social entrepreneurship was the adoption on July 26, 2019 of Federal Law No. 245-FZ «On Amendments to the Federal Law On the Development of Small and Medium-Sized Businesses in the Russian Federation» in terms of consolidating the concepts of “social entrepreneurship”, “social enterprise” and the conditions for classifying SMEs as social enterprises.

In addition, within the frame of the project «Small and medium entrepreneurship and support for individual entrepreneurial initiative» the following activities are being implemented to support women's entrepreneurship:

1. Special product for microloans at a preferential rate in regional public microfinance organizations;
2. Organization and holding of annual regional awards;
3. Creation of catalogs of regional franchises and promotion of information on them.

Support for women's entrepreneurship is actively carried out by various development institutions and public organizations, including the Committee for the development of women's entrepreneurship OPORA RUSSIA, JSC «Corporation SME». The Committee for the Development of Women's Entrepreneurship of the All-Russian Public Organization OPORA RUSSIA, together with the SME Corporation, is implementing the *Mama Entrepreneur program*. The co-organizer and grantor is the Responsible for the Future Charitable Foundation.

The Entrepreneur Mom program is designed specifically for women on maternity leave, mothers of minor children, as well as women registered with the employment service. The goal of the project is to help them start their own business and implement business ideas that can be realized but didn't succeed on their own. Free training takes place in the format of a five-day intensive training with immersion in the business environment, development of business plans and mentoring support. The final stage of training is a competition of business projects of the participants. An expert jury evaluates their economic feasibility, originality and social significance. The winner receives a grant of 100,000 rubles from the Charitable Foundation «In response for the future». Participation in the program is free.

Under the program «Mom-Entrepreneur» for the period from 2016 to 2019, 119 trainings were held in 57 constituent entities of the Russian Federation, the participants of which were 3,277 women-start-up entrepreneurs.

Impact

Public opinion about women entrepreneurs in recent years has been rated very positively. According to the NAFI Research Centre study, 88% of those surveyed noted a positive attitude towards women entrepreneurs and 67% indicated that they could do business. The largest share of potential entrepreneurs is among women between 24 and 35 years old (76%), with higher education (76%) and unmarried (73%).

In 2019 women entrepreneurs noticed the improvement of attitude to them from the nearest environment (family, friends, relatives, colleagues): 39% of the surveyed women entrepreneurs note an improvement in the attitude towards them from the inner circle. The most positively assessed attitudes were in the age group under 35 – more than half (54%) noted an improvement in attitudes and slightly less (48%) believe that attitudes towards them will improve.

Lessons and Way Forward

The following measures seem to be perspective:

1. The reduction of stop factors influence

Slightly less than two-thirds of women among the population may represent themselves as entrepreneurs.

The desire to realize yourself, achieve financial well-being, as well as the presence of start-up capital - three basic conditions for opening your business.

The vast majority of women believe that they become entrepreneurs for the sake of self-realization and earnings. As the reasons preventing starting their own business, 88% point out the lack of starting financial opportunities, and 82% the lack of knowledge about how to start a business. The vast majority of women believe that they become entrepreneurs for the sake of self-realization and earnings.

2. Development of the institution of mentorship

There is a strong demand for mentorship among women entrepreneurs in Russia.

79% of interviewed women entrepreneurs would like to have a mentor, 64% of women who are not entrepreneurs would also like to learn from existing entrepreneurs.

Among the topics of interest are issues related to legislation and taxation, experience in doing business in a specific area, competition, market promotion, attracting investments, financing, loans, government support.

17% of women entrepreneurs are ready to be mentors. Self-realization, expansion of social ties and additional earnings were named as the motives of this activity.

3. Increasing of business readiness for the digital economy

The business readiness index for the digital economy among women entrepreneurs is 45 pp. (out of 100 pp). Business digitalization is at an active stage, with a lack of attention of the part of women entrepreneurs to data protection and security and digital skills of employees.

The highest indicators are noted in the development of channels for the transmission and storage of information in the course of the company's activities (59 pp), the use of the Internet (56 pp), and the integration of digital technologies (54 pp). At the same time, such private indices as information security (37 pp) and training of employees in the basics of digital security (18 pp) are at a rather low level.

4. Ecosystem development

- a. Business education accessibility should be increased

Just under half of women entrepreneurs received additional education in the last six months in business development.

