

From Europe to the World: Understanding Challenges for European Businesswomen



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The background of the slide is an abstract composition of vibrant purple and pink hues. It features numerous thin, wavy lines that create a sense of movement and depth. Interspersed among these lines are numerous small, glowing dots of varying sizes and colors, ranging from bright white to deep magenta. The overall effect is a dynamic and futuristic visual texture.

From Europe to the World:
Understanding Challenges
for European Businesswomen

ABOUT THE REPORT

Getting more women to trade beyond the European Union will require policies that go beyond trade. Policies are needed to get women to set up and grow their businesses in high-growth potential industries, enter export markets, and enjoy equal rights and opportunities in the labour market. Trade policymakers can be part of the solution, by leveraging the platform provided by free trade agreements.

This report captures the links between women, companies they lead or work for, and trade outside the EU. Among the 1,118 firms surveyed in 12 EU countries, women are under-represented at all levels, and face various challenges.

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For more information on ITC's SheTrades Initiative, see <https://www.shetrades.com/> and ITC's Non-Tariff Measures Programme, see <http://www.ntmsurvey.com>

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Foreword

International Trade Centre



Women's full economic participation is key for the future of good trade and inclusive growth. And the majority of World Trade Organization (WTO) Members recognize this, as seen by the number of WTO Members and observers that supported the 2017 Buenos Aires Joint Declaration on Trade and Women's Economic Empowerment and that continue to participate in the discussions on women and trade at the WTO.

There is growing consensus that trade rules and regulations can affect women differently. After all, trade rules are not gender neutral. Therefore the time is right to focus on how to incorporate inclusive policies in trade rules and procedures. An important element to achieve this is to ensure that there is gender-disaggregated data to properly inform these policies.

This unique study of the International Trade Centre (ITC), commissioned by the European Commission Directorate-General for Trade, helps address this gap. It explores how women – company owners, managers and employees – participate in trade in goods outside the European Union (EU). It looks at the characteristics of women-led companies and what, where and how they export. It sheds light on the challenges they face and how these differ from those faced by men-led companies. A survey of more than 1,000 firms across 12 EU member states seeks to contribute to these issues.

The survey is complemented by interviews with European businesswomen, as well as a review of gender provisions in trade agreements. This combination helps pinpoint context-specific challenges for women in the EU, and priority issues that policy instruments can address.

The results confirm that women are under-represented at all levels, lead smaller firms than men, and are less represented in high export potential industries. These drive broader patterns of inequality.

Irrespective of size and industry, businesswomen looking to export beyond the EU are at a disadvantage in accessing finance, skills, and business networks. This correlates with other ITC research conducted in other regions.

For policymakers, the message is clear: there are many opportunities for European businesswomen to benefit from extra-European trade. To seize these opportunities, there is need for greater intervention in trade policy *and* beyond trade policy. Existing free trade agreements can be leveraged to strengthen political commitment, share knowledge, support women's rights in the workplace, and better focus technical cooperation activities. And the results can be almost immediate as targeted export and investment promotion for women will yield significant benefits.

Our hope is that these research findings contribute to a more complete picture of European businesswomen's participation in trade, and lead to new policy actions to support them further.

I would like to thank the European Commission Directorate-General for Trade for its on-going commitment to inclusive, sustainable trade. The European Union is at the forefront of promoting gender equality through trade, entering into forward-looking free trade agreements that incorporate a gender perspective, recognizing trade as an engine for development and testing approaches that become best practices to emulate.

ITC's work on analysing sex-disaggregated data and field experience in connecting three million women entrepreneurs to international markets by 2021 through its SheTrades initiative has placed us in a unique position to collaborate with the European Union on this report.

We support the trade community's efforts towards achieving the Sustainable Development Goals and fulfilling one of the key areas of commitment under the Buenos Aires Declaration. As we prepare to celebrate 25 years since the adoption of the Beijing Declaration and Platform for Action in 2020, we hope this report will help the trade community to step up its efforts to achieve gender equality.

Arancha González

Executive Director
International Trade Centre

Foreword

European Commission



'The activity of buying, selling, or exchanging goods or services between people, firms, or countries.' This or something similar is the definition of 'trade' in any dictionary you look up.

Trade policy governs trade. It has done so for centuries, and it continues to create economic growth, generate more welfare and lift people out of poverty.

Today, however, trade must also be a force for achieving a higher good. It has to be able to respond to major challenges, such as climate change or diminishing biodiversity, and to protect human rights or labour rights.

These are critical issues, and addressing them has been a guiding principle under my mandate as European Union (EU) commissioner for trade. We have come a long way. We now have trade and sustainable development chapters in all of our trade agreements. Protecting the climate, the environment and labour rights is also an integral part of our trade policy. The EU has become the most transparent actor in the world when it comes to trade policy.

However, there is one important area which has remained relatively unexploited and under-researched, namely how trade policy contributes to women's economic empowerment. How can policymakers create a level-playing field for women and men in international trade?

The problem is clear. While jobs in trade usually pay better than jobs elsewhere (12% better on average), women only hold 38% of those jobs. Moreover, only 15% of exporting firms globally are women-led. These problems require solutions – and solutions require a sound and detailed analysis of the problem.

The present report by the International Trade Centre fills a major gap and adds an important value in analysing these issues. It provides us with a number of important findings and useful recommendations.

While the leadership of the European Union institutions is changing, the importance of a values-based EU trade policy remains – and keeps on growing. I am convinced that this report will be a valuable tool for EU and national policymakers. It will help develop new solutions to ensure that women benefit more from the opportunities provided by international trade.

Cecilia Malmström

European Commissioner for
Trade 2014–2019

Acknowledgements

This report is based on the data from the International Trade Centre (ITC) business survey on women in extra-EU trade in 12 European Union (EU) countries. The survey was conducted at the request of, and with support from, the European Commission, Directorate-General for Trade (DG Trade) in 2019.

The report was prepared by Judith Fessehaie and Mario Filadoro, with the support of Federico Manto and Jacqueline Salguero Huaman. We thank Vanessa Erogbogbo and Mondher Mimouni for their leadership, guidance and various contributions to the survey implementation and analysis. We thank Anders Aeroe for his review and comments on the report, and Mathieu Loridan, Ursula Hermelink and Katerina Blanchard Joklova for their contribution to the design and implementation of the survey (all ITC). Dr. Lorand Bartels provided the background research and analysis on the review of gender-related provisions in free trade agreements. Abdellatif Benzakri (ITC) contributed to the development of the database, survey questionnaires and processing of the data. Liva Andersone and Philip Kessler from DG Trade provided valuable comments and feedback. Judith Fessehaie, Natalie Domeisen and Evelyn Seltier (all ITC) managed the editorial production of the report. Cheryl Rosebush edited the report. Kristina Golubic (ITC) and Iva Strastny Brosig provided graphic design. Serge Adeagbo and Franco Iacovino (ITC) provided digital printing services.

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Acronyms

Unless otherwise specified, all references to dollars (\$) are to United States dollars, and all references to tons are to metric tons.

CETA	Comprehensive Economic and Trade Agreement	ITC	International Trade Centre
DG TRADE	Directorate-General for Trade, European Commission	NTM	Non-tariff measure
CPTPP	Comprehensive and Progressive Agreement for Trans-Pacific Partnership	OECD	Organisation for Economic Co-operation and Development
EC	European Commission	SADC	Southern African Development Community
EU	European Union	SDG	Sustainable Development Goal
Extra-EU	Outside the EU	SME	Small and medium-sized enterprise
FTA	Free trade agreement	TARIC	The EU's database on EU customs tariff, commercial and agricultural legislation
GDP	Gross domestic product	UN	United Nations
HS	Harmonized System	USMCA	United States-Mexico-Canada Agreement
ILO	International Labour Organization	WTO	World Trade Organization
IPR	Intellectual property rights		

Executive summary

For the past three decades, policymakers have been taking a closer look at the impact of trade beyond economic growth. Poverty, human rights, labour, consumer protection, environment, and, more recently, gender have advanced to the forefront of the trade and sustainable development nexus.

At multilateral, regional and domestic levels, policymakers are increasingly considering how women benefit from opportunities provided by free trade agreements, as well as to what extent trade policy instruments could promote gender equality. In recent years, other global-scale efforts, such as the International Trade Centre (ITC) SheTrades Initiative, have also taken a comprehensive approach to empowering women in trade through better collection and analysis of gender-disaggregated data, inclusive policies and targeted capacity building.

Despite these initiatives, gender disparities remain at all levels of women's participation in export trade – as owners, workers, and employees. The relatively limited research to-date shows that women and men interact with international trade differently because of differential access to resources. This, in turn, shapes supply responses, vulnerability to economic changes and more generally the capabilities to seize export opportunities. An in-depth understanding of the opportunities and constraints that women face in international trade is a pre-condition to ensuring effective policy responses.

ITC's first-of-its-kind survey on women and trade outside the EU

In 2017, women represented only 38% of the total employment generated by exports outside the EU (also known as extra-EU exports),¹ according to research carried out by the European Commission's Directorate-General for Trade (DG Trade) Chief Economist's Office.

To understand the challenges faced by women in extra-EU trade, ITC designed and conducted a unique survey in 2019. It looked at the linkages between gender, company characteristics and international trade, across firms in manufacturing and agriculture exporting outside the EU. Survey results – from 1,118 firms across 12 EU countries – presented in this report provide a nuanced understanding of how women participate in extra-EU trade. It reflects an innovative approach that looks at both the gender dimension of women as firm owners, managers and employees, and firm-level participation in international trade in goods.

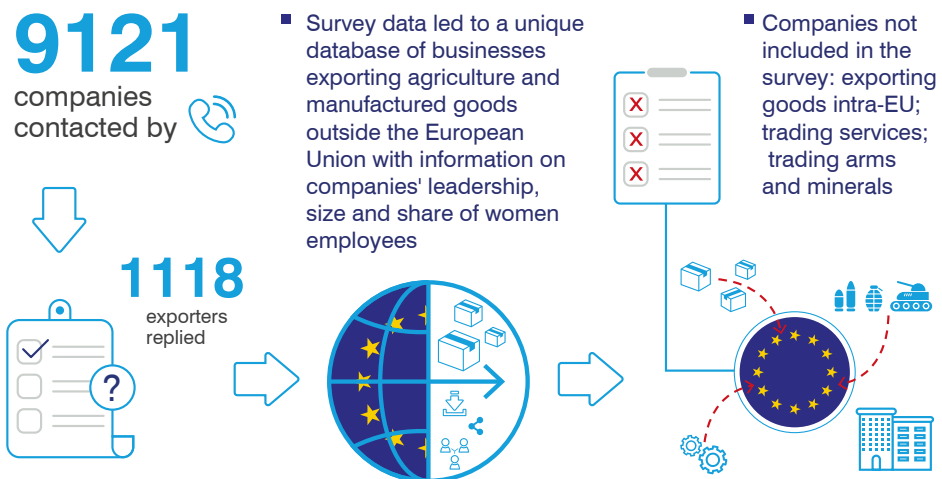
The report is structured as follows:

Chapter 1 highlights some multilateral and regional trade instruments that are in place to advance gender equality, and underscores why data constraints hamper efforts to improve the participation of women in exporting activities.

Chapter 2 presents a legal review of how gender is currently included in free trade agreements. It looks at different objectives of gender-related provisions in selected agreements, from provisions reaffirming commitments to gender equality, to achieving safeguards on gender equality, to actively promoting gender equality and empowering women economically.

Chapters 3 and 4 present ITC's survey findings. Chapter 3 compares firm characteristics, sectoral concentration, export orientation, target markets and gender balance in employment of women and men-led companies engaged in extra-EU trade. Chapter 4 presents an analysis of challenges faced by extra-EU exporting companies, as well as their gender dimension.

Chapter 5 concludes with key findings and policy implications.



Key findings

Women are largely under-represented in extra-EU trade in the agricultural and manufacturing sectors. Only one in five exporting companies in the EU is led (i.e. owned and/or managed) by a woman. In almost half of companies surveyed, women account for 30% or less of the total workforce.

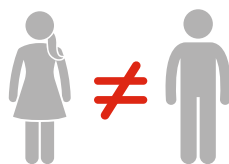
Job segregation remains a reality. The number of EU exporting companies managed by women is as low as 18%; and less than one out of three companies reaches at least 30% of women in senior executive positions. Most strategic executive positions, for example in research or development and production, remain men-dominated.

Most companies do not have a gender-specific policy in place aimed at promoting women employment. Only a limited share of companies, predominantly large-sized and women-led, put in place such a policy.

Women-led companies tend to be smaller, and this drives patterns of inequality. Compared to their men counterparts, women-led companies are considerably more likely to be small-sized in terms of turnover and number of employees. Overall, turnover in 56% of women-led businesses is less than €10 million, compared to 45% of men-led businesses.

A virtuous cycle: Women-led businesses employ more women. The good news in ITC's research is that women tend to open opportunities for women. Companies led by women are more likely to employ women senior executives as well as women workers. When a company department is headed by a woman, the survey revealed a higher percentage of women employees under her supervision.

How women differ from men in exporting outside the EU



- Led by a woman: 1 in 5 exporting companies
- Women 30% or less of total workforce: 50% of surveyed companies
- 30% of women in senior executive positions: less than 1 in 3 surveyed companies
- More men than woman: industries with high-growth export potential

Actively pursue export opportunities. Export intensity, the ratio of export sales to total firm sales, and integration into global value chains are high across women and men-led firms. Women-led companies are also as active as men-led ones in adopting online marketing channels. And women-led firms are more likely to apply for funding to expand outside the EU. Women and men-led companies tend to export and import from similar markets, which include developed, emerging and developing economies. China, the Russian Federation and the United States of America top the list.

Same markets, lower-value industries. Although women and men-led companies tend to export to, and import from similar markets, ITC's survey found differences in their industry concentration. Women-led companies are most present in the clothing subsector, a sector with lower growth potential, and under-represented in transport equipment, with higher export potential.

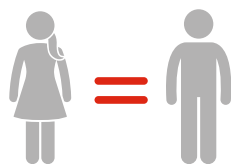
Gender disparities in access to skills and financial services from commercial banks. Both types of companies report scarcity in legal, marketing/communication, IT/digital, and language skills, but women-led companies are more likely to be negatively affected. Women-led companies are also less likely to identify commercial banks as the most important source of funding, with significant disparity compared to men-led companies. Both skills and finance-related challenges impact women more, irrespective of size.

Same business networks, different benefits. Chambers of commerce and industry associations are the most popular types of business networks among women and men-led firms. However, women-led businesses value the benefits from business networks less than men-led firms, particularly for information on markets and business deals. Women-led companies are also less well-represented in international business networks. Anecdotal evidence suggests that women may be at a disadvantage in accessing informal business networks, an issue which deserves more attention.

Because of size, women-led companies are disadvantaged in accessing public procurement markets, expanding trade through private standards and dealing with non-tariff measures. More than 80% of companies surveyed do not participate in any public procurement market. More than 50% of the companies have not complied with private standards in order to start or expand extra-EU exports. In both cases, smaller size companies are most disadvantaged. Moreover, non-tariff measures such as labelling requirements, rules of origin and product certification are likely to be costlier for smaller sized firms, due to higher incidence per transaction and less internal resources to deal with them.

The survey finds that two areas with no significant challenges are registering or maintaining patents, copyrights or trademarks and obtaining up-to-date trade-related information relevant to extra-EU operations (notwithstanding low levels of participation in trade policy consultations).

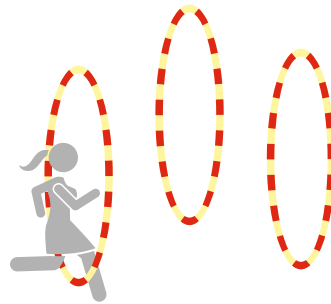
Areas in which women and men are equal



- Export intensity
- Adopting online marketing channels
- Likely to apply for funding to expand outside EU
- Export and import from similar markets

Gender-specific challenges for women

- Access to skills
- Access to funding from commercial banks
- Benefits from networks



Implications for gender-responsive policies

The persistence of gender inequality in companies exporting agricultural and manufacturing products outside the EU confirms the need for policymakers to continue developing gender-responsive approaches across a wide range of policy instruments.

Address job segregation

Most modern FTAs require parties to comply with core labour standards, including prohibition on gender discrimination in the workplace. Beyond the protection of basic worker rights, it would be important to strengthen initiatives to address job segregation. Women need to be better represented in strategic departments and executive roles within extra-EU exporting firms. This is particularly important because it can kick-start a virtuous cycle, whereby women open more employment opportunities at all levels for other women.

Encourage expansion in new industries

Women and men-led extra-EU exporting companies in the agricultural and manufacturing sectors operate in different industries. Negotiations to improve market access for the industries where women-led companies are concentrated could be one tool to support their expansion. Better women's industry representation and participation in consultation processes would ensure that the issues faced by women-led companies are shared with policymakers.

