

DELIVERING ON THE BUENOS AIRES DECLARATION ON TRADE AND WOMEN'S ECONOMIC EMPOWERMENT



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THE BUENOS AIRES DECLARATION
ON TRADE AND WOMEN'S ECONOMIC EMPOWERMENT

ABOUT THE REPORT

Trade policy for women took an international leap with the Buenos Aires Declaration on Trade and Women's Economic Empowerment, agreed at the WTO Ministerial meeting of 2017. The International Gender Champions Trade Impact Group worked with over 40 countries to make it a reality.

This report presents the findings: recommendations and 32 good practices for gender-based analysis, global value chains, public procurement, trade agreements, digital trade and financial inclusion.

Publisher: International Trade Centre (ITC)

Title: Delivering on the Buenos Aires Declaration on Trade and Women's Economic Empowerment

Publication date and place: December 2020, Geneva

Page count: 100

Language: English

ITC Document Number: SIVC-20-58.E

Citation: International Trade Centre (2020). *Delivering on the Buenos Aires Declaration on Trade and Women's Economic Empowerment*. ITC, Geneva.

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For more information on the IGC Trade Impact Group, see: <https://genderchampions.com/impact/trade>

For more information on the ITC SheTrades Initiative, see: <https://www.shetrades.com/>

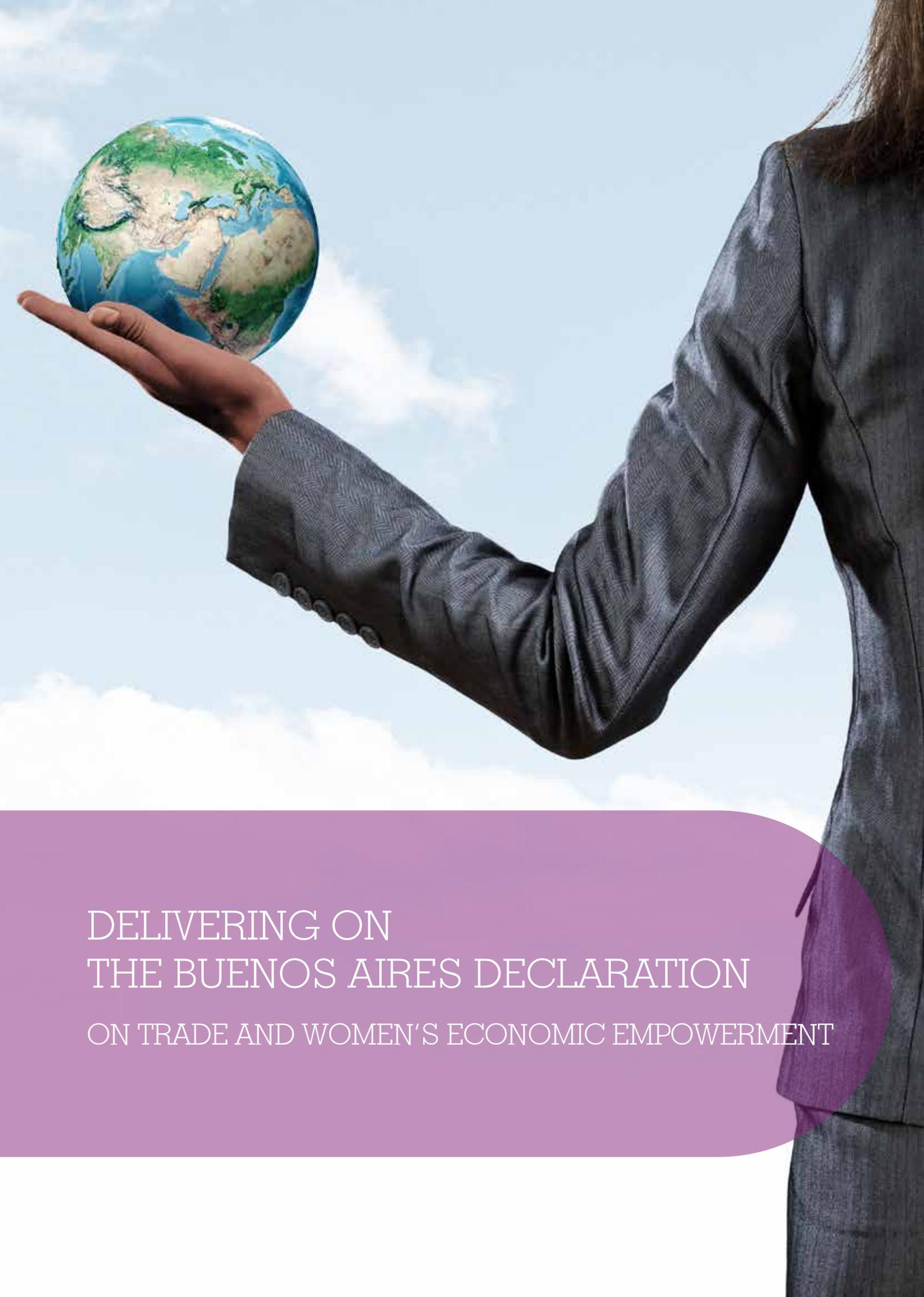
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DELIVERING ON
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Trade Impact Group

The Buenos Aires Joint Declaration on Trade and Women's Economic Empowerment, signed in December 2017, seeks to foster a more inclusive trade agenda that benefits all.

The key components of the declaration, such as promoting the collection and analysis of gender-disaggregated data, sharing country experiences and good practices, and collaborating to raise the profile of the link between trade and gender, can deepen our understanding of using trade policy to advance gender equality and frame recommendations for policymakers to make inclusive trade a reality.

As of September 2020, 127 World Trade Organization (WTO) members and observers from all regions of the world have joined the declaration. This shows the overwhelming interest in supporting women's economic empowerment and giving it the attention it deserves to secure lasting change.

Although much work remains, the declaration has been implemented successfully. Twenty WTO trade policy reviews have directly raised issues around trade and gender. More countries have adopted innovative methodologies to collect and analyse data on women and trade. Governments and international organizations have implemented new initiatives to support women in trade in public procurement, value chain participation, e-commerce and aid for trade, increasing interest in mainstreaming gender in trade agreements.

The declaration has created a mechanism for supporters to report on progress made since the 11th WTO Ministerial Conference in Buenos Aires, encouraging them to turn commitments into meaningful actions.

The International Gender Champions network, through the Trade Impact Group, has created a space for different actors in the trade community to contribute to building knowledge, based on country experiences or organizational mandates. This led to six seminars over two years on key themes in the declaration.

This report is a culmination of the seminar findings, sharing good practices, and progress on additional issues related to trade and gender in the multilateral trading system. The report also identifies avenues for future collaboration.

As the co-chairs of the Trade Impact Group, we are proud to share this report.

The report provides concise summaries of the seminars co-hosted by WTO members and international organizations. The content is reflective of a member-driven process, with inputs and recommendations put forward by supporting delegations.

The goal is to provide a knowledge base to guide policymakers and other stakeholders eager to advocate for and formulate more inclusive trade and trade-related policies, domestically and internationally, empowering women to benefit from international trade.



We thank the supporters of the Buenos Aires Declaration and the members of the International Gender Champions Trade Impact Group for their long-standing commitment to trade and gender, for hosting and participating in seminars, and for their inputs towards the repository of shared knowledge we have created.

We extend our gratitude to the Permanent Mission of Australia to the WTO International Development Fund for backing the production of this report.

This year marks the launch of the Decade of Action towards achieving the Sustainable Development Goals. We also celebrate the 25th anniversary of the landmark Beijing Declaration and Platform for Action adopted by the United Nations, which provided a forceful global blueprint to advance women's rights. It is essential that we live up to our commitments.

The huge social and economic impact of the COVID-19 pandemic reinforces these objectives. Women, as often in times of crises, are disproportionately affected, and the differentiated needs of women and men will need to be considered in medium- and long-term recovery efforts. An inclusive and gender-responsive trade agenda will help build a more equal and resilient world economy.

On the occasion of the 12th WTO Ministerial Conference, this report contributes to global discussions on trade and sustainable development. We hope it paves the way towards a higher level of ambition and encourage an even broader range of actors to engage in dialogue and work on trade and gender equality.

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Acknowledgements

This report was prepared by the International Gender Champions Trade Impact Group and the International Trade Centre (ITC), with content submitted primarily by supporting members of the Buenos Aires Declaration on Trade and Women's Economic Empowerment.

The report draws on six thematic seminars organized and co-hosted by a diversity of World Trade Organization (WTO) members and international organizations in 2018 and 2019. We thank these organizers and hosts. We thank the participants and experts who enriched the seminar discussions and engaged in a constructive exchange of ideas and experiences on trade and gender equality. We list these at the end of the respective chapters.

We thank Arancha González, former Executive Director of ITC, and Vanessa Erogbogbo of ITC for their guidance and leadership. The report would not have been possible without the support of the gender focal points of Trade Impact Group members. For their work in coordinating member inputs, we thank the Australian Permanent Mission to the WTO, the Permanent Mission of Canada in Geneva, and the Permanent Mission of the European Union to the WTO.

We extend our gratitude to Anoush der Boghossian of the WTO and Simonetta Zarrilli of the United Nations Conference on Trade and Development for their contributions to the report. We thank the many supporting members who provided valuable reviews and comments. We express our appreciation to the delegations who submitted examples of good practice for inclusion in the publication. We thank the WTO for translation of this document into French and Spanish.

Fabrice Lehmann was the lead writer of the report in coordination with Judith Fessehaie of ITC and the Trade Impact Group editorial board. They thank Anahita Vasudevan and Clara Gisoldo (ITC) for their help. Natalie Domeisen managed the editorial production, with Anne Griffin. Colette Holden edited the report, with Natalie Domeisen and Anne Griffin. Iva Stastny-Brosig provided graphic design. Serge Adeagbo supplied digital printing services.

We thank the Permanent Mission of Australia to the WTO International Development Fund for backing the production of this publication.

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Abbreviations

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

ADB	Asian Development Bank
APEC	Asia-Pacific Economic Cooperation
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
CGE	Computable General Equilibrium
COMESA	Common Market for Eastern and Southern Africa
ECOSOC	Economic and Social Council
EPA	Economic Partnership Agreement
EU	European Union
FTA	Free Trade Agreement
GBA+	Gender-based Analysis Plus
GDP	Gross Domestic Product
GPA	Agreement on Government Procurement
GVC	Global Value Chain
ILO	International Labour Organization
ITC	International Trade Centre
MDGs	Millennium Development Goals
MITC	Malawi Investment and Trade Centre
MSMEs	Micro, small and medium-sized enterprises
OECD	Organisation for Economic Co-operation and Development
SDGs	Sustainable Development Goals
SMEs	Small and medium-sized enterprises
UNCTAD	United Nations Conference on Trade and Development
We-Fi	Women Entrepreneurs Finance Initiative
WTO	World Trade Organization

Executive summary

The role of women in the economy has evolved dramatically over recent decades. In most regions of the world, a growing number of women have entered the formal labour force as employees and entrepreneurs, from unskilled workers to decision makers. We have seen meaningful progress in women's economic empowerment, but gender equality is far from achieved.

The Buenos Aires Joint Declaration on Trade and Women's Economic Empowerment puts gender equality on the agenda of the multilateral trading system.

The declaration, signed in December 2017 by more than 100 World Trade Organization (WTO) members, commits its signatories 'to collaborate on making trade and development policies more gender-responsive'. This report captures the progress made and prior and subsequent initiatives that contribute to advancing the declaration's goals.

Six thematic seminars – identified in the declaration and hosted by supporting WTO members, with international organizations – provide the backbone to this report. Recommendations drawn from the seminars complement each topic. The report discusses how trade and trade policy can support women's economic empowerment and drive inclusive, sustainable development.

GENDER-BASED TRADE POLICY ANALYSIS

Ensuring women and women-led businesses can realize benefits from trade agreements is an important policy objective. Gender-based analysis of trade policy allows policymakers to identify opportunities for inclusive trade provisions to integrate into trade negotiations. They can also determine domestic flanking policies and programmes to modify or develop to address risks or opportunities stemming from a trade agreement.

Frameworks have emerged in recent years to assess complex gender-distributional effects of trade, and how trade policies and agreements affect gender equality. We need more regular and rigorous data collection to drive evidence-based trade policy.

Effective models exist to evaluate the impact of trade agreements on women. Trade deals increasingly span a broad range of sectors and policy areas, each of which can influence gender outcomes. Assessment of the differentiated impacts on women and men of trade policy reform and trade-related regulatory change must consider multiple channels.

Canada, for example, uses the Gender-based Analysis Plus tool to provide a quantitative and qualitative analysis of its agreements on an ex ante and ex post basis. Then it uses a computable general equilibrium model augmented with a gender dimension.

RECOMMENDATIONS

- **Conduct gender-based analysis throughout negotiations.** Early and ongoing integration of analysis through the negotiating process will have an impact on the eventual outcomes.
 - **Demonstrate how gender-based analysis adds value to trade negotiations.** Sharing practices can help other parties see the importance and value of gender-based analysis and encourage more countries to conduct analyses on the effects of trade agreements to inform their approaches and positions.
 - **Plan ahead for empirical analysis.** To demonstrate potential benefits of trade, collect gender-disaggregated data from the outset and develop a plan to measure socioeconomic effects of a free trade agreement.
-

PUBLIC PROCUREMENT

Government procurement can be a powerful tool to change labour market dynamics and address gender gaps and discrimination. Well-designed procurement programmes can help accelerate gender-inclusive growth and effectively direct state spending towards empowering women and women-led enterprises, thereby generating important social dividends.

Non-discriminatory, open, transparent procurement frameworks with low barriers to entry can further enhance the participation of small and medium-sized enterprises (SMEs) and provide women-led businesses with opportunities.

Governments are taking different approaches to gender-sensitive procurement. Some countries have used a variety of approaches and instruments to better integrate women into their procurement markets. These approaches include quotas in public tenders for women-led firms, soft incentives through transparency measures, online tools to increase the participation of women entrepreneurs, and preferences for firms that promote gender equality in the workplace.

We must consider the opportunities that international trade arrangements such as the WTO Government Procurement Agreement offer women-led businesses to access global procurement markets and scale up their operations towards higher-value contracts.

RECOMMENDATIONS

- **Design tools to boost the participation of women-owned businesses in public contracts.** Governments can implement gender-sensitive procurement policies and programmes with measurable targets in areas such as legally mandated quotas, e-procurement, certification schemes, dedicated assistance, and increased representation of women as procurement professionals.
 - **Reduce entry barriers to government procurement to stimulate SME involvement.** Countries can address legal barriers and non-regulatory barriers such as knowledge asymmetry, transparency of information, and financial and technical needs imposed by contracting entities.
 - **Screen bidders and suppliers to advance gender equality in the labour market.** When awarding public contracts, governments can favour companies that conform to women's empowerment criteria, such as parity in leadership positions and equal pay, and penalize suppliers that demonstrate incidences of unequal treatment.
 - **Cooperate internationally to build knowledge on effective policy action.** International organizations and members can set up initiatives to examine which procurement policies bring most value to empower women and women-led firms, and further explore the links between gender-sensitive procurement and trade.
-

INTERNATIONAL VALUE CHAINS

Value chains provide opportunities for women to participate beneficially in trade. Empowering women to access value chains in a variety of roles – as farmers, workers, managers, service providers and entrepreneurs – will unlock opportunities for gainful employment and entrepreneurial growth, and deliver positive individual and societal impacts. However, the outcomes associated with value chain participation differ for women and men.

Women workers, particularly in developing countries, are disproportionately concentrated in a narrow set of sectors and precarious low-value employment. Women entrepreneurs often find obstacles to integration in regional or global production and distribution systems.

The ability to respond to these opportunities differs for women and men. The disadvantages women face in responding to the economic activities and prospects brought about by value chain integration are manifold. They include the time women devote to unpaid domestic work relative to men, barriers in accessing education and productive resources, the digital gender divide, and more limited exposure to market information and professional networks.

Governments and companies increasingly recognize the positive returns that arise from investing in women and promoting their empowerment along the value chain, such as through gender-responsive procurement policies, improved social standards and training programmes among suppliers, and schemes that enhance gender diversity at management level.

RECOMMENDATIONS

- **Collect and monitor gender-disaggregated data along value chains.** Consider reporting on indicators such as women/men income ratios in comparable value-chain segments, the number of procurement contracts obtained as a result of women-led business certification, and impact assessments of initiatives to promote gender equality.
 - **Develop gender-responsive aid for trade strategies in value chains.** Aid for trade can be a potent instrument. It can secure positive gender outcomes through interventions that build productive capacity and provide assistance in response to gender-differentiated impacts of policy reforms.
 - **Support gender-related corporate initiatives and programmes.** Through their employment and procurement policies, and by applying good practices in supply chain management, multinational enterprises and buyers play a key role in determining how women connect to, and the quality and nature of their work in, supply chains.
 - **Create gender-sensitive ecosystems for value chain participation.** Policy actors and business decision makers can work towards eliminating disparities at all levels of education, including access to training for female workers and entrepreneurs, and leveraging the many opportunities of digitalization for women suppliers and workers.
-

TRADE AGREEMENTS

Trade agreements are not gender-neutral. Since the 1990s, the number of trade agreements that refer to gender equality and women's empowerment has increased. The gender and trade provisions included in recent trade agreements are the most obvious sign of willingness to use trade as a policy instrument to pursue gender equality. There is great variety in the scope of gender provisions.

Bilateral and regional trade agreements are important innovation laboratories for rule-making. Their scope has expanded significantly over recent years, without following a specific template. Different measures fall into the category of gender provisions: those that relate explicitly to women or gender, and those where a gender component may be implicit, for example because they refer to human rights, labour discrimination or the protection of vulnerable groups. Gender provisions are heterogeneous in their language, type and commitments.

RECOMMENDATIONS

- **Hone trade and gender provisions.** Dedicated gender provisions markedly increase the visibility of women's economic empowerment in trade agreements. Next steps could include making provisions bolder through various mechanisms, and ensuring other chapters or sections of the agreement support the goals.
 - **Strengthen ex ante gender impact assessments.** These provide a solid basis for more gender-responsive agreements. Next steps could include assessing an agreement on a regular basis, and producing data and methodologies that better link trade and gender.
 - **Think through non-trade concerns in international trade.** The way trade instruments have dealt with non-trade concerns such as human rights can provide lessons for incorporating gender equality goals. Next steps could include clarifying WTO law on differential treatment for the achievement of gender equality, and ensuring gender wage gaps and other discrimination in the labour market are not used for competitive purposes.
 - **Ensure policy coherence.** Trade agreements coexist with other policies and areas of cooperation. Next steps could include ensuring coherence among different fields to empower women and complementing gender provisions with overall gender mainstreaming in an agreement.
-

WOMEN IN DIGITAL TRADE

E-commerce offers new opportunities for women to participate in trade. Global cross-border online trade has seen a dramatic increase over the past decade and is expected to increase further. While the driving factors are yet to be fully understood, we believe digital trade offers the opportunity to reduce the gender participation gap in international trade.

Women continue to face challenges that prevent them from fully reaping the benefits. The existence of barriers does not necessarily imply the need for gender-specific rules; rather, it means it is important to assess the possible gendered impacts of policy actions in the digital environment for policies to have optimal effect.

Closing the digital divide could unlock trade benefits for women. In many countries, women do not have equal access to digital technologies, have lower levels of digital literacy, and have fewer prospects for technology-related careers. To address these constraints, the broader enabling environment needs to be part of the analysis.

Representation in decision-making brings understanding of the nature of women's engagement in the digital environment. It also brings understanding of their success in technology-enabled sectors and tasks. Additionally, when designing regulatory frameworks, technologies that appear to be gender-neutral might in reality call for gender-aware policy approaches in areas such as privacy and security.

RECOMMENDATIONS

- **Support the collection of better data and analysis.** For informed policy action, we need good-quality gender-disaggregated data and analysis on digital trade and gender-related constraints to participation. Further research will help us understand the gendered impacts of digital trade through different channels.
 - **Raise gender awareness among trade policymakers.** Encourage greater representation of women in decision-making positions in science and technology to avoid transposing existing gender biases to the digital sphere. Apply a gender lens to digital trade to raise awareness among policymakers.
 - **Develop a holistic approach to bridge the digital gender divide.** Without consideration of the broader enabling environment, digital trade alone cannot provide meaningful economic empowerment for women, and narrowly defined sectoral rules and policies cannot bridge the gender digital divide.
-

FINANCIAL INCLUSION

Many women do not have access to financial institutions to secure, send or receive money, obtain access to loans, or build a credit record. Without sufficient capital to scale and grow their businesses, women-led firms tend to be smaller, have lower profits, operate in sectors with lower entry barriers, and participate less in trade.

Gender-specific constraints to financial inclusion exist, often related to unequal opportunities and legal discrimination limiting women's economic participation. Ownership rights, for example, can impact on women's freedom and capacity to own land, invest in businesses, obtain collateral for loans, or own financial capital.

Gender-specific financial barriers constrain women-owned firms. Women-owned businesses are more likely than their male counterparts to cite access to finance as a challenge affecting daily business operations. Women are less likely than men to have bank accounts. Despite having higher loan repayment rates and lower credit risks, women face difficulties in obtaining loans.

Progress has been made to promote financial inclusion with a gender lens, and mobile money systems provide opportunities to increase access to finance and stimulate enterprise growth, particularly for women in developing countries and in rural areas. Trade finance as a tool to support women's financial inclusion and participation in trade remains to be explored.

RECOMMENDATIONS

- **Create a better understanding of context-specific barriers to women's financial inclusion.** Collect and analyse data related to the financing needs of women-led micro and small firms to create and implement appropriate trade finance products.
- **Identify laws and regulations that discriminate against women.** By identifying national regulations that directly and indirectly discriminate against women's access to finance, policy interventions can relieve constraints and bridge the gender gap in financial inclusion.
- **Promote public-private partnerships to achieve concrete results.** Development finance institutions can collaborate with commercial banks to create tailored financial services for women-led businesses. Private actors can offer expertise to build the competitiveness of small firms to meet investors' needs.
- **Take into account gender-specific considerations for loan offerings.** Financial institutions can create financing options that match the needs of women-led micro and small enterprises. Capacity-building support to boost financial literacy can help these firms recognize the financial instruments that respond to their needs.

INTERNATIONAL INITIATIVES

Empowering women is an important part of WTO work. It follows the recommendations and objectives set out in the Buenos Aires Declaration and the WTO Trade and Gender Action Plan for 2017–2019. Currently, the main activities focus on training, research and data collection.

The WTO has launched a new training module on trade and gender targeted at government officials. This identifies the rules with a specific impact on women's empowerment and how to translate them into trade policies.

Its long-term research partnership with the World Bank deepens understanding of the linkages between trade and gender. Other trade and gender-related policy research is ongoing in areas such as the environment, aid for trade, market access, new technologies and infrastructure. The trade body is also collecting statistics on gender and the WTO.

The United Nations Conference on Trade and Development (UNCTAD) has launched valuable new workstreams on trade and gender. International cooperation in research and analysis on the nexus between trade and women's economic empowerment is a key element of the Buenos Aires Declaration. This includes sharing information on procedures for data collection, monitoring and evaluation methodologies, and analysis of gender-focused statistics related to trade.

UNCTAD has launched a new workstream on trade and gender statistics. This will enhance technical capacity of national statistical authorities, especially in developing countries, improve data availability for gender-responsive trade policy, and enhance dialogue between trade and statistics communities, nationally and internationally.

UNCTAD is also expanding its regional studies, which analyse the gender effects of trade in Africa, Latin America and the Caribbean, and least developed countries, and doing thematic research on specific facets.

The International Trade Centre (ITC) SheTrades Initiative, established in 2015, aims to connect three million women entrepreneurs and women-led businesses to international markets 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.

SheTrades is supported by a digital platform with members from over 120 countries. This platform allows women entrepreneurs to connect with buyers, investors and markets. In 2020 the initiative launched SheTrades Outlook. This tool provides measurable, comparable indicators across countries related to trade and gender, and promotes cooperation in sharing knowledge on a diversity of challenges and policy experiences to better channel financial and technical assistance for women's economic empowerment.

LOOKING AHEAD

For the first time in the history of the WTO, members and observers have endorsed a collective initiative to increase the participation of women in trade. The Buenos Aires Declaration acknowledges 'the key role that gender-responsive policies can play in achieving sustainable socioeconomic development'. WTO members are essential drivers in shaping trade and domestic flanking policies and programmes to accomplish these objectives.

Despite decades of progress, women face numerous and entrenched barriers that prevent them from realizing their full economic potential. Greater policy commitment will hasten the attainment of equality between women and men in social, political and economic life.

Three broad principles serve as pillars for the articulation of a future agenda on trade and women's economic empowerment at the multilateral level:

- **The process must be member-driven.** Members should continue to jointly explore the ways in which trade policy instruments can help realize gender equality and how the WTO can promote women's economic empowerment.
- **The process must build on the Buenos Aires Declaration and increase the level of ambition to achieve change.** Members can capture the momentum behind the progress in implementing the declaration to make substantial headway in framing a bold and structured agenda.
- **The process must be inclusive.** Members need to continue building the case for making women's economic empowerment a critical area of concern of trade policymaking. A future agenda on trade and gender equality can espouse a modular approach adaptable to the different priorities and capabilities of a broad coalition of countries.

