



An in-depth look at the Report:

WOMEN AND TRADE

THE ROLE OF TRADE IN PROMOTING GENDER *EQUALITY*

Nadia Rocha – Victor Stolzenburg – Jose-Antonio Monteiro

15 October 2020 | 4:00 pm – 5:00 pm (CET time)



Chapter 1

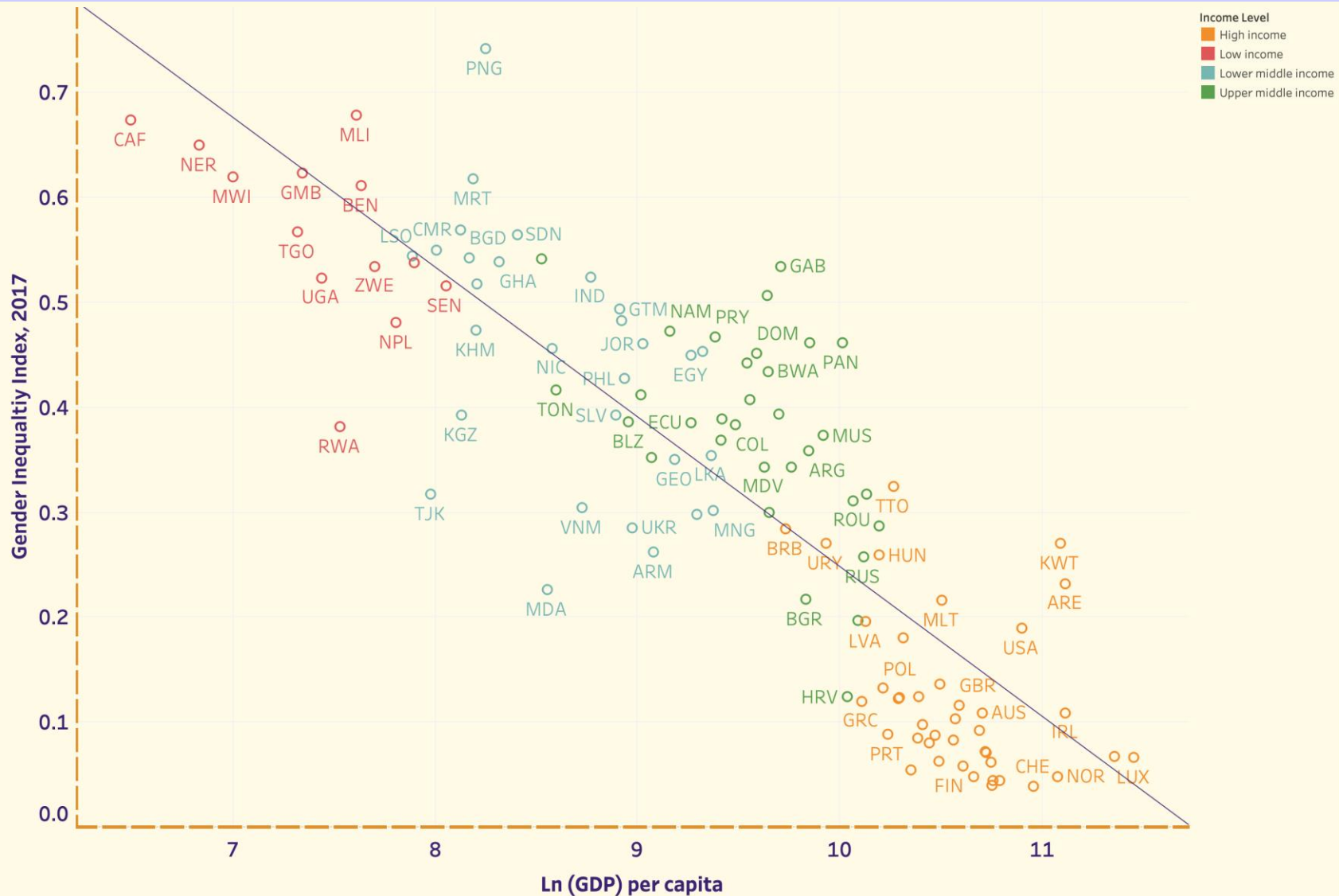
The impact of trade on
WOMEN in their different roles