Skills, finance, networks

Access to skills, funding from commercial banks, and business networks are areas where women appear to be disadvantaged, irrespective of size. Focus on women-led companies in these areas is warranted. Business networks better tailored to the needs of women-led businesses are worth exploring. Trade promotion agencies can play an important role in this respect, providing targeted support to help more women-led companies enter and grow in extra-EU trade.

Support small firms

Some interventions do not have to be gender-specific and can target small firms. Women-led companies are likely to benefit disproportionately because of their smaller size. Supporting small businesses in entering public procurement markets outside the EU and leveraging private standards are two areas that deserve more in-depth research and attention by policymakers.

Non-tariff measures also stand out as an area where more can be done to support small firms. The most important export markets for women and men-led companies include high export potential countries with whom the EU does not have a foreign trade agreement. The EU already provides a single hub for market access information, but there is room for improving the awareness at the member state level, among business organizations and women entrepreneurs' networks.

The way forward

This survey did not uncover why few women enter the extra-EU agricultural and manufacturing export market in the first place and tend to participate in sectors with lower export potential. Promoting the entry of women in sectors with high export potential is likely to garner the largest impact on reducing gender disparities in extra-EU trade. Understanding the underlying barriers in this respect deserves further research.

Moreover, women, whether as entrepreneurs or workers, are concentrated in the services sector. Further analysis is needed to shed light on the participation and challenges that women-led companies face when they export services outside the EU.

Most interventions required to encourage more women to engage in extra-EU trade consist of domestic policies beyond the purview of trade policy. These include strengthening programmes to encourage women to set up and grow their businesses. While many challenges faced by women are not trade-related, trade policymakers can be part of the solution. For example, by supporting the participation of women in trade through platforms provided by foreign trade agreements, or through cooperation at the multilateral level. This cooperation could involve sharing best practices, promoting access to information and networking opportunities, and improving the collection and analysis of gender-disaggregated data (issues already covered in recent agreements).

ITC's findings help to inform more effective gender and trade policies, and can ultimately contribute to improving the EU's overall export competitiveness. Gender equality in accessing trade opportunities expands the pool of labour and talent available to the economy and contributes to productivity and innovation. This report is a significant contribution to the 2017 Buenos Aires Declaration on Trade and Women's Economic Empowerment, sharing with the global community a new approach to understand the trade and gender nexus.



CHAPTER 1

The trade and gender nexus

At the multilateral, regional and domestic levels, policymakers are increasingly considering the design and implementation of trade policy instruments, including trade agreements, to promote gender equality. An in-depth understanding of the opportunities and constraints faced by women in international trade is a pre-condition to ensuring these policy instruments are effective.

Trade plays a significant role in the economy of the European Union (EU). In 2017, trade in goods and services both within and outside the EU represented 46% of gross domestic product (GDP).² Trade exports outside the EU (also referred to as extra-EU exports) supported 36 million jobs in the EU bloc, both directly and indirectly, and generated a value-added totalling €2.3 trillion — an amount that has more than doubled since 2000.

This chapter highlights some of the multilateral and regional instruments that are in place to advance gender equality in trade, and underscores how these instruments, on their own, do not translate into the meaningful participation of women in export trade. Part of the problem is the lack of data on how the different dimensions of women's ownership, management and employment at the company-level relate to export and import activities. ITC's unique survey approach is designed to provide policymakers with the data they need to foster more gender-inclusive trade.

Multilateral and regional trade instruments promote gender equality

As of September 2019, 127 WTO Member States and observers have signed the 2017 Buenos Aires Declaration on Trade and Women's Economic Empowerment. The Declaration is an important milestone because it places gender equality firmly on the agenda of the multilateral trading system. Among other topics, the collection and

analysis of gender-disaggregated data is a key area for cooperation identified by the Buenos Aires Declaration (more on this in Chapter 2).

At the regional level, approximately half of the free trade agreements (FTAs) in force include implicit or explicit references to gender equality.³ While most of these provisions are a reaffirmation of existing commitments, a small but growing number of FTAs include explicit provisions on gender equality and women's economic empowerment. Trade and gender provisions are becoming increasingly popular, and they are being driven by countries at different levels of economic development and from different regions.

In the EU, gender issues are addressed through various channels: as part of broader commitment to human rights, in trade and sustainable development chapters, as provisions on non-discrimination in employment, and more recently through specific provisions on trade and gender equality. The EU and countries with which it has signed FTAs have endeavoured to go beyond the recognition of existing international commitments to uphold rights and obligations in furthering gender equality, be it through the provisions on equal remuneration, encouraging corporate social responsibility, or setting up specific cooperation mechanisms.

A commitment towards gender equality and women's economic empowerment is also found in the EU's charter, conventions, strategic plans, trade agreements and policy strategies. The Treaty on the Functioning of the European Union states that, 'in all its activities, the Union shall aim to eliminate inequalities and to promote equality, between men and women.'

The evidence required to craft an informed policy includes an in-depth understanding of how women and men take advantage of different provisions in FTAs, and the barriers they face. This evidence is usually not provided by gender-impact assessments, which tend to be carried out at the macro-level.



Opportunities in trade: Not gender neutral

The impact of international trade on women and men differs because they tend to operate in different sectors and have differential access to resources. Women are also impacted in their various and overlapping roles as producers, employees, business owners, managers, and consumers. These factors, in turn, shape women and men's different supply responses, vulnerability to economic changes, and more generally, their capabilities to seize export opportunities and bear adjustment costs.

Access to finance, acquisition of the right skills, participation in successful networks, especially informal ones, are, among others, critical factors to succeed in international trade. Yet, these are the very same areas where women across the world often face a disadvantage.⁴

Research carried out by the EC's Directorate-General for Trade (DG Trade) Chief Economist's Office and Joint Research Centre aligns with these notions and confirms a gender gap to the disadvantage of women. In 2017, women represented only 38% of the workforce in extra-EU exports.⁵

The gender gap is largely due to the concentration of women's employment in less export-oriented sectors, notably in services. Understanding the extent to which women participate in extra-EU trade is therefore critical for policymakers and trade negotiators. Economic change affects groups of women and men differently, and gender differences influence the outcome of economic policies. A more nuanced understanding of how women participate in extra-EU trade would help craft policies that not only reduce gender inequalities but also improve the EU's overall export competitiveness.

Data for inclusive trade policies

Existing data highlights that women and men entrepreneurs differ. Such data is based on labour force surveys, centred on individual entrepreneurs rather than firms, and does not include international trade. There is, however, currently no data on how the different dimensions of women's ownership, management and employment at the company-level relate to export and import activities. As such, policymakers interested in understanding how women and men participate in trade with the rest of the world lack sufficient evidence to draw meaningful conclusions.

According to data from the statistical office of the European Union, EUROSTAT, women accounted for 33% of the total number of entrepreneurs in the EU (9.9 million people) in 2017.⁶ This figure includes entrepreneurs in goods and services sectors. There are significant variations across countries, from 42% in Latvia to 23% in Malta.⁷

On average, compared to men, women entrepreneurs hold higher formal education qualifications but tend to work more often as self-employed persons with no employees. Women also tend to dedicate less time per week to their business and work more often as part-time entrepreneurs, which could be explained by gender disparities in time-use. Research from the European Institute for Gender Equality, shows that between 2005 and 2015, gender inequalities in time-use are persistently growing in the 28 member states of the EU.

More than 50% of women entrepreneurs work in wholesale and retail trade, professional, scientific and technical activities, human health and social work activities, as well as other service activities. Agriculture and manufacturing account for only 12.2% and 4.4% of total women entrepreneurs.

Innovative data collection on women in trade

This ITC report contributes to the global trade community's understanding of trade and gender through an innovative approach that looks at both the trade and gender dimensions of firms. The gender dimension has been explored in terms of women's employment, management and ownership.

The overall focus of the survey is on understanding the interlinkages between gender, company characteristics and detailed aspects of international trade. The research in this report builds on ITC's expertise on women in trade-related issues through the SheTrades Initiative, and in data collection through company surveys under ITC's Non-Tariff Measures Programme (Box 1).

The survey covers trade in manufactured and agricultural goods, excluding companies trading services, arms and minerals. Firm-level data has been collected and analysed for 1,118 exporting firms across 12 EU member states, namely Belgium, Bulgaria, Croatia, Czechia, Germany, Ireland, Italy, Latvia, the Netherlands, Poland, Spain, and Sweden. Countries were selected based on their geographical location, size, export relevance, and GDP per capita levels.

Exporting firms participating in extra-EU trade were interviewed to address two key sets of research questions on women in extra-EU trade:

1. **Mapping the nature and extent of women's participation in extra-EU trade.** Are women and men equally represented in terms of ownership, employment, and management?⁸ What are the characteristics of women-led companies?⁹ What are women-led companies exporting, and to which markets?
2. **Understanding challenges faced by women.** Are there specific challenges faced by women in trade? Are these challenges trade-related or not? Do these challenges differ between men and women-led companies?

This first-of-its-kind survey approach was designed to help policymakers gain an in-depth understanding of how women operate in trade at the micro level. In order to identify the type of provisions and issues in free trade agreements that could be relevant for women and should be explored in the survey, this study undertook a legal review of the objectives and scope of gender-related provisions in free trade agreements.

BOX 1: ITC SheTrades Initiative and Non-Tariff Measures Programme

The ITC SheTrades Initiative aims to connect three million women entrepreneurs to market by 2021. SheTrades works with governments, corporations and business support organizations to undertake research, shape enabling trade policies and regulations, facilitate financing, and expand access to public tenders and corporate supply chains. To date, ITC SheTrades has directly generated over \$91 million of export opportunities for women entrepreneurs and increased the competitiveness of more than 20,000 women

entrepreneurs through direct support (and thousands more indirectly).

Through its Non-Tariff Measures Programme, ITC has been implementing representative company surveys at the country level since 2010. This programme has helped develop a range of market analysis tools and methodologies for strategic and operational research, assessing national trade performance, trade competitiveness, and linkages between trade and development prospects.

Sources: <https://www.shetrades.com/>, www.ntmsurvey.org



CHAPTER 2

A gender lens on free trade agreements

Several countries, including the EU and its member states, are addressing gender equality through trade policy instruments, including foreign trade agreements. Before exploring ITC's survey results (Chapters 3 and 4), this chapter presents the status quo with regard to trade and gender provisions, with a view to identifying what objectives and issues have been addressed so far. It is based on a legal review of selected FTAs.

From free trade agreements to Buenos Aires

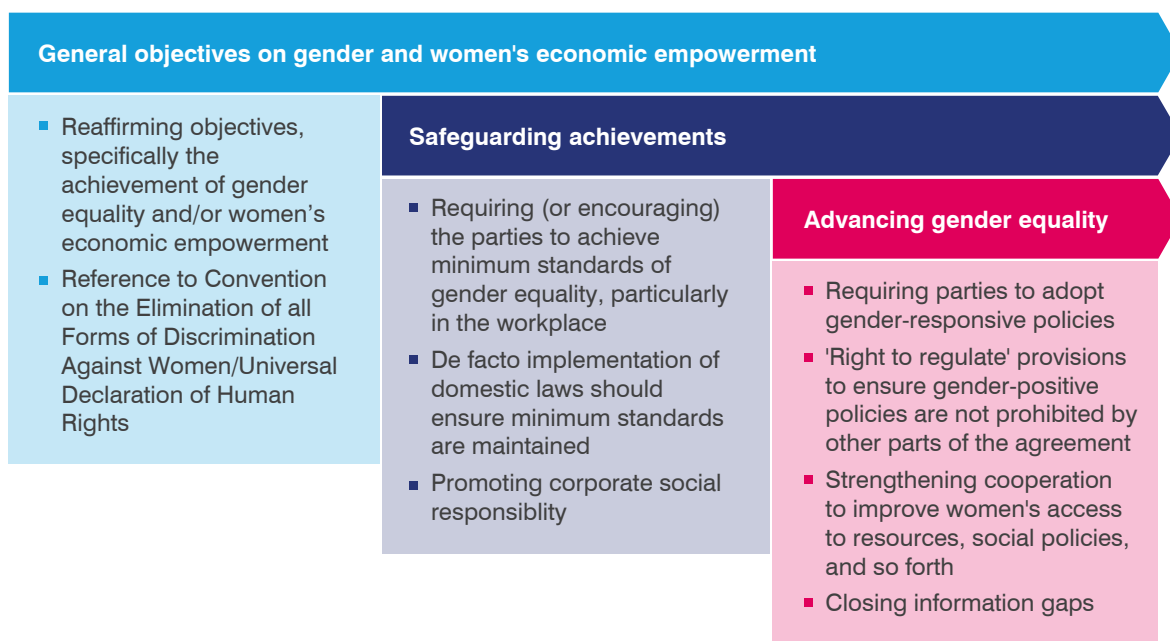
The 2017 Buenos Aires Declaration on Trade and Women's Economic Empowerment has galvanized the global community to better understand the trade and gender nexus. Through the Declaration, countries are exchanging best practices on topics such as the collection and analysis of gender-disaggregated data, the inclusion of gender provisions in FTAs, and women in finance and the digital economy. They are also mainstreaming

gender into WTO Trade Policy Reviews, and trade-related technical assistance.

From the 2000s onwards, bilateral and regional FTAs have been important innovation labs where countries and regional groupings, including the EU, have included gender-related provisions. These provisions aim to maximize the positive effects and minimize the negative effects of these agreements on gender equality and women's economic empowerment.

Three categories of gender provisions can be identified in foreign trade agreements (Figure 1). These range from reaffirming commitments to gender equality, to achieving FTA safeguards (i.e. "not making things worse") on gender equality, to actively promoting gender equality and women's economic empowerment by incorporating gender-responsive policies or cooperating. Of course this categorization is not clear-cut and some provisions may fall into more than one category. Within each category, these provisions range from best endeavour to legal rights and obligations.



Figure 1 Trade and gender provisions in selected free trade agreements

Source: ITC.

Provisions reaffirming gender equality

These provisions, which are the most common in FTAs, reaffirm objectives in terms of gender equality and women's economic empowerment to which the parties are already committed. Since 2015, a key reference point has been the UN Sustainable Development Goals (SDGs), and particularly SDG 5, which is to, 'achieve gender equality and empower all women and girls,' (Box 2).

In some FTAs, in line with SDG 5, these provisions are designed to achieve gender equality and women's economic empowerment as values

in and of themselves. In other FTAs, however, these objectives are linked to broader economic objectives. This is also reflected in the 2017 Buenos Aires Declaration, which looks at inclusive trade policies as instrumental in promoting economic growth and poverty reduction. In the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), the parties recognize that enhancing opportunities for women, including workers and business owners, contributes to economic development.¹⁰

The legal nature of these provisions should not be underestimated. For example, the modernized EU-Mexico Agreement, states that the parties, 'shall promote ... the development of international

BOX 2: Reaffirming trade and gender objectives

The modernized Canada-Israel foreign trade agreement places SDG 5 at the centre of its trade and gender provisions:

Article 13.1.2: The Parties recall Goal 5 of the Sustainable Development Goals in the United Nations 2030 Agenda for Sustainable Development, which is to achieve gender equality

and empower all women and girls. The Parties reaffirm the importance of promoting gender equality in policies and practices and building the capacity of the Parties in this area, including in non-government sectors, in order to promote equal rights, treatment and opportunity between men and women and the elimination of all forms of discrimination against women.

Source: <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/israel/fta-ale/index.aspx?lang=eng>

trade and investment in a manner that contributes to the objective of achieving the Sustainable Development Goals.⁹ There are different opinions on the extent to which this amounts to a concrete obligation, enforceable by the special dispute settlement arrangements established under the trade and sustainable development chapter of the agreement.¹¹

In addition, the parties to the Canada-Chile and Chile-Uruguay foreign trade agreements reaffirm their commitments to implement the Convention on the Elimination of all Forms of Discrimination Against Women, as well as under other international agreements addressing gender equality or women's rights. These provisions primarily have a signalling function, although they may also have other legal effects, for example, in the interpretation of other obligations.

Provisions to safeguard achievements on gender equality

Upholding minimum standards

Many FTAs contain provisions focused on domestic laws relating to gender equality. These provisions are designed to ensure that the implementation of a trade agreement does not lead to worse outcomes for women. This is done by making sure that the

parties adhere to minimum standards and properly apply existing laws on gender equality. For example, parties should not ignore industry practices that violate existing laws with the aim of taking advantage of new export opportunities or under pressure from foreign competition.

Most modern FTAs require parties to comply with core labour standards, and among these is a prohibition on gender discrimination in the workplace. These minimum standard provisions are typically subject to dispute settlement, either specific to the labour chapter or one generic to all parts of the agreement. In some agreements (though not any EU agreements), a breach may result in the imposition of trade sanctions.