At a glance: Good practices

Initiative	Purpose	Institution	Why it matters
Gender-based Analysis Plus of Canada-Mercosur FTA Negotiations	Change how Canada negotiates trade agreements	Global Affairs Canada	Informs Canada's negotiation strategy and deepens officials' skills
From Europe to the world: Understanding Challenges for European Businesswomen	Promote trade-related gender-disaggregated data	European Union Directorate-General for Trade	Key findings about women in trade in Europe help policymakers improve gender equality
SheTrades Outlook	Monitor drivers of women's empowerment in trade	ITC	Stakeholders improve their country's ecosystem to support women to trade
Addressing Internal Barriers to Gender Mainstreaming within an Organization	Make Gender-based Analysis Plus a priority	Global Affairs Canada	Government of Canada applies its policy to its own staff, so that staff fully understand its value
Data Initiative for Report on Women's Participation In Chilean Exports	Measure women's participation in trade for improved policy design	Ministry of Foreign Affairs of Chile	Enables policymakers to develop evidence-based policy responses in their efforts to improve market access for women entrepreneurs
Multipronged Approach to Women's Economic Empowerment in Republic of Moldova	Advance equal opportunities through regional and international integration	Moldovan Government and Organization for the Development of the SME Sector	Republic of Moldova has established legal instruments and a national policy framework for a transparent public procurement system with equal opportunities for women and men
ChileCompra	Enable participation of women-owned businesses in public procurement	Ministry of Finance of Chile	Demonstrates it is possible to make public procurement efficient and more accessible to small enterprises and women-owned firms
Switzerland Advancing Gender Equal Pay	Achieve equal pay for equal work in public procurement	Swiss Federal Office for Gender Equality	Promotes gender-responsive public services in Switzerland and builds momentum towards achieving equal pay
Access to Government Procurement Opportunities in Kenya	Do business with government as women-owned enterprises	National Treasury of Kenya	Empowers women through public procurement by allocating quota of tenders to women-owned firms
Korean Preferential Purchase Policies for Certified Women Companies	Address gender gaps and activating women businesses through public procurement	Public Procurement Service, Government of the Republic of Korea	Demonstrates public procurement can be effective in activating women's businesses and altering gender imbalances
Supporting Women's Access to Global Markets: A Toolkit and Online Training Course for TPOs	Equip women entrepreneurs in APEC with skills and networks to build export capacity	Australian Department of Foreign Affairs and Trade	Enables trade promotion authorities to provide effective gender-responsive support services and consider improvements for policy
HERproject	Improve workplace performance by empowering female workers in supply chains	Business for Social Responsibility	Factories and farms strengthen their management systems and adopt policies and practices that create inclusive workplaces
Productive Capacity Building in Malawi through Aid for Trade	Support value-added agricultural exports in least developed countries	Enhanced Integrated Framework and Malawi Investment and Trade Centre	Demonstrates communities benefit when the importance of packaging is understood and when women and men producers participate in trade on equal terms
Mujer Exporta by ProChile	Bring women-led businesses closer to international target markets	Ministry of Foreign Affairs of Chile	Develops and strengthens internationalization of export-ready and exporting women-led businesses through access to training and networks
Women Entrepreneurs Network Programme in Turkey	Form robust business-to-business network across country	Ministry of Trade, Turkey	Designed to form a national network across cities that directly reaches out to women entrepreneurs and builds their export capacity
SheTrades Initiative	Connect three million women to international markets	ITC	Promotes collaboration among public and private stakeholders across seven global actions that address obstacles women face in trade and cultivates inclusive ecosystem
Businesswomen Community in the Pacific Alliance	Create online community to support internationalization of women-owned businesses	Pacific Alliance, with support of the Inter-American Development Bank	Enables women entrepreneurs to exchange information, expand their networks and develop export activities

Initiative	Purpose	Institution	Why it matters
Ghana Female Professionals in Electronics	Boost number of women in technical professions	Korea International Cooperation Agency, with Samsung Electronics, GIZ and Ghana COTVET	Increases participation of women in electronics industry, opening up wider opportunities in value chain manufacturing and services
Ella Exporta in Peru	Develop export potential of leading women entrepreneurs	Commission for the Promotion of Peru through Export and Tourism	Contributes to reduction of labour participation gaps and development of export culture within female workforce
Trade and Gender Toolbox	Build on mutual achievements and good practices in impact evaluation	United Nations Conference on Trade and Development	Provides systematic framework to evaluate impact of trade agreements and reforms on women and gender equality before signing agreements or implementing reform
Gender Impact Assessment of EU–Australia FTA negotiations	Make gender impact assessment comprehensive	European Commission	Gender component of the Sustainability Impact Assessment of FTA extends beyond women as workers and covers women as entrepreneurs, traders and consumers
Canada–Chile Trade and Gender Chapter	Increase visibility of gender provisions in trade agreements	Government of Canada and Government of Chile	Raises awareness on importance of considering gender perspective in trade issues and provides framework for parties to undertake cooperation activities
eTrade for Women	Make women digital entrepreneurs force for inclusive wealth creation	United Nations Conference on Trade and Development, supported by the Government of the Netherlands	Addresses key challenges women in developing countries face to fully exploit new opportunities created by digitalization of economy
Linking Central American Women Business Enterprises with Global Gifts and Home Decoration Market	Enhance export competitiveness of women-led businesses through e-commerce	ITC, implemented in collaboration with Secretariat for Central American Integration and national partners	Aims to empower up to 200 women-led small businesses in developing countries to put in place long-term strategy for exporting handicrafts through e-commerce
EQUALS Global Partnership for Gender Equality in the Digital Age	Promote gender balance in technology sector	International Telecommunication Union, UN Women, ITC, United Nations University and GSMA	Brings together governments, private-sector leaders, educational institutions and civil society groups to close digital divide and achieve gender digital equality
Digital2Equal	Increase quality of women's engagement in digital economy through platform companies	International Finance Corporation, with the European Commission Directorate-General for International Cooperation and Development and 17 platform companies	Provides evidence of business and development case for enhancing and improving women's engagement in platform economy
Export Academy for Women-owned Small Businesses in Turkey	Train women entrepreneurs to access export markets through e-commerce	Ministry of Trade of Turkey, in cooperation with UPS	Supports women-owned businesses by specifically targeting knowledge and network gaps in cross-border trade
Women's Guarantee Fund in Rwanda	Facilitate access to loans for women entrepreneurs and women-owned SMEs	Rwanda Business Development Fund	Helps women entrepreneurs and women-owned businesses without credit record or access to collateral
Small and Medium-sized Enterprises Line of Credit Project in Sri Lanka	Promote women's entrepreneurship through financial inclusion	Asian Development Bank	Supports underserved SMEs and women entrepreneurs via credit line channelled through local banks in combination with capacity-building programmes
WeForLAC in the Honduran textile Sector	Connect women-owned small businesses to markets and improve their cash flow	IDB (Inter-American Development Bank) Invest	Targets increase in financially sustainable women-owned businesses in textile supply chain
Gender-lens Impact Investing Fund in Southeast Asia	Push envelope on gender-lens investing by incorporating gender-equal practices	CARE-SheTrades Impact Fund	Selects growth-stage companies that establish sustainable business models and are committed to creating a more gender-equitable work environment
Shaping Inclusive Finance Transformations in ASEAN region	Transition women and vulnerable groups to formal financial services	United Nations Capital Development Fund, supported by the Australian Government	Uses financial inclusion to reduce poverty and vulnerability and boost inclusive growth

In figures: Women and trade

IN THE LABOUR MARKET



In **40%** of the world's economies,

laws constrain women's decisions to join and remain in the labour force.

World Bank (2020).

Women, business and the law.



Women form **70%**

of workers in the health and social sectors.

International Labour Organization (2020). *ILO Monitor: COVID-19 and the world of work. 5th edition.*



Women are paid **18.8%** less

than men for the same work.

International Labour Organization (2018).

Global wage report.



The services sector is the largest source of employment for women globally.

Its share increased from **41%** in 1995 to **62%** in 2015.

International Labour Organization (2016).

Women at work trends.



Globally, women account for only **38%**

of human capital wealth (measured as the present value of the future earnings of the labour force).

Wodon, Q. & de la Brière, B. (2018). *The cost of gender inequality: Unrealized potential – the high cost of gender inequality in earnings.*



Only **27.1%** of managers and leaders

globally are women.

International Labour Organization (2019).

A quantum leap for gender equality.



Women-owned businesses comprise **23%**

of micro, small and medium-sized enterprises.

International Finance Corporation (2017).

MSME finance gap.



Women account for only **12.8%**

of agricultural landholders globally.

Food and Agriculture Organization (2015).

Gender and land statistics.



Globally, **40–160 million**

women may need to transition between occupations by 2030.

McKinsey Global Institute (2019). *The future of women at work.*

IN INTERNATIONAL BUSINESS



Only **15%** of exporting firms in developing countries are **led by women**.

International Trade Centre (2015). *Unlocking markets for women to trade*.



The share of women-owned firms **doubles**

when moving **from traditional offline trade to cross-border e-commerce**.

International Trade Centre (2017). *New pathways to e-commerce: A global MSME competitiveness survey*.

AID FOR TRADE



Gender-marked aid for trade rose from **4%** to **25%**

between 2006 and 2017.

Organisation for Economic Co-operation and Development (2019). *Strengthening the gender dimension of aid for trade*.

BALANCING FAMILY AND WORK LIFE



Women devote on average **3 times more**

hours a day than men to unpaid care and domestic work.

United Nations (2019). *Progress towards the Sustainable Development Goals*.

PUBLIC POLICY



About **70%** of WTO members have integrated women's empowerment in national or regional trade strategies.

World Trade Organization (2019). *Trade policies supporting women's economic empowerment*.



Of **560** regional trade agreements, **78 include** explicit gender provisions; **246 include** explicit or implicit gender provisions; and **314 include** none at all.

World Trade Organization (2019). *Gender-related provisions in regional trade agreements*.



Only **13%** of countries dedicate a budget to gender statistics.

United Nations (2013). *Report of the United Nations Secretary-General on gender statistics*.



Public procurement accounts for **12%** of global GDP,

but women participate in less than 1% of this market.

European Bank for Reconstruction and Development (2018). *2012 WTO Government Procurement Agreement*.

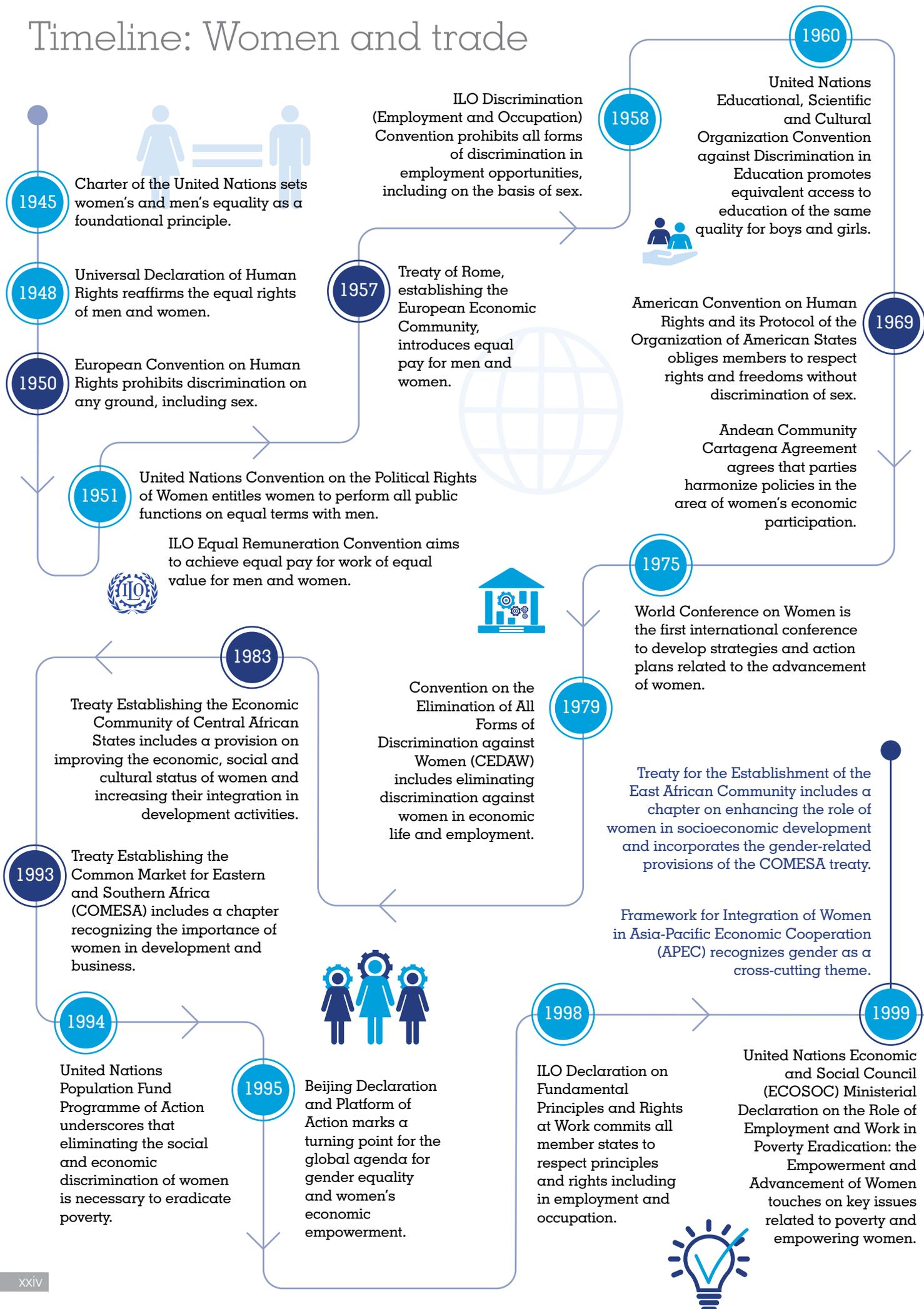


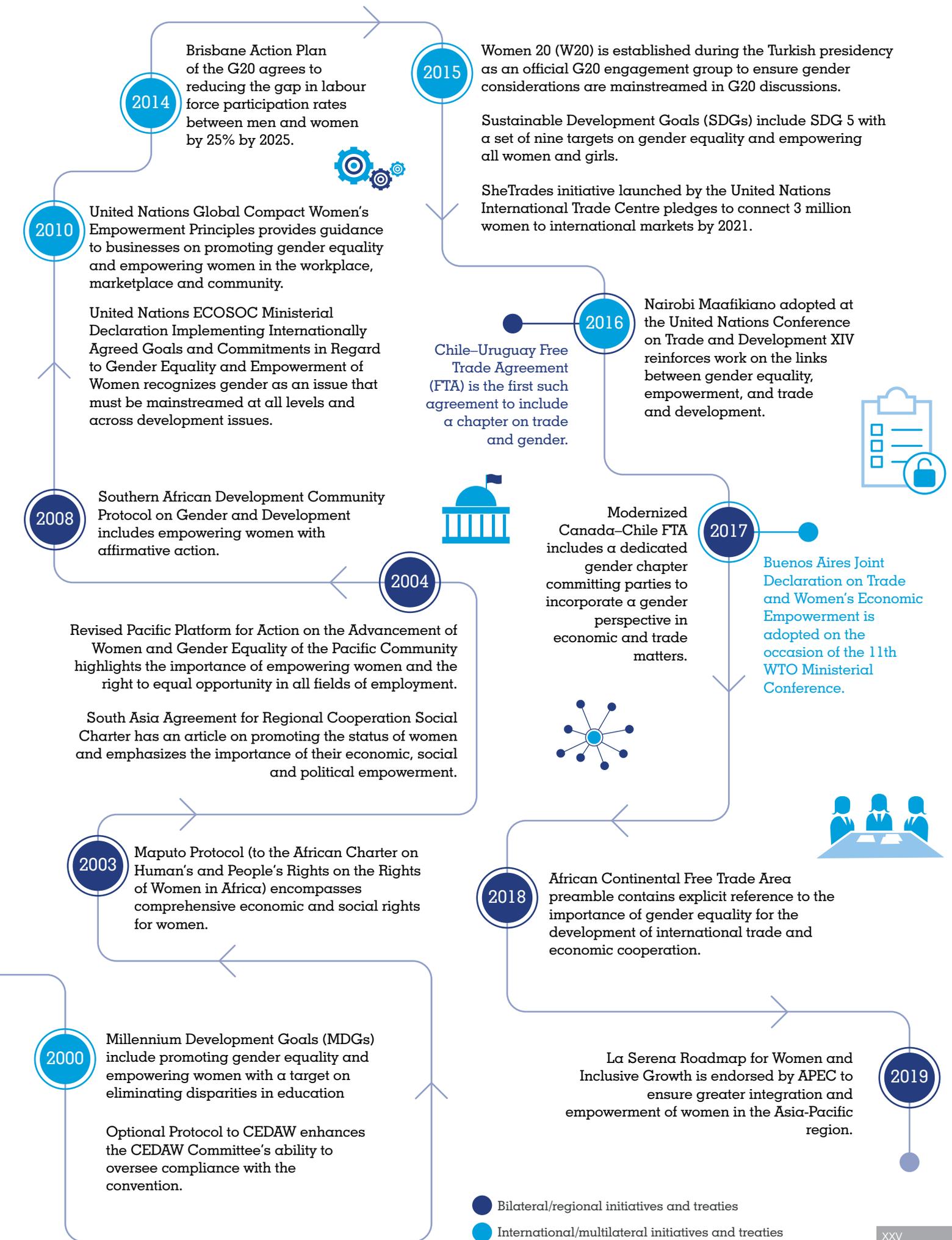
The global internet user gender gap is **17%**

and is growing in developing countries.

International Telecommunication Union (2019). *Measuring digital development*.

Timeline: Women and trade





A photograph of a diverse group of people in a meeting. A woman with long, curly hair, wearing a white long-sleeved shirt and blue jeans, is leaning over a table. She is holding a pen and looking at a man who is sitting at the table. The man is wearing a brown sweater and is also holding a pen, looking towards the right. Another woman with long dark hair is standing behind him, also looking towards the right. The background shows a window with a view of a city. The overall atmosphere is professional and collaborative.

DELIVERING ON
THE BUENOS AIRES DECLARATION
ON TRADE AND WOMEN'S ECONOMIC EMPOWERMENT

CHAPTER 1

TOWARDS GENDER EQUALITY IN TRADE

The role of women in the economy has evolved dramatically over recent decades. In most countries, women have entered the formal labour force as employees and entrepreneurs, from unskilled workers to decision makers. We have seen meaningful progress in economic empowerment, but gender equality is far from achieved.

According to a World Bank survey that examined legislation related to economic opportunity in 190 countries, women have only 75% of the legal rights accorded to men, and 40% of country economies have laws constraining women's participation in the labour force.

Through continuous policy commitment, governments can advance the objectives and strengthen the outcomes of gender equality. This is a key component of inclusive growth and the shared global vision towards sustainable development embodied in the 17 Sustainable Development Goals (SDGs). International trade and trade policy can play an important part in this effort.

The Buenos Aires Joint Declaration on Trade and Women's Economic Empowerment is a milestone as it puts gender equality on the agenda of the multilateral trading system. The declaration commits its signatories 'to collaborate on making trade and development policies more gender-responsive'.

This report, prepared by the International Gender Champions Trade Impact Group, captures the progress made and examines policies and programmes that advance the declaration. It sheds light on gender-differentiated impacts of trade, investigates opportunities and constraints to increase participation of women in trade, and examines how World Trade Organization (WTO) members and other stakeholders can formulate effective responses that empower women.

The declaration gives impetus to gender equality at the WTO and in the trade ecosystem more broadly. Six thematic seminars hosted by a diversity of members, in collaboration with international organizations, provide the backbone to this report. Examples of good practice drawn from the exchange of national and regional experiences add practical insight.

Achieving gender equality needs concerted efforts by governments, civil society, international organizations and the private sector. The declaration provides a platform for WTO members to better understand gender-related trade impacts and foster an inclusive trade agenda with a gender perspective.

Guided by members' inputs, this report helps us think through how trade and trade policy can empower women in different national circumstances and drive inclusive and sustainable development.

CHAPTER 2

GENDER-BASED TRADE POLICY ANALYSIS

Lead author: Canada

MULTIPLE DIMENSIONS

The full and equal participation of women in the economy is essential for competitiveness and prosperity. Economies cannot reach their full potential if we leave people behind.

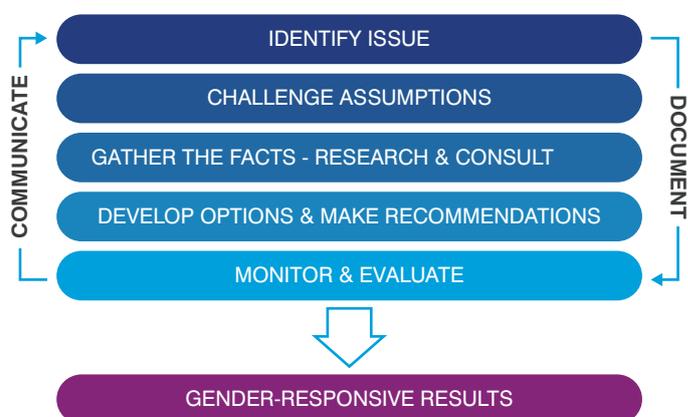
If women and men participated in the economy equally, the global annual gross domestic product (GDP) would increase by \$28 trillion, or 26%, between 2015 and 2025, according to McKinsey research. This suggests that ensuring women and women-owned businesses realize benefits from trade agreements is an important policy objective.

Quantitative and qualitative gender-based analysis on the effects and opportunities of trade policy decisions on workers, business owners and consumers helps deliver on outcomes in trade agreements, designed to be inclusive of a broad range of stakeholders. This includes sharing the benefits of trade policy outcomes more widely among women and other traditionally underrepresented groups in trade.

Gender-based trade policy analysis can identify opportunities to develop new gender-responsive and inclusive trade provisions and integrate them into trade negotiations. It can also determine which domestic flanking policies and programmes we need to modify or develop when addressing risks or opportunities in a trade agreement.

Considerable efforts over recent years have led to the development of frameworks assessing the complex gender-distributional effects of trade and how trade policies and agreements affect gender equality. We need more regularly collected, more rigorous data to understand the multidimensional linkages between trade and gender, to enable gender-based analysis informing the negotiation and implementation of trade agreements, to identify new opportunities for inclusivity provisions, and to drive evidence-based trade policy.

Figure 1 Gender-based analysis informs the entire policy process



Source: Adapted from Government of Canada (2018). *Introduction to GBA+*.

MODELS FOR IMPACT

Trade deals increasingly span a broad range of sectors and policy areas, each of which can influence gender outcomes.

Assessment of the impacts on women and men of trade policy reform and trade-related regulatory change should include employment and income effects and, depending on national circumstances, issues such as public service provision and the distribution of domestic work. Trade agreements negotiated and reached in developed and developing countries can take such gender dynamics into account.

Since 2013 the European Union (EU) has systematically considered the impact of trade policy initiatives on gender equality and women's rights in its evaluations. It uses impact assessments before negotiations, sustainability impact assessments during negotiations, and ex post evaluations after a trade agreement has been in force for a sufficient amount of time.

Canada has developed an inclusive approach to trade that seeks to mainstream gender considerations in trade policymaking and implementation. It uses Gender-based Analysis Plus (GBA+) and computable general equilibrium (CGE) models to evaluate the impact of trade agreements on women.

GBA+ is an analytical tool that examines the effects of policies, plans, programmes and other initiatives on diverse groups of people. It takes into account factors such as gender, age, language, religion, race, disability, indigeneity, sexual orientation and geographic location.

Canada conducts ex ante and ex post GBA+ evaluations on its trade agreements. It considers the effects and opportunities of an agreement on Canadian workers, business owners, entrepreneurs and consumers. It prioritizes women, indigenous people, and small and medium-sized enterprises (SMEs). GBA+ includes quantitative and qualitative analysis identifying opportunities to develop new gender-responsive and inclusive trade provisions to mitigate risks or enhance opportunities.

CGE models estimate the ex ante economic effects of trade agreements. Canada has augmented its standard CGE model to include a gender dimension. This allows evaluation of the gender impacts of a potential trade agreement. In 2019 Canada's summary of its initial GBA+ for its negotiations towards a Canada–Mercosur free trade agreement (FTA) was the first to use this new modelling method.

RECOMMENDATIONS

Conduct gender-based analysis throughout negotiations

Incorporating gender perspectives into macroeconomic policy, including trade policy, is key to pursuing inclusive and sustainable growth. To maximize the benefits of trade liberalization and share them as widely as possible, it is important to consider gender-related issues when negotiating trade agreements. Pursuing early and ongoing integration of analysis such as GBA+ throughout the negotiating process, rather than only at the conclusion, ensures gender and other considerations inform the strategy and are better reflected in eventual outcomes.

Show how gender-based analysis adds value

Having a partner with an interest in promoting gender equality through its trade agreements helps to maximize the benefits of gender-based analysis. Sharing practices could help other parties see the importance and value of gender-based analysis and encourage more countries to conduct analyses on the effects of trade agreements.

A number of frameworks exist to evaluate the impact of trade negotiations and reforms on gender, such as Canada's GBA+ assessments, the United Nations Conference on Trade and Development (UNCTAD) Trade and Gender Toolbox, and the European Commission Sustainability Impact Assessment.

Plan ahead for empirical analysis

People may be disillusioned by or hostile to trade if we cannot show how trade benefits them, including how reflecting gender considerations in the context of trade agreements or making changes to flanking policies brings benefits. Collecting gender-disaggregated data from the outset and developing a plan to measure the socioeconomic effects of the potential agreement are critical.