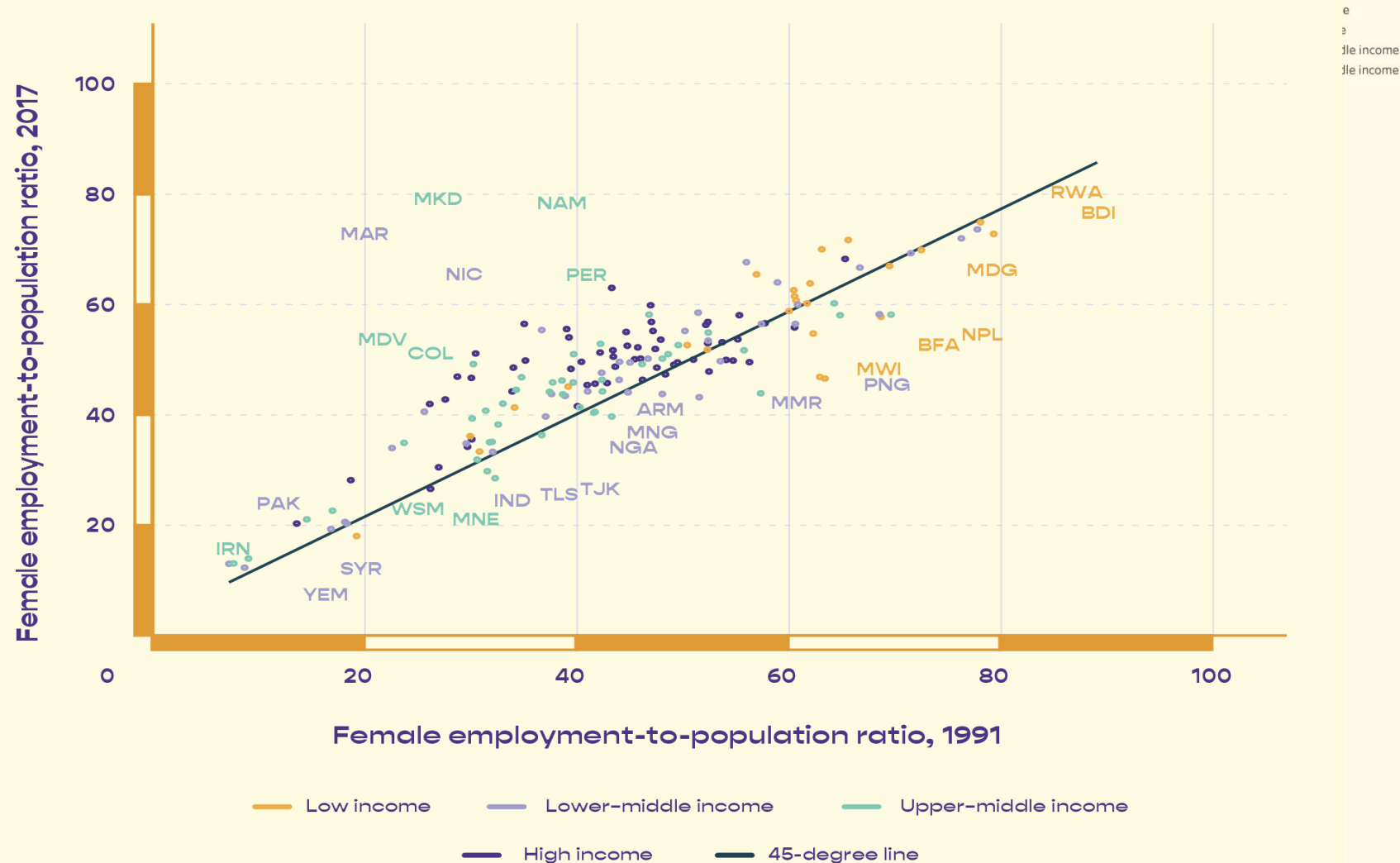
Motivation

- Why do we care about gender equality?
- Trade as a vehicle for gender equality