Often, these provisions refer to international conventions.¹² There are also stand-alone minimum standard provisions which do not link to other international instruments. For example, in the United States-Mexico-Canada Agreement (USMCA), parties commit, 'to protect workers against employment discrimination on the basis of sex (including with regard to sexual harassment), pregnancy, sexual orientation, gender identity, and caregiving responsibilities; provide job-protected leave for birth or adoption of a child and care of family members; and protect against wage discrimination'.¹³ The obligation to implement these policies, however, is weakened by the subjective clause, 'policies that [the party] considers appropriate'.¹⁴

BOX 3: Minimum standards on women's rights

The minimum standards model has recently been adapted in a broader gender context. For example, the EU's draft for the modernized EU-Chile association agreement states:

[EU: proposed Article 2.1] Each Party reaffirms its commitment to effectively implement as part of its laws and practices international conventions pertaining to gender equality or women's rights that it has ratified, in particular:

1. The Convention on the Elimination of All Forms of Discrimination against Women (CEDAW) adopted by the United Nations General Assembly on December 18, 1979, and its provisions related to eliminating discrimination

against women in economic life and in the field of employment.

2. The fundamental ILO Conventions, in particular ILO Convention 100 on Equal Remuneration and ILO Convention 111 concerning Non-Discrimination in Respect of Employment and Occupation.

Insofar as the parties merely 'reaffirm' their existing commitments, these provisions bring existing obligations within the framework of the trade agreement, rather than establishing new obligations.

Source: <http://trade.ec.europa.eu/doclib/press/index.cfm?id=1793>



The EU's proposed text for the modernized EU-Chile Association Agreement takes a step forward, with an obligation to improve domestic gender equality protections in relation to economic opportunities arising from the FTA, provisions related to equal remuneration, and non-discrimination in employment for reasons of pregnancy and maternity (Box 3).

Safeguards

In terms of safeguards in trade and gender provisions, there are also measures focusing on the application of parties' domestic laws. They require that domestic laws be published, enforced, and not reduced. These provisions are often subject to chapter specific dispute settlement.

Some agreements contain obligations stating that parties must promote knowledge of their gender equality laws, policies and practices. Examples include the modernized Canada-Israel FTA, USMCA and CPTPP which contain a similar obligation to publish parties' labour laws, which also have a gender equality dimension. In addition, USMCA and CPTPP contain an obligation to ensure that persons with a recognized interest have access to impartial and effective tribunals to enforce their labour rights.¹⁵

An interesting development can be seen in the EU's proposals for the modernized EU-Chile Agreement, which contain provisions designed to ensure that existing domestic protections are not ignored, or weakened, to encourage trade or investment. One set of provisions requires the parties not to weaken, reduce, waive or otherwise derogate from

their existing gender protections if this encourages trade or investment. These provisions also extend to the actual enforcement of existing protections and to uphold all laws and policies promoting gender equality as well as women's economic empowerment.

Leveraging corporate social responsibility

Various FTAs contain references to domestic policies on corporate social responsibility (CSR), which are designed to encourage or require businesses to take responsibility for implementing gender-positive norms, which may include the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.¹⁶ The degree to which these provisions are merely a declaration of shared values (USMCA) or, alternatively, obligations is quite variable. USMCA provisions fall in the former, with more of a declaratory statement.

Some FTAs go a step further, with stronger language. According to the Canada-Chile FTA, parties should encourage firms to implement relevant CSR policies. In some EU agreements, such as the EU-Ukraine and draft EU-Mexico agreements, there is a concrete obligation to promote CSR. This is referred to in the OECD Guidelines for Multinational Enterprises, the International Labour Organization (ILO) Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, the UN Global Compact and the UN Guiding Principles on Business and Human Rights.

BOX 4: Reservations on grounds of gender equality in the US-Mexico-Canada Agreement

The US reservation states:

“This Chapter does not apply to preferences or restrictions associated with programs promoting the development of distressed areas, or businesses owned by minorities, disabled veterans, or women.”

In a similar way, in USMCA (Annex I), Mexico has listed a reservation to its commitments to open up the broadcasting sector which states that:

“Concessions for indigenous social use shall be granted to indigenous people and indigenous communities of Mexico, with the objective to

promote, develop, and preserve language, culture, knowledge, tradition, identity and internal rules that, under principles of gender equality, allow the integration of indigenous women in the accomplishment of the purposes for which the concession is granted.”

But even when specific reservations like this are not included, affirmative action policies that discriminate in favour of industry from one particular country may be justifiable under general exceptions permitting measures that are necessary to protect public morals.

Source: <https://ustr.gov/trade-agreements/free-trade-agreements/united-states-mexico-canada-agreement>

Provisions to advance gender equality

Gender-responsive commitments and the right to regulate

Several agreements set out concrete ways to achieve gender equality and women’s economic empowerment objectives through provisions directed particularly (but not exclusively) at making use of the economic opportunities generated by trade agreements. These include capacity building, training, and ensuring access to resources, including in the form of financial and technical assistance, and information gathering and sharing. This set of provisions does not typically take the form of binding obligations, which is probably explained by the fact that, at least at this stage, they have a strong policy element. This does not mean that they are unimportant; they may simply reflect the fact that it is not always appropriate to legislate for desired policy outcomes.

Some FTAs allow to discriminate against products, services or service providers originating in a given country (usually the country implementing the policies). In other words, parties are allowed to engage in affirmative action policies notwithstanding any other provisions of the agreement. This is the practice of the United States of America, for example, which frequently includes a reservation

in its FTAs permitting government procurement policies to favour women-owned businesses. In USMCA, Mexico has listed a reservation to its commitments to open up the broadcasting sector with the objective to promote, under principles of gender equality, the integration of indigenous women (Box 4).

Beyond the right to regulate, some agreements have established a concrete obligation to institute affirmative action policies in relation to trade. The Southern African Development Community (SADC) Protocol on Gender and Development is notable in this regard. Article 17 on economic empowerment states that, by 2015, parties, ‘shall adopt policies and enact laws which ensure equal access, benefit and opportunities for women and men in trade and entrepreneurship, taking into account the contribution of women in the formal and informal sectors.’ Moreover, parties are required to make their national trade and entrepreneurship policies gender responsive and introduce measures to ensure that women benefit equally from economic opportunities, including through public procurement.

Allowing a party to undertake affirmative action policies (notwithstanding a trade agreement) grants that party a legally enforceable right. But rights are still voluntary. The SADC Protocol on Gender and Development has taken a strong approach in promoting affirmative action by moving from rights to obligations.

Cooperation on trade and gender

In some FTAs, affirmative action is listed as an area of cooperation. For example, the EU-Central America Agreement includes cooperation to

strengthen policies, programmes, and mechanisms aimed at ensuring, improving and expanding the equal participation and opportunities for men and women in all sectors of political, economic, social and cultural life and, 'where appropriate, affirmative actions in support of women shall be envisaged.'

BOX 5: Areas for cooperation in free trade agreements

1. Promotion of productive employment and decent work

Example: The modernized EU-Chile Agreement foresees cooperation on capacity-building and skills enhancement of women at work and in education, in particular in professions and activities in which they are under-represented, for example by encouraging girls in science, technology, engineering, and mathematics.

2. Promotion of women's entrepreneurship

Examples: the EU-Eastern and Southern African countries (ESA) agreement is particularly concrete, listing fisheries as an area for the promotion of gender equality and women's entrepreneurship in regional and global markets. The Canada-Israel FTA identifies developing women's networks in business and trade, while the EU's proposed text for the modernized EU-Chile Agreement suggests cooperation to improve, among others, women's digital skills and access to online business tools.

3. Availability of resources and social policies

A number of agreements specifically mention financial and other resources, such as social services, that are necessary for women to take full advantage of the economic opportunities afforded by the agreement.

Examples: The EU-Central America Association Agreement focuses on education, health, vocational training, employment opportunities, political decision making, governance structures and private undertakings. The EU's proposed text for the modernized EU-Chile Agreement mentions initiatives including, 'work-life balance measures such as the access to flexible working arrangements, or the access to parental leave

and affordable childcare.' The Canada-Chile Agreement also lists as an area of cooperation, 'advancing care policies and programs with a gender and shared social responsibility perspective.' And USMCA lists, 'consideration of gender issues related to occupational safety and health and other workplace practices, including advancement of child care, nursing mothers, and related policies and programs, and in the prevention of occupational injuries and illnesses.'

4. Technical and financial cooperation

Particularly for developing countries, these resources include financial and technical assistance, and trade agreements with gender provisions routinely provide for future bilateral cooperation between parties along these lines. Examples of these clauses have already been mentioned.

5. Data and stakeholder consultations

Examples: the modernized Canada-Israel FTA states that, 'areas of cooperation may include ... conducting gender-based analysis [and] sharing methods and procedures for the collection of sex-disaggregated data, the use of indicators, and the analysis of gender-focused statistics related to trade.' It is also increasingly common for agreements to refer to the involvement of other social actors. Thus, the modernized Canada-Israel FTA states that the parties, 'shall encourage the involvement of their respective government institutions, businesses, labour unions, education and research organizations, other non-governmental organizations, and their representatives, as appropriate, in the cooperation activities decided upon by the Parties.'

Sources: <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/israel/fta-ale/index.aspx?lang=eng>

<http://trade.ec.europa.eu/doclib/press/index.cfm?id=1793>

<https://ustr.gov/trade-agreements/free-trade-agreements/united-states-mexico-canada-agreement>

<http://ec.europa.eu/trade/policy/countries-and-regions/regions/esa>

https://www.wto.org/english/thewto_e/minist_e/mc11_e/genderdeclarationmc11_e.pdf



Cooperation provisions are fairly common, typically not binding in the sense of creating any legal obligations, and focused on factors that are critical for women's participation in the economy. The main areas for cooperation include (Box 5 on previous page):

1. Promotion of productive employment and decent work;
2. Promotion of women entrepreneurship;
3. Availability of resources and social policies;
4. Technical and financial cooperation;
5. Stakeholder consultations; and
6. Filling the data gaps.

In addition, a few FTAs have institutionalised these cooperative activities by means of a standing Trade and Gender Committee as a formal organ established under an FTA, while in others it is integrated in the committees dealing with trade and sustainable development or labour (EU, US-CAM). A first meeting of the committee under the Canada-Chile Agreement in April 2019 reported on various activities, including participation in an international conference on gender-based analysis plus (GBA+), an analytical process championed by Canada in particular.

Improving trade and gender provisions

Looking at trade and gender provisions in FTAs, this Chapter finds three categories of provisions: reaffirmation of existing commitments on gender equality and women's economic empowerment; provisions designed to ensure that a trade agreement preserves the achievements on gender equality and does not worsen outcomes for women; and provisions that aim to improve outcomes for women, by advancing gender equality and creating opportunities for women to take advantage of trade and investment opportunities arising from FTAs. Within each of these categories, there are different approaches, priorities, and international and domestic legal and policy instruments.

Trade and gender provisions are a relatively recent phenomenon. One might envisage, in the future, a clearer picture of what exactly the relationship is between gender equality and women's economic empowerment, on the one hand, and FTAs, on the other. Two observations can be drawn based on the analysis. Looking at the content of trade and gender provisions, many issues will effectively be dealt with at the level of domestic policies, but more attention could be dedicated to tackling these through platforms provided by FTAs; or through cooperation at a multilateral level. Secondly, more evidence is required to better understand how FTAs can provide better opportunities for women. The next chapters provide valuable new data, insights and analysis on gender dynamics in extra-EU trade.

The background of the slide is an abstract digital composition. It features a dark, almost black, space filled with vibrant blue and magenta light rays and beams that create a sense of depth and movement. Scattered throughout are small, glowing square markers in both colors, some appearing as if they are part of a larger, faint grid or network. The overall aesthetic is futuristic and high-tech.

CHAPTER 3

Exporting outside the EU: The gender divide

A comprehensive understanding of the various roles women play in international markets and their profiles is critical to address challenges they may face and ensuring a level playing field for their businesses. To map such information, ITC, in collaboration with DG TRADE, developed a survey with the two-fold objective of exploring the characteristics of women-led businesses in extra-EU markets and understanding potential differences with men-led companies.

For the purpose of this study, the definition of women-led businesses encompasses all the firms owned and/or managed by women.¹⁷ The rationale for focusing on women-led companies is two-fold: recent research by the European Commission has shed light on the gender dimension of employment generated by extra-EU trade.¹⁸ This survey contributes to this research with a focus on women's ownership and management.

The employment dimension in this study is looked at in relation to firm-level management and ownership. Second, through firm-level analysis, the study is able to identify potential policy implications in relation to trade and investment promotion and beyond, for example access to finance and business networks (Chapter 4). In doing so, it provides a valuable picture of the underlying factors within the ecosystem influencing women's participation in international markets.

This chapter presents ITC's survey findings on the participation of women as business owners, managers and employees in extra-EU trade. It also analyses these companies' characteristics in terms of sectoral concentration, export and import markets, as well as other company characteristics.

Key findings:

- Women own and/or manage a relatively small share of the total number of companies exporting goods outside the EU. Also, women-led companies are smaller in terms of workforce and turnover.
- Women and men-led businesses share some common characteristics: they are well-established, mostly family-owned businesses and rely on company websites, direct marketing, trade fairs and referrals. Women-led companies are as active as men-led companies in adopting online marketing channels.
- There are differences in subsectoral distribution. Women-led businesses are over-represented in the clothing sector and under-represented in transport equipment. The top export destinations and import source markets are similar between women and men-led firms. The United States, China, and Russian Federation top the list.
- Notwithstanding women-led companies being disproportionately smaller than men-led companies, they are not underrepresented in high and very high export-intensity categories and are integrated into global value chains. This shows the heterogeneity of women-led companies when it comes to export orientation.
- In 47% of companies surveyed, women employees account for 30% or less of the total workforce. At the management level, the number of EU exporting companies managed by women is as low as 18% while less than one out of three companies reaches at least 30% of women in senior executive positions. Key strategic positions remain dominated by men.
- Most companies do not have a gender-specific policy in place aimed at promoting female employment. Only a limited share of companies, predominantly large-sized and women-led, put in place such a policy.
- Companies led by women are more likely to employ women as senior executives as well as workers. Women in executive positions tend to supervise more women.



More on the ITC survey methodology

The survey presented in this report builds on ITC's experience in carrying out business surveys, and adapting existing ITC methodologies to study obstacles to women's participation in international trade. ITC's business surveys on trade obstacles, carried out as part of the ITC Programme on Non-Tariff Measures¹⁹ (NTMs), document the experiences of companies that are involved in international trade. To date, ITC has carried out such business surveys in over 60 countries.

The survey covers companies exporting goods outside the EU. Companies excluded from the survey include businesses trading services (including those providing exclusively export services), and companies trading arms and minerals. Companies or agents that provide export services (for example, freight forwarders, transportation services etc.) are not understood as exporting companies and are not the target of the survey.

As mentioned in Chapter 1, interviews were carried out in 12 EU member states, namely Belgium, Bulgaria, Croatia, Czechia, Germany, Ireland, Italy, Latvia, the Netherlands, Poland, Spain and Sweden. The selection of companies was based on stratified random sampling by aggregate sector (agriculture and manufacturing), company size (small, medium and large²⁰) for a total of six strata.

The sample of exporting companies was determined for each stratum and calculated from the general population of firms exporting outside the EU. The method used allows evaluating the variation of challenges faced per stratum. Based on these criteria, a sample size was determined and 1,118 companies were interviewed between April and July 2019.

The survey questionnaire was divided into two sections. The first section focused on capturing and measuring the participation of women in extra-EU trade. The second section aimed to measure potential gender differences related to the ease of accessing international trade. The questionnaire was used both for women-led and men-led firms so results could be compared across the two groups. It was therefore important to focus questions on issues around accessing trade rather than those that determine the ease of starting a business or accessing wider economic activities. This said, in practice it may not always be easy to detangle the different elements. The issues included:

- Access to finance;
- Access to skills;
- Access to networks and support of trade support institutions;
- Trade policy;
- Access to information;
- Market access;
- Production capacity;
- Product innovation and intellectual property rights;
- Public procurement; and
- Private standards and certificates.

This study pioneers a survey approach that can be applied to additional EU countries, or developing countries, to analyse the participation and challenges of women-owned and/or managed businesses in trade globally. A comprehensive description of the methodology can be found in the Appendix.

Limited participation of women-led firms in trade outside the EU

Overall, only 22% of the exporting companies surveyed have a woman as owner and/or manager (defined as women-led) (Figure 2). Management is more common than ownership, with 18% of the companies surveyed being managed by a woman compared to 12% owned by a woman.²¹

Most women-led companies are small: 56% of women-led companies have less than 50 employees, compared to 48% of men-led companies. Among medium-sized companies (between 50 and 249 employees), 40% of them are women-led, a lower share than men-led ones (45%). The segment of large companies (more than 250 employees) represents only 4% of women-led companies compared to 7% of men-led ones.

In this and subsequent sections, the survey analysis compares the distribution of women-led and men-led companies for a particular survey question to the share of women-led versus men-led companies in the total sample (22% versus 78%). In this way, the analysis highlights whether women-led companies are over-represented (above 22%) or under-represented (below 22%).