In Canada the national statistics agency, Statistics Canada, collects these data and makes them publicly available online.

GOOD PRACTICE

Gender-based Analysis Plus of the Canada–Mercosur FTA negotiations

Changing the way Canada negotiates trade agreements

[Global Affairs Canada, 2019](#)

Challenge

Women face many unique discriminatory barriers to trade that inhibit their ability to share the benefits and opportunities of trade agreements. Trade liberalization has been a significant stimulus to economic growth and prosperity around the world, but it has impacted on various groups and members of society differently based on a wide range of factors, including gender.

Solution

To better understand how trade impacts men and women differently, Canada is trying to inform all trade policies, programmes and initiatives, including trade agreements, by gender-based analysis. Canada conducted a comprehensive chapter-by-chapter GBA+ of its ongoing FTA negotiations with Mercosur. In August 2019, it released the summary of the initial GBA+ for stakeholder review and comments.

Impact

Applying GBA+ to the Canada–Mercosur FTA negotiations has realized important benefits. Canada has a richer understanding of the effects and opportunities of FTAs and specific trade policy provisions on the Canadian population. The country has developed new and innovative gender-responsive and other provisions (e.g. SMEs). Conducting GBA+ effectively informed Canada’s FTA negotiation strategy and deepened its knowledge of gender-related considerations. It has also highlighted data and knowledge gaps that Canada needs to address to do an even better job of conducting GBA+ on FTA chapters.

Lessons learned

Conducting GBA+ on an ongoing trade negotiation and keeping it regularly updated has been a learning experience for all Canadian officials engaged in the process. This was custom designed to be an iterative exercise that would achieve concrete results while being strategic and pragmatic. To achieve these results and overcome resistance to doing things differently, it was important to take the time to propose a strategy, gather resources and offer appropriate training.

Trade policy may not have the solutions for all GBA+ findings. In some cases it may be necessary to work with other government departments to address findings that can be managed only within their mandate through domestic flanking policies and programmes.

GOOD PRACTICE

From Europe to the World: Understanding challenges for European businesswomen

Collecting of trade-related gender-disaggregated data

[European Union Directorate-General for Trade, 2019](#)

Challenge

More inclusive policies enable men and women to access and benefit from equitable trade opportunities. To inform such policies, we need a better evidence base and gender-disaggregated data on the participation of women in trade as business owners, managers and employees, and the challenges they face. This is the case for many regions worldwide, including Europe.

Solution

A 2019 study by the International Trade Centre (ITC), commissioned by the EU Directorate-General for Trade, entitled *From Europe to the world: Understanding challenges of European businesswomen*, assessed the extent to which women participate in trade in goods outside the EU and explored linkages between gender and international trade.

The goal was to create a more complete picture of the challenges women face in trade, and to build a unique database of businesses exporting agriculture and manufactured goods outside the EU. It included information on company leadership, company size and share of women employees from 1118 firms across 12 EU member states.

Impact

The study helped the trade community uncover key findings about women in trade in Europe.

Women are largely underrepresented in extra-EU goods trade. Only one in five exporting companies in the EU is led by a woman. Women account for a third or less of the total workforce in almost half the companies in the survey. Less than a third of the companies have at least 30% of women in senior executive positions. Women-owned businesses are smaller in terms of workforce and turnover, so they face similar challenges to small firms.

There is a virtuous cycle of women-led businesses employing more women.

There are gender disparities in access to skills, financial services from commercial banks, and benefits accrued from business networks.

Lessons learned

The study provided information on businesswomen in Europe. There is room to collect more data on women in service sectors and reasons for women tending to participate in sectors with lower export potential. Supporting micro and small firms will assist women-led businesses. Interventions targeting women, such as access to finance and international networks, are important.

The database has allowed the trade community to better understand the situation of women in multiple trade roles outside Europe, and it can be adapted and applied to other national contexts.

GOOD PRACTICE

SheTrades Outlook

Monitoring key drivers of women's empowerment in trade

[International Trade Centre, global, ongoing](#)

Challenge

There is a strong need for a global reference tool that helps stakeholders understand the challenges women face in trade and to respond with appropriate policies and interventions. Many countries have shown an interest in developing more inclusive, gender-responsive policies to ensure trade opportunities benefit all.

Evidence-based policymaking relies on the collection and analysis of gender-disaggregated data, but data on trade and gender are currently fragmented. Indices cover gender inequality, employment and others, but there is no consolidated tool that sufficiently encapsulates both dimensions.

Solution

In 2020 ITC launched SheTrades Outlook as part of the UK-funded SheTrades Commonwealth programme. This interactive tool helps stakeholders assess, monitor and improve the extent to which their country's ecosystem supports women to trade.

SheTrades Outlook includes new gender-disaggregated data and provides quantifiable and comparable indicators across six areas: trade policy; business environment; legal and regulatory framework; access to skills; access to finance; and work and society. The tool shares good practices to highlight how countries have successfully implemented initiatives, policies and programmes to address barriers to women in trade.

Impact

SheTrades Outlook caters to policymakers, government agencies, trade and investment support institutions, business associations, lead firms and development partners.

The tool identifies data gaps and areas for potential reform and compares progress with other countries in the region. It analyses outcomes of gender mainstreaming initiatives, showcases good practices to inspire the exchange of experiences and lessons learned, and monitors progress over time. The tool covers 25 countries, 500 institutions and 50 good practices.

Plans exist to expand country coverage and make it a truly global reference tool.

Lessons learned

Political commitment from countries to empower women and increase their participation in trade facilitated the rollout of SheTrades Outlook. Country ownership and strong partnerships are essential to ensure the tool fulfils its objectives. Focal points in local institutions supported the collection of gender-disaggregated data. Information provided depends heavily on the mandate and capacities of institutions. Providing good practices demonstrates what has worked and helps countries consider options to adapt initiatives to their own contexts.

RECOMMENDED READING

Global Affairs Canada (n.d.). *Canada's inclusive approach to trade.*

The Government of Canada maintains a dedicated website with a trade and gender page. This page hosts a series of relevant documents, such as information on the trade and gender nexus and how Canada aims to mainstream gender considerations throughout its trade agreements, beginning with its FTAs. The website is a one-stop shop for all relevant documents on which Canada is working with its partners. It is updated regularly because transparency and accountability are a key pillar of inclusive trade.

Global Affairs Canada (2019). *Summary of initial GBA+ for Canada–Mercosur FTA negotiations.*

This is a summary of the initial GBA+ conducted on the 25 chapters of a potential FTA between Canada and Mercosur. It considers the effects and opportunities of a Canada–Mercosur FTA on men and women in the economy according to their roles as workers, producers, entrepreneurs, business owners and consumers. The GBA+ informs ongoing negotiations with Mercosur and identifies opportunities for Canada to pursue new gender-responsive and inclusive trade provisions across the FTA and relevant potential domestic policy responses.

International Trade Centre and European Commission (2019). *From Europe to the world: Understanding challenges for European businesswomen.*

This captures the links between women and the companies they lead or work for and trade with outside the EU. It surveys 1 118 firms in 12 EU countries. Getting more women to trade beyond the EU needs policies that go beyond trade and encourage women to establish and grow 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 FTAs.

European Commission (2019). *Female participation in EU exporting activities: Jobs and wages.*

This sheds new insights on the gender balance of employment opportunities supported by extra-EU exports. It analyses export-supported jobs, labour compensation, and related wage premiums from a gender perspective.

Criado Perez, C. (2019). *Invisible women: Exposing data bias in a world designed for men.*

London: Vintage.

This discusses gender imbalances in the use of data. From economic development, to healthcare, to education and public policy, we rely on numbers to allocate resources and make crucial decisions. Data often fail to take into account gender, however, and treat men as the default and women as atypical. This means bias and discrimination are baked into our systems.

International Trade Centre (2020). *Making trade policy work for women.*

This uses a series of key gender-mainstreaming tools to help trade agencies and ministries from developed and developing countries make their trade policies and programmes gender-inclusive. As policymakers focus on inclusive trade as a mechanism for tapping into trade-led economic growth and promoting gender equity, we need to develop evidence-based strategies and tools to support this objective.

Organisation for Economic Co-operation and Development (2020). *Trade and gender: A framework of analysis.*

This provides a framework for analysis of the impacts of trade on women and the barriers they face in international trade. It aims to help governments design trade policies that share the benefits of trade widely. It analyses the channels and interactions between trade and gender through three distinct lenses: women as workers, as consumers, and as entrepreneurs and business owners.

SEMINAR: GENDER-BASED ANALYSIS OF TRADE POLICY

Centre William Rappard, World Trade Organization, 16 March 2018

Overview

In line with commitments set out in the Buenos Aires Declaration, this was the first of six dedicated seminars organized to deepen dialogue on trade and gender-related topics and share good practices. Gender-based analysis is essential to inform inclusive trade policymaking. Collecting the gender-disaggregated data that enable this analysis is a key area for cooperation.

The seminar explored the intersection between trade and gender equality and examined specific country and sector examples. Discussions covered the analytical tools available to better understand the gender impacts of trade policy. Participants exchanged country and region examples of gender-based analysis of trade agreements. The workshop considered areas for future work and strategic data collection.

Sponsors

Canada, in cooperation with the World Trade Organization and the International Trade Centre

Speakers

Liva Andersone, Gender Focal Point, Unit of Trade and Sustainable Development, Generalised System of Preferences, Directorate-General for Trade, European Commission

Roberto Azevêdo, Director-General, World Trade Organization

Stephen de Boer, Ambassador and Permanent Representative to the World Trade Organization, Permanent Mission of Canada to the World Trade Organization

Isabelle Durant, Deputy Secretary General, United Nations Conference on Trade and Development

Vanessa Erogbogbo, Chief, Sustainable and Inclusive Value Chains, International Trade Centre

Arancha González, Executive Director, International Trade Centre

Amelie Kvarnstrom, Trade Policy Advisor, National Board of Trade of Sweden

David Luke, Coordinator, African Trade Policy Centre, United Nations Economic Commission for Africa

Julia Nielson, Head, Development Division, Organisation for Economic Co-operation and Development

Marie-France Paquet, Chief Economist, Global Affairs Canada

Roberta Piermartini, Chief of Section, Economic Research and Statistics Division, World Trade Organization

Syed Tauqir Shah, Ambassador and Permanent Representative to the World Trade Organization, Permanent Mission of Pakistan to the United Nations

Nuno Sousa, Economist, Chief Economist and Trade Analysis Unit, Directorate-General for Trade, European Commission

Annette Ssemuwemba, Deputy Executive Director, Enhanced Integrated Framework

Yvette Stevens, Ambassador and Permanent Representative to the World Trade Organization, Permanent Mission of the Republic of Sierra Leone to the United Nations Office at Geneva

Kilara Suit, Macroeconomics Trade and Investment Global Practice, World Bank Group

Sheba Tejani, Professor, New School in New York

David Usher, Director General, Trade Negotiations Global Affairs Canada

Marc Vanheukelen, Ambassador and Permanent Representative to the World Trade Organization, Permanent Mission of the European Union to the World Trade Organization

Nicole Verdugo, Head, Gender Department, Direcon, Chile

Deborah Vorhies, Managing Director, International Centre for Trade and Sustainable Development

Simonetta Zarilli, Chief, Trade, Gender and Development, United Nations Conference on Trade and Development

CHAPTER 3

PUBLIC PROCUREMENT

Lead authors: Republic of Moldova, World Trade Organization, International Trade Centre and European Bank for Reconstruction and Development

CHANGING LABOUR MARKET DYNAMICS THROUGH PROCUREMENT

Government procurement can be a powerful tool to change labour market dynamics and address gender gaps and discrimination. In 2018 public procurement accounted for 12% of global GDP. Well-designed procurement programmes can help accelerate gender-inclusive growth and effectively direct state spending to empower women and women-led enterprises, thereby generating important social dividends.

The few data that determine the extent to which women-owned and women-managed businesses are excluded from public procurement markets suggest there is room for improvement. In tenders covered by the 2012 WTO Agreement on Government Procurement (GPA), women's participation is 2–5%. Enhancing women's access to government procurement contracts has huge potential to unlock opportunities for female entrepreneurs in domestic and international markets.

Almost 40% of SMEs are owned by women, but only 5% of Fortune 500 companies are women-led. SMEs and informal businesses often contribute to over half of national income. Across the world, SMEs tend to be underrepresented in public procurement contracts, which are mainly awarded to large firms.

Non-discriminatory, open, transparent procurement frameworks with low barriers to entry can enhance the participation of SMEs and ensure women-led businesses have access to opportunities. Efficient e-procurement systems are also important. These are among the objectives of the GPA, which consists of 48 WTO members.

Through the use of gender-sensitive policies in the expenditure of public funds, governments can encourage procurement from women-led enterprises and from firms committed to promoting female participation in the labour force and gender equality in the workplace.

NEW APPROACHES TO GENDER-SENSITIVE PROCUREMENT

There is considerable scope to increase opportunities for women in government procurement, a market estimated in 2018 to be worth \$11 trillion globally. Beyond value and efficiency goals, the strategic use of public procurement to achieve broader policy objectives such as gender equality will vary depending on national contexts.

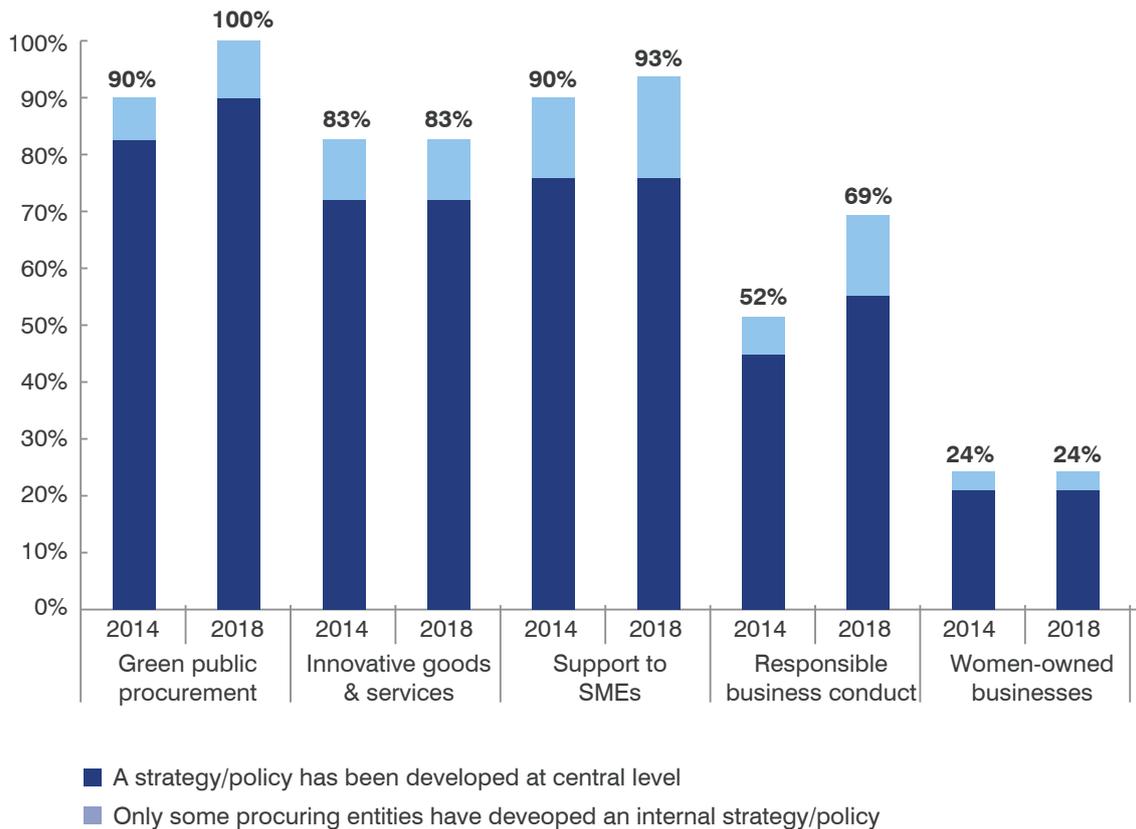
A number of countries have taken steps to better integrate women into their procurement markets through a variety of approaches and tools.

The United States has targeted government procurement quotas of 23% for SMEs and 5% for firms that are at least 51% owned and controlled by women. Australia has focused on soft incentives by nudging firms towards better gender outcomes using transparency measures and business peer pressure. Chile has introduced online tools to increase accessibility of its procurement market and encourage women entrepreneurs to participate in public contracts.

These and other experiences in developed and developing countries suggest procurement laws can be reformed and innovative programmes or tools designed to accelerate the economic inclusion and empowerment of women.

When looking at government procurement as an instrument for change in the context of trade policy, we must consider interaction between domestic policies and the international context. This includes frameworks around preferential treatment in public procurement that minimize disruption to market competition. It also covers the opportunities that international trade arrangements such as the WTO GPA afford women-led businesses to access global procurement markets and scale up their operations towards higher-value contracts.

Figure 2 Many countries invest in strategic public procurement



The chart shows the existence of strategies or policies to pursue secondary policy objectives in public procurement based on data from 29 countries (28 OECD countries plus Costa Rica) that answered surveys in 2018 and 2014 or 2016. Percentages give the sum of both categories.

Source: Organisation for Economic Co-operation and Development (2019). *Reforming public procurement: Progress in implementing the 2015 OECD recommendation.*

RECOMMENDATIONS

Design tools to encourage women-owned businesses to participate in public contracts

Governments could consider the following policies and programmes to increase the participation of women-led firms in public procurement:

- Implement measurable and time-bound targets in gender-sensitive procurement.
- Legally mandate quotas or price preferences for women-led firms.
- Create certification schemes and registries for women-led firms that enable the identification and prequalification of targeted beneficiaries for preferential programmes.
- Set up e-procurement systems and online marketplaces for public contracts below a certain value, and reduce the size of tenders to boost participation of SMEs.
- Establish dedicated technical assistance programmes, such as in management and access to finance, for women-led SMEs participating in public tenders.
- Close the information gap on procedures, bidding processes and tender opportunities.
- Increase representation of women (especially at senior levels) as procurement professionals, establish networks of female procurement officers, and train procurement officers to be more sensitive to gender issues in the economy.

Reduce entry barriers to government procurement to stimulate SME involvement

Reducing entry barriers to government procurement can increase participation of SMEs in domestic and global procurement markets. Legal barriers to entry include procurement regulations. Non-regulatory barriers include the knowledge gap between large and small enterprises, insufficient transparency of information on procurement, and excessive financial and technical needs imposed by contracting entities.

Screen bidders and suppliers to advance gender equality

Screening or auditing companies that participate in government procurement or are awarded public contracts can ensure gender equality goals are met. Countries could consider favouring companies that conform to women's empowerment criteria such as female employment shares, parity in leadership positions, equal pay, and gender-sensitive practices across corporate supply chains. Countries could penalize suppliers if they identify unequal treatment or non-compliance. Targeting male-dominated sectors in public procurement, such as construction, may be helpful.

Cooperate internationally to build knowledge

Sharing best practices and working towards the production of benchmarks in gender equality and public procurement is important. Countries can examine which policies and schemes encourage the participation of SMEs and empower women-led firms.

It is important to explore the links between gender-sensitive procurement and international trade, including how the WTO GPA affects opportunities for SMEs and women-led businesses, and the impact of openness on the participation of SMEs and firms led by women in global procurement markets. The WTO GPA Committee, as a platform where members can exchange views and experiences, can help.

Create a supportive ecosystem for women entrepreneurs

Governments can support women and women-led businesses to respond to opportunities in public procurement marketplaces. This encompasses gender equity policies and programmes that aim to tackle constraints to economic participation.

GOOD PRACTICE

Multipronged approach to women's economic empowerment in Moldova

Advancing equal opportunities through regional and international integration

Government of Moldova and Organization for the Development of the Small and Medium Enterprise Sector, since 2014

Challenge

The Republic of Moldova committed to create a transparent public procurement system, combat discrimination, advance gender equality, and ensure equal economic opportunities for women and men through its Association Agreement and Deep and Comprehensive Free Trade Agreement with the EU signed in 2014 and in full effect since 2016.

Solution

The Republic of Moldova uses legal instruments and a national policy framework to implement these principles. It uses three programmes to empower women and increase opportunities for women in business.

Women in Business, with the support of the European Bank for Reconstruction and Development, helps women-led SMEs access finance and know-how to grow. The Business Academy for Women, financed by the EU, promotes the inclusion and empowerment of rural women. The National Platform for Women of Moldova aims to increase awareness about entrepreneurial opportunities and develop networks and skills.

The country ratified the WTO GPA in 2016. This has increased competition, ensuring the quality of goods and services purchased, a higher degree of transparency, and a robust system to prevent corruption.

Impact

Almost 400 investment projects have been selected through the Women in Business programme, primarily in the services, agriculture, crafts and agro-tourism sectors. The Business Academy for Women has given women entrepreneurs the opportunity to develop new skills related to enterprise management and growth, with an important mentoring component intended to create a community of shared knowledge and practice. The National Platform for Women of Moldova has raised awareness of women's economic empowerment among government and other stakeholders.

Lessons learned

The Republic of Moldova does not provide any legally binding specific rules or preferences for women or gender-based quotas. The three programmes aimed at supporting women are the country's basic tools for encouraging women to participate in business and entrepreneurial activity. They indirectly increase participation of women in public procurement systems, including through the national Mtender e-procurement platform.

GOOD PRACTICE

ChileCompra

Enabling women-owned businesses to participate in public procurement

ChileCompra, Ministry of Finance of Chile, since 2015

Challenge

Analysis showed a gender gap in public procurement, and low numbers of women-owned business suppliers. ChileCompra, a public agency supervised by Chile's Ministry of Finance, aimed to narrow this gap significantly.

Chile has one of the most accessible public procurement systems in the world for micro, small and medium-sized enterprises (MSMEs). Mercado Público is an e-marketplace managed by ChileCompra in which more than 96% of companies selling their products and services are MSMEs. These companies represent more than 57% of public procurement transactions.

Solution

In 2015 ChileCompra implemented an action plan to improve visibility of women-owned businesses on the platform. Regulatory reform was enacted in 2016 and a guideline document advised on the inclusion of gender criteria in all public purchases.

ChileCompra launched the Women Supplier Certification scheme to help procuring entities identify women-led firms and firms with a female workforce over 50%. It developed the complementary programme Empoderate, Conéctate y Crece (Empower, Connect and Grow) to provide training in business management to women participating in the scheme.

In 2020 ChileCompra implemented the Compra Ágil tool for purchases under 30 UTM (\$ 1800) to make the process faster and simpler and to encourage MSMEs, where women-owned firms are concentrated, to participate in public procurement. Compra Ágil was announced by the Ministry of Finance as a fundamental part of the Economic Plan to Overcome the Coronavirus Emergency.

Impact

By 2019 the share of women participants in the public procurement system was over 36%, with over 20,000 women and women-led firms as suppliers.

Lessons learned

ChileCompra demonstrates governments can make public procurement efficient and more accessible to micro and small enterprises in general, and to small firms owned by women in particular. Critical issues include identifying companies that are truly women-owned and the expense of certification.

Technology has played an important role in remedying this problem through e-certification of women-led enterprises linked to the Chilean Civil Registry, which stores company information. ChileCompra constantly monitors the performance of smaller companies, especially those led by women, in the public market.

GOOD PRACTICE

Switzerland Advancing Gender Equal Pay

Achieving equal pay for work of equal value in public procurement

[Federal Office for Gender Equality, Switzerland, since 2015](#)

Challenge

In 2016 the average gender pay gap in Switzerland was 19.6% in the private sector and 16.7% in the public sector. This is wider than the Organisation for Economic Co-operation and Development (OECD) average. Surveys by the Swiss Federal Statistics Office show that 42.95% and 34.8% of the private- and public-sector gaps are unexplained but may include potential gender-related pay discrimination linked to entrenched gender stereotypes.

These disparities, and the slow progress in addressing them, are detrimental to women and their families in the short and long term, as disposable incomes, social insurance and retirement pensions are affected.

Solution

In 2015 the public-sector initiative Switzerland Advancing Gender Equal Pay (SAGE) launched with the aim to eliminate the gender pay gap in the labour market. The initiative is built on the development of a free self-test standard analysis tool called Logib that enables firms with over 50 employees to assess whether their practices comply with equal pay needs, and the establishment of a charter for equal pay in the public sector.

Since 2016 suppliers in public procurement must provide evidence that they respect equal pay based on SAGE. The Federal Government carries out checks through independent auditors and delegates them to the Federal Office for Gender Equality. If this office identifies wage discrimination, it can revoke the tender or issue a penalty for breach of contract. The revised Gender Equality Act came into force in July 2020. Employers with 100 employees or more must carry out an equal pay analysis by 30 June 2021.

Impact

SAGE is proving to be an effective tool to promote gender-responsive public services and build momentum towards achieving equal pay in Switzerland. In the context of public procurement, which accounts for about 8% of GDP and 25% of Swiss Government expenditure, the integration of equal pay elements is empowering women. Fifty per cent of businesses that have checked their pay practices have made corrections, mostly by raising women's wages. In 70% of businesses, reviews have led to changes such as improved awareness, data maintenance and recruitment processes.

Logib has generated considerable international interest. The Equal Pay International Coalition, launched by the International Labour Organization, UN Women and OECD in 2017, has labelled it as a good practice. The EU has developed a similar tool called Equal-Pace, and countries including Chile, Japan and South Africa have requested information on Logib.

