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How Trade Rules Impact Women's Empowerment – Trends in WTO Members Trade Policy

Submitted by: WTO



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Trade
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5 March 2019**



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APEC

Capacity Building Workshop on Women and Trade

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Outline of presentation

1. **Three tracks of action in the WTO**
2. The **legal basis** for WTO's work on trade and gender
3. Trade rules are **NOT** gender neutral (4 examples)
4. Gender related trade policies – trends in WTO Members

1. Three tracks of action in the WTO

1. The **WTO Members track**

- Buenos Aires Declaration on Trade and Women's Economic Empowerment
- **122** Members – **75%** of World Trade – **2/3** developing economies

2. The **WTO's track**

- Trade and Gender **Action Plan** → **4 key objectives**

3. The **Human Resources track**

- Promotion of **gender parity** in the **WTO Secretariat**

2. The **explicit** legal basis for WTO's work on trade and gender

- **Aid for Trade**
 - Task Force Recommendation 2006
 - Cross cutting issue
- **Technical Assistance Plan 2018-219**

3. The **implicit** legal basis for WTO's work on trade and gender

- **GATT objectives + Preamble of WTO Treaty + Preamble of GATS:**
 - Raising standards of living
 - full employment-
 - income growth
 - sustainable development

3. The **implicit** legal basis for WTO's work on trade and gender

- **Inclusive trade**: narrowing down the issue
- What about **trade rules**?
 - No mention of gender in trade agreements -> gender neutral -> A widely held view (still)
 - Does it mean they don't have an impact on women?

4. Trade rules are **NOT** gender neutral

4 examples:

- Trade Facilitation Agreement
- Agreement on Agriculture
- Government Procurement Agreement
- Aid for Trade



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4. Trade rules are **NOT** gender neutral **Trade Facilitation** Agreement

- Providing for customs collaboration, exchange of information and simplified border formalities: improve the safety of women traders
 - Impact of TFA on border post security and infrastructure improvement, creating a safer environment for cross border traders.

4. Trade rules are **NOT** gender neutral

Trade Facilitation Agreement

- Digitalizing customs procedures
 - Avoid customs officials biased: women wait 37% longer on average than men to see the same customs official (example)
 - Reduction of women's export costs: delays in processing export permits have a cost -> higher prices for their goods and wage gaps.
 - Multiplier effect -> training on new technologies

4. Trade rules are **NOT** gender neutral Agreement on Agriculture

1. Article 6.2: development box – small farmers

Developing economies: domestic input subsidies, to low-income or resource-poor producers

4. Trade rules are **NOT** gender neutral Agreement on Agriculture

- Types of measures
 - **additional flexibilities** in providing domestic support towards poor and small farmers -> can include women
 - measures of **assistance, direct or indirect**, for agricultural and rural development as part of development programmes

4. Trade rules are **NOT** gender neutral Agreement on Agriculture

- **Investment subsidies** available to agriculture in developing economies
- Domestic **support to encourage diversification** from growing illicit narcotic crops.

4. Trade rules are **NOT** gender neutral Agreement on Agriculture

- Women in subsistence agriculture:
 - Difficulties in **accessing productive resources**
 - Lack **capital**
 - If women farmers had the **same access to productive resources** than men, they could increase their harvests by **20-30%** (FAO statistics 2012).

4. Trade rules are **NOT** gender neutral Government Procurement Agreement

- Represents around 15% of GDP in most economies
- Women participation in GP markets: 1%

4. Trade rules are **NOT** gender neutral Government Procurement Agreement

- Non-discrimination, transparency and predictability:
 - Allows foreign business women to compete at the same level as national business women in procurement markets
 - sound environment for women businesses to access procurement markets-> access to information

4. Trade rules are **NOT** gender neutral Government Procurement Agreement

- e-procurement tools: less corruption (like TFA)
- Example of Switzerland (wage gap policies vs. quotas)
- Link with SMEs: women owned SMEs=5 years life span -> all these tools are important

4. Trade rules are **NOT** gender neutral

Aid for Trade: a trade instrument for gender equality

- A **continuous increase** in the focus of donors and developing economies on gender equality in AfT **objectives**
- The **main target** group: women **entrepreneurs**.
- A **disconnect between objectives and priorities**
- Explains the **difficulty in assessing impact** of aid for trade on women – results of 2011 evaluation
- The Monitoring and Evaluation Exercise (M&E) 2018-2019 new data for a better assessment of impact and effectiveness.

5. Gender related trade policies

Main trends

- 54 economies in 4 years (2014-2018) -> over 100 reviews (some reviewed twice in period)
- Main target sectors : finance, agriculture, government procurement, tourism
- Main target groups: MSMEs, farmers
- Training programmes

5. Gender related trade policies

Types of measures

- Objectives in national and regional trade strategies -> integrating women in the workforce
 - Example of Nigeria/construction sector
- Domestic support (Green Box) -> training activities -> increasing productivity and production.

5. Gender related **trade policies**

Types of **measures**

- Accessing credits, loans and guarantees for small businesses (rural producers & innovative companies)
- Credit guaranties programmes for rural and tourism MSMEs
- Access to regional and international GVCs: training in SPS

5. Gender related **trade policies**

Types of **measures**

- Government **procurement** schemes: preferences to companies with gender equality policies or to women-led SMEs.
- Support programmes focus on **training** and **technical assistance** (finance literacy, vocational training, competing in international markets)

5. Gender related **trade policies**

Types of **measures**

- Fiscal/financial incentives to companies to provide health check on pregnant women
- Donors: Aid targeting women
- Addressing gender discrimination through FTAs/Gender provisions in FTAs
- Import tariffs adjustments on women's goods
- Institutions: SME authorities (quotas of loans

For **more information**

WTO webpage on Women and Trade

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