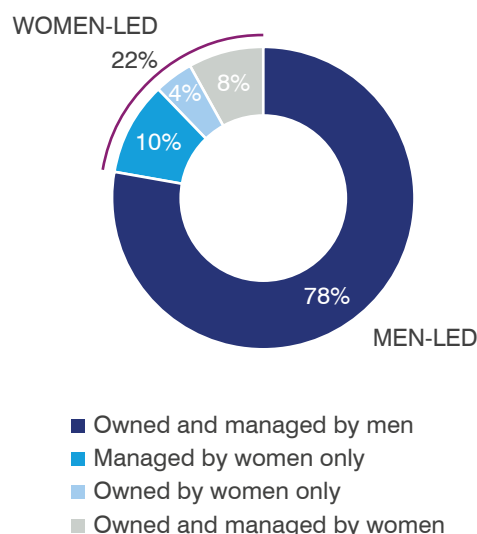
Figure 3 presents survey findings on company turnover. Women-led companies are significantly over-represented among companies with turnover of €2 million or less (31% of total companies), and under-represented among companies with turnover above €50 million (12% of total companies). Overall, turnover in 56% of women-led businesses is less than €10 million, compared to 45% of men-led businesses.

Common features among all companies: Well-established, local and family-owned

Most businesses surveyed are family-owned. This is particularly common among women-led businesses: 75% compared to 60% of men-led companies.

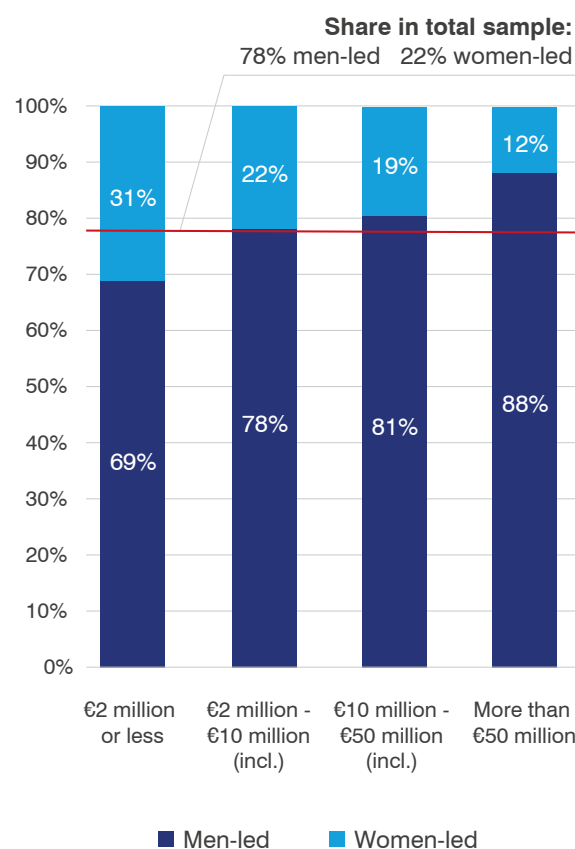
Most women-led and men-led businesses are owned by locally-registered investors. The share of women-led companies with no foreign ownership is similar to that of men, totalling 86% of companies. Only 9% of both women-led and men-led companies are, to some extent, owned by foreign investors.

Figure 2 Women-led companies exporting goods outside the EU



Source: ITC business survey, 2019.

Figure 3 Company turnover for women and men-led companies



Source: ITC business survey, 2019.



Women-led and men-led companies show similar profiles in terms of years of establishment, with more than 80% of companies in operation for more than 20 years. In most exporting companies, both women and men-led tend to be in the export market for more than 10 years.

Approximately 80% of both women and men-led companies are the main entities in charge of international sales. Presence abroad in the form of a parent company with a branch/subsidiary is rare. In general, women-led companies rely less on foreign branches (11%) than men-led companies (16%). The use of services from trade consulting companies or professionals is very limited in both types of firms.

Company websites, direct marketing, trade fairs and referrals are the most common marketing channels used by companies to engage with international clients. Women-led companies are as active as men-led companies in adopting online marketing channels. These include company websites (one fourth of total companies surveyed), or, much less common, social media and e-commerce platforms.

Similar export markets, different industries

Sectoral concentration often explains the differences between women and men in trade, as well as some of the challenges they face.

Women-led companies are under-represented in both the agricultural and manufacturing sectors. In the agricultural sector, size disparities between women and men-led companies are more striking. On average, women-led companies represent 22% of the total extra-EU exporting companies, but in the agricultural sector, they represent over 35% of total small-sized companies and only 12% of large-sized companies.

Gender disparities in transport equipment and clothing industries

The survey explored whether women-led companies are over or under-represented across 13 subsectors, compared to their share in the total sample (22% of total companies). Women-led businesses are most present in the clothing sector (27%) and under-represented in transport equipment (13%) (Table 1). By smaller margins, women are also well represented in fresh and processed agro-based products, and electronic components.

Table 1 Sub-sectoral distribution of companies exporting outside the EU, by gender

	Men-led	Women-led
1. Fresh food and raw agro-based products	75%	25%
2. Processed food and agro-based products	75%	25%
3. Wood, wood products and paper	79%	21%
4. Yarn, fabrics and textiles	78%	22%
5. Chemicals	79%	21%
6. Leather and leather products	80%	20%
7. Metal and other basic manufacturing	76%	24%
8. Non-electric machinery	81%	19%
10. Electronic components	75%	25%
11. Transport equipment	87%	13%
12. Clothing	73%	27%
13. Miscellaneous manufacturing	80%	20%
Share of the total sample	78%	22%

Note: Sector 09. Computer, telecommunications, and consumer electronics was removed since no observations were available.

Source: ITC business survey, 2019.

Similar export destination and import source markets

The top export destinations and import source markets do not differ significantly between women and men-led companies. These are China, the Russian Federation and the United States of

America (Tables 2 and 3). Switzerland is also ranked high on the export side. When asked which markets are being targeted to grow their exports, companies rank the above mentioned markets, with the addition of Angola, Argentina, Brazil, South Africa and Viet Nam. Women-led companies are as likely as men-led companies to export and to import from emerging economies and developing countries.

Table 2 Top 10 exporting destinations

Men-led	Women-led
United States of America	United States of America
China	China
Russian Federation	Russian Federation
Switzerland	Switzerland
Norway	Australia
Australia	United Arab Emirates
Japan	Canada
Mexico	Mexico
Canada	Japan
Turkey	India

Note: The columns are ranked based on the number of responses.

Source: ITC business survey, 2019.

Table 3 Top 10 importing sources

Men-led	Women-led
China	China
United States of America	United States of America
India	Japan
Turkey	Chinese Taipei
Switzerland	Turkey
Japan	India
Chinese Taipei	Australia
Korea, Republic of	Ukraine
Canada	Brazil
Brazil	Serbia

Note: The columns are ranked based on the number of responses.

Source: ITC business survey, 2019.

Table 4 Export intensity, by gender

Export intensity level	% of exports in total sales	Men-led	Women-led
Marginal	Up to 20%	80%	20%
Low-to-medium	21% - 40%	78%	22%
High intensity	41% - 70%	76%	24%
Very high intensity	71% - 100%	76%	24%
Share in the total sample		78%	22%

Source: ITC business survey, 2019.

High levels of export orientation

Looking at the share of exports in total sales (export intensity), the representation of women and men-led businesses across four categories of export intensity is consistent with their share in the total sample (Table 4). Notwithstanding women-led companies being disproportionately smaller-sized compared to men-led companies, they are not under-represented in high and very high export intensity categories. This shows the heterogeneity of women-led companies when it comes to export orientation.

The survey finds no other significant differences in export intensity across sectors and company size. With no significant difference between men and women-led companies, 46% of companies report that they also import goods from outside the EU, mostly used as input for their exports. The latter is an indication that both women and men-led companies are integrated into global value chains.

In 43% of companies surveyed, imports from outside the EU account for less than 30% of total company expenditure. Looking at firms where extra-EU imports account for more than 70% of total imports, these only account for 12% for women-led companies in comparison to 20% for men-led companies.

Women in high export potential sectors

ITC's Export Potential Map provides a snapshot of the export potential of the EU in terms of sectors and markets.²² Figure 4 (next page) shows subsectors that have the highest export growth potential for the EU, which include motor vehicles, pharmaceuticals and machinery. The sub-sectors where women are well represented, such as clothing and agro-processing, are not included in the top export growth potential ones, with the exception of electronic components.

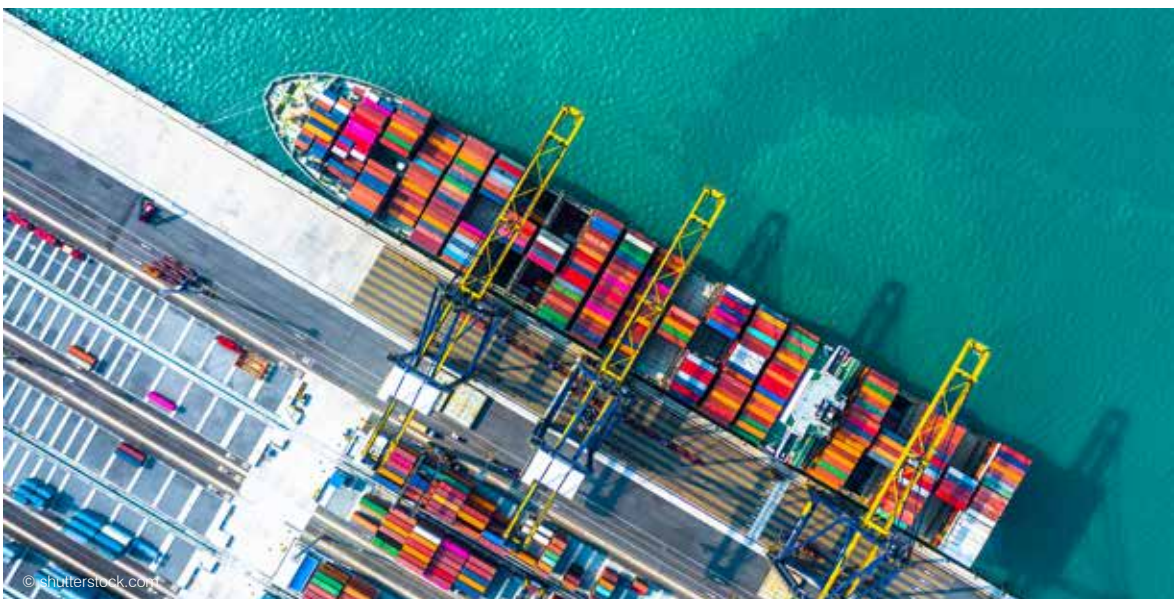
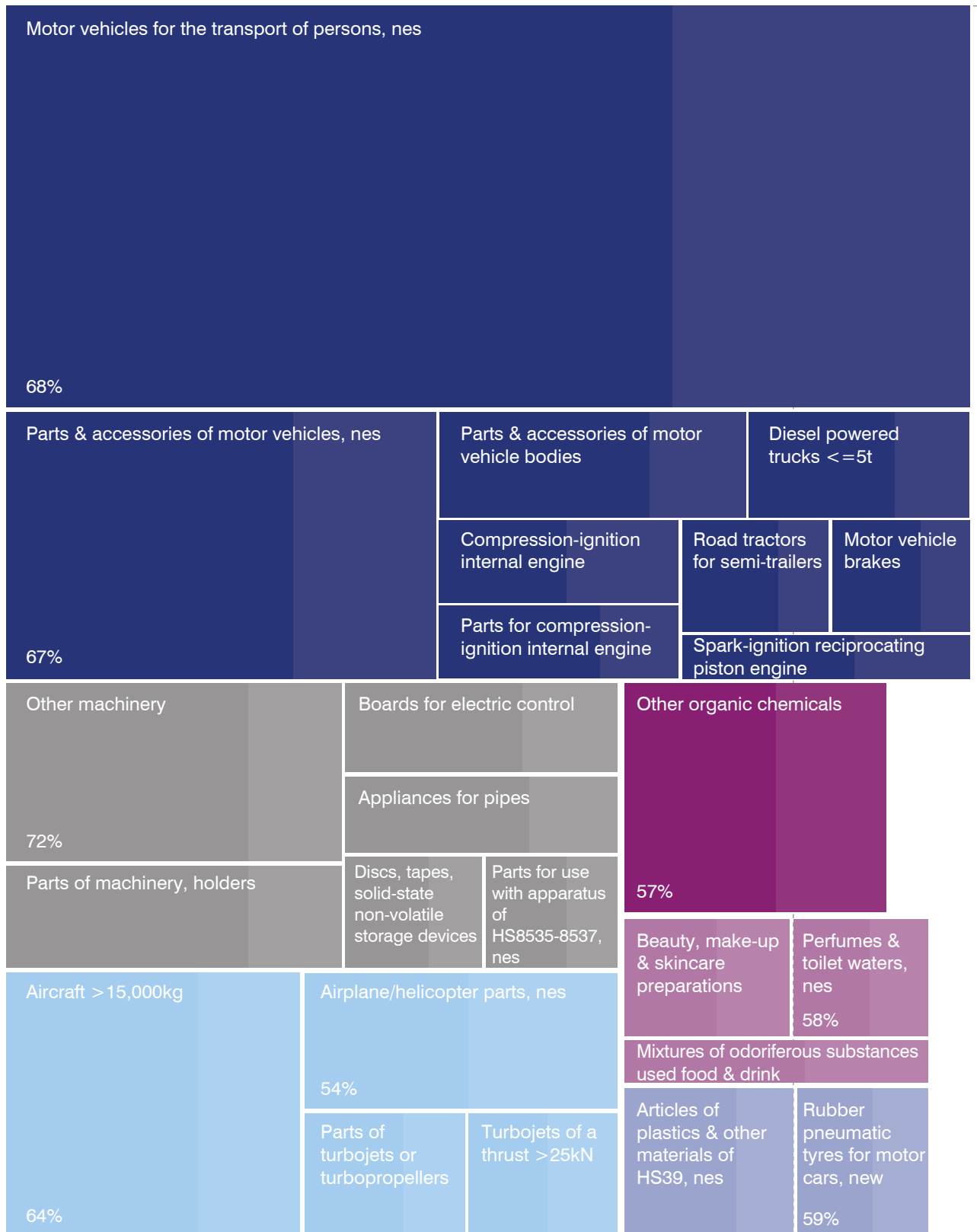


Figure 4 Growth potential of exports from the EU, by sector



Source: ITC Export Potential Map.

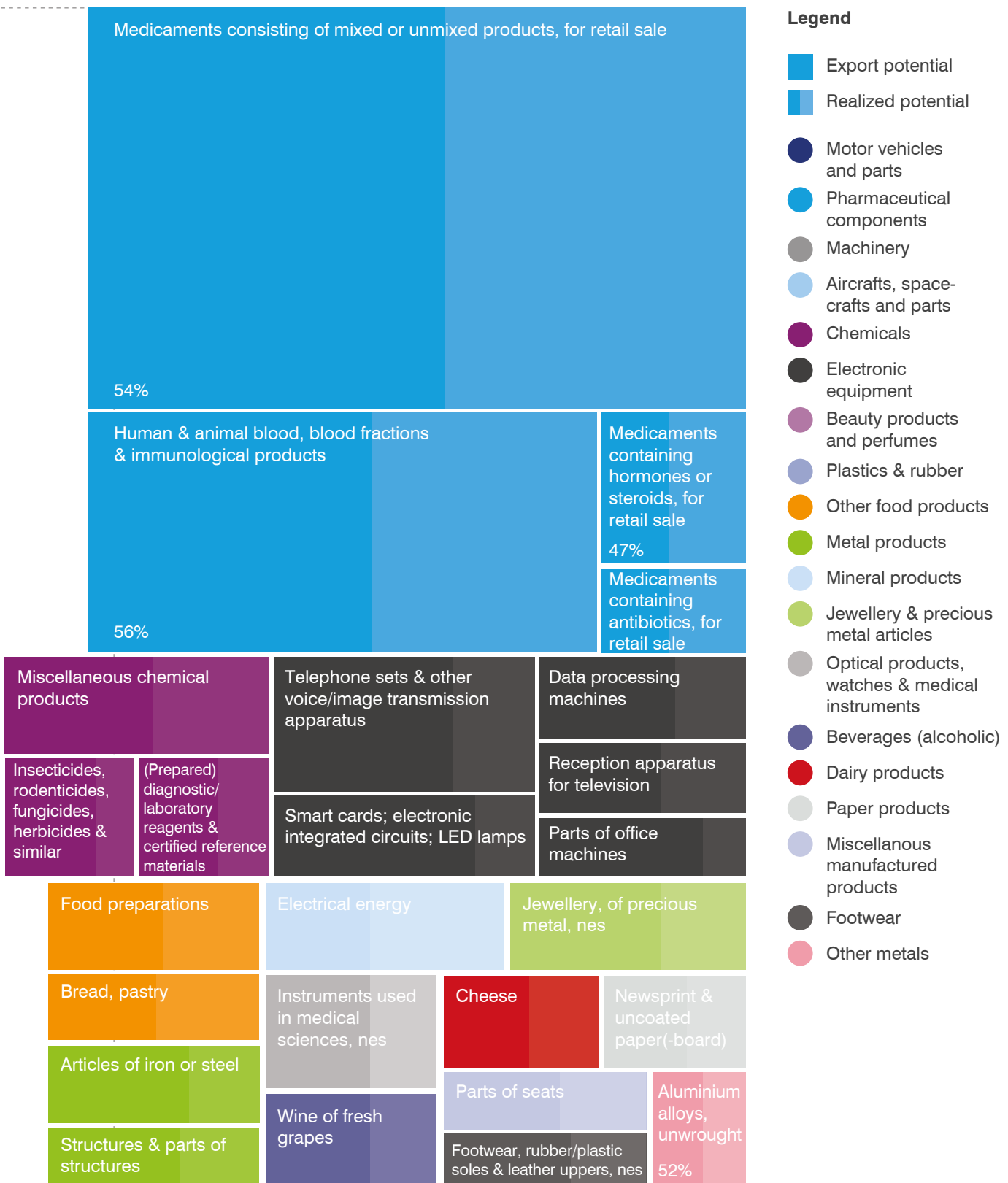


Table 5 Export potential for EU-manufactured goods

Market	Export potential value (\$ thousands)
United States of America	496,271,659
China	363,976,631
Switzerland	136,268,905
Russian Federation	101,431,086
Turkey	99,108,512
Japan	71,868,401
Mexico	68,554,172
Korea, Republic of	63,574,151
India	62,565,434
Canada	61,255,694

Source: ITC Export Potential Map.