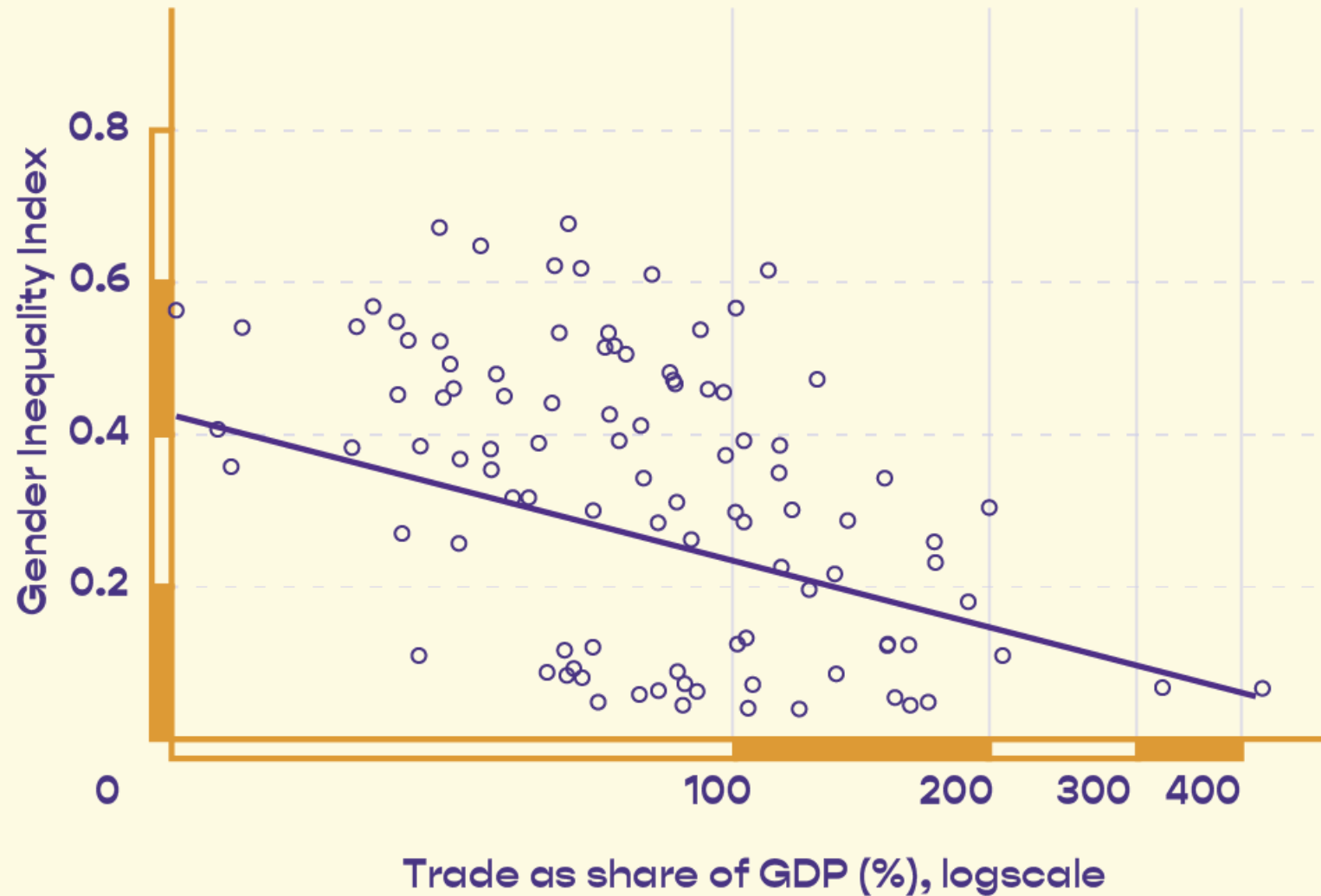
More gender equality in a country $\leftrightarrow$ larger GDP/capita in that country