Lessons learned

Most employers are unaware of wage discrimination and assume pay equality is respected in their companies. By monitoring pay practices, companies can create transparency and ensure they act within the law. The Federal Office for Gender Equality is running a technical modernization project: the tool is available online and the Federal Office is publishing a module for wage discrimination analysis in companies with fewer than 50 employees.

RECOMMENDED READING

International Trade Centre (2014). *Empowering women through public procurement.*

This provides governments, procuring entities and other stakeholders with a deeper understanding of the challenges women-led businesses face when participating in public procurement markets. It offers tools to address these challenges and stimulate increased entrepreneurial activity by women-led businesses. It also provides a brief overview of the objectives of public procurement systems.

Harris Rimmer, S. (2017). *Gender-smart procurement: Policies for driving change.* Chatham House.

This takes a deep look at public procurement policies as a means to promote inclusive economic growth and gender equality. It presents lessons learned from gender-smart public procurement initiatives. It explores how authorities in different jurisdictions have introduced supply-side measures and policies to support gender-smart procurement, and how these efforts tie in with wider aims such as encouraging the formation of women-led enterprises and greater female participation in the formal labour force.

Organisation for Economic Co-operation and Development (2019).

Reforming public procurement: Progress in implementing the 2015 OECD recommendation.

This presents progress made by OECD countries and other economies in adhering to the 2015 Recommendation of the Council on Public Procurement. The recommendation provides strategic guidance for addressing challenges encountered in public procurement and identifies good practices to ensure strategic and holistic use of public procurement.

Der Boghossian, A. (2019). *Trade policies supporting women's economic empowerment: Trends in WTO members.* WTO staff working paper.

This looks at the various trade policies WTO members have put in place to empower women between 2014 and 2018. It shows most members have integrated women's empowerment in their national or regional trade strategies. Policy activity has focused on three main areas, including government procurement.

International Trade Centre (2020). *Making public procurement work for women.*

Increasing the participation of women-led businesses in public procurement opportunities needs governments to analyse the current state of play, identify barriers facing women, consider policy options to address these barriers, and take steps to include women. This report provides policymakers, gender focal points, statistical offices and others with tools to design a roadmap, implement measures such as preferential policies, and monitor progress over time. It draws on case studies to provide best practices and lessons learned.

SEMINAR: ENHANCING THE PARTICIPATION OF WOMEN ENTREPRENEURS AND TRADERS IN GOVERNMENT PROCUREMENT

Centre William Rappard, World Trade Organization, 25 June 2018

Overview

In line with commitments set out in the Buenos Aires Declaration, this was the second of six dedicated seminars organized to deepen dialogue on trade and gender-related topics and share good practices. Enhancing participation of women entrepreneurs in public procurement is a key area for cooperation.

The workshop looked at government procurement and its potential role in achieving gender equality and inclusive economic development objectives. The sessions focused on the links between trade, public procurement and empowering women, and the exchange of initiatives in developed and developing countries aimed at increasing participation of women and women-led firms in public procurement marketplaces.

Sponsors

Republic of Moldova, in cooperation with the World Trade Organization, the International Trade Centre, and the European Bank for Reconstruction and Development

Speakers

Patric Aeberhard, Equal Pay Expert, Federal Office for Gender Equality, Switzerland

Roberto Azevêdo, Director-General, World Trade Organization

Corina Cojocaru, Chargée d'affaires to the World Trade Organization Permanent Mission of the Republic of Moldova

Anoush der Boghossian, World Trade Organization Trade and Gender Focal Point, World Trade Organization

Aranca González, Executive Director, International Trade Centre

Trinidad Inostroza, Director, ChileCompra

Anna Caroline Müller, Legal Affairs Officer, World Trade Organization

Gloria Ndekei, Trustee and In Charge, Women Programmes, Kenya Private Sector Alliance

John Newham, Government Procurement Committee Chair and Deputy Permanent Representative to the World Trade Organization, Ireland

François Xavier Ngarambe, Ambassador and Permanent Representative of the Republic of Rwanda to the United Nations Office in Geneva; and Coordinator, African Group at the World Trade Organization

Eliza Niewiadomska, Senior Counsel, Public Procurement, European Bank for Reconstruction and Development

Viorica Pricop, State Secretary, Ministry of Finance of the Republic of Moldova

Mariana Rufa, Director, European Business Association, Republic of Moldova

Lee Sanghoon, Head, Research Department and Senior Research Fellow, Korea Institute of Procurement

Norbert Seiler, Deputy General Counsel, European Bank for Reconstruction and Development

Paola Subacchi, Senior Research Fellow, Chatham House

CHAPTER 4

INTERNATIONAL VALUE CHAINS

Lead authors: Australia, Indonesia, Mexico, Republic of Korea and Turkey

VALUE CHAINS OFFER OPPORTUNITIES FOR WOMEN TO BENEFICIALLY PARTICIPATE IN TRADE

Modern trade is increasingly complex and multifaceted. Goods, services, investments and people flow across borders, often as part of regional and global value chains (GVCs), which have become integral to the world economy. These production and distribution networks offer many opportunities for women to participate in international trade as farmers, workers, managers, service providers and entrepreneurs.

The opportunities and outcomes associated with value chain participation differ for women and men, often due to barriers and discrimination at the national level. Women workers, particularly in developing countries, are disproportionately concentrated in a narrow set of sectors and low-value precarious employment, with comparatively poor working conditions, lower pay, and inadequate social protection that is not gender-sensitive. Women entrepreneurs face many obstacles, including in accessing finance.

These dynamics are problematic from a social and economic perspective. Constraints to women participating in the economy undermine a country's long-term competitiveness and development potential, and further entrench gender inequalities. Empowering women to beneficially access GVCs on equal terms and in a variety of roles unlocks opportunities for gainful employment and entrepreneurial growth, makes trade more inclusive, and delivers positive impacts in terms of well-being and economic independence.

CHANCES TO RESPOND TO OPPORTUNITIES DIFFER FOR WOMEN AND MEN

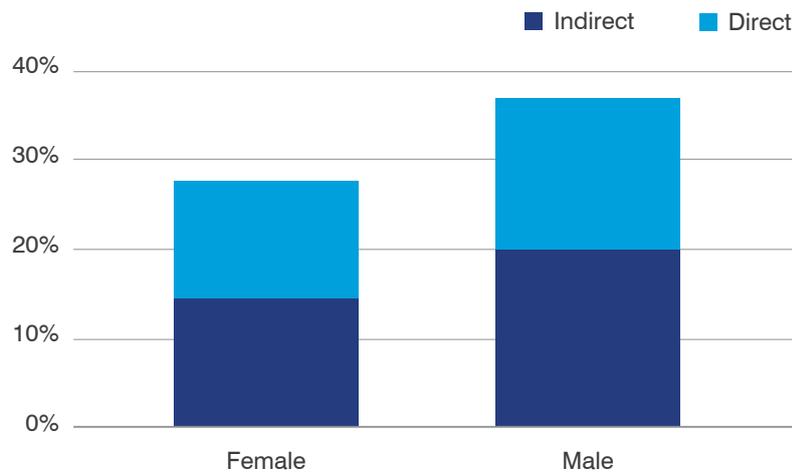
Integration into GVCs generally has a positive effect on creating female employment and can result in higher wages and improved working conditions in agriculture, manufacturing and services. There are important challenges, however, in improving women's participation and promoting gender equality in GVCs, which can reproduce existing divisions in the labour market.

Women often face disadvantages in responding to the economic activities and opportunities brought about by GVC integration. Constraints may be related to the time women devote to unpaid care and domestic work relative to men. There may be barriers in access to education and productive resources such as credit, land and services. The digital gender divide reduces the prospects of starting new businesses, selling products or services to new markets, and finding well-paid, high-value jobs. Women may have more limited exposure to market information and professional networks.

The United Nations found in 2017 that women-led firms earned less than 1% of annual procurement spending by large corporations on suppliers in their value chains. Women-led SMEs are less integrated in trade than their male counterparts, and women's share of employment in export-related jobs is significantly below that of men's. In Africa, women make up the majority of traders engaged in small-scale cross-border trade, representing a significant part of the total trade of a country, but they are often overlooked in policymaking.

Companies are increasingly realizing the benefits and positive returns from investing in women and promoting their empowerment along the value chain, whether through gender-responsive procurement policies, improved social standards and training programmes among suppliers, or hiring and promotion schemes that enhance gender diversity at management level and on executive teams. There is ample space for governments to intervene policy-wise and further increase gender-marked development assistance.

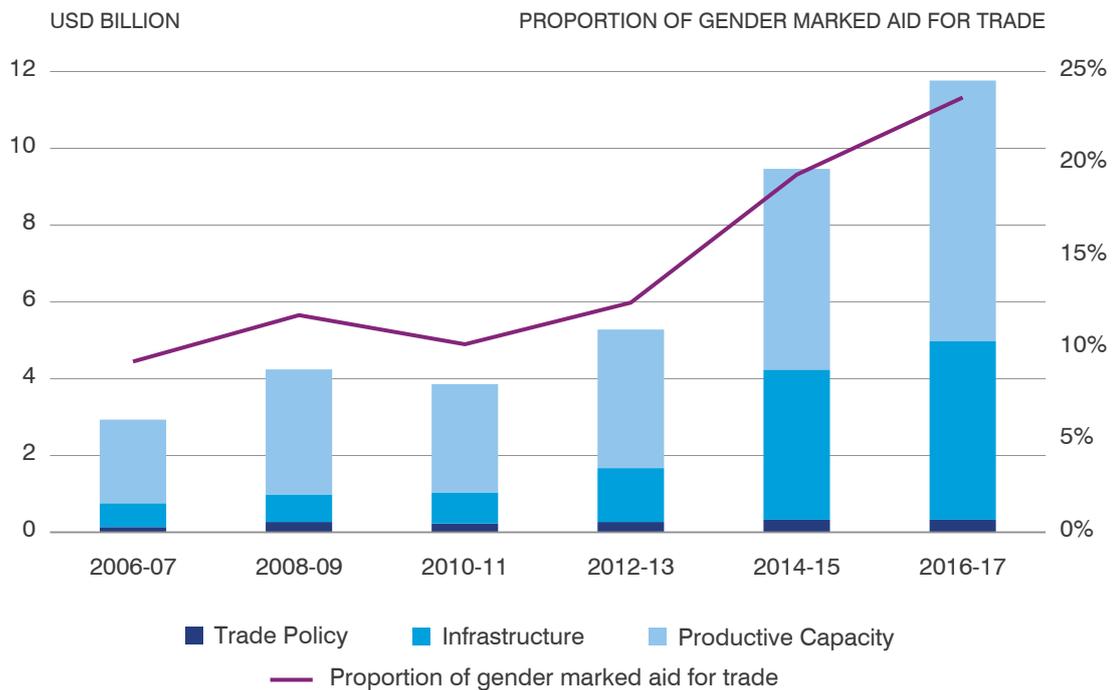
Figure 3 The share of male employment dependent on trade is much higher than that of women



Note: The chart shows shares of male and female full-time equivalent employment embodied in exports in 2014. Data refer to averages across OECD countries. Direct covers employment in exporting firms sustained through exports. Indirect covers employment sustained through upstream supplies to exporting firms.

Source: Organisation for Economic Co-operation and Development (2014). *Women in global value chains*.

Figure 4 A quarter of aid for trade committed by donors is gender-marked



Note: Trends in gender marked aid for trade in \$ billions (2016 constant).

Source: Organisation for Economic Co-operation and Development (2019). *Strengthening the gender dimension of aid for trade*. In World Trade Organization and Organisation for Economic Co-operation and Development. *Aid for trade at a glance*.

RECOMMENDATIONS

Collect and monitor gender-disaggregated data along value chains

A key challenge to empowering women in GVCs is the lack of methodical and reliable data. Information is essential to inform governments, firms and other stakeholders about gender dynamics along the value chain and identify areas for intervention. Companies, auditors, researchers and policymakers engaged in GVCs could collect and report on gender-disaggregated data.

Indicators identified by OECD include the ratio of women's to men's income in comparable value-chain segments; the percentage of women in better-paid positions across segments of the value chain; the ratio of women to men enrolling in trade capacity-building training; and the number of procurement contracts obtained as a result of women-owned business certification.

Buyers, suppliers, auditors and government agencies often fail to effectively address discrimination in the workplace and procurement. Better data and analysis could be compiled and exchanged to assess the impact of initiatives aimed at promoting gender equality in value chains.

Develop gender-responsive aid for trade strategies in value chains

Aid for trade can be a potent instrument to empower women and secure positive gender outcomes in GVCs. The WTO Task Force on Aid for Trade, formed in 2006, established the need to take full account of gender perspectives as a guiding principle. The total amount of gender-marked aid for trade commitments reached \$12 billion in 2016–2017, with its share rising from 4% to 25% between 2006 and 2017.

Aid for trade project design could demonstrate greater gender-responsiveness and target areas that benefit women entrepreneurs. Examples include helping women producers meet standards for export markets, connecting women to value chains through e-commerce, and developing the capacity of women-led businesses to internationalize.

Women employed in value chains in developing countries are often concentrated in sectors such as textiles and agriculture, which can undergo profound changes due to trade liberalization and preferences. Countries could consider compiling evidence to better understand the gender-differentiated impacts of policy reforms and assess the implications for adjustment assistance.

Monitoring and evaluation systems could be strengthened with outcome indicators that track the impact of interventions on women's empowerment in GVCs over the longer term.

Support gender-related initiatives and programmes

Multinational enterprises and buyers play a key role in connecting women to GVCs through their employment and procurement policies and by applying good practices in their supply chain management. Private initiatives can provide avenues to achieve gender equality where governments lack capacity to enforce social compliance or where domestic regulations are discriminatory.

Senior management among lead firms and retailers could commit to making gender-responsive procurement an integral part of corporate practices and culture.

Corporate social responsibility initiatives, voluntary standards and better work programmes should continue to improve the quality and nature of female work in supply chains by tackling issues such as harassment, occupational health and safety, maternity support, social protection, wage equality, access to training and career mobility. To reach all female workers in the value chain, lead firms could endorse greater accountability for subcontractors' labour practices.

Create gender-sensitive ecosystems for value chain participation

For women to benefit fully from the opportunities of GVCs, a number of barriers to participation need to be addressed through interventions in the broader domestic ecosystem. Among the preconditions for effective female participation, policy actors and business decision makers could work towards eliminating disparities at all levels of education, including access to training for female workers and entrepreneurs to learn about GVC needs such as customer satisfaction and standards.

Greater exposure to market information and trade regulations and expanded professional networks should be encouraged for women and women-led businesses. This could come in the form of support for inclusion of women in sector associations and chambers of commerce, at leadership levels, where information and networks can be accessed and policies influenced.

Leverage digitalization opportunities for women suppliers and workers

The internet and digital technologies provide opportunities for women entrepreneurs to participate in supply chains. They can help overcome long-standing constraints linked to physical mobility and domestic responsibilities. Digital skills enable women entrepreneurs to start new businesses and empower female workers to find higher-value jobs and prepare for the future of work.

GOOD PRACTICE**Supporting women's access to global markets: A toolkit and online training course for trade promotion organizations**

Equipping women entrepreneurs in APEC with the skills and networks to build export capacity

Australian Department of Foreign Affairs and Trade, in cooperation with Asia Pacific Economic Cooperation, since 2017*Challenge*

Women own a third of SMEs operating across the Asia-Pacific Economic Cooperation (APEC) region.

Women entrepreneurs are significantly underrepresented as clients of government organizations that promote international trade. Trade promotion organizations that struggle to effectively support women entrepreneurs typically consider the business of trading to be gender-neutral. Such organizations do not sufficiently tailor their support programmes to ensure they reach or address the different needs of women-led, women-owned or women-managed businesses. The services provided by many trade promotion organizations often fail to meet the gender-inclusive test.

Solution

The Toolkit for Trade Promotion Organizations launched during APEC Leaders' Week in November 2017.

The toolkit reaches out to women-led businesses so that trade promotion organizations can help women entrepreneurs ascertain whether their firms are export-ready. The intervention helps women entrepreneurs build awareness of regulatory needs for exporting.

Trade promotion organizations can provide guidance on marketing or branding to assist women exporters position their businesses. They can help entrepreneurs identify potential volatility in export markets and manage risks. Trade promotion organizations can also adopt policies and programmes that prioritize targeting the development of women exporters.

In 2019 Australia developed an online training course based on the toolkit. The course includes modules on export readiness, legal requirements, market recognition, export opportunities and managing risk for women-led, women-owned and women-managed businesses. It opened to trade promotion organizations in APEC economies in 2020.

Impact

The toolkit and capacity-building workshops have reached over 200 government (particularly trade promotion organizations) and private (predominantly women-led SMEs and women's business networks) stakeholders and had a positive impact in participating APEC economies.

In one country, engagement in the workshops spurred the implementation of a national initiative to support women-led start-ups and roll out gender-responsive training across its network of business centres. By adopting actions identified in the toolkit, trade promotion organizations are better able to provide effective gender-responsive support services and consider improvements for programming and policy. The toolkit empowers women and recognizes the positive flow-on effect for women's leadership and representation in business and increased economic dividends.

GOOD PRACTICE

HERproject*Improving workplace performance by empowering female workers in supply chains***[HERproject. Business for Social Responsibility, since 2007](#)***Challenge*

Global supply chains are a major employer of women. Women represent 68% of the garment workforce and up to 70% of the horticulture workforce. In settings with a high burden of disease and a high level of gender inequality, women are especially vulnerable to health issues, harassment and indebtedness due to lower literacy levels. They have less access to health care and financial services, and less decision-making power.

Solution

HERproject is a business-led collaboration that brings together global brands, factories, farms and local civil society to empower women in global supply chains. Through workplace programmes on health, financial inclusion and gender, HERproject seeks to unlock the full potential of low-income working women by improving access to resources, products and services. On the supply side, HERproject creates linkages between workplaces and external providers. On the demand side, HERproject raises awareness and demand generation of products and services for low-income women workers.

Impact

HERproject improves women's working conditions and leads to better workplace performance, demonstrating a business case for addressing SDGs 3 (good health), 5 (gender equality) and 8 (decent work and economic growth). Through HERproject, factories and farms strengthen their management systems and adopt policies and practices that create inclusive workplaces. For example, the programme saw a 65% increase across 40 participating farms in Ethiopia in the number of farms drafting and establishing a gender policy to support good practice.

Through HERproject, suppliers become more productive and profitable. HERproject has captured results related to reduced worker turnover and absenteeism, reduced costs and increased productivity. For example, the programme saw a 93% decrease in payroll costs following wage digitization in five factories in Bangladesh.

Lessons learned

Workplace management buy-in is vital for successful implementation and long-term impact. Developing relationships with producers and manufacturers takes time and trust. A strong business case based on evidence is crucial. This implies understanding what good-quality data look like and how they help build a robust link between health, gender status and business performance. Enhancing the capacity of local factories to analyse and use these data to set objectives and evaluate progress ensures women's well-being is embedded in the core operation of businesses.

GOOD PRACTICE**Productive capacity building in Malawi through aid for trade**

Supporting value-added agricultural exports in least developed countries

Enhanced Integrated Framework and Malawi Investment and Trade Centre, 2014–2019*Challenge*

Since 2004, the Bwanje Valley Rice Cooperative in Malawi has sourced Kilombero rice from local smallholder cooperative members (1,078 women and 979 men) to supply local retail outlets. However, rice packaging lacked labels that could promote the Bwanje brand, thereby affecting the competitiveness of the product. The goal was to improve the competitiveness of Malawi's products in regional and international markets.

Solution

The Enhanced Integrated Framework, a multilateral programme dedicated to aid for trade in least developed countries, supported export-oriented value addition interventions in partnership with the Malawi Investment and Trade Centre (MITC).

Six companies received coaching and mentoring, and 55 small firms received training in export processes, access to export finance and meeting international standards.

MITC conducted training on packaging, grading and post-harvest handling to exporters, producers, food manufacturers and aggregators. Training covered issues ranging from different types of agricultural packaging available for a variety of products to best practice storage techniques.

MITC held at least four seminars a year, targeting existing and potential exporters. Women constituted over 40% of participants of the project's capacity-building activities.

Impact

The project efforts generated a value of approximately US\$3 million. Participating companies saw an average 25% increase in the number of employees, of whom 40% were women. The Bwanje Valley Rice Cooperative improved the quality of its packaging and saw a 60% increase in female members. The Malawi Bureau of Standards has approved the cooperative's fresh packaging. Certification assures consumers that the product meets quality and safety standards. The cooperative is now working with MITC to identify export markets.

Lessons learned

Producers and their communities benefit directly when they understand the importance of packaging and labelling. By targeting men and women, the project changed mindsets and motivated men and women to participate in international trade on equal terms. Future monitoring is necessary to better assess the long-term gender impacts of the interventions.

RECOMMENDED READING

OECD Statistics and Data Directorate (2014). *Women in global value chains.*

This looks at the disproportionate impact of globalization on women, with a particular focus on the share of female employment in export-led jobs, units of upstream labour generated by each unit of labour in the manufacturing sector, and unequal recovery of female employment following the financial crisis in 2008.

Barrientos, S. and Pallangyo, C. (2018). *Global value chain policy series: Gender.* World Economic Forum.

This examines the gender profile of work at different tiers of GVCs and the challenges facing women entrepreneurs and employees. It places special focus on retail, transport and distribution, and garment and horticulture value chains.

Chin, K. (2017). *The power of procurement: How to source from women-owned businesses.* UN Women.

This provides corporations and suppliers with a deeper understanding of the barriers and challenges preventing women-owned businesses from accessing and fully participating in local and GVCs. It provides tools and techniques to reduce or eliminate barriers and to leverage the vast untapped economic potential represented by women-owned businesses.

Organisation for Economic Co-operation and Development (2019). *Strengthening the gender dimension of aid for trade.* In World Trade Organization and Organisation for Economic Co-operation and Development. *Aid for trade at a glance.*

This examines how donors take into account gender perspectives in aid for trade. It introduces data showing that donors have been increasing gender-responsive aid for trade. There is still scope for improvement, particularly in sectors such as transport, energy, finance, business, mining and industry, where the proportion of gender-responsive aid is low.

United Nations Conference on Trade and Development (2019). *Gender-sensitive policy recommendations to support women informal cross-border traders in Malawi, the United Republic of Tanzania, and Zambia.*

This presents policy recommendations and introduces an implementation framework based on the findings of the UNCTAD 2019 report *Borderline: Women in informal cross-border trade in Malawi, the United Republic of Tanzania and Zambia*, which examines cross-border trade in these countries, focusing on women traders.

International Labour Organization (2019). *A quantum leap for gender equality: For a better future of work for all.*

This highlights key gender gaps and obstacles to women trying to access decent work. It explores structural barriers, including unpaid care work, that shape the nature and extent of women's engagement in paid employment. It examines how laws, policies and practices in certain countries address these barriers. It also outlines measures we should take to seize the opportunities presented by the changing world of work.

Food and Agriculture Organization of the United Nations (2018). *Developing gender-sensitive value chains: Guidelines for practitioners.*

This provides practical tools and examples of successful approaches to address the gender-based constraints that affect agri-food value chains. The guidelines are intended to assist in integrating gender equality dimensions more effectively in the design and implementation of value chain interventions in the agricultural sector.

SEMINAR: WOMEN IN GLOBAL VALUE CHAINS

Centre William Rappard, World Trade Organization, 1 October 2018

Overview

In line with commitments set out in the Buenos Aires Declaration, this was the third of six dedicated seminars organized to deepen dialogue on trade and gender-related topics and share good practices.

The inclusion of women-led businesses, especially small firms, in value chains is an important area for discussion. The first panel set the stage by exploring recent developments in GVCs and their gender dimensions. Then followed a discussion led by private-sector actors around specific cases and examples of how women are connected to value chains. The third panel identified areas of work where technical assistance, trade policies and trade measures can be implemented at the national and international levels to enhance women's participation in value chains.

Sponsors

Australia, Indonesia, Mexico, Republic of Korea and Turkey, in cooperation with the World Trade Organization and the International Trade Centre

Speakers

Harald Aspelund, Ambassador and Permanent Representative, Permanent Mission of Iceland to the United Nations Office and other international organizations in Geneva

Itir Aykut, Member of the Executive Board of the Women's Entrepreneurs Association of Turkey (KAGIDER)

Robert Azevêdo, Director-General, World Trade Organization

Devry Boughner Vorwerk, Corporate Vice President, Cargill Global Corporate Affairs

Pamela Coke Hamilton, Director, Division on International Trade and Commodities, United Nations Conference on Trade and Development

Vanessa Erogbogbo, Chief, Sustainable and Inclusive Value Chains, International Trade Centre

Arancha González, Executive Director, International Trade Centre

Claire H. Hollweg, Economist, Macroeconomics, Trade and Investment Global Practice, World Bank Group

Frances Lisson, Ambassador and Permanent Representative, Permanent Mission of Australia to the World Trade Organization

Pradeep Mehta, Secretary General, CUTS International

Ricardo Meléndez-Ortiz, Chief Executive Officer, International Centre for Trade and Sustainable Development

Ismail Ortiz, Minister and Deputy Permanent Representative, Permanent Mission of Mexico to the World Trade Organization

Ji-Ah Paik, Ambassador and Permanent Representative, Permanent Mission of the Republic of Korea to the United Nations Office and Other International Organizations

Michael Roberts, Head, Aid-for-Trade Unit, World Trade Organization

Syamsul Bahri Siregar, Ambassador and Deputy Permanent Representative, Permanent Mission of Indonesia to the United Nations and other international organizations

Susan Stone, Senior Advisor on Trade Policy, Organisation for Economic Co-operation and Development

Christine Svarer, Director, HerProject

CHAPTER 5

TRADE AGREEMENTS

Lead authors: United Nations Conference on Trade and Development, Botswana and Iceland

TRADE AGREEMENTS ARE NOT GENDER-NEUTRAL

For decades conventional wisdom was that trade is gender-neutral because rules apply equally to women and men. More recently, there has been increasing recognition that trade impacts on various segments of society differently, including between women and men. The trend towards greater inclusion of gender issues in trade agreements reflects this understanding.