Table 5 and 6 present the highest export growth potential markets for manufactured and agricultural goods. The two countries with the highest growth potential for EU goods exporters are the same ones to which women-led and men-led companies are currently exporting.

Gender disparities in employment

Results from ITC's survey show that women continue to be underrepresented in export-driven employment, and a gender gap persists at all levels. In 47% of the companies surveyed, women employees account for 30% or less of the total workforce. Only 22% of companies could be described as having gender diversity in the workforce.²³

Disparities in management and strategic positions

At the management level, the survey finds that the number of EU exporting companies managed by women is as low as 18%. Less than one third of surveyed companies had 30% or more senior executives who are women.

Also, at the management level, survey results show that women managers tend to have different profiles and tend to be concentrated in departments such as public relations and marketing, whereas men are largely represented in production, and research and development. Human resources,

Table 6 Export potential for EU-agricultural goods

Market	Export potential value (\$ thousands)
United States of America	35,383,120
China	29,404,581
Russian Federation	14,989,962
Japan	12,159,471
Switzerland	10,879,157
Hong Kong, China	8,452,575
Canada	8,204,391
Saudi Arabia	7,884,551
Korea, Republic of	6,831,478
Turkey	6,730,327

Source: ITC Export Potential Map.

finance and administration are more gender-balanced. In other words, most strategic positions remain male-dominated. In this scenario, there is a lack of diversity in the pipeline of candidates who could move into higher positions, underscoring that women face invisible barriers to career advancement – sometimes referred to as the sticky floor scenario.

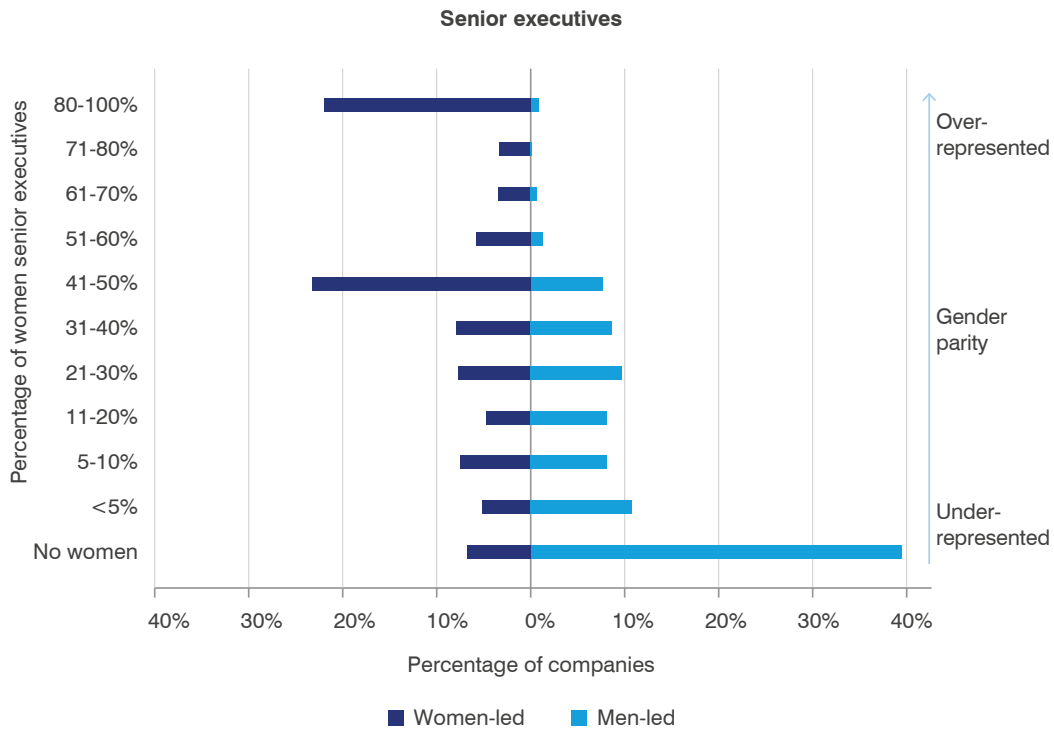
Only 10% of respondents perceived that the challenges of managing an export company differ between women and men, yet there was an awareness among survey respondents about gender inequalities within the company. More than 60% of respondents stated that the gender wage gaps persist in their companies – 75% of women respondents compared to 50% of men respondents.

Women open opportunities for women

Companies led by women are more likely to employ women as senior executives as well as workers. Almost 40% of men-led companies have no women senior executives (Figure 5). Companies where 51% or more of senior executives are women are marginal among men-led companies (less than 5%), but account for over one third of women-led companies.

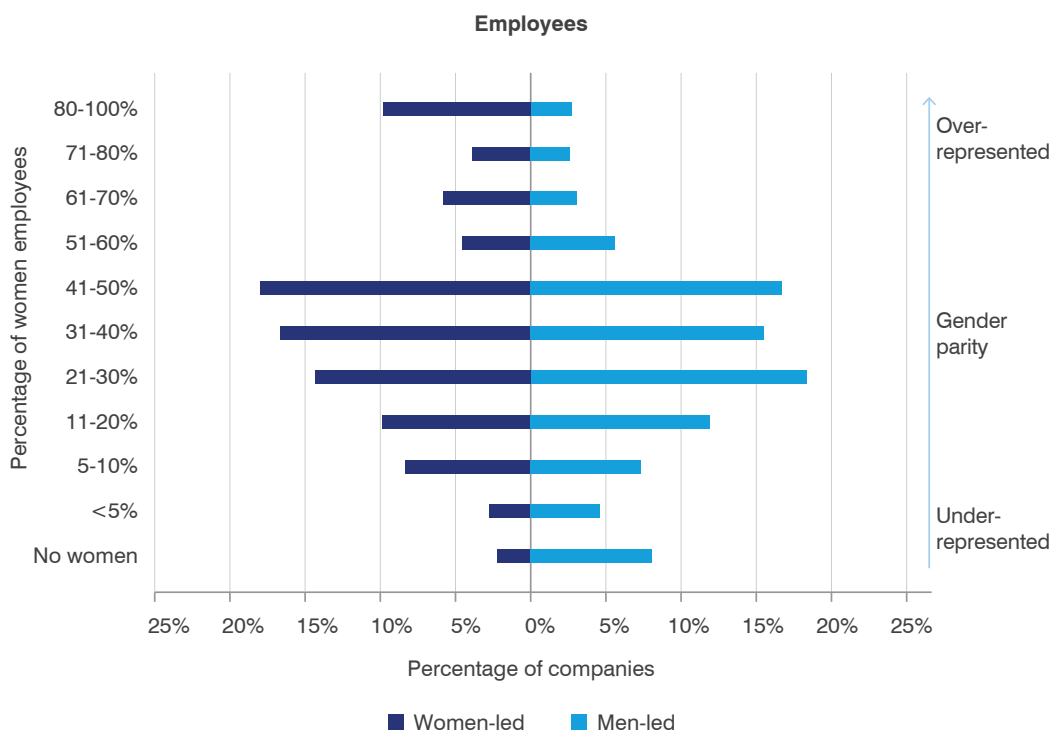
Approximately 25% of women-led businesses have a majority of women in the workforce (i.e. 50% or more of the total number of employees) compared to 14% of men-led firms (Figure 6).

Figure 5 Percentage of women senior executives, by company type



Source: ITC business survey, 2019.

Figure 6 Percentage of women employees, by company type



Source: ITC business survey, 2019.

Finally, women in executive positions tend to supervise more women. When a company department is headed by a woman, we are likely to find a higher percentage of women employees under her supervision. For example, more than 50% of companies with women-led production departments have a very high share of women employees in that department (51% to 100% of total departmental employees). In companies with men-led production departments, 58% of companies have a low representation of women employees (0% to 25% of departmental employees).

Similar trends can be found in the other departments except for public relations, marketing, finance, and administration departments, where women's representation tends to range between 25% and 50%, irrespective of who leads the department.

Most surveyed companies do not have a gender-specific policy in place aimed at promoting

women's employment. Only a limited share of companies put in place such a policy. These companies are predominantly large-sized and women-led.

When asked details on the type of policies, women-led and men-led companies differed in their responses. Women-led companies reported measures such as gender equality policies, policies to promote gender balance in the hiring of personnel, general preferences for women, and support to equality. In contrast, men-led companies report measures such as a gender-neutral hiring approach, a declaration of equality, participation in Girls' Day, adoption of flexible working hours and remote working, designation of a gender and equality officer or a diversity manager, setting up a committee to look at the rights of women, and supporting the internal promotion of women to higher posts.

BOX 6: Women-led businesses in the EU and developing countries: A tale of two worlds

As part of ITC's mandate, the Non-Tariff Measures Programme has collected gender-disaggregated data in more than 40 developing countries²⁴, spanning different geographical regions, focusing, among others, on ownership, management and employment.

Given the newly available data from the survey results presented in this report, ITC can begin to compare the participation of women-led businesses in the EU versus those in developing countries, in goods trade. This helps to understand if the trends identified throughout the analysis of EU firms are similar in developing countries and, if not, the possible reasons for such difference.

Three key findings have been identified:

1. Women-led companies in the EU tend to be better represented among exporting companies, especially in the agricultural sector. Women-led companies in developing countries represent 17% of total exporting companies, as compared to 22% for women-led companies in the EU. In the agriculture sector, 26% of total exporting companies in the EU are women-led, while in developing countries this value stops at 17%. The manufacturing sector shows similar levels of representation, with 21% of women-led

companies in the EU and 19% in developing countries.

2. Women-led companies are more likely to be small, that is, having less than 50 employees, both in developing countries and in the EU. The percentage of small companies tend to be high in both developing countries and in the EU, 72% and 56% respectively. The proportions change for medium and large companies. The EU registers a higher percentage of medium companies led by women, 40% against 17% of developing countries. The percentage of large companies led by women tends to be higher in developing countries (9% versus 4% in the EU). That said, an in-depth analysis and more data is needed to come to any firm conclusion.
3. Women-led businesses in developing countries tend to have more women employees. Generally, only 16% of EU companies have a majority of women employees, while this percentage reaches 21% in developing countries. In women-led companies, the finding is even more striking. In developing countries, 43% of these companies have a majority of women employees, compared to only 24% in the EU.

Source: ITC NTM survey database.

CHAPTER 4

Challenges for women in trade outside the EU



This chapter presents the survey findings on the challenges faced by women led companies in extra-EU trade.

Key findings

Main challenges faced by women-led companies. Challenges related to access to skills, access to funding from commercial banks and business networks have a gender dimension, i.e. they are not due only to size and industry concentration.

- Skills gaps are identified in marketing/communication, legal, IT/digital, and language skills. For women-led companies, these gaps are more frequent.
- Compared to men-led companies, commercial banks are significantly less important as a source of funding for women-led companies. The latter are more likely to apply for funds to expand their exporting-importing operations, but rely more on EU funds.
- Chambers of commerce and industry associations are the most popular types of business networks, but women-led firms value their benefits from these business networks less than men-led ones. Women-led companies also participate less in international networks. There is anecdotal evidence that women struggle to join informal business networks.

‘Anyone who has a minimum contact with the world of international trade may realize that men’s presence is still predominant. In many cases, this fact makes the presence of women surprising because it is not so common. When we leave the European Union, the differences are more notable than with neighbouring countries.’

Country: Spain

Industry: Food and kindred products

Conversely, challenges in relation to public procurement markets and compliance to private standards to expand into extra-EU markets are, at least in part, explained by size.

- More than 82% of all respondents did not participate in any public procurement market. Men-led companies are slightly more likely to engage in procurement processes.
- Almost half of the surveyed companies was required by private buyers to comply with private standards in order to start or expand extra-EU exports. There are significant differences between companies: 81% of men-led businesses do compared to 19% of women-led businesses.

The chapter presents factors that are not found to be problematic, namely access to trade information (with a caveat) and intellectual property rights.

- Women-led and men-led companies do not experience difficulties in obtaining up-to-date trade-related information relevant to extra-EU operations. The EU’s TARIC²⁵ database is the most well-known source of information and more frequently used for extra-EU trade operations, across women and men-led companies.

Finally, this chapter cross-references the results of a non-tariff measures (NTMs) survey conducted in 2015-2016.²⁶ The NTMs identified in 2015-2016 are looked at for the industries with high participation of women-led companies identified in Chapter 3.

- Companies in clothing, electronic components, and fresh and processed food and agro-based products, and metal manufacturing, where women are well represented, face frequent NTMs related to strict labelling requirements, rules of origin and product certification.

Challenges faced in extra-EU trade

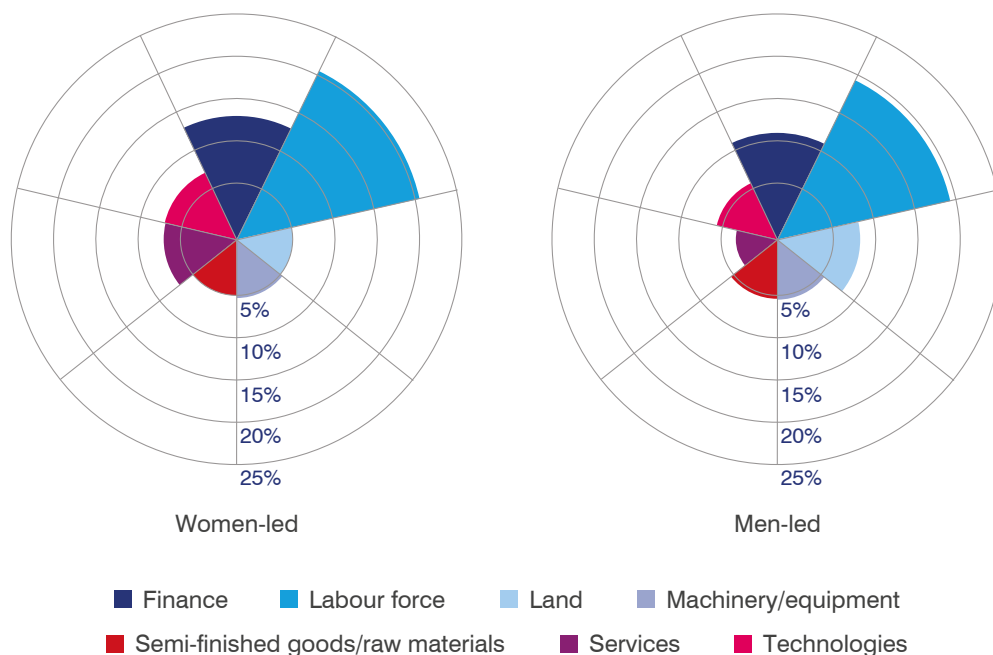
Challenges in relation to finance and labour

Figure 7 shows firms rated as having 'low' access to selected production inputs by gender. Access to finance and labour are the two factors identified by all companies as being problematic, particularly for women-led companies. This holds true when controlling for company size and sector. Access to finance is rated low by 11% of men-led companies and 14% of women-led companies. Access to labour is rated low by 15% of men-led firms, compared to 21% of women-led firms. Other production factors, such as machinery, land, intermediate goods, and services inputs, are rated satisfactorily for at least 93% of men and women-led companies.

A small, man-led manufacturing company from the Netherlands reported that,

“We export a lot to Colombia and work with a local company there that then exports to other countries in South-America. Some years ago, we had problems with our supplier from China who was not able to produce enough semi-products in time, so we had to delay their production process. As a result, we did not deliver timely to Colombia, and this affected the whole region of South-America. We looked for other suppliers in the region to diversify and avoid these type of problems.”

Figure 7 Firms rated with low access to selected production inputs, by gender



Source: ITC business survey, 2019.

Zooming into skill gaps

The survey zoomed into skills availability, one aspect of broader labour market issues. Whilst overall, the majority of firms are satisfied with skills availability, there are skills gaps in marketing/communication, legal, IT/digital, and language skills (Figure 8). This challenge is more frequent with women-led companies, although not always by high margins.