Women entrepreneurs assess the changes in the accessibility of business education positively: 63% of women entrepreneurs noted the availability of training, and 56% expect an increase in accessibility in the future.

- b. Children infrastructure should be better

For now women entrepreneurs are positive about infrastructure for children – over half of those who have children believe infrastructure has improved, and one half think it will be better.

Advanced training for women to improve their competitiveness in the labour market as well as ensuring barrier-free market access

Introduction

Like many economies of the world Russia pays special attention to gender equality.

At present Russia is carrying out a comprehensive implementation of measures to organize vocational training and supplementary vocational education for women during maternity leave, which contributes to creation of adaptive conditions for the return of this category of women to work as well as to increase their competitiveness in the labour market.

Barriers and Challenges

The main barriers for women in Russia are forced breaks in their careers as well as the prohibition of the employment of women in heavy work and work with harmful or hazardous working conditions.

There are not any specific groups of women in Russia who face additional barriers and challenges.

Policies and Actions for Inclusion

Over the past 10 years, Russia has been carrying out a whole range of measures to increase the competitiveness of women and their participation in the labour market.

In 2011, as part of additional measures to reduce tensions in the labour market of Russian regions, vocational training on terms of co-financing from the federal budget was organized for women on three years' maternity leave.

26.2 thousand women on three years' maternity leave planning to return to work, were sent for vocational training, retraining and advanced training.

Since 2012, measures to organize vocational training for women on three years' maternity leave have been implemented within the framework of the powers of executive authorities of Russian regions at the expense of regional budgets.

This measure was implemented in 78 regions of Russia. 9.5 thousand women on three years' maternity leave received vocational training, retraining and advanced training in Russia as a whole.

In 2013, an event to organize vocational training (retraining) for women on three years' maternity leave was carried out in all regions of Russia.

The most demanded occupations (specialties) for vocational training of women are: accountant, computer operator, master of manicure and pedicure, hairdresser, cook, salesman, clerk, nurse, secretary, HR manager, trade manager as well as training courses: "1C: Accounting", "1C: Trade and Warehouse", "1C: Trade Management".

More than 500 retraining programs and 300 advanced training programs are implemented annually in regions of Russia for women on three years' maternity leave.

In 2015, 18.5 thousand women on three years' maternity leave applied to employment services for provision of services for vocational training and supplementary vocational education (in 2014 - 16.5 thousand women).

Distance learning programs are being developed increasingly when receiving vocational training and supplementary vocational education in Russian regions.

In order to choose major (occupation), employment, vocational training, the employment services provided 18.5 thousand vocational guidance services (in 2014 - 16,7 thousand services) to women on three years' maternity leave.

Separately, it is worth saying a few words about the National Action Strategy for Women for 2017-2022 (hereinafter referred to as the Strategy), approved by the Decree of the Russian Government № 410-r dated March 8, 2017.

The Strategy defines the main directions of policy in relation to women and is aimed at implementing the principle of equal rights and freedoms for men and women and creating equal opportunities for their implementation by women in accordance with the provisions of the Russian Constitution, universally recognized principles and standards of international law, and international treaties of Russia.

The strategy is being implemented simultaneously in several areas:

- creating conditions for maintaining the health of women of all ages;
- improving the economic position of women, ensuring the growth of their well-being;
- prevention of social disadvantage of women and violence against women;
- expanding the participation of women in public and political life;
- improvement of statistics characterizing the position of women in society.

In accordance with the action plan, activities are being carried out to implement the main directions of the National Strategy, including prevention of non-communicable diseases in women and reduction of risk factors for their development, vocational training and

supplementary vocational education of women on three years' maternity leave, on revising the list of industries, jobs and positions with harmful and (or) hazardous working conditions, in which the use of women's labour is limited, support for women's entrepreneurship, prevention of social disadvantage of women and violence against women, human trafficking, implementation of information and educational programs aimed at increasing the participation of women in social and political life, improving statistics characterizing the position of women in society.

In total, in 2017, 93.0 thousand women started vocational training and supplementary vocational education (in 2016 - 87.7 thousand people). These data indicate an increase in the need of women on maternity leave for advanced training and retraining and are perceived by them as a tool for professional development and competitiveness in the labour market.

In this regard, the Presidium of the Council under the President of Russia for Strategic Development and National Projects approved the National Project Demography; one of its parts is the federal project Promoting employment of women - creating conditions for preschool education for children under the age of three.