While gender inequality has declined in most countries some gaps remain



Trade and gender equality: a virtual relationship

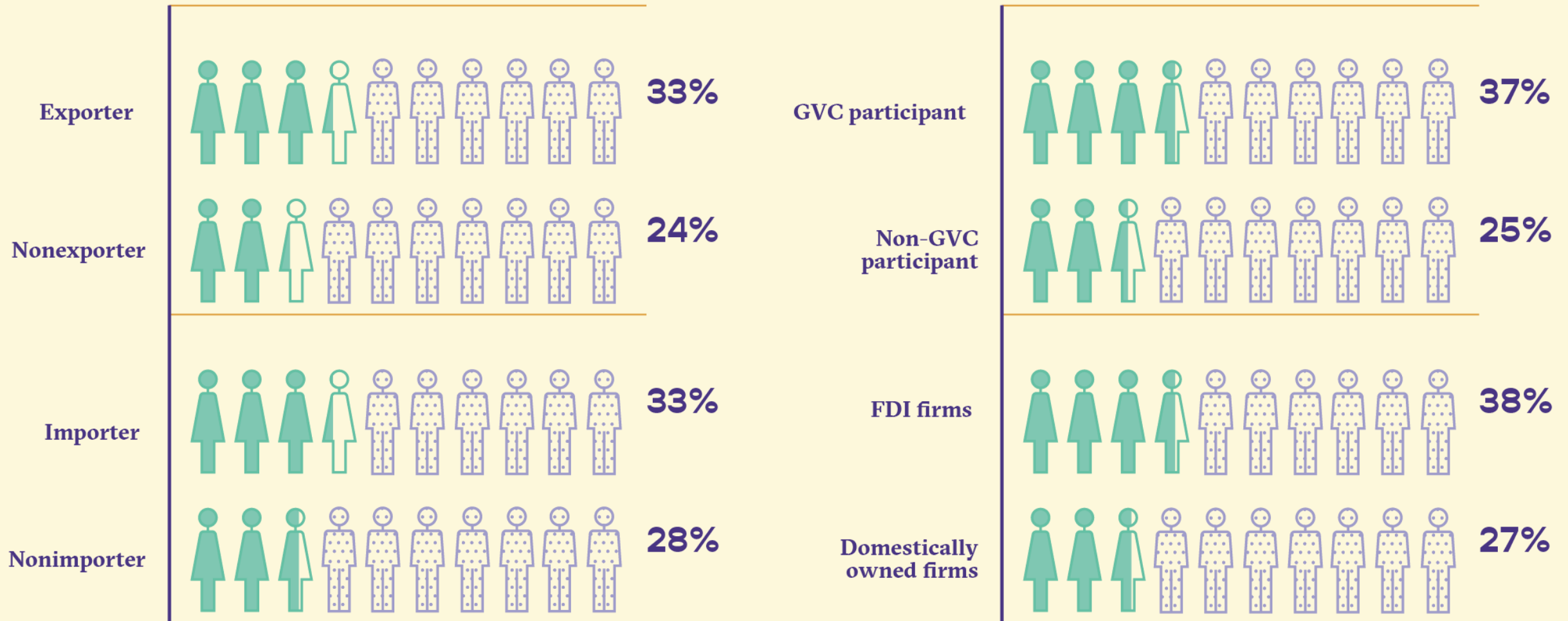


Objectives

Provide evidence-based facts on the positive linkages between trade and gender equality