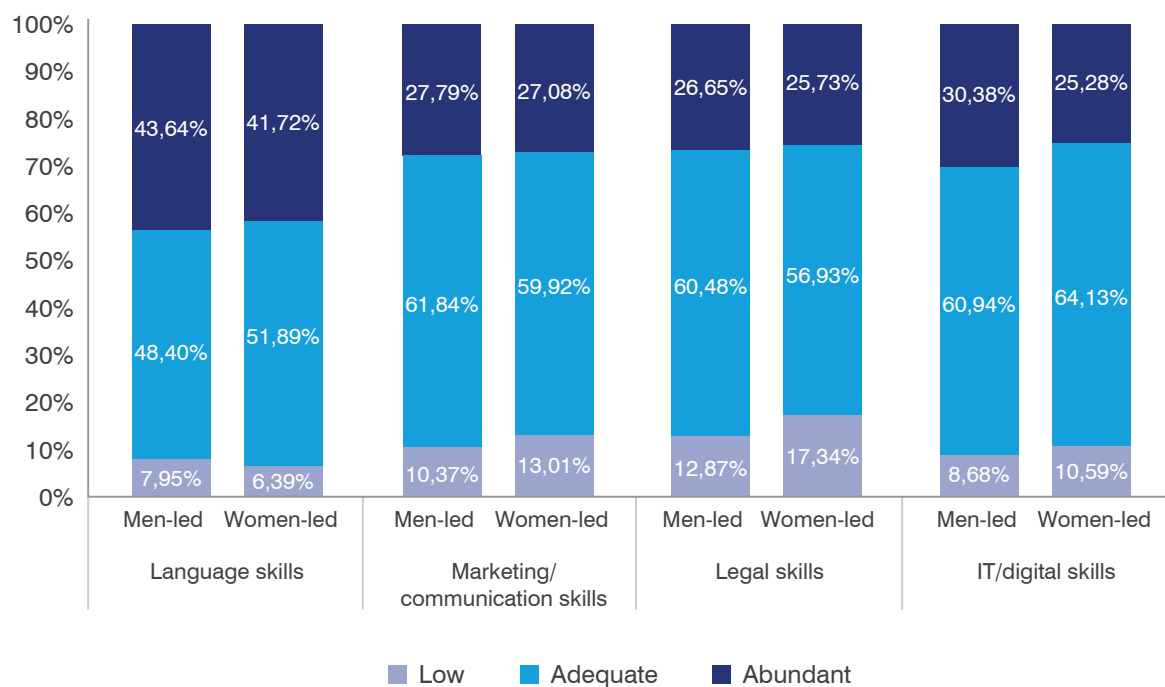
Small firm size was a recurrent constraint listed by women-led companies in the development of exports and finding skills. Many companies reported the necessity to externalize legal services or marketing, as they do not have these departments in house.

A medium-sized manufacturing company from Spain reported a lack of legal qualifications to handle very rigid and complicated procedures in their export destination country. Another company from Poland stated that, ‘knowledge of the local language would make the relations much more efficient.’

Also, a small, woman-led manufacturing company from Germany mentioned that, ‘considering our company size, we face some trade-related challenges in terms of skills. These start from not having much experience, as well as building up the export department on a rather slow pace.’

Small size explains most, but not all, the variation between companies reporting skills gaps. Even within large sized firms, more women tend to report such issues.

Figure 8 Skills’ availability among exporting businesses, by gender



Source: ITC business survey, 2019.

EXPORTER'S STORY

**Una Bruna**

Board Member/
Managing Director
Latvian American Eye Center
Riga, Latvia
www.laac.lv

Industry: Manufacturing -
optical fibers and medical
device supplies

Firm size: Medium

Year of establishment: 1993

Better support and education can help women engage more in trade

'The export product for the last five years of the company I am working for is highly professional, technologically sophisticated, individually tailored medical services at competitive prices.'

'Our business thrives from our knowledge of several foreign languages, business education, membership of international associations, research work, work experience in international business, international support team consisting of both men and women, representation in foreign country, knowledge and use of technologies saving time, and opportunity to travel.'

'Challenges for our firm are related to traditions of doing business, safety, prejudice and attitude issues, absence from business due to maternity leaves, absence from family due to a lot of business travel. There is much to do with philosophy and prejudice that refrain women from being more actively involved in business processes, especially in the countries not supporting gender equality.'

'Participation of women in trade could be increased by developing an education system focusing on: talent not gender, benefits of cooperating talents, and opportunities of different approaches, supplemented with fair and equal job offers and recruitment for both men and women. Support programs should be available throughout one's career, for example, experience exchange seminars, and sharing success stories. Government policy on gender equality and discrimination stated in the form of legislation can also help. Both genders must be treated fairly, taking into consideration the limitless opportunities of their cooperation.'

Zooming into funding sources

Women-led companies are more likely to apply for funds to expand their export/import operations. Access to finance is essential for export development. In the previous 12 months, 17% of surveyed women-led companies, compared to 11% of men-led ones, applied for external financing to start or scale up export/import operations.

The main difference between men and women-led companies relates to the sources of financing (Figure 9). For example, 54% of women-led businesses identified EU funds as the most important source of funding, and 35% recently applied for funding to these institutions, compared to 12% of men-led companies rating EU funds as the most important, and 14% applying for EU funding.

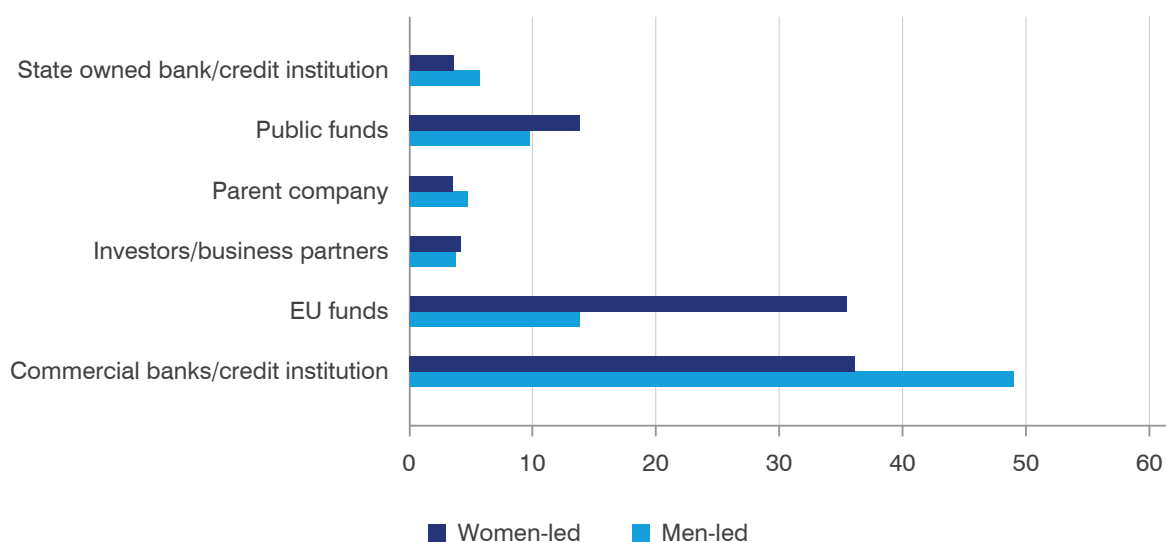
Conversely, 54% of men-led companies identified commercial banks as the most important source of funding, and 49% of them applied in the last 12 months. Only 29% of women-led companies evaluated commercial

banks as the most important source, and 36% of them applied for financial support to these institutions.

Company size alone does not explain differences in the source of financing. The complex factors underlying these disparities are underlined in this example from a woman-led company reporting that,

“Another challenge that I had to face was to handle bank institutions and too high interest rates. When I initially applied for a loan, the bank refused my application because of my missing income record. The bank did not consider me accountable. Additionally, bank offers also do not meet the needs of very small businesses like mine. When it comes to loans, women are still more reluctant to ask a bank for one, even if they are very likely to be able to pay back the loan soon.”

Figure 9 Sources of funding, by gender



Source: ITC business survey, 2019.

EXPORTER'S STORY

**Sally Barnes**

Founder & Owner

Woodcock Smokery

Cork, Ireland

<https://www.woodcocksmokery.com/>**Industry:** Agriculture - smoking wild fish**Firm size:** Small**Year of establishment:** 1979

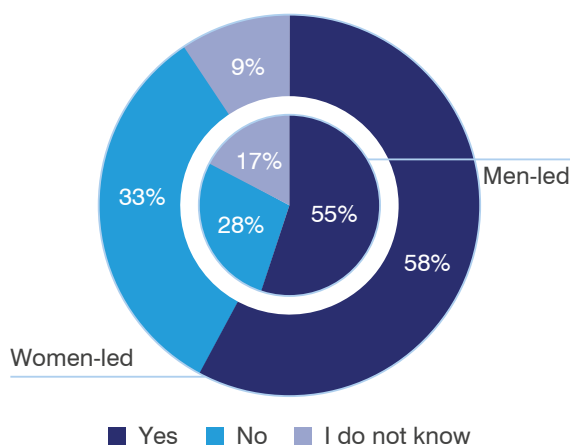
Exporting in my line of work can be tricky

'Originally, I did not aim to sell outside the EU, but customers requested supplies!'

'Raw material supplies are very unstable. As we work exclusively with wild fish, stocks vary year on year. That makes extending sales in a rational manner impossible. Better to have to say no to a few potential new clients, rather than let down many!'

'I've run my business for over 40 years now. I started it when my children were very small. Women are more family oriented. Back at that time in Ireland, the social expectation towards women was exclusively limited to raising children. However, exporting outside the EU requires a lot of travel which is difficult to do with little ones at home. Since my children are grown up now, I can travel more.'

Figure 10 Participation in a business network, by gender



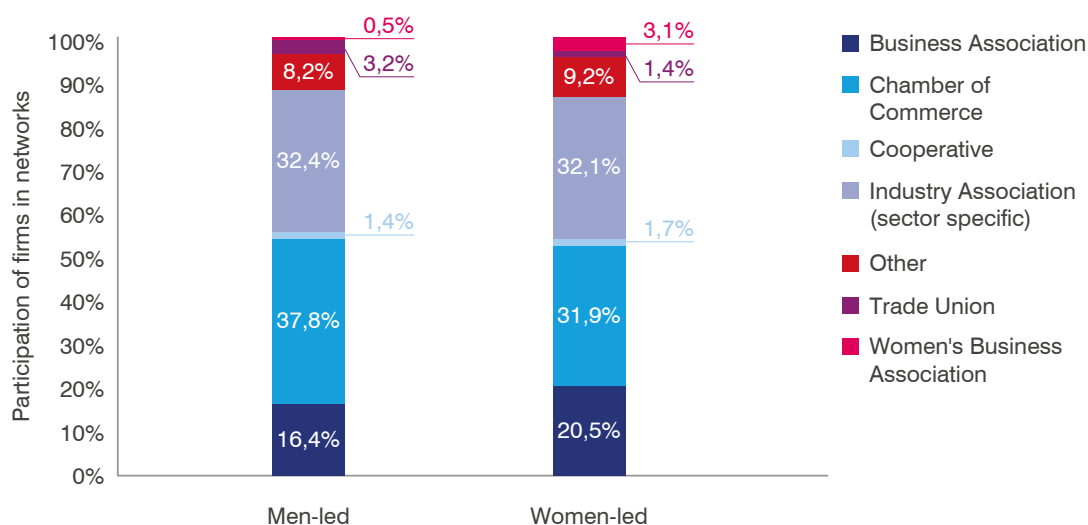
Source: ITC business survey, 2019.

Mixed reviews on the value of business networks

Out of all surveyed companies, 56% are, on average, members of a business network, with no large discrepancy between women and men-led businesses (Figure 10). In general, companies that answered this question report no challenges in accessing business networks.

Reasons provided by women-led businesses for not participating in a business network include: small firm size, no value-added perceived, and high membership fees. In comparison, men-led businesses stated additional reasons, including limited services provided, and preference to use specialized services (for example, traders/brokers). A small manufacturing company from Germany reported that, 'despite paying high membership fees to the chamber of commerce, we do not get the information we need.'

Figure 11 Participation of firms in business networks, by gender



Source: ITC business survey, 2019.

In general, chambers of commerce and industry associations are the most popular type of business networks for both women and men-led businesses (Figure 11), accounting for 69% of membership to a business network. This also holds true when taking into consideration company size. Chambers of commerce are more common with men-led businesses – only seven women-led companies out of 218 stated to be part of a women business association.

The ITC survey found that men and women-led businesses rate their benefits from business networks differently. Networks should provide businesses with market information, services and connections to succeed in international markets. When asked to rate their business networks out of a five-point Likert scale, ranging from not important to very important, only 32% of women-led businesses found them to be above relatively important, compared to 42% of men-led companies. The highest rated benefits derived from these networks, as rated by women-led companies, were market access information, new business opportunities (i.e. matchmaking, B2B) and training/mentoring (more so than men-led companies).

One potential explanation is that informal business networks are as important, if not more than formal ones to secure deals, and women are at a disadvantage.²⁷ Although the survey does not address this issue, there is anecdotal evidence that this may be an issue deserving further research.

For example, several women-led companies of different sizes raised this issue in Italy. An exporter of beverages and tobacco products argued that women-led exporting companies may have less clients outside the EU, 'due to informal barriers existing in the industry which is still a boys' club.'

A woman executive of food products company stated that, 'informal networks are often dominated by men'. According to a woman general director of a metal products company, 'in trade there are informal networks that provide information; as a woman it is more difficult to access these 'boys clubs'. A woman export manager of another metal products company reported that, 'in certain contexts there are limits due to informal networking.'

Women are less likely to be members of international networks. Thanks to digital platforms, women and men-led businesses can join different networks at regional, national, and international level. However, the presence of men-led businesses in global networks is higher than women-led companies, and this holds true for all type of networks. This may also be explained by the fact that women-led companies tend to be smaller.

For chambers of commerce, the ratio of women to men-led businesses participating in global networks is 15%, whereas at the national and regional level, the ratio is 26%.

This situation is slightly better in industry associations: the ratio of women-led to men-led businesses is 31% in international networks, 28% in domestic networks, and 27% in regional networks. This shows that women may be exposed to a limited number of international opportunities to connect with other businesses all over the world, acquire greater knowledge, and develop mutually-enriching relationships.

EU-exporting companies tend to participate in international trade fairs organized in Europe. Trade fairs are an effective channel to access international markets. They facilitate meeting new potential buyers, expanding networks, establishing personal contact with prospective clients, and

studying the global market of consumer and competitors. Most international fairs attended by both women and men-led firms targeted China, EU member states, the Russian Federation, the United Arab Emirates, and the United States of America.

Medium-sized businesses are more likely to receive support to participate in trade fairs. ITC data shows that few companies participated in an international trade fair in the previous 12 months. About 15% of ITC survey respondents said they received support from these trade fairs, with no difference between women and men-led companies. For the most part, this 15% were medium-sized firms in the agricultural sector.

EXPORTER'S STORY



Danira Glavinić

Founder and Director

DADA & ROCCO

Supetar, Croatia

<https://dadaandrocco.com/>

Industry: Manufacturing -
Linen, baby nests and other
baby apparel

Firm size: Small

Year of establishment: 2015

Networks and skills are helping our business to go global

***Making it locally to go globally:** 'Our goal (and dream) from the start was to be recognized globally. We knew, however, that we have to make it locally to go globally. Surrounding countries were a good place to start because our languages and cultures are very similar, and therefore, it is easier to export to these markets.'*

'Our experience in exporting our goods to these countries is very good so far. We have a representative (a partner) in Bosnia and Herzegovina and we are very satisfied with our export there. Due to our investment in production capacities we can now begin scaling up our production. Therefore, we are in need of a bigger market, as we used up all the potential of the Croatian market. We have orders from EU countries through our web-shop, but these are individual orders in limited numbers and our goal is to export more into those countries (including countries outside the EU) so we can further expand abroad.'

***Networks and skills are key:** 'Women are capable to export more but we need mentoring and access to networks, capital, support and education on management skills. It would help to have education from experienced mentors related to export skills and how to enter different markets. We faced a challenge regarding access to buyers and big companies which could represent us in other countries.'*

Disparities in leveraging private standards to expand extra-EU exports

Almost half of the surveyed companies were required by private buyers to comply with private standards in order to start or expand extra-EU exports. Examples of private standards include Bio-certificate, Green Label Plus, OECD Guidelines, Max Havelaar, Forest Stewardship Council (FSC), and PVC-free certificates. There are significant differences between companies: 81% of men-led businesses compared to 19% of women-led businesses were in this situation. This is partly explained by size, with smaller sized companies less likely to comply with new standards in order to enter or expand extra-EU trade.

The most common problems reported in relation to product certification are related to complicated and demanding procedures, high costs, and in some EU countries, companies have difficulties to find institutions accredited to provide very specific certifications. For example, a small, woman-led agricultural company from Spain stated that, 'in Arab countries, it is obligatory to renew Halal certificates. It is mandatory to do it annually, and it costs between €3,000 and €4,000, which is very expensive for us.'