The presence of gender-related issues in trade agreements is not new. The Treaty of Rome establishing the European Economic Community in 1957 first introduced the principle of equal pay. Since the early 1990s, the number of trade agreements that explicitly or implicitly refer to gender equality and women's empowerment has increased, and the scope of provisions has expanded. This reflects the shift in mindset by the trade policy community.

The gender and trade provisions included in recent FTAs are the most obvious sign of willingness to use trade as a policy instrument to pursue gender equality.

Several questions remain as to the effectiveness of the new approach. Are trade and gender provisions bold enough? Are they linked coherently to the overall objectives of the trade agreement? What gender-related outcomes can realistically be achieved through trade policy and trade agreements?

GREAT VARIETY EXISTS IN THE SCOPE OF GENDER PROVISIONS

Bilateral and regional trade agreements are important innovation laboratories for rule-making. The main novelty in the area of gender-related provisions is that their scope has expanded significantly without following a specific template.

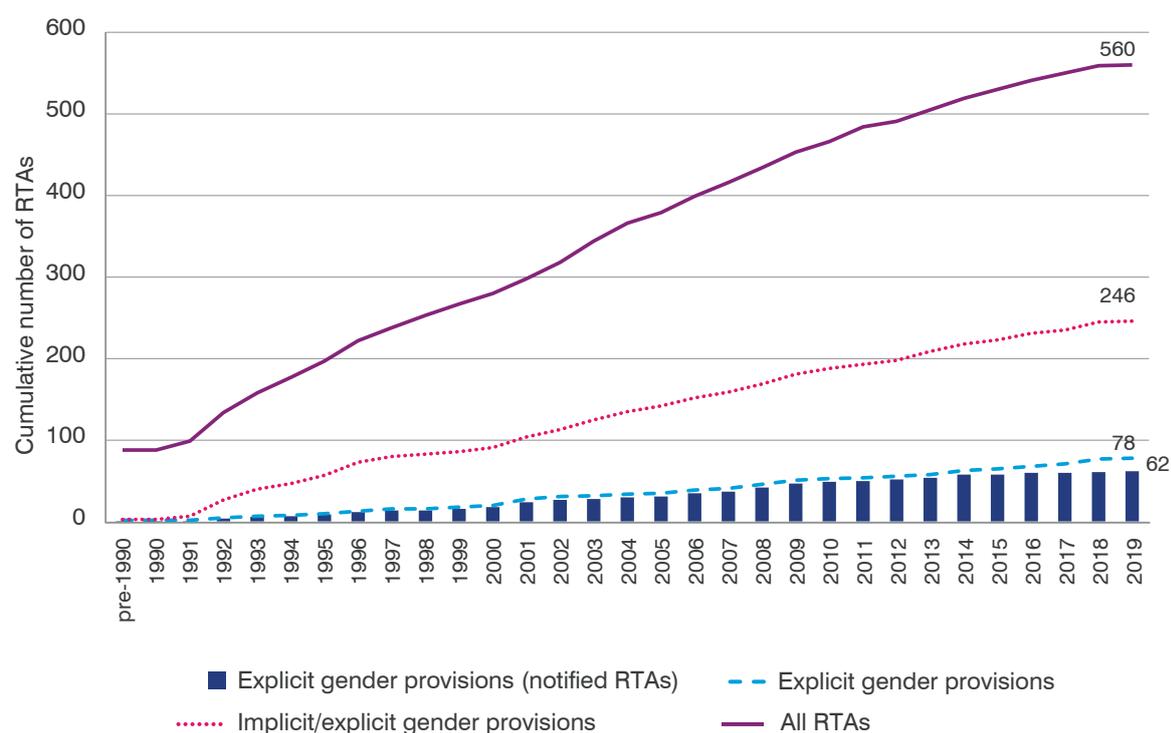
Different measures fall into the category of gender provisions – those that explicitly relate to women or gender, and those where a gender component may be implicit, for example because they refer to human rights, labour discrimination or the protection of vulnerable groups. Gender provisions are heterogeneous in their language, type, scope, location in the agreement and commitment.

Out of 560 regional trade agreements notified to the WTO as of 2019, 246 include at least 1 explicit or implicit gender provision, and 78 of these refer explicitly to gender issues.

The East African Community has considered gender issues as part of its regional integration process since the beginning through provisions in the founding treaty and through subsequent legislation, such as its Gender Equality and Development Bill.

Mercosur did not introduce any gender provisions in its foundational treaties. Gender mainstreaming in regional integration occurred at a later stage, mainly as a response to feminist activism.

The Chile–Uruguay FTA (2016) and the modernized Canada–Chile (2017) and Canada–Israel (2018) FTAs are examples of the latest generation of agreements. They include dedicated gender chapters to promote gender equality. The approach in these chapters is to mainstream gender in trade policy and provide a framework for cooperation activities from which women can benefit, in areas such as skills development, financial inclusion, entrepreneurship, and access to science, technology and innovation.

Figure 5 Numbers of regional trade agreements with gender-related provisions are increasing

Note: Implicit gender-related provisions refer to provisions addressing human rights, vulnerable groups and the social dimensions of sustainable development, including labour discrimination, fair trade and corporate social responsibility without any explicit reference to gender.

Source: Monteiro, J.-A. (2019). *Gender-related provisions in regional trade agreements*. Presented at Gender Considerations in Trade Agreements, 28 March.

Chile pioneered the inclusion of gender-related provisions in dedicated chapters, increasing the visibility of gender issues in trade agreements. By including gender and trade chapters, Chile seeks to recognize the importance of incorporating a gender perspective in trade policy, ensuring the benefits of trade liberalization and economic growth are shared fairly.

Chile included its first stand-alone chapter on gender and trade in the bilateral trade agreement with Uruguay in 2016. Canada was next, followed by Argentina and Brazil (not yet in force).

With these chapters, Chile seeks to encourage gender equity policies and practices and reaffirm commitments to international agreements on gender equality and women's rights. The chapters provide a unique opportunity to undertake joint efforts such as cooperation activities designed to improve the capacity and conditions of women and their participation in national and international markets. Bilateral committees are established to oversee this work, offer advice and report on progress.

The implementation of these chapters is characterized by the exchange of experiences and best practices. Parties agree to undertake cooperation activities in a broad array of areas, including capacity-building, skills, financial inclusion, leadership, networks, entrepreneurship, data collection and conducting gender-based analysis.

These activities have been successful in enabling parties to access tools and resources to connect more women entrepreneurs to international trade, and identify solutions to address barriers to women participating in trade.

The inclusion of gender and trade chapters in Chile's agreements improves understanding of the gender impacts of trade, enhances public participation, raises awareness, and helps advance policymaking towards ensuring all segments of society can access and benefit from the opportunities derived from trade.

RECOMMENDATIONS

Hone trade and gender provisions

Dedicated gender provisions are a first step towards increasing the visibility of women's economic empowerment issues in trade agreements.

Next steps could include making provisions bolder by including specific gender-related commitments by the parties; including civil society in negotiation and implementation processes; establishing procedures to monitor implementation; and having a mechanism to enforce the trade and gender provisions.

It is important to ensure the goals of trade and gender provisions are supported and not undermined by other chapters or sections in the agreement. For example, further services liberalization pursued through a different chapter or section of the FTA may impact on the price of public services, with repercussions on women's access. Tariff cuts may exclude products in the consumption basket of vulnerable households. An ex ante gender assessment of the trade agreement that covers all of its chapters would help prevent outcomes that mitigate gender equality and empowerment commitments.

Strengthen ex ante gender impact assessments

Ex ante assessments of the potential impacts of trade agreements on women provide a solid basis for making such agreements more gender-responsive. Next steps could include regular ex ante gender assessments of trade agreements to assess how their benefits and opportunities would be shared among different groups of people, including women and other vulnerable groups underrepresented in international trade.

It is important to include provisions in the agreements or flanking measures that address the identified shortcomings.

International organizations should join forces to produce data and methodologies that are the preconditions for conducting ex ante gender impact assessments. In particular, they should develop systems that link trade and gender data and statistics.

Think through non-trade concerns in international trade

Over the past 30 years, global issues such as human rights, labour standards and environmental sustainability have increasingly been linked to trade policy and agreements. The way trade instruments deal with these non-trade concerns offers lessons for incorporating gender equality goals in trade policy.

It is important to clarify whether the WTO principle that imposes non-discrimination between like products and services could be derogated by resorting to the general exceptions of General Agreement on Tariffs and Trade, Article XX and General Agreement on Trade in Services, Article XIV if the purpose of the differential treatment is the achievement of gender equality.

This is already happening in some countries in the case of public procurement, where goods and services produced by women-led enterprises receive preferential treatment.

An authoritative interpretation of WTO law would give countries confidence to give some preferences to women-led businesses and female entrepreneurs without violating their WTO obligations.

Ensuring gender wage gaps and other gender discriminations in the labour market are not used to make a country more competitive in trade is important. For example, including provisions in trade agreements on equal pay for equal work and adherence to core labour standards can avoid a 'race to the bottom' and ensure gender discriminations in the labour market are not exploited to make a country's exports more competitive.

Ensure policy coherence

Trade policy and agreements do not exist in isolation but coexist with other policies and areas of cooperation. Countries must coordinate trade policies with labour, education, social and other policies. Women cannot benefit from the job opportunities created by trade liberalization if, for example, they do not possess appropriate skills or if childcare systems are not in place.

It is important to complement gender provisions in trade agreements with overall gender mainstreaming in the agreement. The provisions of trade agreements increasingly reach beyond border issues, such as foreign investment, government procurement and intellectual property rights, and touch upon matters that until recently were left to the discretion of domestic policies.

GOOD PRACTICE

Trade and Gender Toolbox

Building on mutual achievements and good practices in impact evaluation

United Nations Conference on Trade and Development, 2017

Challenge

The relationship between trade policies and gender is complex. There is no clear-cut evidence on the effects of trade liberalization on women. Liberalization can be instrumental in providing new opportunities for women, but it can also exacerbate existing gender biases and discrimination.

To maximize the benefits and prevent adverse effects of trade reforms, it is important to examine the potential consequences of such reforms before implementing them. Ex ante impact assessments are a valuable tool to identify the impact of trade policies on gender-related outcomes and can contribute to the formulation of policies or accompanying measures maximizing benefits for women.

Solution

The Trade and Gender Toolbox is the first attempt to provide a systematic framework to evaluate the impact of trade agreements and trade reforms on women and gender equalities before signing agreements or implementing reforms.

The methodology is applied to a specific trade agreement – the Economic Partnership Agreement (EPA) between the EU and the East African Community – and is used to assess the likely impact of the EPA on women in Kenya, mainly through the effects on employment. The same methodology can be used to assess the gender impacts of any trade agreement or reform in other countries.

Impact

The European Commission is using the methodology to conduct ex ante gender assessments of the gender component of the Directorate-General for Trade's sustainability impact assessments, which provide an in-depth analysis of the potential economic, social, gender, human rights and environmental impacts of ongoing trade negotiations.

Lessons learned

Ex ante gender assessments of trade measures are based on complex methodologies. The development and testing of a specific methodology may lead to the development and improvement of other methodologies. Data availability is important for accurate and comprehensive results. The currently available data and statistics mainly allow assessment of the gender impact of a trade agreement on employment. We need additional data to assess the potential impacts on women's roles in the economy as producers, entrepreneurs, traders and consumers.

GOOD PRACTICE

Gender impact assessment of the EU–Australia FTA negotiations

Making a gender impact assessment comprehensive

[European Union and Australia, 2019](#)

Challenge

Gender impact assessments must assess the impact of a trade agreement on women based on the various functions they perform in the economy. Women regularly perform more than one role, and often several at the same time. As a result, a trade agreement may benefit women in one role but penalize them in another.

For example, if food prices go down following trade liberalization, women may win as consumers since they can secure their household's food with a smaller share of household income; but women food producers may be unable to compete with imported products because of price or quality and be crowded out of the market.

For trade agreements to be genuinely gender-responsive, all likely gender impacts need to be assessed.

Solution

The gender component of the sustainability impact assessment of the EU–Australia FTA is one of the first examples of the analysis extending beyond women as employees to cover women as workers, entrepreneurs, traders and consumers. Other gender assessments have dealt mainly with the potential impacts of trade agreements on women as wage workers. While this is a key role of women in the economy, limiting the assessment to this economic activity is insufficient, since it neglects other potential impacts that the trade agreements might have.

Impact

This agreement is not yet in force and it is not possible to assess its gender impacts. Nevertheless, it is worth observing that the impact assessment examines gender effects in the three main economic sectors – agriculture, manufacturing and services – instead of focusing only on traditionally female-intensive activities.

Lessons learned

The sustainability impact assessment highlights issues to consider for making this instrument more comprehensive and impactful. There is a need to further collect and analyse sex-disaggregated data. The exercise revealed a paucity of data related to women entrepreneurs and traders. The assessment also recommends including the exchange of best practice related to methods of data collection and analysis in the regular dialogue between the parties under the agreement.

GOOD PRACTICE

Canada–Chile trade and gender chapter

Increasing the visibility of gender issues in trade agreements

Governments of Canada and Chile, 2017

Challenge

In 2018 only 5.3% of export companies in Chile were led by women. In 2016 women-owned and equally owned businesses represented 10.5% of export value and 16.4% of exporters in Canada. Both countries recognize that the full and equal participation of women in the economy is essential to future competitiveness and prosperity. This calls for an inclusive approach to trade where all members of society can take advantage of the opportunities that flow from trade agreements.

Solution

In June 2017 Canada and Chile signed the modernized Canada–Chile FTA, which includes a dedicated trade and gender chapter. Chile had already taken the lead in addressing gender equality issues in specific chapters, starting with Uruguay in 2016. Canada was happy to work with Chile on a similar chapter. Both countries have since integrated trade and gender chapters into their standard approach in FTA negotiations.

The chapter acknowledges the importance of incorporating a gender perspective into economic and trade issues. It reaffirms commitments to implement United Nations conventions against gender discrimination. It also provides a framework for the parties to cooperate on issues related to trade and gender. It establishes a bilateral committee to oversee this work, provide advice, report on progress, and work with other bodies established under the agreement to integrate gender-related commitments, considerations and activities.

Impact

Soon after they signed the agreement, Canada and Chile began discussions about the development of a comprehensive and evergreen trade and gender work plan. The activities in the work plan are designed to implement the chapter, better understand the gender-related effects of trade, and share information on ways to reduce barriers to women-owned businesses participating in trade.

Activities implemented under the work plan include sharing policies and good practices, collecting and analysing gender-focused data, and exchanging experiences for conducting gender-based analysis of trade agreements. The goal is to expand the participation of stakeholders in the work plan activities.

Lessons learned

The chapter raises awareness and demonstrates the importance of considering a gender perspective in economic and trade issues. It is important to continue to strengthen and innovate the chapter by measuring its effects over time and gaining experience in delivering results and proving success.

Canada has modernized its FTA with Israel, which now contains a dedicated chapter. At the first Comprehensive Economic and Trade Agreement Joint Committee, Canada and the EU adopted a trade and gender recommendation. Canada is also seeking the inclusion of a dedicated chapter and gender-responsive provisions in its ongoing negotiations with the Pacific Alliance and Mercosur.

Chile has addressed gender equality issues in its FTAs with Argentina and Brazil. It is considering a new gender and trade chapter in the modernized Chile–Ecuador Trade Integration Agreement, in the current Association Agreement with the EU, and in negotiations with the Pacific Alliance.

RECOMMENDED READING

United Nations Conference on Trade and Development (2017). *The new way of addressing gender equality issues in trade agreements: Is it a true revolution?*

As the interconnection between trade policy, gender equality and development becomes increasingly clear, a new generation of FTAs includes trade and gender chapters, signalling a remarkable shift from past practice. This policy brief explores whether this can be regarded as a completely new approach in the way the trade community addresses gender equality issues.

United Nations Conference on Trade and Development (2019). *Trade and gender nexus in the context of regional integration.*

This examines the trade and gender nexus in the context of regional integration. The study draws on case studies from the East African Community and Mercosur. It shows important differences and similarities. The East African Community has considered gender issues since its inception. Mercosur, however, did not introduce gender provisions in its foundational treaties, and gender mainstreaming was driven mainly by the mobilization of civil society groups.

Monteiro, J.A. (2018). *Gender-related provisions in regional trade agreements. WTO staff working paper.*

This fills a knowledge gap on the number and type of gender-related provisions included in regional trade agreements. It identifies similarities and differences between how regional trade agreements address gender issues. The author believes gender-related provisions in regional trade agreements are set in a dynamic context and are likely to evolve and become more comprehensive and specific.

United Nations Economic Commission for Africa (2020). *Gender mainstreaming in African continental free trade area national implementation strategies.*

Promoting gender equality is one of the general objectives of the African Continental Free Trade Area. This report highlights the potential impact of this free trade area for women in agriculture, manufacturing and services. It identifies complementary gender-sensitive measures to advance gender equality and empower women in these sectors.

Fontana, M. (2016). *Gender equality in trade agreements. Policy Department for Citizen's Rights and Constitutional Affairs, European Parliament.*

This reviews the evidence and makes recommendations to ensure trade agreements such as the Comprehensive Economic and Trade Agreement between the EU and Canada and the Trade in Services Agreement take gender equality objectives into account more fully.

International Trade Centre (2020). *Mainstreaming gender in free trade agreements.*

This presents policymakers and trade negotiators with a toolkit to evaluate gender responsiveness in their agreements based on an assessment of 73 free trade agreements in force among 25 Commonwealth countries. The recommendations include embedding gender provisions in the preamble, leveraging corporate social responsibility, using reservations, waivers and general exceptions, and strengthening monitoring and dispute settlement mechanisms.

SEMINAR: GENDER CONSIDERATIONS IN TRADE AGREEMENTS

Centre William Rappard, World Trade Organization, 28 March 2019

Overview

In line with commitments set out in the Buenos Aires Declaration, this was the fourth of six dedicated seminars organized to deepen dialogue on trade and gender-related topics and share good practices. The discussions were organized in three sessions that dealt with the role of trade agreements in promoting gender equality, an assessment of how gender issues have been integrated in FTAs and regional integration agreements, and new ideas on how the inclusion of gender issues in trade agreements may be more impactful for women.

The diverse background of the panellists, including trade practitioners, academics, feminist economists, diplomats, and senior staff from intergovernmental organizations, ensured an informed and constructive debate.

Sponsors

Botswana, Iceland and the United Nations Conference on Trade and Development, in cooperation with the World Trade Organization and the International Trade Centre

Speakers

Carlos Amorín, Ambassador and Secretary General, Ministry of Foreign Affairs, Uruguay

Harald Aspelund, Ambassador and Permanent Representative, Permanent Mission of Iceland to the United Nations Office and other international organizations

Roberto Azevêdo, Director-General, World Trade Organization

Lorand Bartels, Reader in International Law, Fellow of Trinity Hall, University of Cambridge, United Kingdom

Susan Barton, Head, Trade Policy and Gender Strategy, Department for International Trade, United Kingdom

Isabelle Durant, Deputy Secretary-General, United Nations Conference on Trade and Development

Elizabeth Echeverria Manrique, Research Officer on Labour Law, Research Department, International Labour Organization

André-François Giroux, Director, Inclusive Trade Division, Global Affairs Canada

Arancha González, Executive Director, International Trade Centre

David Luke, Coordinator, African Trade Policy Centre, United Nations Economic Commission for Africa

Barbara MacLaren, Gender Specialist, Conference Board of Canada (via video link)

Sefatlhego Matebekwane, Agricultural Attaché, on behalf of Athaliah Lesiba Molokomme, Ambassador and Permanent Representative, Botswana

Jaime de Melo, Scientific Advisor, Fondation pour les Études et Recherches sur le Développement International, and Emeritus Professor, University of Geneva

José Antonio Monteiro, Research Economist, Economic Research and Statistics Division, World Trade Organization

Carolyn Rodrigues Birkett, Director, Food and Agriculture Organization Liaison Office in Geneva

Ruth Rubio Marin, Professor, School of Transnational Governance, European University Institute, Florence, Italy

Nazhat Shameem Khan, Ambassador and Permanent Representative, Permanent Mission of the Republic of Fiji to the United Nations Office and other international organizations

Ignacia Simonetti, Head, Gender Department, Directorate of International Economic Relations, Chile

Madeleine Tuininga, Head of Unit, Directorate-General for Trade, European Commission

Mariama Williams, Senior Programme Officer, Global Governance for Development Programme, South Centre

Simonetta Zarrilli, Chief, Trade, Gender and Development Programme, United Nations Conference on Trade and Development

CHAPTER 6

WOMEN IN DIGITAL TRADE

Lead authors: European Union, Senegal and Trinidad and Tobago

E-COMMERCE OFFERS NEW OPPORTUNITIES FOR WOMEN TO PARTICIPATE IN TRADE

Global cross-border online trade has seen a dramatic increase over the past decade and is likely to increase further. Digital trade holds the promise of lower transaction costs and access to new markets, with significant opportunities to empower women.

Data from e-commerce platforms suggest that women are more active in digital trade than in traditional forms of trade. For example, a report by McKinsey estimated that women-led businesses in Indonesia generated 35% of online revenue compared with 15% of offline retail revenue in 2018.

We do not fully understand the driving factors behind these dynamics. It is clear, however, that digital trade creates flexibility and can be advantageous for women constrained by a heavier share of family responsibilities and other unpaid work. Research from the United States shows that online shopping can decrease the total time spent on unpaid household tasks, freeing up time for women to spend on other activities such as paid work or entrepreneurship.

Digital trade may help to reduce the gender participation gap in international trade. A global competitiveness survey of micro and small businesses in over 100 countries conducted by the ITC in 2017 found the share of women-led firms doubles when moving from traditional offline trade to e-commerce.

Women continue to face challenges and barriers that prevent them from fully reaping the benefits. A number of these challenges are tied in to the difficulties that SMEs often encounter, since women-led businesses tend to be smaller in size than men-owned firms.

The existence of barriers does not necessarily imply the need for gender-specific rules, but for policies to have optimal effect for society it is important to assess the possible gendered impacts of policy actions in the digital environment. Policymakers and businesses must be wary of perpetuating or reinforcing existing gender biases from the analogue to the digital economy, because digital trade has the potential to erode such biases.

CLOSING THE DIGITAL DIVIDE COULD UNLOCK IMPORTANT TRADE BENEFITS FOR WOMEN

Data suggest digitalization carries context-specific implications for women. The impacts tend to vary by sector: those with the lowest (e.g. construction) and highest (e.g. scientific research and development) digital intensities have the largest gender participation gaps. Despite a high number of women engaged in commercial digital platforms, women-led online businesses tend to generate less revenue than their men-led counterparts.

Many analysts and practitioners believe there is considerable potential to tap into the growth of cross-border online services trade, enabled by the development of digital technologies, where women can leverage the change in demand for social skills. However, women often face several, sometimes severe, constraints.

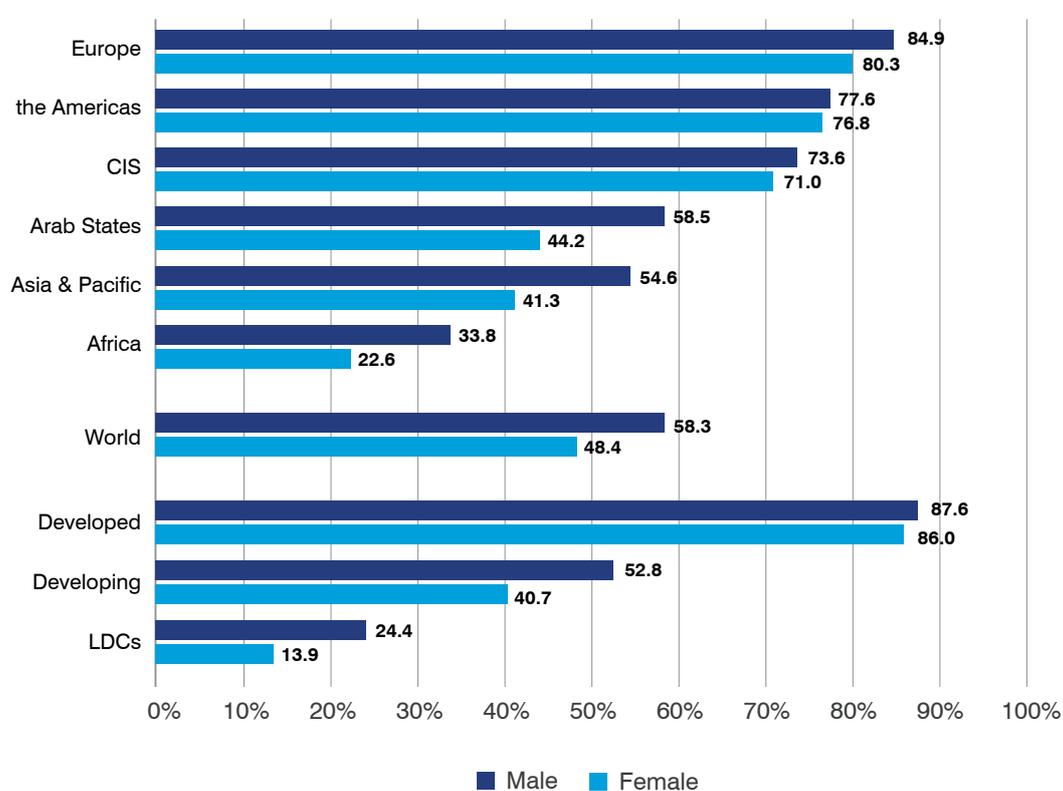
For example, the global internet user gap between men and women is 17%, and this is increasing in developing countries. In many countries, women do not have equal access to digital technologies, have lower levels of digital literacy, and have fewer opportunities for technology-related careers.