The purpose of this project is to provide opportunities for women raising preschool children to combine work with family responsibilities including by increasing the availability of preschool education for children under the age of three as well as encouraging the creation of additional places in groups of short-term stay for children of preschool age.

The task of creating conditions for employment of women with children including the achievement of 100% accessibility (by 2021) of preschool education for children under the age of three, is being addressed in two directions, one of which is to promote the employment of women with children as part of the implementation of the program "Employment promotion of population".

This event implies an opportunity for women to receive vocational training by the assignment of the employment service and return to work at their previous workplace (updating vocational knowledge and skills), or find a job that is most suitable in order to balance family and work responsibilities.

Implementation of the federal project "Promoting employment of women - creating conditions for preschool education for children under the age of three" contributes to increasing competitiveness in the labour market and professional mobility, development of employment for women with children, and will provide an opportunity to balance work and family responsibilities.

The implementation of measures for retraining and advanced training of women on three years' maternity leave as well as women with preschool children, who are not in labour relations and who have applied to employment services has begun in 2020 in all regions of Russia within the federal project "Promoting employment of women - creating conditions for preschool education for children under the age of three" in co-financing with the federal budget.

It is planned that measures for organization of retraining and advanced training of women on three years' maternity leave as well as women with preschool children who are not in labour relations and who have applied to employment services in order to find work in Russian regions will cover 40 thousand people in 2020-2021 annually; 50 thousand people - in 2022-2024.

As a result of the implementation of relevant measures, at least 230 thousand women of these categories will receive retraining and advanced training by 2024.

For participants of the event, namely women on three years' maternity leave as well as women with preschool children, who are not in labour relations and who have applied to employment services in order to find work, retraining and advanced training will be free.

The training period is no more than 6 months. Retraining and advanced training is carried out in accordance with current programs in the modern labour market, occupations (specialties) in demand in connection with the digitalization of the economy and development of computer technologies as well as in the main vocational educational programs of vocational training, vocational training programs for workers, employees.

The employment rate of women with preschool children is expected to increase by 3.9 percentage points by 2024 compared with the average for 2015-2017 and will amount to 68.5%.

In 2019, work was organized to prepare regulatory legal acts that ensure the implementation of relevant measures.

Thus, a methodology has been developed for monitoring the needs of women on three years' maternity leave in vocational training and supplementary vocational education as well as organizing childcare.

Based on the developed methodology, sociological surveys were conducted in regions of Russia in order to determine the need for education among women with children under the age of three as well as women with preschool children who are not in labour relations and who have applied to employment services. The need for retraining and advanced training was identified in all regions of Russia.

In order to increase the employment opportunities for women a list of industries, jobs and positions with harmful and (or) dangerous working conditions with limited use of women's labour was approved by order of the Ministry of Labour and Social Protection of Russia № 512n dated July 18, 2019, it will enter into force on January 1, 2021.

The new List was adopted to replace the List of heavy work and work with harmful or hazardous working conditions with prohibited use of women's labour approved by the Russian Government № 162 dated February 25, 2000 (hereinafter - the List).

The List has been reduced by more than four times: instead of 456 positions, the Order of the Ministry of Labour and Social Protection of Russia approved 100. The criteria for revising and updating the list were factors dangerous to women's reproductive health, affecting the health of future generation and having long-term consequences.

The restrictions for women were taken off in the following occupations and jobs: driver of heavy vehicles and agricultural machinery such as a wagon, tractor, dump truck, etc., with the exception of drivers of construction equipment (bulldozer, excavator, motor grader); member of the ship crew (boatswain, skipper, sailor), except for work in the engine room of the ship; electric train driver, high-speed trains driver; steeplejack work at a height of over 10 meters.

The List does not apply to women labour in pharmaceutical industry, medical organizations, research laboratories, organizations for provision of consumer services to population. When creating safe working conditions, the employer has the right to employ women without restrictions.

Currently, Russia is implementing a new action plan for 2019-2022 of the Strategy, it focuses on measures to create conditions for maintaining the health of women of all ages, improving economic situation of women, developing professional skills and competencies for women and girls required in industries, attracting women to study mathematics and natural sciences, attracting women to work in knowledge-intensive occupations and advanced technology companies, popularizing women's entrepreneurship and promoting women's success stories, preventing social disadvantage of women and violence against women including through joint project with the Council of Europe, expanding the participation of women in public and political life, developing international cooperation including within the joint project with the Council of Europe, organizational and methodological support for implementation of policies in the interests of women including the third Eurasian Women's Forum.