Low participation in public procurement outside the EU

Public procurement can be an entry door to international markets. However, EU companies do not seem to participate in such activities. More than 80% of all ITC survey respondents did not participate in any public procurement process in the previous 12 months. Men-led companies are more likely to engage in procurement processes, 9% compared to 4% of women-led companies.²⁸ This is, at least in part, accounted for by company size.

Although it is not possible to draw definitive conclusions due to the limited number of respondents for this question, the survey provides examples of destination markets. Australia, China, Russia, and South Africa are the countries most frequently mentioned by both women and men-led companies. However, both types of companies also export to a larger, diversified group of developed and developing countries. When asked about the public authorities they supply, men-led companies report a larger number of national departments, including central banks, energy authorities, transportation authorities, and public universities. Almost all women-led companies mentioned the ministries responsible for health. Further research into entry barriers for women and men-led companies would be useful.





Good access to trade information and intellectual property rights

High utilisation rates of trade information sources

The survey highlights a gap between awareness of trade agreements and access to trade information. Less than one third of companies surveyed, both men-led and women-led, is aware of EU FTAs and an even lower share of companies participate in consultation processes leading to the adoption of trade agreements. Stakeholder consultations undertaken before this survey confirm that women entrepreneurs may be well represented in some Member States but not yet at the EU-level.

Nevertheless, more than 90% of both women and men-led companies do not experience any difficulties in obtaining up-to-date trade-related information relevant to extra-EU operations. In order to support companies in their extra-EU operations, the EU maintains several sources of information. Out of all the sources of information available, TARIC is the most well-known and more frequently used for extra-EU trade operations, across women and men-led companies, especially in the manufacturing sector. Market Access Database is the second most well-known and utilized source of information for women and men-led companies, followed by the Trade Helpdesk.

Enterprise Europe Network, Your Europe – Business, and the European Small Business Portal are less commonly used. Other sources of information include the website of national business associations, privately-owned databases, Google, export portals and business councils.

However, some respondents reported challenges. According to the director of a small women-led company from Italy exporting food and similar products:

‘Companies do not have access to updated and reliable information on customs, transport, logistics, weather and culture in foreign countries. Companies have to outsource to private services to access this type of information and for SMEs costs can be too high. As a result SMEs may give up on certain markets due to lack of information. We need a hub at the European level to collect info and research on foreign markets,²⁹ including customs and documentation but also distribution channels, culture and weather.’

A representative of a small, men-led company from Italy that exports paper products indicated that,

‘We frequently use the VIES VAT number validation portal in order to check our trading counterparts. However, this database only includes companies from EU countries.³⁰ For this reason, the impossibility to check extra-EU VAT numbers creates an obstacle to potential trade relations. If such a portal is not yet available, it would perhaps be appropriate to think of its possible creation as we are convinced that such a service would greatly facilitate trade between EU and non-EU countries.’

EXPORTER'S STORY

**Roser Ramos**

General Director
CONDOR and CND Barcelona
Barcelona, Spain
<https://www.condor.es/>

Industry: Manufacturing -
knitting, specialized in socks and
leotards

Firm size: Large

Year of establishment: 1898

Number of export destinations:
49 countries

Information is key to enter new markets

'Women in management are still rare. In my sector, the world of textiles and fashion, female designers, creatives and marketing directors are quite established, but women in management are still rare. While women are in charge of making important and sometimes even risky decisions, men only confirm and finally sign decisions made by women. As in all sectors, in the world of textiles and fashion, women have a great opportunity for personal and professional development.'

'Information is key in the world of exports. Information about the specific export requirements for the potential destination country is key. Regulations widely differs from country to country and are very complex. It must be clear in advance whether the effort is actually worth it. It is further important that each product is registered by a trademark in the export destination country and that the product is accredited by as many international certificates as possible. Mature economies are still open to new brands, and emerging economies around the world are certainly new future markets.'

'Being able to access new countries outside the EU is a necessity for the growth of a company. When the brand, in our case, CONDOR - Cnd Barcelona, is better known, its accessibility to markets around the world is easier. We must make an effort to reach other territories, no matter how difficult it might be.'

Efficient use of patent, copyright or trademark protection

Innovations are critical for extra-EU trade: 41% of companies surveyed improved production systems or carried out product innovations in order to start or expand into extra-EU trade.³¹ Most innovations take place in the manufacturing sector. Small-sized companies and women-led companies are very active in innovation. Examples of innovations include adoption of IT tools, use of greener technologies, customization of products, adoption of new machineries, and new logistics systems.

The use of IPRs helps to enhance the competitiveness of companies in international markets and facilitate entry into new markets and build trust. Almost all respondents said they do

not face any problems related to registering or maintaining patents, copyrights or trademarks necessary for their extra-EU operations.

Examples of the few challenges related to registering or maintaining IPRs include a large manufacturing company from Germany stating that,

'Registration of trademarks is a very tedious task in China due to various reasons: high bureaucracy, long waiting periods, and long period for objection by the Chinese government. Sometimes trademarks are already registered with no traceable process of which company did register it.'

EXPORTER'S STORY

**Fauzia Gooss**

Export Manager

Carlsberg Deutschland GmbH
(Holsten-Brauerei AG)

www.carlsbergdeutschland.de

Industry: Beverage products**Firm size:** Large**Year of establishment:** 1879

Entering new markets is a big challenge for us

'Labelling requirements, product registrations and duties can be burdensome. We do have a lot of opportunities but we also have to face a lot of challenges entering a new market. Additionally, you need to be the partner with appealing conditions like payment and delivery terms. Except of a brand and launch strategy, we have to consider labelling requirements, product registrations, taxes and excise duties of the particular country. Some countries have huge excise duties on alcoholic beverages. Consequently, your product is too expensive and it therefore makes no sense to pursue this market.'

A medium-sized manufacturing company from Spain explained that, when trying to export to Brazil, they found that someone else had registered their brand. To solve the issue, they had to buy the brand from the person who registered it, leading to a significant delay in export procedures. A similar case was reported by a small manufacturing company in Spain when entering the Egyptian and South Korean markets. The consequences are incurred costs, and delayed operations.

Reasons provided by respondents for not holding an IPR differed slightly between women and men-led businesses. In general, both state no perceived value-added, not applicable to the industry, and it is registered for longer than three years. According to survey results, women-owned businesses also do not have the financial resources to afford it, whereas men-led businesses mention risk of registering IPR and having it copied by another company, and that the innovation is not relevant to register a patent.

Non-tariff measures: A challenge for small firms

Non-tariff measures (NTMs) are mostly non-discriminatory regulations aimed at preserving legitimate interests such as protection of security and health of consumers or the environment.³² However, compliance with differing requirements

across countries might be complex and costly for exporting companies. This section cross-referenced the findings of an ITC NTM survey carried out in 2015–2016 across the EU. Using pre-existing data on NTMs, the analysis focuses on those NTMs prevalent in industries of relevance to women-led companies (see Table 1 in Chapter 3 on firm industry distribution, by gender).

Smaller firms struggle more with the cost of non-tariff measures

According to ITC's 2015–16 NTM survey, larger companies tend to export more products to more export destinations, which increases their likelihood to face hurdles in these transactions. Smaller companies tend to trade fewer products with fewer partners, hence experience less NTM-related problems. However, the impact of NTMs is likely to be much higher for smaller firms, as the share of transactions in which they encounter problematic NTMs is higher compared to larger firms. Smaller size firms have less in-house resources to dedicate to export and import procedures and trade smaller consignments. Due to this, the fixed costs of NTMs and burdensome cross-border procedures represents a larger share of their unit cost.³³ Since women-led companies are disproportionately concentrated in the small-sized category, they are likely to face higher costs related to NTMs.

Labelling requirements, rules of origin and product certification as challenges

Table 7 shows the main NTMs faced by EU companies in industries where women-led companies are concentrated. These NTMs vary by industry, but strict labelling requirements, rules of origin and product certification are cross-cutting.

Technical regulations must be consistent with WTO rules and not become an unnecessary trade obstacle. However, in practice, these issues may take time to be dealt with it. Most problems in the area of labelling requirements, rules of origin and product certification relate to the procedural obstacles in complying with rules. According to the 2015–16 ITC NTM survey, in more than 90%

of cases, the burden is caused by procedural obstacles, including delays (48%), high payments (21%), administrative burdens (14%), information/transparency issues (almost 10%), and to a limited extent, issues related to lack of recognition and discriminatory behaviour of officials. Regarding high fees and payments, companies report this issue for certificates to prove the origin for both preferential and non-preferential cases.

The 2015–16 ITC NTM survey also shows that in 75% of cases concerning labelling requirements, compliance is difficult due to various procedural obstacles, such as time constraints (21%), information/transparency issues (21%), costs related to compliance (14%), difficulties with translation (12%), or other obstacles. In the remaining 25% of cases, the problem relates to strict labelling requirements.

Table 7 Non-tariff measures identified by the ITC 2015–16 NTM survey, selected industries

Industries of relevance to women-led businesses	Examples of products	Non-tariff measures (NTMs) faced
Clothing	Men's clothing, bed linen	<ul style="list-style-type: none"> ▪ Rules of origin and related certificate of origin, ▪ Product certification ▪ Pre-shipment inspection ▪ Licensing or permit to export ▪ Regulations concerning terms of payment for imports
Electronic components	Lamps, low-voltage cabinets	<ul style="list-style-type: none"> ▪ Product certification ▪ Rules of origin and related certificate of origin ▪ Storage and transport conditions for other products, (e.g. medicines) ▪ Regulations concerning terms of payment for imports ▪ Labelling (e.g. product labels with information for consumers)
Fresh food and raw agro-based products	Oranges, tomatoes, extra-virgin olive oil	<ul style="list-style-type: none"> ▪ Product certification ▪ Other hygienic requirements ▪ Testing ▪ Geographical restrictions on eligibility because of food borne risks, disease and pests risks ▪ Certification required by the exporting country
Processed food and agro-based products	Malt beer, wine, cider	<ul style="list-style-type: none"> ▪ Product certification ▪ Labelling (e.g. product labels with information for consumers) ▪ Rules of origin and related certificate of origin ▪ Testing ▪ Packaging
Metal and other basic manufacturing	Glass light installations, screws and bolts	<ul style="list-style-type: none"> ▪ Rules of origin and related certificate of origin ▪ Product certification ▪ Pre-shipment inspection ▪ Other pre-shipment inspection and other entry formalities ▪ Fumigation

Note: Column 2 displays examples of products mentioned by women-led businesses for ITC sector classification; column 3 describes the main NTMs challenges experienced in each sector and refers to the data collected by ITC in its 2015 survey *Navigating Non-Tariff Measures: Insights from a Business Survey in the European Union*. For more information on ITC NTM classification, visit: www.ntmsurvey.org.

Source: ITC business survey in the EU, 2015-2016.

The background of the entire page is a dark blue, abstract network of glowing nodes and connecting lines, resembling a digital or molecular structure. The nodes are small, bright blue circles, and the lines are thin, light blue, creating a complex web of connections. The overall effect is futuristic and technological.

CHAPTER 5

The way forward

This report provides first-of-its-kind evidence on the participation of women in agricultural and manufacturing trade outside the EU. It does so by exploring the multi-dimensional nature of women's participation in extra-EU trade, as owners, managers and workers. The data emerging from ITC's survey answers essential questions: Are women and men equally represented in terms of ownership, employment, and management? What are the characteristics of women-led and men-led companies? What, where and how are companies exporting? What are challenges faced by companies? Do these differ between women and men-led companies?

Overall, women are under-represented in extra-EU agricultural and manufacturing trade. Only 22% of the exporting companies of manufacturing and agricultural goods surveyed have a woman as owner and/or manager. In almost half of companies surveyed, women account for 30% or less of the total workforce.

Job segregation remains significant. The number of EU exporting companies managed by women is as

low as 18%; and less than one out of three companies reaches at least 30% of women in senior executive positions. Strategic management positions, for example in research and development or production, remain male-dominated.

The good news in ITC's research is that women tend to open opportunities for women. Companies led by women are more likely to employ women senior executives as well as women workers. When a company department is headed by a woman, the survey revealed a higher percentage of women employees under her supervision. Most surveyed companies do not have a gender-specific policy in place aimed at promoting women's employment. Only a limited share of companies, predominantly large-sized and women-led, put in place such a policy.

The survey provides further insights on the characteristics of exporting companies. Compared to their men counterparts, women-led companies are more likely to be small in size. Overall, 56% of women-led businesses earn less than €10 million, significantly more than men-led businesses. They are also more likely to be family-owned businesses.





Gender differences are also found in industry concentration: the most striking being that women-led companies are well represented in the clothing subsector, and under-represented in transport equipment. This is particularly concerning because transport equipment has the highest export growth potential, while clothing does not.

It is equally important to point out where the survey did not find differences. Export intensity, the ratio of export sales to total firm sales, and integration into global value chains are high across both firm types. Women and men-led companies tend to export and import from similar markets, which include developed, emerging and developing economies. China, the Russian Federation and the United States of America top the list.

Women-led companies are as active as men-led firms in adopting online marketing channels. Company websites, direct marketing, and trade fairs are the most important channels. Notwithstanding women-led companies being disproportionately smaller-sized compared to men-led companies and concentrated in sectors with lower export growth potential, they are on a par with men-led companies in searching for finance, information and buyers.

Both type of companies report scarcity in legal, marketing/communication, IT/digital, and language skills, but women-led companies are more likely to do so. Women-led companies are also less likely to identify commercial banks as the most important source of funding, with significant disparity compared to men-led companies. Both skills and finance-related challenges impact women more, irrespective of size.

Chambers of commerce and industry associations are the most popular types of business networks. However, women-led businesses rate the benefits

from business networks lower than men-led businesses, particularly in relation to access to information on markets and business deals. One potential explanation is that informal business networks are as important, if not more important than formal ones to secure deals, and women are at a disadvantage because these are traditionally male-dominated or because of time poverty. Although this issue was not addressed in the survey, anecdotal evidence suggests this may be an important issue. Women are also under-represented in global networks.

Size largely explains disadvantages in accessing public procurement markets, expanding trade through private standards and dealing with NTMs. As such, women are disproportionately affected. Less than 20% of all respondents had recently participated in extra-EU public procurement markets. More than 50% of the companies has not complied with private standards in order to start or expand extra-EU exports. More research is required to better understand opportunities and solutions to support companies in these areas.

NTMs are likely to be costlier for smaller sized companies due to higher incidence per transaction, and less internal resources to deal with them. Labelling requirements, rules of origin and product certification are key barriers across industries relevant for women-led companies. Most problems in this area relate to procedural and implementation issues.

Both women and men-led firms surveyed report little to no problems related to registering or maintaining patents, copyrights or trademarks, nor obtaining up-to-date trade-related information relevant to extra-EU operations. Survey results show that TARIC (the EU's database on customs tariff, commercial and agricultural legislation) is the best-known source of information.

Implications for gender-responsive trade policies

From the 2000s onwards, bilateral and regional FTAs have been important innovation labs for countries to develop gender-related provisions. Current provisions in FTAs have various objectives, content and approaches. A legal review of selected FTAs conducted by this report identifies three categories of provisions: provisions reaffirming gender equality objectives, the most common ones in FTAs; provisions to safeguard achievements on gender equality, focused on domestic laws (sometimes with reference to international conventions); and provisions to advance gender equality, through cooperation or the right to regulate for affirmative action policies. The legal nature of these provisions should not be underestimated – some amount to concrete obligations, enforceable by general or special dispute settlement arrangements.

What are the implications of the survey findings for trade policymakers? The persistence of gender inequality in the workplace confirms that the focus of trade and gender provisions on women in the labour market are well placed. Most modern FTAs require parties to comply with core labour standards, including prohibition on gender discrimination in the workplace. Beyond the protection of basic worker rights, it would be important to strengthen initiatives to address job segregation. There is a need to promote the employment of women in strategic departments and executive roles. This is even more important because it can kick start virtuous cycles, whereby women open more employment opportunities at all levels for other women.

Women and men-led exporting companies in the agricultural and manufacturing sectors operate in different industries. Negotiations aimed at improving market access for the industries where women-led companies are concentrated could be one tool to support their expansion. Better women's industry representation and participation in consultation processes would ensure that the issues faced by women-led companies are shared with policymakers.

Access to skills, financial services from commercial banks, and business networks are areas where women appear to be disadvantaged, irrespective of

size. A particular focus on women-led companies in these areas is warranted. Developing business networks that are better tailored to the needs of women-led businesses is also an area worth exploring. Trade promotion agencies can play an important role providing targeted support to help more women-led companies enter and grow in extra-EU trade.

Supporting small businesses in entering public procurement markets outside the EU and leveraging private standards are two areas that deserve more in-depth research and attention by policymakers. NTMs also stand out as an area where more can be done to support SMEs. The most important export markets for women and men-led companies include countries with whom the EU does not have an FTA. Yet, these are high growth markets. The EU already provides a single hub for market access information, but there is room for improvement in awareness at the Member State level, among business organizations and women entrepreneurs' networks. While the latter would not be a gender specific intervention, women-led companies are likely to benefit disproportionately because of their smaller size.