To address these constraints, analysis of the factors that drive gender imbalances needs to consider the broader context and enabling environment. This includes differentiating between the constraints women face in digital trade that arise from specific or sectoral policies or issues as opposed to more general structural, legal or cultural factors.

For example, it is important to determine whether women are at a greater disadvantage in terms of access to smartphones (which can be addressed by providing women with these devices) or in terms of reliable network infrastructure (a broader issue). Other, non-gender-targeted efforts, such as reducing trade costs and barriers faced by SMEs, will tend to disproportionately benefit women entrepreneurs.

The issue of representation in political and economic decision-making is of utmost importance in understanding the nature of women's engagement in the digital environment. To succeed in technology-enabled sectors and tasks, women need tailored support, especially in science, technology, engineering and mathematics education, where women are traditionally underrepresented. Moreover, when designing regulatory frameworks, technologies that appear gender-neutral might in reality call for gender-aware policy approaches in areas such as privacy and security.

Figure 6 The digital gender gap is growing fast in developing countries



Note: International Telecommunication Union estimates of internet usage for men and women in 2019. Penetration rates refer to the number of women and men that use the internet, as a percentage of the respective total female and male populations. The global gender gap has increased due to the rapid growth of male internet users in developing countries.

Source: International Telecommunication Union (2019). *Measuring digital development*.

RECOMMENDATIONS

Support better data and analysis

Digitalization and digital trade have the potential to empower women. However, there is a data and analytical gap in women's participation in digital trade and the constraints they face. We need good-quality gender-disaggregated data and analysis on digital trade and gender-related constraints to participation. The data should cover the variety of channels that impact on women's economic empowerment, including women in digital trade as entrepreneurs, managers, workers, traders and consumers of digitally traded goods and services.

We need further research to understand the different mechanisms and gendered impacts of digital trade. Research can explore the drivers of the opportunities it opens for women as entrepreneurs, employees and consumers. More analysis can help assess the challenges and barriers that women face and how to address them through rules or other public policies and programmes.

Raise gender-awareness among trade policymakers

Policymakers considering rules, policies and programmes for the digital environment need to consider the gendered nature of digitalization and digital trade. Awareness and understanding of the different mechanisms at play are critical to avoid transposing existing biases and constraints to the digital sphere.

We should encourage greater representation and visibility of women in leadership and decision-making positions in science and technology, industry and government. Applying a gender lens to digital trade can help to raise the awareness of policymakers.

Develop a holistic approach to bridge the digital gender divide

Digital trade alone cannot provide meaningful economic empowerment for women. Narrowly defined sectoral rules and policies cannot bridge the gender digital divide. Governments aiming to enhance women's economic empowerment through greater participation in digital trade need to consider the broader enabling environment. This includes political and socioeconomic aspects such as access to resources, discrimination before the law, and cultural norms.

Closing the gender digital divide, especially in developing and least developed countries, is essential for digital trade to be inclusive. It needs equal access to the internet and digital technologies, and the removal of gender disparities in education and training geared towards technological and digital literacy and skills.

GOOD PRACTICE

eTrade for Women

Making women digital entrepreneurs a force for inclusive wealth creation

United Nations Conference on Trade and Development, supported by the Government of the Netherlands, since 2019

Challenge

The digitalization of the economy is creating new opportunities for women in developing countries, but this potential is far from fully exploited. A lack of representation impacts on the credibility of women in the digital economy and their willingness to grow a business in this field. Unequal access to the internet and limited digital skills prevent women entrepreneurs from using the digital tools that could help them scale up their impact. Limited access to finance, sometimes due to cultural or gender biases, constrains women in developing countries from taking their businesses to the next level.

Solution

eTrade for Women seeks to address these challenges. It aims to raise the profile of and collaborate with a select group of successful women digital entrepreneurs from seven different developing and transition economies (China, Côte d'Ivoire, Indonesia, Islamic Republic of Iran, Mexico, North Macedonia and Rwanda).

Giving these women voices in national, regional and global policymaking processes will enable them to contribute to more gender-inclusive policies in the digital economy. Through regional masterclasses, the initiative will help these advocates inspire and equip the next generation of women digital entrepreneurs.

Impact

The eTrade for Women initiative has allowed women to learn and connect during regional masterclasses. Participants say this has improved their understanding of other markets in the region, given them contacts and insights to better plan their business expansion, increased their confidence to promote their work, enhanced their knowledge of tools for developing more relevant products and services, and provided new ideas to improve their operational efficiency.

The masterclasses have resulted in the creation of eTrade for Women regional communities in the western Balkans and francophone Africa.

Lessons learned

It is important to build a dynamic community for sustainable impact. Through this project, women entrepreneurs can access a peer network and support system for as long as they need. We must value quality over quantity. Selecting female founders of mature or successful digital businesses in developing countries benefits the ecosystem through a qualitative ripple effect.

Consolidating the power of inspiration and representation is key: the most powerful benefit perceived from two of the masterclasses was the opportunity to learn from regional advocates.

GOOD PRACTICE

Linking Central American women business enterprises with the global gifts and home decoration market

Enhancing the export competitiveness of women-led businesses through e-commerce

[International Trade Centre, funded by the European Union and implemented in collaboration with the Secretariat for Central American Integration, and national partners in Central America \(Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua and Panama\), 2017–2021](#)

Challenge

ITC research into the Central American craft sector revealed that although 80% of the people working in the sector were women, they owned only 25% of businesses. E-commerce has become a catalyst for increased demand for local handmade products. It offers a unique opportunity to open access to international markets for MSMEs in developing countries. E-commerce is particularly relevant for women entrepreneurs. By connecting women producers to online markets, the project seeks to provide economic opportunities for these women and address the gender imbalance.

Solution

The project aims to empower up to 200 women-led businesses to develop a long-term strategy for exporting handicrafts through e-commerce. Alongside work to improve product quality and design, the project helps beneficiaries sell on international online marketplaces such as Etsy, eBay and Amazon Handmade, build and optimize their webshops, use different digital marketing channels to increase their visibility, receive online payments, prepare orders for shipment, and provide good-quality customer service.

Training is tailored to the maturity levels of the businesses and offers activities in line with the companies' capabilities and needs.

Private-sector partners such as DHL, eBay, Etsy, Payoneer and PayPal support the project with preferential rates and technical training and assistance.

Impact

A number of women-led firms have opened stores on Etsy or built their own webshops to promote their handmade pieces. The project has enabled the creation of the eBay Central America Hub, showcasing a unique selection of jewellery, textiles, ceramics, leather goods and wooden products made by businesses in Central America.

Through these new channels, women-led firms exported their handicrafts to Austria, Guatemala, Italy, Puerto Rico, the Russian Federation, Switzerland, the United Kingdom and the United States.

Lessons learned

Handicraft businesses face a lot of competition online. It is important to invest time to identify niches and find the best product–market fit. Small firms in Central America typically cannot provide reliable shipping at affordable rates. The limited availability of international payment solutions and online marketplaces makes it difficult for small businesses to engage in e-commerce. E-commerce needs time and discipline, and small firms often lack the human resources to keep an online business up and running.

GOOD PRACTICE**EQUALS Global Partnership for Gender Equality in the Digital Age**

Promoting gender balance in the technology sector

[International Telecommunication Union, UN Women, International Trade Centre, United Nations University, and Global System for Mobile Communications \(GSMA\), since 2016](#)

Challenge

There is a large and growing gender gap in internet use and in information and communication technologies more broadly. Women and girls have less access to the internet, have fewer skills in information and communication technologies, and are less likely to hold leadership positions in the technology sector.

The gender digital divide is due to a number of factors, including the affordability, accessibility and availability of infrastructure (often linked to financial opportunity), cultural barriers and gender stereotypes, online safety and workplace discrimination. Full participation of women in the information society is necessary to ensure the attainment of the SDGs by 2030.

Solution

The EQUALS partnership brings together governments, private-sector leaders, educational institutions and civil society organizations, with the common goal to close the digital divide to achieve gender digital equality. EQUALS partners believe we can address the scale and breadth of the challenge only by collective work and commitment of a broad coalition, with each partner bringing a different set of capabilities.

Drawing on the strength of this coalition, the partnership champions equality of access, skills development and career opportunities for women. The partnership promotes awareness, builds political commitment, and harnesses resources, knowledge and capacities of partners. EQUALS partners commit to taking specific, measurable actions every year.

Impact

Over 100 governments, businesses, international and non-governmental organizations, and research institutions across 115 countries are engaged in EQUALS. Through the partners' commitments, 52,000 women and girls are receiving digital skills training and mentoring, and 146 projects are in place to better understand the array of factors behind the digital divide and identify potential solutions.

Lessons learned

Partnerships between governments and the private sector are necessary and effective for project sustainability and to bridge the gender digital divide. Governments play a key role in integrating gender awareness in public policies and creating activities that provide mentorship, training and education around digital technologies, and related opportunities for women. The private sector is equally important to increase access to technical capacity and participation of women on equal terms and at all levels in technology organizations.

RECOMMENDED READING

Organisation for Economic Co-operation and Development (2018). *Bridging the digital gender divide.*

This provides policy directions for consideration by all governments, including G20 economies. It identifies, discusses and analyses a range of drivers at the root of the digital gender divide. It bolsters the evidence base around the digital gender divide and draws attention to critical areas for policy action.

European Union (2019). *Women in the digital age.*

This identifies key factors and trends about women in the digital sector in the EU. It reports a growing gap between men and women participating in the sector, and analyses practices that increase women's participation. Data trends and qualitative analysis suggest gender inequality in the digital sphere is a result of unconscious biases about gender and the technologies themselves; this needs a fundamental cultural change.

Mckinsey Global Institute. *The future of women at work: Transitions in the age of automation.*

The age of automation and artificial intelligence technologies offers new avenues for economic advancement, but women face new challenges overlaid on long-established ones. Between 40 and 160 million women globally may need to transition between occupations by 2030. If women make these transitions, they could be on the path to more productive, better-paid work. If they cannot transition, they could face a growing wage gap or be left behind.

International Trade Centre (2017). *New pathways to e-commerce: A global MSME competitiveness survey.*

This provides insights to help countries shape policies and practices that address business needs on the ground. To benefit from e-commerce, MSMEs need better access to e-platforms, payment and delivery services, streamlined customs procedures and targeted skill building. The survey reveals that the share of logistics costs over final price in developing countries is nearly double that in developed countries.

United Nations University and International Telecommunications Union (2019). *Taking stock: Data and evidence on gender equality in digital access, skills, and leadership.*

To better understand the internet gender gap, Intel commissioned this study. It consulted with the United States State Department's Office of Global Women's Issues, UN Women and World Pulse, a global network for women. The report issues a call to action to double the number of women and girls online in developing countries. It demonstrates the enormity of the global internet gender gap and identifies ways the public, private and civil society sectors can work together to increase internet access for women and girls.

SEMINAR: WOMEN IN DIGITAL TRADE

Centre William Rappard, World Trade Organization, 1 July 2019

Overview

In line with commitments set out in the Buenos Aires Declaration, this was the fifth of six dedicated seminars organized to deepen dialogue on trade and gender-related topics and share good practices. Exploring how cross-border digital trade can offer opportunities for women and women-led businesses is a key area for trade policy research.

Workshop participants heard from academics, experts from international organizations, policymakers and practitioners to take stock of available data and analysis on women's economic empowerment and digital trade. The seminar examined ideas around removing constraints at the international and domestic levels to women's full participation in digital trade. A set of good practices and real-life stories complemented the discussions.

Sponsors

European Union, Senegal and Trinidad and Tobago, in cooperation with the World Trade Organization, United Nations Conference on Trade and Development and the International Trade Centre

Speakers

Nina Angelovska, Minister of Finance, Republic of North Macedonia and Co-founder, Grouper.mk

Makeda Antoine-Cambridge, Ambassador and Permanent Representative, Permanent Mission of the Republic of Trinidad and Tobago to the United Nations Office and other international organizations

Roberto Azevêdo, Director-General, World Trade Organization

Kimberley Botwright, Policy Analyst, Digital Trade, International Trade and Investment, World Economic Forum

Stephen de Boer, Ambassador and Permanent Representative to the World Trade Organization, Permanent Mission of Canada to the World Trade Organization

Nafy Diagne, Founder, AwaleBiz

Esther Eghobamien-Mshelia, United Nations Committee on the Elimination of Discrimination Against Women Member and Convener, KOWGO project

Michael Ferratino, Lead Economist, Global Product Specialist, Trade Policy and Integration, World Bank Group

Aranca González, Executive Director, International Trade Centre

James Howe, Senior Advisor, International Trade Centre

Suzette Hudson, Senior Advisor, Investment Promotion, Caribbean Export Development Agency

Mukhisa Kituyi, Secretary General, United Nations Conference on Trade and Development

Frances Lisson, Ambassador and Permanent Representative, Permanent Mission of Australia to the World Trade Organization

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CHAPTER 7

FINANCIAL INCLUSION

Lead authors: International Trade Centre, Rwanda, African Development Bank, Asian Development Bank, Inter-American Development Bank and Islamic Development Bank

MANY WOMEN ENTREPRENEURS ARE FINANCIALLY EXCLUDED

Access to finance and financial services is one of the key challenges MSMEs face, hindering their ability to expand into international markets.

Women-owned businesses are particularly affected by this issue. Globally, the majority of women are financially excluded. They may not have access to financial institutions to secure, send or receive money, obtain access to loans, or build a credit record. Without sufficient capital to scale and grow their businesses, women-led enterprises tend to be smaller, have lower profits, and operate in sectors with lower barriers to entry.

There are gender-specific barriers to financial inclusion, often related to unequal opportunities and legal discrimination imposing limits on women's economic participation. Current financing methods do not necessarily fit the needs of all types of company. Women-owned businesses often face difficulties in gaining access to loans that are larger than microfinance but smaller than commercial bank loans.

Various factors, including access to resources, exacerbate this challenge. For example, ownership rights can have an effect on women's freedom and capacity to own land, invest in their businesses, obtain collateral for loans, and own financial capital. Financial inclusion is essential to increase the participation of women in trade and enhance the benefits they and society receive from trade.

GENDER-SPECIFIC FINANCIAL BARRIERS CONSTRAIN WOMEN-OWNED FIRMS

Although MSMEs play an integral role in innovation, development, employment creation and poverty reduction, more than 40% face difficulties in accessing finance. MSMEs in developing countries see an estimated financing gap of more than \$5 trillion annually. Liquidity has been available in the market over recent years, but it has not flowed to small businesses and women entrepreneurs.

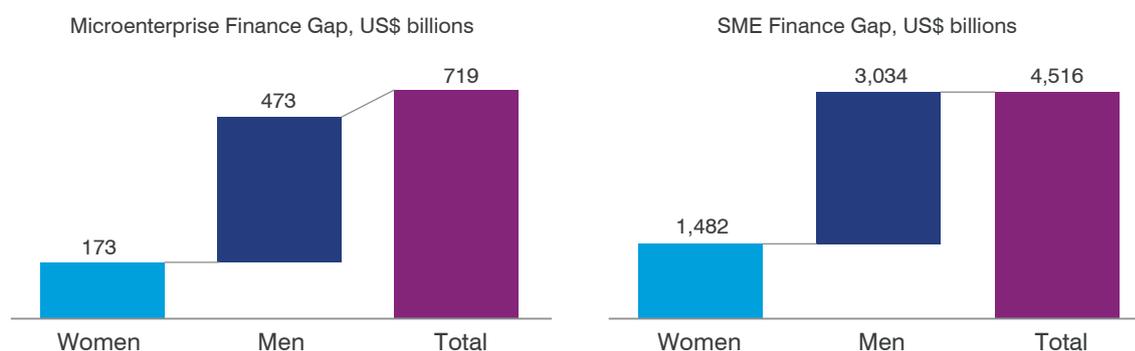
Despite having higher loan repayment rates and lower credit risks, women face difficulties in obtaining loans. Approximately 65% of women-owned businesses in developing countries have unmet financing needs. Women-owned businesses comprise 23% of MSMEs but account for 32% of the global finance gap and only 3% of venture capital funding opportunities.

Depending on the region, the average value of collateral a women-owned business needs to obtain a loan can be up to 20 times more than the value of the loan. Many countries have legal frameworks that do not prohibit discrimination in access to credit based on gender or marital status. Several of these issues affect women-led businesses in developing and developed countries.

In response to these challenges, we have seen progress in promoting financial inclusion with a gender lens. Mobile money systems offer opportunities to increase access to finance and stimulate small enterprise growth, not least for women in developing countries and in rural areas.

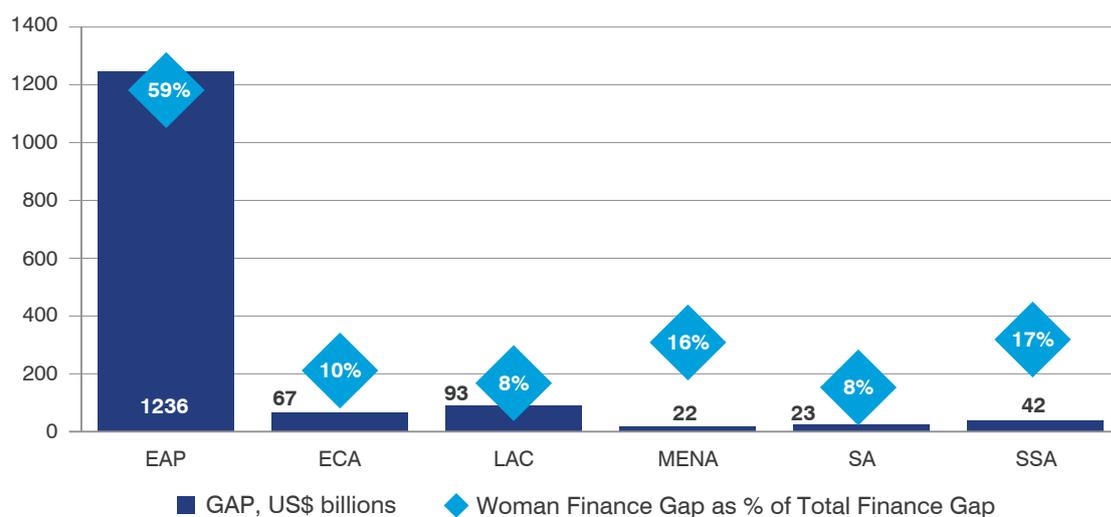
Trade finance is still a relatively new topic, however, and remains to be explored as a tool to support women's financial inclusion and participation in trade.

Figure 7 Women-owned businesses account for an outsized share of the micro, small and medium-sized enterprise (MSME) finance gap



Note: Based on International Finance Corporation data and analysis.
Source: International Finance Corporation (2017). *MSME finance gap*.

Figure 8 The small and medium-sized enterprise (SME) finance gap attributed to women-owned businesses has strong regional variations



Note: Based on International Finance Corporation data and analysis.
 EAP, eastern Asia and the Pacific; ECA, Europe and central Asia; LAC, Latin America and the Caribbean; MENA, Middle East and North Africa; SA, South Asia; SSA, sub-Saharan Africa.
Source: International Finance Corporation (2017). *MSME finance gap*.

RECOMMENDATIONS

Understand context-specific barriers to women

Incorporating a gender lens in trade finance is a relatively new concept. Although there is information on the trade financing gap for MSMEs, information on how women-owned businesses fit into the picture remains obscure.

Given the different country contexts and actors involved, collection and analysis of better gender-disaggregated data related to financing needs for women-owned MSMEs would help create and implement trade finance products. This involves coordination among governments, development finance institutions and international organizations.

Identify laws and regulations that discriminate against women

Women often face multiple constraints to economic participation. Relaxing only one barrier may not improve outcomes as expected in terms of gender equality. Governments, international organizations and civil society groups could build on existing studies and work towards identifying national laws and regulations that directly and indirectly discriminate against women in terms of access to finance. Governments can use policy interventions to relieve constraints and produce the largest gains in bridging the gender gap in financial inclusion.

Promote public-private partnerships

Creating partnerships among public and private institutions helps achieve holistic results. For example, development finance institutions can address underlying constraints in the market, collaborate with commercial banks to create credit lines and policies, build capacity for women-owned MSMEs, and reduce the perceived risks of investing in women.

Private-sector actors tend to be more tolerant of risk and understand the business environment within which women operate. They can provide expertise to build the competitiveness of women-owned MSMEs to meet the needs of investors and achieve gender parity.

Take into account gender-specific considerations for loan offerings

MSMEs generally have small capital requirements of \$5000–200,000. MSMEs with funding needs outside this range are often served by existing channels. Women entrepreneurs represent a big chunk of the ‘missing middle’ as they often seek financing between \$20,000 and \$50,000, which tends to be outside mainstream financing efforts.

Financial institutions can take into account gender-specific considerations and create financing options that match the needs of women-owned MSMEs. Boosting women’s financial literacy allows women-owned MSMEs to understand the financial instruments they need and the services offered by financial institutions.

GOOD PRACTICE

Women's Guarantee Fund in Rwanda

Facilitating access to loans for women entrepreneurs and women-owned SMEs

Rwanda Business Development Fund, since 2009

Challenge

Women entrepreneurs and women-owned businesses in Rwanda without access to traditional collateral face difficulties in obtaining loans from banks. The majority of women borrow money from informal groups. Rwanda has made progress in women's access to finance, but the pace has been slower than for men's finance. This financial exclusion contributes to the feminization of poverty in Rwanda.

Solution

In 2009 the Government of Rwanda created the Women and Youth Access to Finance Strategy and the Women's Guarantee Fund to help local women-owned firms without collateral or credit records secure business loans from commercial banks and microfinance institutions under affordable terms and conditions.

Upon submission of a proposal by a woman entrepreneur or woman-owned business, the fund guarantees 50% of the loan for individuals and 75% for groups. The fund can grant 15% of the total loan amount disbursed, or 5 million Rwandan francs (\$5300) for individuals and 10 million Rwandan francs for groups with a 3-year repayment period.

Impact

The Women's Guarantee Fund has facilitated access to finance for women in Rwanda, especially in rural areas. Financial institutions have been sensitized and have appointed focal points to specifically support women applicants for loans.

Lessons learned

Awareness-raising campaigns to inform women entrepreneurs of opportunities are important to maximize impact and reach. To minimize the risk of loan defaults, government agencies and participating financial institutions conducted campaigns to ensure recipients understand the programme is a loan guarantee scheme.

GOOD PRACTICE

Small and Medium-sized Enterprises Line of Credit Project in Sri Lanka

Promoting women's entrepreneurship through financial inclusion

Asian Development Bank (ADB), Sri Lanka, since 2016

Challenge

In Sri Lanka, prevailing gender inequalities in the labour market limit women's ability to pursue economic empowerment opportunities, despite significant reductions in gender gaps in education levels. There is almost a 35 percentage point gap between the participation rate of women and men in the labour force.

Entrepreneurship is increasingly prioritized as an empowerment avenue for women, but women lead only 9% of SMEs. Prevailing gender inequalities pose significant barriers to women-led SMEs and increase challenges such as limited access to finance, low business capacity, gender-blind policy and regulatory frameworks, and poor data and evidence on women's entrepreneurship.

Solution

The ADB approach is to bring about institutional changes to foster an environment conducive to women's entrepreneurship in Sri Lanka.

Since 2016 the bank has implemented a \$175 million credit line through 10 local banks to underserved SMEs, including women-led firms. In 2018 the project enhanced its gender-related impact with the introduction of a \$12.6 million grant from the Women Entrepreneurs Finance Initiative (We-Fi). The expanded support includes blended finance through an SME line of credit and We-Fi grant, and capacity development support for women entrepreneurs, banks, government organizations and other key stakeholders.

Impact

Since 2016, 1305 women-led SMEs have borrowed from the ADB credit line. With the additional We-Fi support in 2018, 637 women-led SMEs that were previously capital-constrained have accessed a \$6.3 million grant blended with \$25.2 million in ADB credit. Capacity development is also on track.

As of February 2020, 187 women entrepreneurs had completed business development training across the country. Gender gap assessments have been carried out for 10 participating banks, 3 government organizations and 2 chambers of commerce to improve their service delivery to women.

Lessons learned

Government ownership is necessary for successful implementation and sustainable institutional behavioural shifts. The We-Fi project has benefited from high-level engagement. Working closely with partner financial institutions is key to incentivize and deliver project goals. This was achieved through a robust monitoring and evaluation system and the provision of technical assistance.

A proactive dissemination campaign is critical to boost awareness among potential female beneficiaries and banks of how to access new opportunities provided by the project to improve business practices. It is critical to design responses that address the multiple gender-specific barriers facing women SMEs.

GOOD PRACTICE**WeForLAC in the Honduran textile sector**

Connecting women-owned small businesses to markets and improving cash flow

IDB Invest, Honduras, since 2019*Challenge*

In Latin America and the Caribbean, women manage 25–43% of micro and small businesses and 26–29% of medium-sized businesses. Up to 73% of women entrepreneurs are financially unserved or underserved.