A Coordination Council for the implementation of the Strategy has been formed under the Russian Government. It ensures interaction between federal government bodies, government bodies of Russian regions, local government bodies, public associations, scientific and other institutions when considering issues related to implementation of the Strategy. The Coordination Council includes members of the Federation Council of the Federal Assembly of Russia, deputies of the State Duma of the Federal Assembly of Russia, senior officials of Russian regions (heads of the highest executive bodies), representatives of federal executive bodies, public institutions. The Chairman of the Coordination Council is the Deputy Prime Minister of Russia.

Lessons and Way Forward

Conducting this study, it is necessary to mention that conditions should be created for women with family responsibilities that allow the greatest balance between work and child-rearing responsibilities including through the organization of vocational training and supplementary education in connection with the need to change the field of professional activity, occupation, mastering additional professional skills in order to combine work and family responsibilities.

Russia will continue to develop and implement new measures for advance training for women to increase their competitiveness in the labour market.

Role of Regional Cooperation

The plan of the National Action Strategy for Women for 2017-2022 provides for measures to develop international cooperation through the UN, APEC, OSCE, Council of Europe, BRICS, G20.

In addition, APEC can host international workshops that aim to increase the participation of women in the economies of the Asia-Pacific region.

Currently, cooperation is already underway within the existing APEC working bodies, such as HRDWG and PPWE.

Cooperation with international organizations, associations and forums can also be effectively used in the development of digital skills training programs for women including using international digital platforms.

CHINESE TAIPEI

Good Policy: Proposal on the Eradication of Health Inequality

Introduction to the Good Policy

1. **Follow-up Care Plan for Perinatal High-risk Pregnant Women (Newborns):**
To address the need of high-risk pregnant women for health care and in light of infant mortality and the birth rate among teenage girls, the Follow-up Care Plan for Perinatal High-risk Pregnant Women (Newborns) has been progressively promoted since 2017 (previously known as the Pilot Plan for Health Management of High-risk Pregnant Women). It has been implemented sequentially in Yilan County, Hualien County, Taitung County, New Taipei City, Miaoli County, Nantou County, Chiayi County, Kaohsiung City, and Pingtung County since 2020; Taichung City and Yunlin County are new additions to the Plan.

The Plan is now part of the Action Plan of the Aboriginal Health Inequality Improvement Strategy and the Optimized Child Medical Care Plan of the Ministry of Health and Welfare, and it was formulated in hopes of reducing health inequalities in the indigenous population. In addition, the child medical care network is enhanced to promote quality of medical care provided to children.

2. **The Pilot Plan for Chronic Disease Management among Indigenous People:**
Eradication of health inequality is one of the sustainable global development goals of the United Nations for 2030. Statistics of the Ministry of the Interior show that the mean life expectancy at aged 0 among indigenous people in 2018 was around 8.1 years lower than that of the overall population (80.7 years). In addition, analysis of the adult health service results among indigenous people in 2017 shows that the incidence of hypertension was 46.1%, hyperglycemia 22.1%, and hyperlipidemia 31.8%; all above the total population averages of 35.3%, 15.4%, and 28.5%, respectively. In order to minimize health inequality among the indigenous people, the Pilot Plan for Chronic Disease Management among Indigenous People was promoted. The areas included in the Plan were Xiulin Township of Hualien County, Mudan Township of Pingtung County, and Haiduan Township of Taitung County, in order to enhance the service available for chronic disease management in aboriginal districts and to reinforce the collaboration with community-based non-governmental organizations.

Barriers and Challenges Prior to Implementation

1. Follow-up Care Plan for Perinatal High-risk Pregnant Women (Newborns):
Because of health inequalities from one region to another, the prenatal checkup utilization rate, pre-term births, and health promoting behaviors also differ by region.
2. The Pilot Plan for Chronic Disease Management among Indigenous People:
 - a. Aboriginal townships are spread out, not easily accessible, and are known for insufficient medical resources.
 - b. Case inventory and consolidation are time consuming and strenuous.
 - c. People lack health literacy.