The study has two limitations. First, women, whether as entrepreneurs or workers, are concentrated in the services sector. Further analysis is needed to shed light on the participation and challenges that women-led companies face when they export services outside the EU.

Moreover, this study focused on the gender dynamics among firms that export outside the EU, but did not explore the factors holding women back from entering export sectors in the first place. These factors are likely to encompass several policy areas, from social policies and education to labour market dynamics, as well as culture and societal norms. Also, the survey did not uncover why women participate in sectors where they are currently over-represented, especially those with lower export potential. Promoting the entry of women in employment, business ownership and management, in general and in high export potential sectors is likely to garner the largest impact on the reduction of gender disparities in extra-EU trade. Understanding the underlying barriers in this respect is beyond the scope of this study, and deserves further research. More research is also needed in specific industries, focusing on specific dynamics shaping export opportunities for women.



Most interventions required to encourage more women to engage in extra-EU trade consist of domestic policies beyond the purview of trade policy. These include strengthening programmes to encourage women to set up and grow their businesses. In many cases, interventions should target SMEs more broadly, but pay particular attention to ensure that women take advantage of these opportunities.

While many challenges faced by women are not trade-related, trade policymakers can be part of the solution. For example, by supporting the participation of women in trade through platforms provided by FTAs; or through cooperation at the multilateral level. This cooperation could involve sharing best practices, promoting access to information and networking opportunities, and improving the collection and analysis of gender-disaggregated data (issues already covered in recent FTAs).

Despite their small size and being concentrated in industries with lower export growth potential, women-led companies exporting goods outside the EU are export-intensive, apply for funds to expand operations, use TARIC to acquire market information, and are actively taking advantage of online tools to find and contact customers. They also target the same high-growth export markets as men-led companies. Addressing the challenges women-led firms face is critical to levelling the playing field and contribute to the EU economic growth.

The evidence in this report provides EU policymakers with information to strengthen and/or develop strategies to address these obstacles. Moreover, this report is a significant contribution to the 2017 Buenos Aires Declaration on Trade and Women's Economic Empowerment, sharing with the global community a new data collection and analysis approach to understand the trade and gender nexus.



APPENDIX

Survey methodology and implementation



Scope and coverage of the survey

This study builds on ITC's experience in carrying out business surveys, adapting existing ITC methodologies to study obstacles to women's participation in international trade. ITC's business surveys on trade obstacles, carried out as part of its NTM programme, document the experiences of companies that are involved in international trade. Disaggregated by export sector, they identify predominant regulatory and procedural trade obstacles at the level of product (HS6), sector and partner country. ITC's business surveys gather evidence from the ground about unnecessary trade cost that trade regulations imply. To date, ITC has carried out such business surveys in over 60 countries.³⁴

This study uses a survey-based data collection method designed to obtain quantitative data on the extent and nature of women's participation in trade and the obstacles they face. It aims to provide insights on the sectors and types of companies in which women work, which types of firms are women-led (owned and/or managed), which obstacles they encounter and how these differ from those encountered by men. The method can also serve as model also for other countries to contribute to a solid evidence base for better-informed trade policy decision-making. The survey's findings contribute to the strengthening and mainstreaming of gender considerations in trade agreements and design policy interventions to address the trade obstacles faced by women in their different roles as owners, managers, producers and employees.

The survey was designed to provide significant results and allow conclusions when aggregating countries. It is possible to analyze companies per size for a given sector only when considering the 12 countries as a whole. As a consequence, giving results on a single country may lead to erroneous conclusions given the limited number of interviews per country.

ITC's gender survey has been developed in close collaboration with the European Commission.

The survey covers companies exporting goods outside the EU. Companies excluded from the survey include businesses trading services (including those providing exclusively export services), and companies trading arms and minerals. Companies or agents that provide export services (e.g. freight forwarders, transportation services etc.) are not understood as exporting companies and are not the target of the survey.

Interviews were carried out in 12 EU Member States, namely Belgium, Bulgaria, Croatia, Czechia, Germany, Ireland, Italy, Latvia, the Netherlands, Poland, Spain and Sweden.

Sample frame and sampling method

The survey sample frame has been constructed from company registries used by ITC in a previous exercise in 2015, obtained from Dun and Bradstreet and Kompass. It was assumed that the shares of companies per size and per sector are approximately the same today as they were in 2015. The dataset was divided by sector and company size. The sample frame included 150,903 exporting companies from 12 EU Member States.

The selection of companies was based on stratified random sampling by aggregate sector (agriculture and manufacturing), company size (small, medium and large³⁵) for a total of six strata.

The sample of exporting companies was determined for each stratum and calculated from the general population of firms exporting outside the EU. The method used allows for the evaluation of the variation of challenges faced per stratum. Based on these criteria, a sample size of 1,135 companies was determined.

Table 8 Number of companies in business registers, by EU member state

Country	Companies in business register	Share in total
Belgium	9,923	6.58%
Bulgaria	2,366	1.57%
Croatia	2,894	1.92%
Czechia	9,618	6.37%
Germany	36,065	23.90%
Ireland	1,382	0.92%
Italy	35,925	23.81%
Latvia	2,471	1.64%
Netherlands	16,873	11.18%
Poland	12,482	8.27%
Spain	14,453	9.58%
Sweden	6,451	4.27%
TOTAL	150,903	100%

Source: Dun & Bradstreet's (Hoover's) and Kompass (2014).

To calculate the number on interviews per country, the countries' weights were calculated as the simple mean of three variables within each sector:

- Countries' share in the total of the 12 countries' value added, which is a good indicator of the country's economic size within the region;
- Countries' share in the total extra-EU export value, which is a good indicator of the country's external export activity;
- Countries' share in the total number of companies exporting outside the EU, which reflects the actual sample population.

Hence, weighting for value added and extra-EU export value ensured that companies surveyed are those that contribute the most to the economic and export activity among these 12 countries and that can better identify the main trade obstacles.

The sample size of each sector is then distributed across countries according to their weights.

Due to the lack of comprehensive trade indicators available for the company size at the country and sector level, the countries' weighting was drawn by sector and replicated to the three company size categories within each sector.

Interviews and database

While the ITC's NTM survey process consists of two steps: a telephone interview conducted with the sampled firms; and a face-to-face interview, undertaken only with the companies that report difficulties with NTMs during the first phase. ITC's gender survey merges the two phases in just one phone interview. However, this dualism is reflected in the questionnaire, which is divided in two sections. The first section focuses on capturing and measuring the participation of women in extra-EU trade. It resembles ITC's established telephone questionnaire for NTM surveys, which has been tested in more than 60 countries.

The key variables are:

- Women's ownership of firms;
- Women's management in firms;
- Share of employees that are women.
- Firm size (total number of employees);
- Information about main export products (HS6 level);
- Information about main export markets;
- Share of exports in total sales;
- Information about import activities (if any).

Established firm size definitions usually include a turnover criterion. However, experience shows that firms are generally unwilling to answer questions related to turnover or other value terms (e.g. export value) and that such questions may put at risk survey implementation. ITC therefore opts for using the total number of employees as proxy for the firm size.

The second section of the survey required a significant design effort. The aim was to measure potential gender differences in the ease of accessing international trade. This implies that the questionnaire had to be such that it can be used both for women and men-led firms so results could be compared across the two groups.

Table 2 Survey database description

Type of information	Variables
Company information	<ul style="list-style-type: none"> ▪ Company unique ID ▪ Company years of activity ▪ Leadership ▪ Ownership ▪ Management ▪ Employment ▪ Location (12 EU countries) ▪ Size ▪ Turnover
Trade information	<ul style="list-style-type: none"> ▪ Company unique ID ▪ Location ▪ Product code and description, and related sector ▪ Trade direction (export or import) ▪ Partner country ▪ Presence abroad ▪ Sales generated by exports and extra-EU exports ▪ Indication whether a company faces challenges when exporting/importing to different countries
Information on challenges	<ul style="list-style-type: none"> ▪ Knowledge of trade agreements ▪ Participation in consultations ▪ Participation in international fairs ▪ Access to different sources of information ▪ Sources of information used ▪ Access to business networks and associations ▪ Use of incentives ▪ Sources of financing ▪ Skills necessary for extra-EU operations ▪ Inputs necessary for extra-EU operations ▪ Use of patents, copyright or trademark protection ▪ Products and process innovation implemented ▪ Participation in procurement ▪ Use of private standards and certificates ▪ Product affected ▪ Trade flow affected ▪ Partner country ▪ Input country ▪ Country where the problem originated ▪ Authorities involved ▪ Description of the problem ▪ Number of days required ▪ Cost as % of the transaction ▪ Recommendations for improvements
Information on perceptions	<ul style="list-style-type: none"> ▪ Agreement with different statements proposed

It was therefore important to focus questions on issues around accessing trade rather than those that determine the ease of starting a business or, even wider, accessing economic activities. This said, it may not always be easy to parse the different elements. As a guiding principle, the questionnaire focused on issues that can potentially be addressed by trade policy or that should be taken into account in trade policymaking.

The issues covered in the second section of the questionnaire included:

- Access to finance: the possibility for the firm to benefit from trade incentives, such as simplified tax regimes, and accessing financing, such as loans.
- Access to skills: the presence in the firm of specific skills useful for trade operations, such as: Management/business skills/negotiation skills; analytical skills; and digital skills.
- Access to networks and support of trade support institutions: the possibility for the firm to participate or be member of an association or business network, such as chambers of commerce or industry associations.
- Trade policy: the familiarity of the firms with concepts such as awareness of trade policy instruments (e.g. trade agreements and preferences), and participation in public-private dialogues.
- Access to information: the capacity of the firm to access information on trade-related issues, such as tariffs and customs procedures.
- Market access: the channels and strategies used to enter a new foreign market.
- Trade-related production capacities: the presence in the firm of specific production inputs necessary for the company, such as land, labour force and finance.
- Product innovation and intellectual property rights: the capacity of the firm to carry out innovations on products or productive processes and to apply for patents or trademarks.
- Public procurement: the possibility for the firm to participate in public procurement processes, like building a hospital or providing automobiles to the police.
- Private standards and certificates: the capacity of the firm to comply with any private standards and certificates, such as ISO or Hazard Analysis and Critical Control Point.

Survey implementation

The survey was implemented at the national level by local consultants in the selected 12 EU member states through phone interviews, between April and July 2019. This work lasted 3.5 months. In some countries, namely Belgium, Germany, Italy, the Netherlands and Spain, more than one consultant was selected, due to the number of phone interviews or to different language skills needed. The survey was undertaken in local languages. Phone interviews were recorded either by computer spreadsheets, or on paper. Once the interviews were concluded, the data was uploaded on NetSurvey, an online tool used by ITC's NTM programme to register survey data.

9,121 companies were contacted by phone, with 1,118 exporters replying to the full questionnaire, reaching a participation rate of 12%.

ITC used a strict quality control and monitoring protocol throughout the process, to ensure that the methodology was applied accurately and the sampling was respected. The quality control was carried out through periodic statistical checks to identify data incoherencies or incompleteness, as well as manual checks to ensure the proper coding of the products and challenges.

When needed, data was sent back to national consultants, in order to correct mistakes. Once the data was finalized by ITC, datasets were compiled and controlled again.

Respondents remain anonymous. Confidentiality of the data is paramount to ensure the greatest degree of participation, integrity and confidence in the quality of the data.

Table 10 Survey sample characteristics

Country	Share of total sample size	Actual number of telephone interviews
Belgium	4.11%	46
Bulgaria	1.61%	18
Croatia	1.52%	17
Czechia	2.68%	30
Germany	22.54%	252
Ireland	3.85%	43
Italy	22.63%	253
Latvia	0.81%	9
Netherlands	10.82%	121
Poland	7.07%	79
Spain	16.99%	190
Sweden	5.37%	60
TOTAL	100.00%	1,118

Source: ITC calculations, 2019.

ENDNOTES

- 1 Rueda-Cantuche, Kutlina-Dimitrova, & Sousa, 2019
- 2 Arto *et al.*, 2018
- 3 Monteiro, 2018
- 4 Iclaves, 2018; OECD, 2014; OECD/EC 2015; 2017; The Future of Business, 2018; European Institute for Gender Equality, 2017; GHK and Technopolis, 2008; Panteia, 2014; World Bank, 2012.
- 5 Rueda-Cantuche, Kutlina-Dimitrova, & Sousa, 2019
- 6 Eurostat [lfsa_esgan]. Inclusive of solo entrepreneurs, and entrepreneurs with employees, who work on their own business, farm or professional practice.
- 7 Eurostat [lfsa_esgan]
- 8 Women participate in international trade as employees, business owners and managers, producers and consumers. Considering that the employment dimension has been covered in previous research, this study focuses on two dimensions (ownership and management) that have not been explored before. The employment dimension is then looked at in relation to the latter. The role of women as consumers remains largely under-researched.
- 9 Women-led companies are defined as companies owned and/or managed by women.
- 10 CPTPP Article 23.4
- 11 Conceivably a party might be in breach of this obligation if it either fails to adopt domestic policies related to economic activity generated by trade and investment that supported gender equality and women's economic empowerment, or adopts domestic policies related to this activity that undermines gender equality and women's economic empowerment. It is also argued however that the general obligation mentioned would allow not allow the parties to bring a case for failure to adopt domestic legislation.
- 12 Fundamental ILO Conventions, in particular ILO Convention 100 on Equal Remuneration and ILO Convention 111 concerning Non-Discrimination in Respect of Employment and Occupation
- 13 Article 23.9 of USMCA
- 14 US commitments only apply to federal agencies.
- 15 Article 23.10 USMCA and Article 19.8 CPTPP
- 16 These standards, guidelines and principles address issues such as labour, environment, gender equality, human rights, community relations, and anticorruption.
- 17 Women-led companies are defined as companies where more than 50% of company owners are women and/or the highest-ranking executive (CEO/president) is a woman. Women-owned companies are defined as companies where more than 50% of company owners are women.
- 18 Rueda-Cantuche, Kutlina-Dimitrova, & Sousa (2019)
- 19 www.ntmsurvey.org
- 20 Company size definition: small = 1-49 employees; medium = 50-249 employees; large = more than 250 employees
- 21 This figure cannot be directly compared to the share of women in the total number of entrepreneurs (33%), because it does not include services sectors.
- 22 ITC's export potential assessment methodology is based on a decomposition of a country's potential exports of a product to a given target market into three factors: supply, demand and ease of trade. Depending on the country's particular needs, two approaches are available. (i) The Export Potential Indicator (EPI) serves countries that aim to support established export sectors in increasing their exports to existing and new markets. Inspired by a gravity-type framework, the EPI identifies products in which the exporting country has already proven to be internationally competitive and which have good prospects of export success in a given target market. (ii) The Product Diversification Indicator (PDI) serves countries that aim to diversify and develop new export sectors. Based on Hausmann and Hidalgo's notion of the product space, the PDI identifies products which the exporting country does not yet competitively export but which seem feasible given the country's current export basket and the export baskets of similar countries. http://exportpotential.intracen.org/media/1089/epa-methodology_141216.pdf
- 23 Gender diversity is defined as having both genders almost equally represented, between 40%-60%.

- 24 The countries surveyed are: Bangladesh, Benin, Burkina Faso, Cambodia, Colombia, Cote d'Ivoire, Dominican Republic, Ecuador, Egypt, Ethiopia, Guinea, Indonesia, Jamaica, Jordan, Kazakhstan, Kenya, Kyrgyz Republic, Madagascar, Malawi, Mali, Mauritius, Morocco, Nepal, Oman, Palestine, Paraguay, Peru, the Philippines, Rwanda, Senegal, Seychelles, Sri Lanka, Tanzania, Thailand, Trinidad and Tobago, Tunisia, Uganda, and Uruguay. The countries where the survey is planned to take place are: Ghana, Niger, Pakistan and Vietnam.
- 25 TARIC, the integrated Tariff of the European Union, is a multilingual database integrating all measures relating to EU customs tariff, commercial and agricultural legislation. https://ec.europa.eu/taxation_customs/dds2/taric/taric_consultation.jsp?Lang=en
- 26 International Trade Centre and European Commission (2016)
- 27 Informal business networks are relationships based on trust, where important information is shared and connections made. They usually require significant investment in time and resources. Especially because of time poverty, women may struggle to participate in these networks.
- 28 10% of respondents reported 'I don't know' answers.
- 29 The EU provides a single hub for market access information.
- 30 EU Member States have company registers which provide such information but other countries may not have such source of information.
- 31 13% of respondents reported 'I don't know' answers.
- 32 <https://ntmsurvey.intracen.org/support-materials/ntm-classification/>
- 33 ITC 2015 Unlocking Markets for Women to Trade http://www.intracen.org/uploadedFiles/intracenorg/Content/Publications/women_in_trade_web.pdf
- 34 www.ntmsurvey.org
- 35 Company size definition: small = 1-49 employees; medium = 50-249 employees; large = more than 250 employees

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