To strengthen their businesses, women need savings, insurance and other financial products. Women entrepreneurs face constraints in accessing markets and integrating value chains. In many cases, gender norms and traditions in established informal and formal business networks hold back women-owned businesses. These barriers restrict the information available to women entrepreneurs and limit their capacity to bid for contracts. Women-owned SMEs need improved cash flow to maintain their employees and production capacity.

Solution

Most companies in the Latin America and the Caribbean region have not acted on the market opportunity to source from women-owned SMEs. IDB Invest, the private-sector arm of the Inter-American Development Bank Group, identified an anchor company in the Honduran textile sector that could boost competitiveness by sourcing from women-owned SMEs.

With IDB Invest support and performance-based incentives, this company is developing a strategy to increase access to procurement markets for women suppliers. It is implementing industry-specific recommendations to improve internal procurement policies, such as paying suppliers more quickly to increase and maintain women-owned SMEs. It is also building capacity within the procurement team and top management to understand the value of diversifying the supply chain.

Impact

Through a mix of performance-based incentives and advisory support, the textile producer projects an increase in the number of women-owned businesses in its supply chain by a cumulative 24% in 7 years, and an increase in purchases from women-led SME suppliers by a cumulative 40%. This means 137 additional women-owned SMEs can access markets and improved cash flow through the producer.

Lessons learned

A coordinated effort between the private and public sectors can connect women-owned SMEs to markets, including through coordination with chambers of commerce, textile associations and other industry-specific networks.

The first step consists of mapping existing and potential women-owned SMEs within a specific industry, and then building their capacity to respond to tender processes. A key element during the advisory process is to help the anchor company ensure procurement tenders are accessible and known to women-owned SMEs and that their cash flow is improved through accelerated payment.

RECOMMENDED READING

International Monetary Fund (2018). *What is driving women's financial inclusion across countries?*

Using a broad set of macroeconomic country characteristics to supplement a new and comprehensive micro-level dataset for 140 countries, this identifies structural factors, policies and individual characteristics associated with financial inclusion, in general and for women in particular. The paper finds a robust negative relationship between being female and financial inclusion.

World Bank (2020). *Women, business, and the law 2020.*

This examines laws and regulations affecting women's economic empowerment across 190 countries. It includes indicators that affect various aspects of financial inclusion, such as pay, entrepreneurship and assets, some of which directly affect women's participation in trade.

Department for International Development and Deutsche Gesellschaft für Internationale Zusammenarbeit (2013). *Promoting women's financial inclusion: A toolkit.*

This recognizes the importance of a financial system that benefits both men and women. It offers guidance to policymakers on mapping key challenges, designing and implementing projects, and monitoring and evaluation to promote financial inclusion for women.

International Trade Centre (2019). *SME competitiveness outlook 2019: Big money for small business.*

Increasing annual investments in SMEs by \$1 trillion would yield disproportionate dividends in terms of progress towards the SDGs. These investments have the potential to deliver healthy returns for investors. To boost investment in small firms in developing countries, stronger investment facilitators are key.

International Finance Corporation (2017). *MSME finance gap.*

This assesses the MSME finance gap, moves forward analytical work in this area, and produces actionable country-level estimates. It dedicates a section to the gender finance gap.

Inter-American Development Bank Invest and ESADE (2019). *Gender lens investing: How finance can accelerate gender equality in Latin America and the Caribbean.*

This is the first detailed research on investment opportunities to increase gender equality in the region through the private sector. It identifies the gaps for risk capital, private capital and seed capital. It shows examples of companies leading this trend in different countries. The study shows gender bonds are part of a new trend in social finance and are an innovative way to provide loans to women-led MSMEs.

SEMINAR: SMART FINANCING FOR WOMEN'S ENTREPRENEURSHIP

International Trade Centre, 11 October 2019

Overview

In line with commitments set out in the Buenos Aires Declaration, this was the sixth of six dedicated seminars organized to deepen dialogue on trade and gender-related topics and share good practices. The seminar focused on empowering women through financial inclusion, with an emphasis on supply chain and trade finance and impact finance.

Gathering participants from regional development banks, financial institutions and private-sector firms, speakers shared their experiences with existing initiatives, discussed challenges and opportunities, and highlighted implications for policymakers and the international community.

In an effort to include a wider audience in the discussion, the organizers collaborated with Building Bridges Week, which featured over 30 events in Geneva aimed at accelerating the finance industry's contribution to the SDGs.

Sponsors

Rwanda, African Development Bank, Asian Development Bank, Inter-American Development Bank, International Trade Centre and Islamic Development Bank, in cooperation with the World Trade Organization

Speakers

Yonov Frederick Agah, Deputy Director-General, World Trade Organization

Lawrence Agyinsam, Chief Executive Officer, EXIM Bank of Ghana; and President, Global Network of Export-Import Banks and Development Finance Institutions

Mikael Anzén, Ambassador and Permanent Representative, Permanent Mission of Sweden to the United Nations Office and other international organizations

Ismael Barry, Senior Programme Associate, Islamic Corporation for the Development of the Private Sector

Steven Beck, Head, Trade and Supply Chain Finance, Asian Development Bank

Isabelle Durant, Deputy Secretary General, United Nations Conference on Trade and Development

Vanessa Erogbogbo, Chief, Sustainable and Inclusive Value Chains and Head of SheTrades Initiative, International Trade Centre

Arancha González, Executive Director, International Trade Centre

Heidi Hafes, Market Development Manager, Shell Foundation

Amal Hassan, Chief Executive Officer and Founder, Outsource Global

Samantha Hung, Deputy Representative, European Representative Office, Asian Development Bank

Kristonia Lockhart, Lead Gender Specialist, Islamic Development Bank

Vanessa Mungar, Director of Gender, Women and Civil Society, African Development Bank

Stephanie Oueda, Head of Gender, Diversity and Inclusion, Inter-American Development Bank Invest

Sandra Péloquin, Director, International Relations, Business Development Bank of Canada

Christine Roddy, Executive Director, AlphaMundi Foundation

Marie-Chantal Rwakazina, Ambassador and Permanent Representative, Permanent Mission of Rwanda to the United Nations and other international organizations

Federica Sambiase, Chief Executive Officer, Working Capital Associates

Hani Salem Sonbol, Chief Executive Officer, International Islamic Trade and Finance Corporation

CHAPTER 8

INTERNATIONAL INITIATIVES

ITC, UNCTAD and WTO have led additional projects and activities related to trade and women's economic empowerment at the multilateral level. This chapter succinctly reviews this progress.

WTO SECRETARIAT: EMPOWERING WOMEN

The WTO work on trade and empowering women follows the recommendations, actions and objectives set in the Buenos Aires Declaration on Trade and Women's Economic Empowerment and the WTO Trade and Gender Action Plan for 2017–2019.

Women's economic empowerment was made an integral part of the WTO's work in 2016, when the WTO Director-General became an International Gender Champion. He made the following commitments:

- **Human resources:** promote gender equality in all aspects of the WTO's work by helping to achieve a respectful and inclusive working environment within the organization and by working on the development and implementation of gender-specific policies.
- **Trade and gender:** support WTO members' efforts to place trade and gender more prominently in the organization. Further develop and expand the WTO's training on trade and gender for government officials and other audiences. Continue to collaborate with other organizations to collect and present gender-disaggregated data to better understand links between trade and women's economic empowerment.

The Director-General appointed the WTO Secretariat's first Trade and Gender Focal Point in June 2017. Following this, the WTO launched the Trade and Gender Action Plan 2017–2019 to guide work to empower women.

The action plan is based on four main objectives:

- Raise awareness of links between trade and gender.
- Support WTO members' activities in this area.
- Analyse and collect new data on the impact of trade measures on gender issues.
- Provide training for government officials and other key WTO stakeholders.

The WTO Secretariat is working towards achieving these objectives by focusing on training, research and data collection.

Based on the Biennial Technical Assistance and Training Plan 2018–2019 (WT/COMTD/W/227/Rev.1), the WTO Secretariat launched a new training module on trade and gender on 8 March 2019. It has integrated this module into the regional and Geneva-based training activities of the Institute for Training and Technical Cooperation, which coordinates the organization's trade-related technical assistance activities.

The module identifies which rules can have a specific impact on women's economic empowerment and how they can be translated into trade policies. The training is targeted at WTO government officials and will be gradually extended and adapted to other key WTO stakeholders.

The WTO Secretariat is conducting research on how trade impacts women's empowerment. In 2017 the WTO and the World Bank set up a long-term research partnership to deepen understanding of the linkages between trade and gender.

Through this partnership, WTO and World Bank launched a joint report in 2020 entitled “Women and Trade: The Role of Trade in Promoting Gender Equality”, which looked at the rationale for addressing gender equality; the gender effects of trade and investment liberalization; the challenges and opportunities for women traders in the twenty-first century; and policies that help women gain from trade.

Other research focuses on gender-related trade policy and how WTO members have integrated women’s economic empowerment into their trade policies; the links between trade, gender and the environment; aid for trade and gender; how market access instruments, notably the generalized system of preference schemes, can empower women; informality, new technologies and gender; and gender-related infrastructure.

Since 2017 the WTO Secretariat has collected statistics on gender diversity in the Secretariat and among WTO delegations. It published the first statistics in 2017 and plans to release a new report in 2020 (*WTO report on trade and gender: Work and achievements 2017–2019*). The 2020 report finds that in 2019 women represented 54% of staff in the WTO and accounted for 45% of professional positions, up from 31% in 1995.

More details about this work can be found in the “WTO Report on Trade and Gender. Work and Achievements 2017-2019” to be published in 2020.

UNCTAD: RESEARCH ON TRADE AND GENDER

International cooperation in research and analysis on the nexus between trade and women’s economic empowerment is an important element of the Buenos Aires Declaration. This includes sharing methods and procedures for collecting sex-disaggregated data; use of indicators, monitoring and evaluation methodologies; and analysis of gender-focused statistics related to trade.

UNCTAD has launched a new workstream on trade and gender statistics. Statistics typically measure gender inequalities in the labour market, but it is more challenging to find data about the impact of trade on women as entrepreneurs, producers and consumers.

The expected results of the new stream are enhanced technical capacity of national statistical authorities, especially in developing countries, to collate data and statistics and formulate plans to improve the availability of data needed for gender-responsive trade policy, and enhanced dialogue between the trade and statistics communities at the national and international levels.

UNCTAD is expanding its regional studies that analyse the gender effects of trade in Africa, Latin America and the Caribbean, and least developed countries. A third strand of analysis focuses on specific facets of the trade and gender nexus, such as obstacles for women as informal small-scale cross-border traders, the benefits from enhanced transparency in international trade, and the opportunities and challenges for women in the process of technological innovation and adoption in agriculture.

ITC: EMPOWERING WOMEN TO TRADE

The SheTrades initiative, established by ITC in 2015, aims to connect 3 million women entrepreneurs and women-owned businesses to international markets 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.

The initiative offers a blueprint of seven global actions to unlock markets for women: champion good-quality data; enact fair policies; secure government contracts; strike business deals; enable market access; unlock financial services; and grant ownership rights.

SheTrades has a digital platform, with members from over 120 countries, connecting women entrepreneurs to buyers, investors and new markets.

In 2020 the initiative launched SheTrades Outlook, which provides measurable and comparable indicators related to trade and gender across countries. It promotes cooperation and knowledge-sharing to channel financial and technical assistance and empower women.

In partnership with the Swedish Institute of Standards, ITC is leading a proposal for the potential development of a global definition of ‘women-owned business’ under International Organization for Standardization processes. This standard could have important applications, such as certification for women-owned businesses and access to supplier diversity mandates.

In the area of standards, the International Gender Champions Standards Impact Group continues to encourage action through implementation of the Declaration on Gender Responsive Standards and Standards Development, spearheaded by the United Nations Economic Commission for Europe. This declaration opened for signature in 2019 and includes international, regional and national standards bodies.

Figure 9 SheTrades suggests seven global actions to unlock markets for women



CHAPTER 9

LOOKING AHEAD

For the first time, WTO members and observers have endorsed a collective initiative to increase the participation of women in trade.

Through the Buenos Aires Declaration on Trade and Women's Economic Empowerment, 127 WTO members and observers acknowledge 'the key role that gender-responsive policies can play in achieving sustainable socioeconomic development'.

This report identifies WTO members as essential drivers in shaping trade and domestic flanking policies and programmes to help accomplish these objectives.

We need accelerated solutions to meet the vision set out in the Beijing Declaration and Platform for Action and the goals universally agreed in the 2030 Agenda for Sustainable Development. At the heart of this agenda stands SDG 5 on achieving gender equality and empowering all women and girls. As emphasized by the International Gender Champions Trade Impact Group, 'it is urgent that we live up to our commitments'.

Despite decades of progress, women continue to face many entrenched barriers that prevent them from realizing their full economic potential. We need greater policy commitment to attain equality between women and men in social, political and economic life.

The devastating socioeconomic impacts of the COVID-19 pandemic, particularly on the world's poorest and most vulnerable people, have reinforced this imperative. As the world embarks on an uncertain economic recovery – in the context of an unprecedented slump in global trade and a growing chorus of voices challenging the legitimacy of the international economic order – working towards a trade agenda responsive to the aspirations and needs of women will help steer the global economy towards more equitable and just outcomes.

This report is the fruit of a process actively driven by WTO members. Over 20 members have contributed to the analysis and findings and shared their experiences through examples of good practices.

Six thematic seminars inspired this knowledge exchange. More than 100 speakers from public and private spheres participated.

The outcome includes 24 recommended policies and programmes in different areas of intervention at the intersection of trade and gender equality. Thirty-two good practices, predominantly submitted by supporters of the Buenos Aires Declaration, further encourage mutual learning to meet existing challenges. These cases cover experiences from developed and developing countries and involve multiple stakeholders across all regions of the world. They include initiatives with a global and regional reach.

A number of horizontal issues emerge from the themes and good practices in this report. These include the multifaceted challenges of enhancing women's benefits from trade in their multiple roles as entrepreneurs, workers or consumers, and the potential trade-offs policymakers must confront. Given the many constraints and discriminations facing women, relaxing just one barrier through targeted policy interventions or programmes may not necessarily lead to optimal or effective outcomes.

This leads to the cross-cutting issue of considering the broader ecosystem in which trade policy operates and developing a holistic approach to empower women. The ability of women and men to respond to economic opportunities or adapt to challenges that emerge from trade or trade policy reform is shaped by their different socioeconomic and political roles and their individual freedoms.

It is essential to collect and analyse gender-disaggregated data – including statistics and laws and regulations that directly or indirectly discriminate against women – for robust impact assessments and informed policy decisions. The examples of good practice show the importance of solid monitoring and evaluation systems that track the long-term impact and sustainability of trade-related policy interventions and programmes on gender equality.

The International Gender Champions Trade Impact Group has identified three broad principles that can serve as pillars for a future agenda on trade and women’s economic empowerment at the multilateral level:

- **The process must be member-driven.** To anchor the agenda within the WTO, members should continue to share experiences, accumulate knowledge, and jointly explore the ways in which trade policy instruments can help realize gender equality and how the global trade body can empower women.
- **It is essential to build on the Buenos Aires Declaration and increase the level of ambition to achieve change.** Members can capture the considerable political interest in advancing gender equality in society at large, and use the momentum behind the progress and achievements in implementing the declaration to frame a bold and structured agenda. This includes securing high-level commitment at the WTO Twelfth Ministerial Conference and engaging in a discussion on what constitutes success beyond the ministerial conference.
- **The process must be inclusive.** The declaration currently has 127 signatories. To get more WTO members and stakeholders on board, supporters must build the case for making women’s economic empowerment a critical area of concern of trade policymaking. A future multilateral agenda on trade and gender equality can espouse a modular approach adaptable to the different priorities and capabilities of a broad coalition of countries.



DELIVERING ON
THE BUENOS AIRES DECLARATION
APPENDICES

APPENDICES

APPENDIX I: INTERNATIONAL GENDER CHAMPIONS

The 2017 Buenos Aires Joint Declaration on Trade and Women's Economic Empowerment was spearheaded by the Trade Impact Group under the auspices of the International Gender Champions (IGC; www.genderchampions.com).

Gender equality is essential to achieve peace, defend rights, foster economic growth and promote the well-being of all. Committed leaders can generate momentum at the highest levels to create meaningful change and **facilitate strong cross-cutting links for great potential impact**. IGC seeks to catalyse those links and mobilize change.

IGC brings together female and male decision-makers to break down gender barriers and make gender equality a working reality in their spheres of influence.

IGC was launched at the Palais des Nations in Geneva in July 2015 and is now present in Geneva, Nairobi, New York, Paris, The Hague and Vienna. There are over **240 active champions** and 160 alumni who are heads of international organizations, permanent missions and civil society organizations.

Champions must adhere to IGC values and act in accordance with the highest ethical standards. All Champions sign the Panel Parity Pledge to no longer sit on single-sex panels. This pledge is at the core of the IGC initiative. Champions make two specific commitments that pertain to new or ongoing work to achieve gender equality in their organization and its activities. Therefore, the commitments exist on a broad spectrum and trigger diverse actions.

Impact groups are voluntary working groups, loosely organized by theme and led jointly by Champions. The groups focus on a specific topic for systems change across sectors, such as representation, change management, trade, standards, disarmament and justice.

The IGC Trade Impact Group was established in 2016 and is co-chaired by Botswana, Iceland and the International Trade Centre.

Bringing together WTO members and observers and organizations working on issues of trade and gender, the group aims to raise the visibility of trade and gender, facilitate sharing of good practices, identify points of entry where gender barriers can be addressed, and provide practical guidance on how best to do this.

The group has a set of key priorities and a plan of action, including to implement the Buenos Aires Declaration, collect good practices, and include voluntary questions on gender in WTO members' trade policy reviews. It convenes quarterly to discuss progress and next steps.

For more information visit: www.genderchampions.com

APPENDIX II: BUENOS AIRES DECLARATION ON TRADE AND WOMEN'S ECONOMIC EMPOWERMENT

Joint Declaration on Trade and Women's Economic Empowerment on the Occasion of the WTO Ministerial Conference in Buenos Aires in December 2017

Acknowledging the importance of incorporating a gender perspective into the promotion of inclusive economic growth, and the key role that gender-responsive policies can play in achieving sustainable socioeconomic development;

Acknowledging that inclusive trade policies can contribute to advancing gender equality and women's economic empowerment, which has a positive impact on economic growth and helps to reduce poverty;

Acknowledging that international trade and investment are engines of economic growth for both developing and developed countries, and that improving women's access to opportunities and removing barriers to their participation in national and international economies contributes to sustainable economic development;

Acknowledging the need to develop evidence-based interventions that address the range of barriers that limit opportunities for women in the economy;

Recalling 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; and

Reaffirming our commitment to effectively implement the obligations under the Convention on the Elimination of all Forms of Discrimination Against Women, adopted by the United Nations General Assembly on 18 December 1979;

We have agreed to collaborate on making our trade and development policies more gender-responsive, including by:

1. Sharing our respective experiences relating to policies and programs to encourage women's participation in national and international economies through World Trade Organization (WTO) information exchanges, as appropriate, and voluntary reporting during the WTO trade policy review process;
2. Sharing best practices for conducting gender-based analysis of trade policies and for the monitoring of their effects;
3. Sharing methods and procedures for the collection of gender-disaggregated data, the use of indicators, monitoring and evaluation methodologies, and the analysis of gender-focused statistics related to trade;
4. Working together in the WTO to remove barriers for women's economic empowerment and increase their participation in trade; and
5. Ensuring that aid for trade supports tools and know-how for analysing, designing and implementing more gender-responsive trade policies.

Over the next months, we will hold a series of seminars in coordination with relevant international organizations to explore and discuss, among others, the following themes related to trade and the economic empowerment of women:

- ✓ The promotion of female entrepreneurship and trade;
- ✓ The identification of barriers that limit women's participation in trade;
- ✓ The promotion of financial inclusion as well as the access to trade financing and financial assistance for women traders;
- ✓ The enhancement of women entrepreneurs' participation in public procurement markets;
- ✓ The inclusion of women-led businesses, in particular MSMEs, in value chains;
- ✓ The impact of trade facilitation in providing equal access and opportunities for women entrepreneurs;
- ✓ The inventory of information sources, their complementarity and the identification of data gaps.

In 2019 we will report on progress towards implementation of this joint declaration on trade and women's economic empowerment.

Members and observers supporting the Buenos Aires Declaration on Women and Trade

Afghanistan, Albania, Andorra, Angola, Argentina, Australia, Bahamas, Barbados, Belarus, Benin, Botswana, Brazil, Burundi, Cambodia, Canada, Chad, Chile, China, Colombia, Costa Rica, Côte d'Ivoire, Democratic Republic of the Congo, Dominica, Dominican Republic, Ecuador, El Salvador, Ethiopia, European Union (Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden), Fiji, Gabon, Gambia, Georgia, Grenada, Guatemala, Guinea, Guinea-Bissau, Guyana, Haiti, Honduras, Iceland, Indonesia, Israel, Jamaica, Japan, Kazakhstan, Kenya, Kyrgyzstan, Lao People's Democratic Republic, Lesotho, Liberia, Liechtenstein, Madagascar, Malawi, Malaysia, Maldives, Mali, Mauritius, Mexico, Mongolia, Montenegro, Myanmar, Namibia, New Zealand, Niger, Nigeria, North Macedonia, Norway, Pakistan, Panama, Paraguay, Peru, Philippines, Republic of Korea, Republic of Moldova, Russian Federation, Rwanda, Saint Kitts and Nevis, Saint Vincent and the Grenadines, Samoa, Senegal, Serbia, Sierra Leone, South Sudan, Swaziland, Switzerland, Chinese Taipei, Tajikistan, Togo, Tonga, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukraine, United Arab Emirates, United Kingdom, Uruguay, Vanuatu, Viet Nam, Zambia.

APPENDIX III: BEIJING DECLARATION AND PLATFORM FOR ACTION

The Beijing Declaration and Platform for Action was developed at the Fourth World Conference on Women, organized by the United Nations in Beijing, China in September 1995.

Through the declaration, adopted by 189 governments, countries provided an ambitious global blueprint to advance women's rights and committed to taking action in 12 critical areas of concern: poverty; education and training; health; violence; armed conflict; economy; power and decision-making; institutional mechanisms; human rights; media; environment; and girls.

The document is a comprehensive outline of strategic steps to be taken to concretize and enhance the goals of the Convention on the Elimination of All Forms of Discrimination against Women.

A quarter of a century later, the Beijing Platform for Action 'remains a powerful source of guidance and inspiration', in the words of UN Women, and a significant statement of principle with great symbolic value.

Below are the strategic objectives and examples of commitments in the Platform for Action in the area of women and the economy.

Beijing Declaration and Platform for Action

Annex II. Platform for action

Chapter IV. Strategic objectives and actions

F. Women and the economy

Strategic objective F.1. **Promote women's economic rights and independence, including access to employment, appropriate working conditions and control over economic resources.**

Example: enact and enforce legislation to guarantee the rights of women and men to equal pay for equal work or work of equal value.'

Strategic objective F.2. **Facilitate women's equal access to resources, employment, markets and trade.**

Example: pay special attention to women's needs when disseminating market, trade and resource information and provide appropriate training in these fields.

Strategic objective F.3. **Provide business services, training and access to markets, information and technology, particularly to low-income women.**

Example: create non-discriminatory support services, including investment funds for women's businesses, and target women, particularly low-income women, in trade promotion programmes.

Strategic objective F.4. **Strengthen women's economic capacity and commercial networks.**

Example: provide business services, including marketing and trade information, product design and innovation, and technology transfer and quality, to women's business enterprises, including those in export sectors of the economy.

Strategic objective F.5. **Eliminate occupational segregation and all forms of employment discrimination.**

Example: increase efforts to close the gap between women's and men's pay, take steps to implement the principle of equal remuneration for equal work of equal value by strengthening legislation, including compliance with international labour laws and standards, and encourage job evaluation schemes with gender-neutral criteria.

Strategic objective F.6. **Promote harmonization of work and family responsibilities for women and men.**

Example: improve the development of, and access to, technologies that facilitate occupational as well as domestic work, encourage self-support, generate income, transform gender-prescribed roles within the productive process and enable women to move out of low-paying jobs.

Source: Organisation for Economic Co-operation and Development (2019). *Strengthening the gender dimension of aid for trade*. In World Trade Organization and Organisation for Economic Co-operation and Development. *Aid for trade at a glance*.

APPENDIX IV: ADDITIONAL GOOD PRACTICES

GOOD PRACTICE

Addressing internal barriers to gender mainstreaming within an organization

Making Gender-based Analysis Plus a priority

Global Affairs Canada, since 2018

Challenge

The use of Gender-based Analysis Plus (GBA+) – Canada's analytical tool to examine the varying effects of policies, plans, programmes and other initiatives on diverse groups of people – is often hindered by internal barriers such as lack of resources, inadequate training and inadequate time to do a good job.

Solution

Senior management must show they support the use of GBA+ and give employees the resources to use it effectively. For GBA+ to be fully integrated into the policies and practices of an organization, it is necessary to demonstrate its value and build capacity among staff. This can be achieved only if there is strong leadership from the top of an organization.

The Trade Policy and Negotiations Branch of Global Affairs Canada created an ecosystem favourable to the systematic application and implementation of GBA+ by appointing a GBA+ champion at the senior management level, appointing a gender focal point at the senior official level, and establishing a trade branch GBA+ advisors network.