Policies and Actions for Inclusion

1. Follow-up Care Plan for Perinatal High-risk Pregnant Women (Newborns):
Pregnant women with health risk factors (history of smoking and alcohol consumption, multiple births, confirmed diagnosis of gestational hypertension, confirmed diagnosis of gestational diabetes, drug abuse, and mental health issues) or those with medium-to-low income, are provided with health education and follow-up care (including care over the phone and home visits) and referrals during pregnancy and up to six weeks after child birth. In addition, for those with socioeconomic risk factors (under aged 20 years or no prenatal checkups with prior domestic violence) or failure to complete prenatal checkups throughout the pregnancy, on the other hand, the duration of follow-up care is extended to 6 months after childbirth. Main items for the follow-up include whether the newborn has completed two child health examinations and two follow-up care over-the-phone and one home visit. For smoking and alcohol consumption, among other risk factors, as part of the implementation strategy, the collaborating health departments and prenatal checkup facilities will be asked to not only reinforce the assistance provided to women in completing prenatal checkups but also prioritize assistance in reducing the frequency of unhealthy behaviors or the volume of hazardous substances on a weekly basis during each over-the-phone follow-up or home visit for those currently smoking, drinking, or chewing betel nuts, as part of the follow-up care.
2. The Pilot Plan for Chronic Disease Management among Indigenous People:
 - a. Community-based tribal meetings are held to help evaluate the health needs of the aboriginal communities.
 - b. Local resources are inventoried.
 - c. Medication management, case management, and adult preventive health care services and medication therapies are reinforced.
 - d. Enhanced IDS service support

Substantial Impacts Following Implementation (Data and Statistics to Be Provided)

1. Follow-up Care Plan for Perinatal High-risk Pregnant Women (Newborns):
Among high-risk pregnant women enrolled in 2019 that had pre-term births, 90% completed at least 4 prenatal checkups and 98% of all the women were referred according to the resources needed.

As of February 14, 2020, the number of women enrolled came to 329 (13.8%); among them, 47 were indigenous people. Among the indigenous people enrolled, there were

19, 3, and 16 who were less than 20 years old, were low-income and medium-income households, and had history of smoking or drinking, respectively.

2. The Pilot Plan for Chronic Disease Management among Indigenous People
 - a. Enhanced medication management
 - i. Medication for chronic diseases: Regular medication rate up to 80% (Pingtung County and Taitung County)
 - ii. Medication for Hepatitis C: Hepatitis C medication completion rate 83% (Hualien County)
 - b. Household-centered Case Management: A total of 532 cases with chronic diseases were enrolled (146 in Taitung County, 135 in Hualien County, and 251 in Pingtung County).
 - c. Adult preventive health care service: The utilization rate among all indigenous people aged 40 years and older was 42.49% in 2016, 44.92% in 2017, and 43.8% in 2018.
 - d. Enhanced IDS service support
 - i. Hualien Tzu Chi: Enrollment focused primarily on diabetes, hypertension, chronic liver disease, and liver cirrhosis
 - ii. Guanshan Tzu Chi: Helped enroll transferred patients.
 - iii. Pingtung Hospital, Hengchun Christian Hospital, and Hengchun Tourism Hospital: Helped with care consultation and enrolling patients.
 - e. Combining and utilizing local resources:
 - i. A health charging station was established.
 - ii. The Three-Highs Health Map was completed.
 - iii. Reduced sugar consumption was tactfully promoted among community stores.
 - iv. Tribal health groups were formed.
 - v. Local health gatekeepers were developed.

Lessons and the Way Forward

1. Follow-up Care Plan for Perinatal High-risk Pregnant Women (Newborns):
Medical care is inconvenient in many areas, and medical resources are insufficient. Accessibility of health promotion efforts such as prenatal checkups for pregnant women and health care education, among other things, is low. As a result, actively discovering cases and combining cross-disciplinary resources are difficult.
2. The Pilot Plan for Chronic Disease Management among Indigenous People:
Health is closely related to life. It is our hope that by changing lifestyle, one can enjoy a healthy life. We are not assimilating aboriginal townships. We are respecting their culture. Therefore, the Plan shall prioritize an inventory of local resources and collation of resources for integrated utilization. This development is to be spearheaded by communities, not by external units, so that a localized suitable and sustainable chronic disease management model may be developed. For the sake of boosting health literacy among the indigenous people and enabling them to naturally select healthy behaviors, promotion over an extended period of time is needed; the difference in average life expectancy between the indigenous people and the rest of the population can accordingly be minimized.