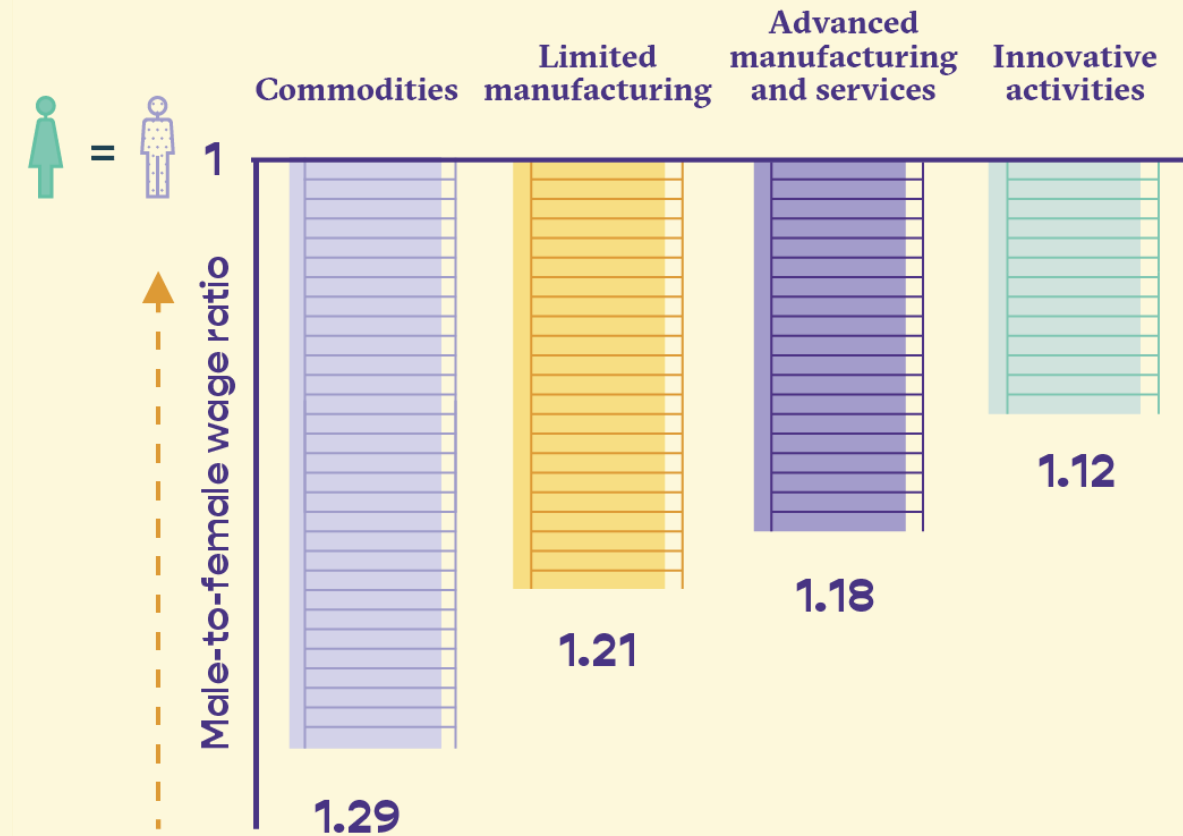
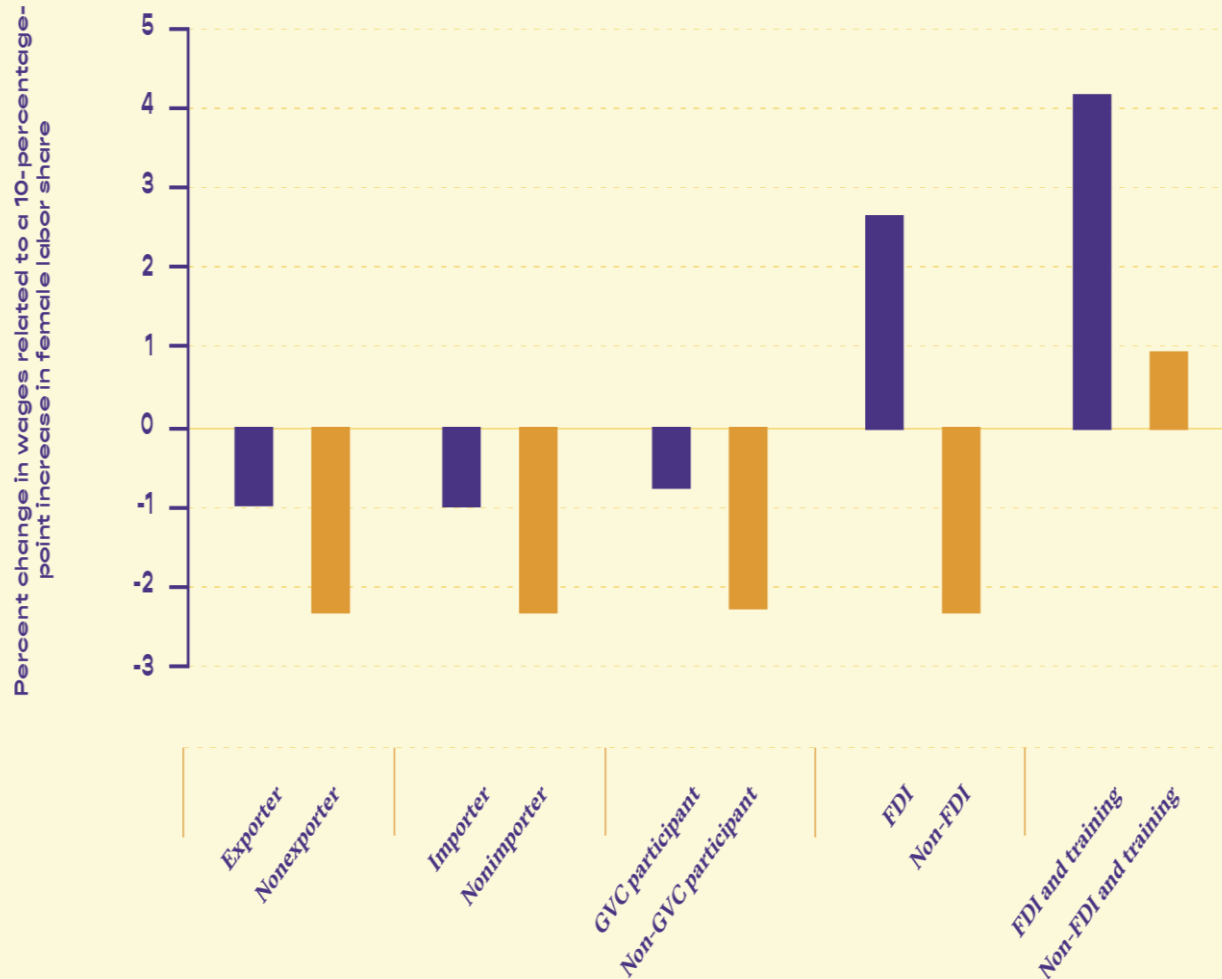
- Collect new sex disaggregated data at the industry and occupation level across countries
- Propose a conceptual framework to explain the linkages between trade and gender equality