Impact

With the support of senior management, the branch addressed internal barriers by offering its employees capacity-building workshops, training and tools. Examples include developing customized GBA+ training and case studies focused on trade policy; developing a GBA+ trade data and resource bank and offering training on navigating the gender and diversity data portals at Statistics Canada; and conducting extensive outreach across the branch and to other government departments and agencies that support trade negotiations.

With training and resources, employees effectively integrated GBA+ into their everyday work, including producing the initial GBA+ on the ongoing Canada–Mercosur trade negotiations.

Lessons learned

Senior management support and active engagement are important. A gender focal point, with the support of a coordination team or committee, should lead the implementation and integration of GBA+ into policy development. It is important to develop and implement an annual action plan to keep track of progress and address any gaps. Training is essential for employees to feel comfortable conducting GBA+. Integrating GBA+ into existing processes can inform and influence negotiations and ongoing policy analysis and development.

GOOD PRACTICE

Data initiative for report on women's participation in Chilean exports

Measuring women's participation in trade to improve policy design

[Undersecretariat for International Economic Relations, Ministry of Foreign Affairs of Chile, since 2017](#)

Challenge

The underrepresentation of women in trade is a worldwide issue. Globally, women lead only 15% of exporting firms. Collecting, updating and publishing sex-disaggregated data is crucial to explore the challenges facing women in international markets. Chile's Undersecretariat for International Economic Relations and the Export Promotion Bureau (ProChile) embarked on an unprecedented effort to measure the participation of women in trade and increase awareness and visibility of gender issues in this area.

Solution

The research offers relevant information about women's participation in trade, overall trends and areas for improvement. It disaggregates gender-related data by industry, sector, market destination and total values, among other variables. To complement the analysis, in 2018 the report included a survey of women exporters to better understand the obstacles that hinder women from participating in trade. Over 40% of respondents claimed to have felt discriminated in at least one instance of the internationalization process.

Impact

The report has helped policymakers assess the situation of women-led exporting companies, raise awareness about extremely low participation rates, and develop evidence-based policy responses to continue improving market access for women entrepreneurs. As future editions are released, the report will enable monitoring of progress over time. This endeavour has caught the attention of other international actors, which have reached out to learn about Chile's experiences, methodological approach and impact on policy design.

Lessons learned

The project and accompanying data have enhanced the Chilean Government's understanding of women exporters. The report is developed using ProChile and Chile's National Customs Service database. This approach does not account for all Chilean exporting companies. The Undersecretariat and ProChile aim to perfect the methodology in later editions.

GOOD PRACTICE

Access to government procurement opportunities in Kenya

Doing business with governments

National Treasury of the Republic of Kenya, since 2013

Challenge

The public procurement sector in Kenya is male-dominated. Gender-sensitive procurement policies could address concerns over whether the sector accommodates women and men equitably.

Solution

Access to Government Procurement Opportunities (AGPO) is a law in Kenya initiated in 2013 by presidential directive. AGPO is an affirmative action programme that seeks to empower women, youth and people with disabilities through public procurement business opportunities. AGPO gives these groups 30% of all tender initiatives without competition from established firms.

To qualify for the gender segment of the preference and reservations scheme, enterprises must register with a relevant government body, have at least 70% female membership, and be fully owned by women.

Impact

Over the first 4 years, 27,401 contracts worth around \$285 million were awarded to women. Over 30,000 women-led businesses have registered with the programme.

Partners such as the International Trade Centre and the Kenya Private Sector Alliance have conducted interventions to increase the participation of women-led businesses in the procurement scheme.

These interventions seek to address three issues: technical capacity constraints limiting the ability of women-led micro and small firms to meet standards and quality; affordable tender financing with calls for guarantees from government agencies to ensure women-owned small businesses in Kenya meet allocated quotas; and awareness and sensitization meetings to improve access to procurement and market information.

Lessons learned

The programme has experienced a number of difficulties that have limited its effectiveness. Delayed payments have been an issue, which the Government has committed to resolving. The Preference and Reservations Secretariat has not been operationalized due to limited staff and resources. This is a critical impediment, as non-complying entities cannot be sanctioned without this body. The Government has since pegged non-compliance to budgetary allocation.

Less than 20% of registered businesses have benefited from AGPO. In response, the Government will provide avenues for local purchase order financing to enable the supply of tenders. Women businesses are encouraged to participate in AGPO as groups to spread business risks and improve uptake. The Government plans to introduce training sessions on AGPO tendering processes and meetings between public procurement agencies and women entrepreneurs.

GOOD PRACTICE

Korean preferential purchase policies for certified women companies

Addressing gender gaps and activating women businesses through public procurement

Public Procurement Service, Government of the Republic of Korea, since 1999

Challenge

Women's participation in the labour force in the Republic of Korea is low among OECD countries. In 2017 the participation rate of Korean women aged 15–64 years was 58.4%, 10 percentage points behind Japan and the United States. The OECD average was 63.6%.

In 2015 there were 1.4 million women-owned SMEs, accounting for almost 40% of the total number of SMEs in the country, and 102,000 women-owned companies were registered as qualified public procurement suppliers, accounting for 35% of registered and qualified SMEs.

Public procurement can be an effective means of support to redress gender-related labour market gaps.

Solution

Preferential purchasing for SMEs in public procurement was enacted by law in 1999 and includes schemes for certified women companies. Certification – which calls on enterprises to meet requirements beyond female ownership – secures the legitimacy of target beneficiaries.

Major schemes include a system of target rates for the purchase of SME products that contracts 5% or more of the total purchasing value of goods and services, and 3% or more of the total value of construction works, from certified women companies.

In tenders below about US\$41,700 (KRW 50,000,000 in 2020), public entities can purchase goods or services from certified women companies through single-source contracts without competitive bidding. Certified women companies receive additional points in their evaluation criteria for various bidding processes.

Impact

Between 2010 and 2019, the Republic of Korea's public procurement volume increased by 29% (reaching \$111 billion), with procurement from SMEs increasing by 57% (reaching \$86.1 billion). For certified women companies, preferential purchases grew by 404% in value (reaching \$9.8 billion), and the purchase target rate was exceeded in each sector (goods, services and construction).

The number of registered certified women companies in the public procurement system has grown by 22% per year, possibly increasing the overall participation of women in the labour force at the national level by an estimated 2%.

Lessons learned

Public procurement is an effective means to activate women's businesses. Preferential public purchase instruments have helped alter gender imbalances. Certified women companies outperformed overall SMEs in the increased volume of public procurement between 2010 and 2017.

Procurement resources are limited, however, and the number of certified women companies participating in the preferential system is increasing, so the effect of the support is diminishing.

Further steps include developing a mechanism for sustainable growth by transforming the benefits derived from the preferential public procurement market into a source of competitive advantage in the private market.

GOOD PRACTICE

Mujer Exporta by ProChile

Bringing women-led businesses closer to international target markets

[ProChile, Undersecretariat of International Economic Affairs, Ministry of Foreign Affairs of Chile, since 2016](#)

Challenge

In 2018 only 5.3% of exporting companies from Chile were led by women. This accounted for 1.4% of total Chilean sales abroad.

According to a subsequent survey conducted by the Undersecretariat of International Economic Affairs and ProChile, 50% of women exporters believe they do not have access to a proper export network, and 42% think there is not enough public support for women-led companies to enter international markets.

Among the factors that limit women's ability to participate in export activities are insufficient access to information, insufficient financing, and insufficient training opportunities for capacity development. To address these issues, ProChile created Mujer Exporta (Women Export).

Solution

The Mujer Exporta programme, launched in 2016, aims to develop and strengthen the internationalization of export-ready and exporting women-led businesses. The programme gives women entrepreneurs the opportunity to access training, networking bodies and business round tables, attend events and trade fairs, and engage in initiatives aimed at enhancing business capacity.

These activities are conducted in coordination with ProChile's network of 16 regional offices and over 50 trade offices around the world. The programme runs yearly and welcomes applications from women-led firms operating in a variety of sectors, including services, food and creative industries.

Impact

In its latest iteration, Mujer Exporta directly benefited over 1000 Chilean businesswomen who participated in export-related capacity development activities to facilitate access to international markets. The offerings included access to a broad range of networks, attendance at international trade fairs, and opportunities for business expansion. These initiatives brought programme participants closer to their target international markets.

Lessons learned

Mujer Exporta has evolved since its creation and will continue to do so to better respond to the challenges facing women-led businesses in export activities. ProChile realizes the importance of designing and offering activities tailored to the specific needs of women entrepreneurs by sector and region, and offering continuous support and monitoring during implementation.

To support women from all backgrounds, ProChile established the Women and Indigenous Communities Unit, which will strengthen the programme by addressing general trade issues and other issues more specific to women from indigenous communities.

GOOD PRACTICE

Women Entrepreneurs Network Programme in Turkey

Forming a robust business-to-business network

Ministry of Trade of the Republic of Turkey, since 2019

Challenge

Turkey carried out an online survey in 2019 to determine the needs of potential women exporters and their expectations from the Ministry of Trade. The survey showed 71% of women entrepreneurs had not engaged in exporting activities. Participants had difficulties in accessing national and international business-to-business networks and mentors and in acquiring knowledge to engage in international trade. Women entrepreneurs need access to detailed information on integrating and participating in global value chains.

Solution

The Ministry of Trade formed a robust network in 81 cities reaching out to women entrepreneurs and informing them about how to be exporters. Potential commodity exporters were identified in each city and an inventory was formed. The Ministry of Trade carried out a training programme and established a platform to create a network in each city.

Training is designed to increase awareness about the importance of women entrepreneurship and women's participation in international value chains. Best practices in the field such as WEGate, SheTrades, BIDSNET and Trade Map are shared with the participants.

Impact

The initiative runs in cooperation with the Union of Chambers and Commodity Exchanges of the Republic of Turkey. Nearly 1000 women entrepreneurs have joined 18 meetings in 17 cities. The network has facilitated business. Formation of a database and inventory of women entrepreneurs in Turkey is a very important outcome. Since May 2020, the programme has run on online platforms due to the COVID-19 pandemic.

Lessons learned

Multiple barriers limit the competitive capabilities of women-owned, export-oriented SMEs worldwide. In Turkey, far fewer women-owned SMEs than businesses owned by men are engaged in international value chains.

Following each programme, awareness of women entrepreneurs about the importance of integrating global value chains has increased. Women are seeking help with export processes and value chains. Organizing a hands-on training programme in every city is crucial to form effective networks and maintain the database.

GOOD PRACTICE

SheTrades Initiative

Connecting three million women to international markets

International Trade Centre, since 2015

Challenge

Women's participation in the economy and international trade is one of the keys to unlocking the full potential of countries and contributing to innovation, productivity, competition and overall development. Underlying factors such as gender norms and asymmetric rights can influence the different roles women play in the economy.

Women tend to face challenges in accessing resources, skills, finance, networks, assets, institutions and market information, which can result in gender-differentiated outcomes of trade. There is a strong need to address the obstacles facing women in trade and to cultivate an inclusive ecosystem for success.

Solution

Recognizing the need to ensure women and men can benefit equally from trade, the ITC has worked to support women in trade over the past decade.

The SheTrades Initiative aims to connect 3 million women to markets by 2021.

SheTrades promotes collaboration among public and private stakeholders across a blueprint of seven global actions related to data, fair policies, public and private procurement, capacity building, market access, access to financial services, and ownership rights. The initiative has a digital platform for women to create profiles and connect to buyers, investors and new market opportunities.

Impact

SheTrades is present in over 20 countries. Core private-sector partners include Barclays Bank, eBay, Maersk, Sidley Austin and UPS. They provide resources, networks and expertise to support SheTrades women.

The initiative has created regional and country hubs to increase local ownership and sustainability of support.

Since 2015 SheTrades has trained over 300,000 women. It has organized over 3000 training and capacity-building events, generated \$94 million in exports, facilitated participation in over 60 trade shows, garnered commitments from 300 institutions to support the initiative, provided stakeholders with data and policy reform support through knowledge tools, and established a network of thousands of users on the SheTrades platform.

Lessons learned

Commitment from partners and local institutions contributes directly to the reach and impact of the initiative. Leveraging public-private partnerships ensures value chains develop in a gender-responsive manner. Access to finance is critical to ensure women succeed in international trade.

ITC has established SheTrades Invest, which promotes gender-lens investment within a large network of impact funds, and set up the CARE-SheTrades Fund, which is part of the SDG500. To facilitate long-term results for women in trade, ITC has taken steps to foster sustainability of interventions by taking a holistic approach, emphasizing the need to measure systemic impacts and supporting country ownership.

GOOD PRACTICE

Businesswomen Community in the Pacific Alliance

Creating an online community to support internationalization of women-owned businesses

[Pacific Alliance with the support of the Inter-American Development Bank, Chile, Colombia, Mexico and Peru, since 2017](#)

Challenge

In all members of the Pacific Alliance (Chile, Colombia, Mexico and Peru), women's participation in the labour market is rising and the number of women-led enterprises is increasing.

A gender gap remains, however. Women-owned businesses are often small and tend to turn towards national markets. Women face many barriers that inhibit their ability to develop and sustain their business activities, scale up operations, and compete in regional and international markets.

Solution

In 2017 the Pacific Alliance countries jointly created the online platform Businesswomen Community (Comunidad Mujeres Empresarias) to promote economic empowerment of women. This virtual community enables women entrepreneurs to connect and explore business opportunities, exchange information to strengthen entrepreneurial and leadership capacities, expand their networks, and obtain information about events and online courses.

The initiative is supported by the Inter-American Development Bank and integrated in the ConnectAmericas online platform, established in response to demand from SMEs in Latin America and the Caribbean to help expand into international markets.

Impact

The online community has positively impacted the businesses of over 1200 women, mostly SMEs. It has generated business opportunities and enabled members to support each other to develop export activities.

Other benefits include tools for business growth, access to purchasing announcements, certification services (provided by WEConnect, which registers and certifies women-owned and women-managed businesses), and an online marketplace to buy and sell products and services.

Lessons learned

The initiative is valuable as a virtual space to share experiences. It has enabled economic actors in the Pacific Alliance to find and connect with women entrepreneurs and women-owned businesses in the region.

Opportunities to improve the platform include creating a database to classify women-owned businesses according to sectors, export activities and past transactions, and developing tools to enable women to strengthen their e-commerce offerings.

GOOD PRACTICE

Ghana Female Professionals in Electronics

Boosting the number of women in technical professions

[Korea International Cooperation Agency \(KOICA\), in partnership with Samsung Electronics, the German Corporation for International Development \(GIZ\), and the Ghanaian Council for Technical and Vocational Education and Training \(COTVET\), Ghana, 2014–2018](#)

Challenge

Technological progress and digitalization are increasingly important drivers of economic growth and value chain integration in goods and services. In many developing countries, consumer demand for electronic appliances is rising due to a growing urban middle class.

In 2013 COTVET, the Ghanaian authority that regulates the country's vocational training sector, released a corporate gender study. The study found that less than 2% of skilled workers in the lucrative and expanding technical sectors were female. This was true for production, sales, installation and servicing. The study highlighted that girls' vocational training institutes in Ghana typically offered education in female-dominated trades such as catering, tailoring and cosmetology.

Solution

In 2014 KOICA entered a partnership with Samsung Electronics, GIZ and COTVET to launch the Female Professionals in Electronics project. The objective was to increase the number of trained female professionals in the electronics sector in Ghana and boost the participation of women in technical employment.

The strategy consisted of curating a three-year course for female students in four established vocational training centres and improving infrastructure by installing electronic laboratories. The curriculum was built around technical learning and included modules on financial literacy, marketing, customer management and business development. Students had internship opportunities and the majority benefited from scholarships.

Impact

A total of 271 female students enrolled during the implementation phase. Female enrolment in the electronics departments of the project institutes rose from 4% to 52% between 2012 and 2017.

The first batch of graduates included 88 young women, of whom 62 were employed within a year after graduation as salespeople, technicians and assistant instructors. Job numbers resulting from the full project will be reflected after a longer period. The laboratories and capacity building of facilitators remain sustainable assets of the training institutes.

Lessons learned

The project has opened wider opportunities in value chain manufacturing and services. Beyond the acquisition of technical skills, the young women enrolled in the project have gained confidence to enter and compete in a traditionally male-dominated sector.

GOOD PRACTICE

Ella Exporta in Peru

Developing the export potential of leading women entrepreneurs

[Commission for the Promotion of Peru through Export and Tourism \(PROMPERÚ\), since 2017](#)

Challenge

In Peru many women entrepreneurs who start and lead a business often take on multiple tasks, including business planning, finance and marketing.

Women-led enterprises can lack the appropriate training and skills to grow their businesses, develop their products, promote their brands, and successfully enter export markets.

Solution

In 2017 PROMPERÚ established the Programme for Leading Women Entrepreneurs (Ella Exporta) to promote business growth among exporting women, reduce the labour participation gap, and develop an export culture within the female workforce.

The programme provides targeted training to women entrepreneurs to elaborate business plans and strengthen knowledge on export logistics and costs, corporate social responsibility, financial tools and e-commerce.

Impact

The programme Ella Exporta has benefited 80 women entrepreneurs from the cities and regions of Arequipa, Ayacucho, Cusco, Huancayo, Junín and Lima. These businesses are engaged in a diversity of sectors, including textiles, decorative items, jewellery, services, manufacturing and agribusiness.

In 2018, five of the 18 women entrepreneurs from the programme's first generation traded internationally, including with Canada, Chile and the United States. In 2019 the programme developed the export potential of 11 women entrepreneurs. In 2020 the programme will expand to the San Martín region.

Lessons learned

Ella Exporta has identified aspects that can be strengthened to better respond to participant needs.

The coaching module could lay greater emphasis on issues related to empowerment, leadership, task delegation and soft skills. The programme could incorporate a module on international negotiation skills. The networking component could be reinforced.

The programme could develop strategic alliances with other institutions, such as promotion agencies and international cooperation bodies, and facilitate the participation of women entrepreneurs in commercial platforms such as fairs, trade missions and business matchmaking events.

GOOD PRACTICE

Digital2Equal

Increasing the quality of women's engagement in the digital economy through platform companies

[International Finance Corporation \(IFC\) with the European Commission Directorate-General for International Cooperation and Development, together with 17 platform companies, 2018–2021](#)

Challenge

There is little evidence to show the market potential of increasing women's access to and use of online platforms in the digital economy. As a result, only a few companies target or design products to meet the particular needs of women through online platforms.

There are few best practice examples demonstrating how to capture the potential of the platform economy to increase women's economic opportunities.

Digital2Equal (D2E), a peer-learning initiative between the IFC, the EU and 17 global platform companies, provides evidence of the business and development impact case for enhancing women's engagement in this fast-growing sector and by working with the private sector to put solutions into action.

Solution

D2E aims to ensure emerging technologies and business models, including the platform economy, benefit both women and men. By sharing best practice knowledge and creating a 'race to the top' for gender equality among global platforms, the IFC and the EU help drive change at scale and ensure women can leverage the digital economy for access to work, assets and markets.

Impact

D2E has convened 17 established and emerging platforms that facilitate the exchange of goods, services or capital, including global leaders Facebook, Jumia, Lazada and Uber. Each D2E member has made three commitments to improve the ability of women to participate in or benefit from the platform economy, and reported on progress.

The knowledge gained through the initiative is gathered in a series of case studies, including research on women's participation in e-commerce platforms in Africa and Southeast Asia.

Lessons learned

Women platform users have unique needs and preferences that can grow markets and drive development. Collecting and analysing gender-disaggregated data generates insights for platform and product design. Advances in gender equality support innovation for women.

GOOD PRACTICE

Turkish Export Academy for Women-owned Small Businesses

Training women entrepreneurs to access export markets through e-commerce

[Ministry of Trade of the Republic of Turkey, in cooperation with UPS, Turkey, since 2019](#)

Challenge

An online survey by the Turkish Ministry of Trade found that 71% of women entrepreneurs who are members of the Union of Chambers and Commodity Exchanges of Turkey had not previously engaged in export activities. Reasons included difficulties in accessing national and international business-to-business networks and mentors and acquiring the knowledge to engage in e-commerce, specifically in cross-border trade.

Women entrepreneurs need access to detailed information on export procedures governing their products, payment methods, export market analysis and technical regulations.

Solution

The Ministry of Trade designed a one-day e-commerce training programme in partnership with UPS. The programme targets women-owned SMEs unfamiliar with export practices. It aims to integrate formal trade support networks operating nationally and internationally. The initiative offers practical information on exporting products using online platforms, marketing products through multimedia, packaging correctly, and managing return procedures.

The goal is to support 4500 women-owned SMEs across Turkey, enabling them to expand their export activities, diversify into new sectors or markets, and develop trade networks.

Impact

The programme launched in late 2019 and included coverage from national broadcasting agencies. Over the first 5 months, 500 participants attended training programmes in 6 cities. From April 2020, the programme has run on online platforms due to the COVID-19 pandemic. In April and May 2020, over 1000 participants attended the online programme.

Based on feedback gathered since implementation, a number of women-owned SMEs have started exporting via e-commerce as a result of their participation. An evaluation based on participant responses will assess the impact of the programme.

Lessons learned

Collaborating with a partner from the private sector with practical experience and who engages directly with customers is valuable. Turkish women-owned SMEs need to build knowledge and skills in areas such as regulations and certification covering export processes.

GOOD PRACTICE

Gender-lens Impact Investing Fund in Southeast Asia

Pushing the envelope on gender-lens investing by incorporating gender-equal practices

[CARE-SheTrades Impact Fund, Bangladesh, Cambodia, Indonesia, Myanmar, Philippines and Viet Nam, since 2020](#)

Challenge

Despite rapid economic growth in South and Southeast Asia, women in Asia lag behind their male counterparts across all measures of progress.

Women are more likely to work in informal, insecure, low-wage jobs and have less access to finance, markets, healthcare, property and nutrition than men.

The ILO 2018–2019 Global Wage Report revealed the average gender wage gap in Southeast Asia is 19.8%, compared with the world average of 18.8%. A billion women worldwide have no access to a bank account.

These inequalities are exacerbated in the face of crises such as the COVID-19 pandemic, reversing decades of progress in gender equality indicators.

Solution

The CARE-SheTrades Impact Fund has been created by Bamboo Capital Partners, CARE USA and ITC to champion gender equality. The \$75 million fund provides debt and equity capital (\$1–5 million investment size) to growth-stage companies that are women-owned or women-led or have a large female employee base; that produce goods or services catering to women's needs; or that procure from women-owned or women-led producers and supply chain actors.

The fund supports companies to establish practices around gender equality and worker protection through a technical assistance package.

Impact

The fund aims to improve gender-equitable workplace practices, improve women's access to essential products and services, increase participation of women-led businesses in supply chains, increase female employment, and help portfolio companies build more gender equity within their operations. This will result in spillover effects and create awareness about gender equality in the larger community.

The fund will select companies and work with entrepreneurs who have established a sustainable business model and demonstrate a commitment towards a more gender-equitable work environment.

Lessons learned

It is essential to have the portfolio company's support while establishing gender-equitable workplace practices in their operations. Effective implementation rather than a perfunctory, check-the-box mindset is important. Understanding local and cultural contexts is important before imposing sweeping company policies.

A series of small steps may be needed to achieve the large goal. The discussion must be two-way, and continuous feedback with management, customers and employees is crucial.

GOOD PRACTICE

Shaping Inclusive Finance Transformations in the ASEAN region

Connecting women and vulnerable groups with formal financial services

[United Nations Capital Development Fund, supported by the Australian Government, 2015–2020](#)

Challenge

Fourteen per cent of the 600 million people in the Association of Southeast Asian Nations (ASEAN) region live below the poverty line. Almost 60% of these use informal mechanisms such as moneylenders and unregulated remittances.

Many people and micro and small enterprises, particularly women-led and -owned businesses, do not have the protection, choice or reliability of regulated financial services. This hinders the development of the region's labour force, since poor families cannot afford to keep their children in school, and limits women's independence and security.

Solution

When women take control of their finances, they are more likely to invest in their own health and education and that of their family members, including their daughters. Such investments improve the overall development of the country and the region.

The Shaping Inclusive Finance Transformations (SHIFT) programme uses financial inclusion to reduce poverty and vulnerability, especially among women, and boost inclusive economic growth. It helps women access and use formal financial services such as savings accounts, credit and insurance.

As a market development programme, SHIFT includes four discrete pillars: private-sector funding, capacity development, data analysis and policy advocacy.

By 2020, SHIFT aims to transition at least 6 million low-income people and MSMEs in the region from informal to formal, high-value, regulated financial services.

Impact

SHIFT has conducted data training activities in Cambodia, Myanmar and Viet Nam. As a direct result, two financial products targeting women in Myanmar and two targeting micro- and small firms and young homebuyers in Cambodia have been created.

An indirect result has been approval of the National Financial Inclusion Strategy in Cambodia, partially informed by the programme. In addition, insights drawn from the initiative have been documented and presented to ASEAN regional cooperation platforms such as the Working Committee on Financial Inclusions to share best practices and inform policy.

Lessons learned

When implementing a market development programme such as SHIFT, it is important to approach the market holistically. Data analysis and collection can have a large impact. This is enhanced by combining these activities with capacity building and strengthening causal links with programme outcomes.

SHIFT has taken the lessons learned from its activities and adjusted the programme, triggering the development of new financial products and ensuring greater sustainability. Success has built on partnerships with local financial service providers and regulators open to absorbing programme content and tools. The effective adoption of technology for data analysis has played an important role.



The International Trade Centre (ITC) is the joint agency of the World Trade Organization and the United Nations.