How Can Regional Collaboration Cope with Economic and Community Inclusion Challenges, and the Role of APEC in Regional Cooperation?

It is our hope that by providing the actual example of how health inequality is eradicated in Chinese Taipei, (I) follow-up Care Plan for Perinatal High-risk Pregnant Women (Newborns); (II) in the Pilot Plan for Chronic Disease Management among Indigenous People, we can exchange with respective economies our experience in eradicating health inequalities. Taking advantage of the resources available at Asia-Pacific Economic Cooperation, we will exchange in depth with the economies and combine the strengths of each, so that everyone in the Asia-Pacific Region can avoid being affected by economic crises and possesses equal health rights.

In addition, Chinese Taipei values collaboration inside economies. Related clarifications are provided below:

1. Follow-up Care Plan for Perinatal High-risk Pregnant Women (Newborns):
County and city departments of health are combining resources from the public and private sectors, such as respective prenatal checkup facilities, birth delivery facilities, and social welfare departments or institutions and education units to help institutions where the Plan is being enforced to address cross-disciplinary issues and to actively discover cases in communities or in aboriginal tribes. High-risk pregnant women, once reported to the health departments, will receive assistance in getting transferred to a collaborative healthcare facility of the Plan for prenatal checkups and will be offered follow-up care service.
2. The Pilot Plan for Chronic Disease Management among Indigenous People
Xiulin Township of Hualien County, Mudan Township of Pingtung County, and Haiduan Township of Taitung County were chosen to try the model, and trial sites were expanded sequentially; eventually, all aboriginal townships in the mountains were included for implementation.

Measures to Promote Work-Life Balance of Chinese Taipei

Introduction

In encouraging companies to provide measures that promote work-life balance and foster a friendly workplace, the Ministry of Labor provides subsidies for companies that offer family-friendly measures that are superior to legal requirements, as well as for companies that support employees with family commitments to better balance work, family care, and personal life, so as to achieve a win-win outcome for both workers and employers.

Barriers and Challenges Prior to Policy Implementation

In the face of major changes in demographic structures (e.g., aging population and low birth rate) and family types, many employees face increased responsibility in taking care of the elderly and children in their families. Many employees also shoulder a heavy physical and mental burden amidst fierce competition brought forth by changes that take place in different industries due to the rise of digital technologies. The government understands that it must provide support and guidance for companies to offer work-life balance measures, so that workers with family commitments can still fully pursue their professional career.

Policies and Actions for Inclusion

This Inclusive Policy empowers and supports companies to offer work-life balance measures and subsidizes companies that provide employee care and assistance programs, stress relief courses, family-friendly measures, and temporary family care spaces for the elderly relatives or children of employees. In addition, the Ministry of Labor also organizes work-life balance trainings, as well as corporate demonstrations and exchanges so that companies can become more capable in developing inclusive workplace measures. The Ministry of Labor also utilizes a wide range of outlets to promote the concept of work-life balance and disseminate relevant information.

Policy Impact

Since the policy was implemented in 2014, the number of corporate applicants and application categories has expanded over the years. So far, a total of 1,442 companies have applied for subsidies based on a total of 2,334 measures that promote work-life balance, benefiting employees and their families numbering over 420,000 people.

Lessons Learned and Moving Forward

Since the inception of the policy, the Ministry of Labor has received wide recognition and positive responses regarding its efforts in encouraging companies to implement work-life balance measures. Thanks to these measures that support workers to balance work and family care duties, those with children can give quality care to their children without having to interrupt their careers, an advancement in achieving workplace gender equality. In the future, the Ministry of Labor plans to collect more creative examples and practices that showcase corporate efforts in promoting work-life balance, and compile these case studies into handbooks for companies as a reference. The Ministry of Labor will also continue to provide a variety of training programs and to support companies in advancing their work-life balance measures.

Roles for Regional Cooperation

By supporting companies to implement work-life balance measures, workers have a better chance to balance their job and family care duties. In the future, we hope to engage in more regional exchanges and cooperation, and learn from other economies' experiences in advocating work-life balance. We hope to learn the different practices that foster friendly workplaces and support workers in fulfilling both their professional and family commitments, including caring for their children and their elderly family members.