Firms that engage in international trade employ more women



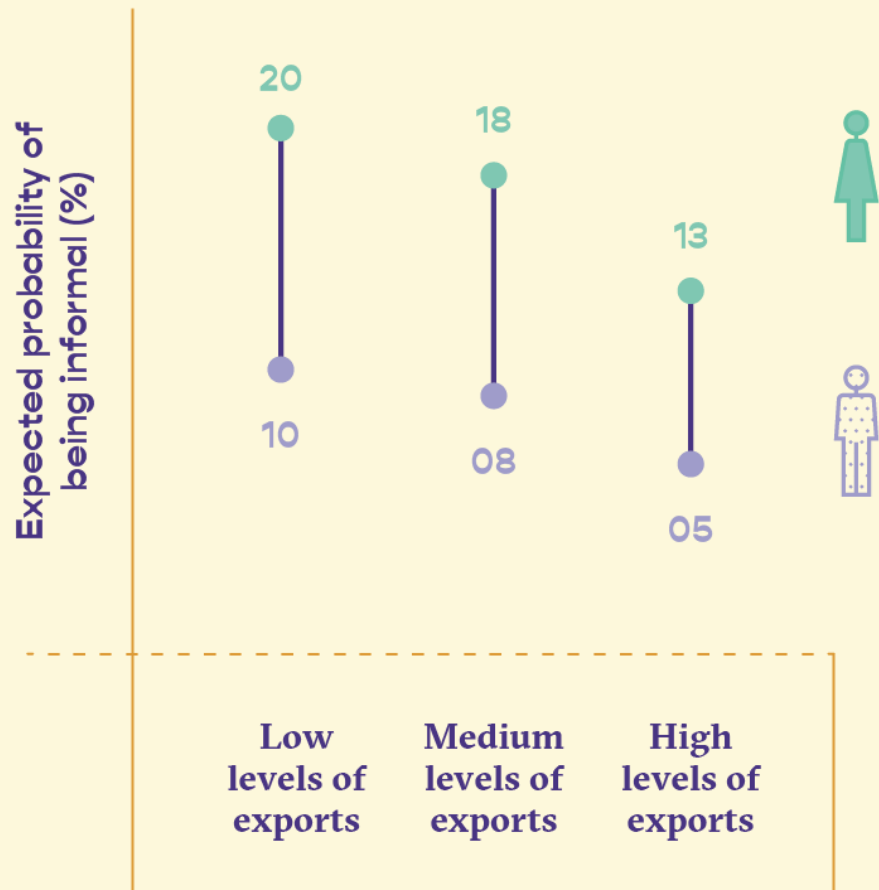
Female labor share

... and pay them more

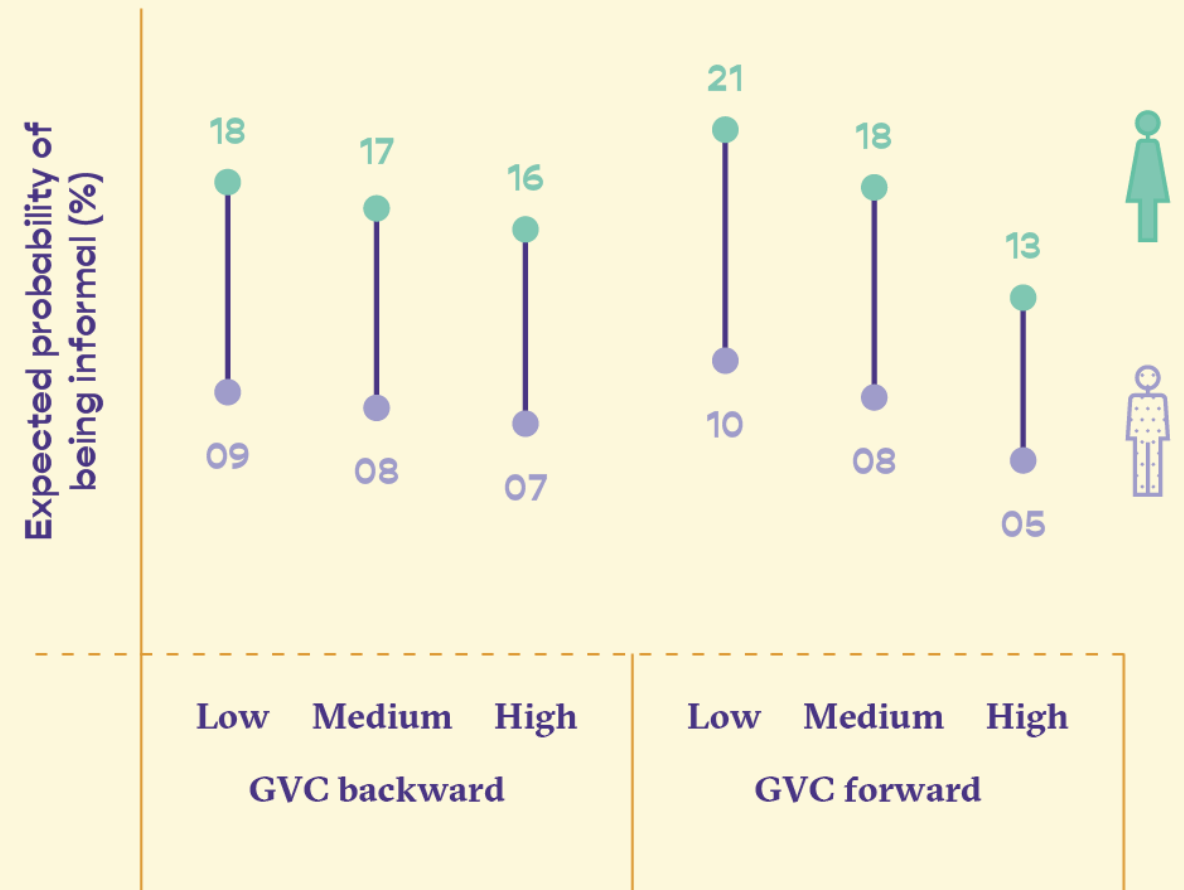


Women working in firms engaged in trade are more likely to be employed formally

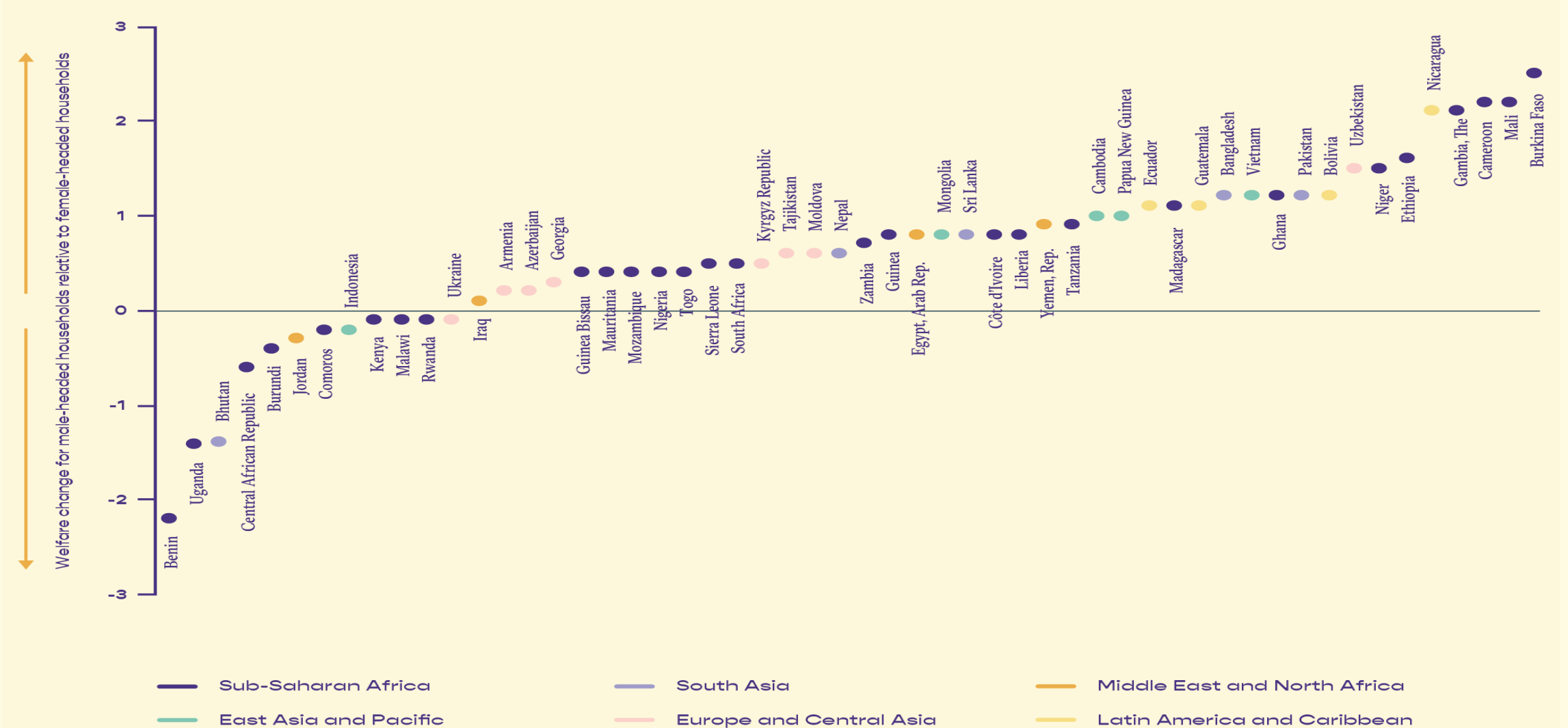
a. Exports (log)



b. GVC participation



Trade also benefits women as consumers



Source: Women and Trade: The Role of Trade in Promoting Gender Equality

... and as decision makers

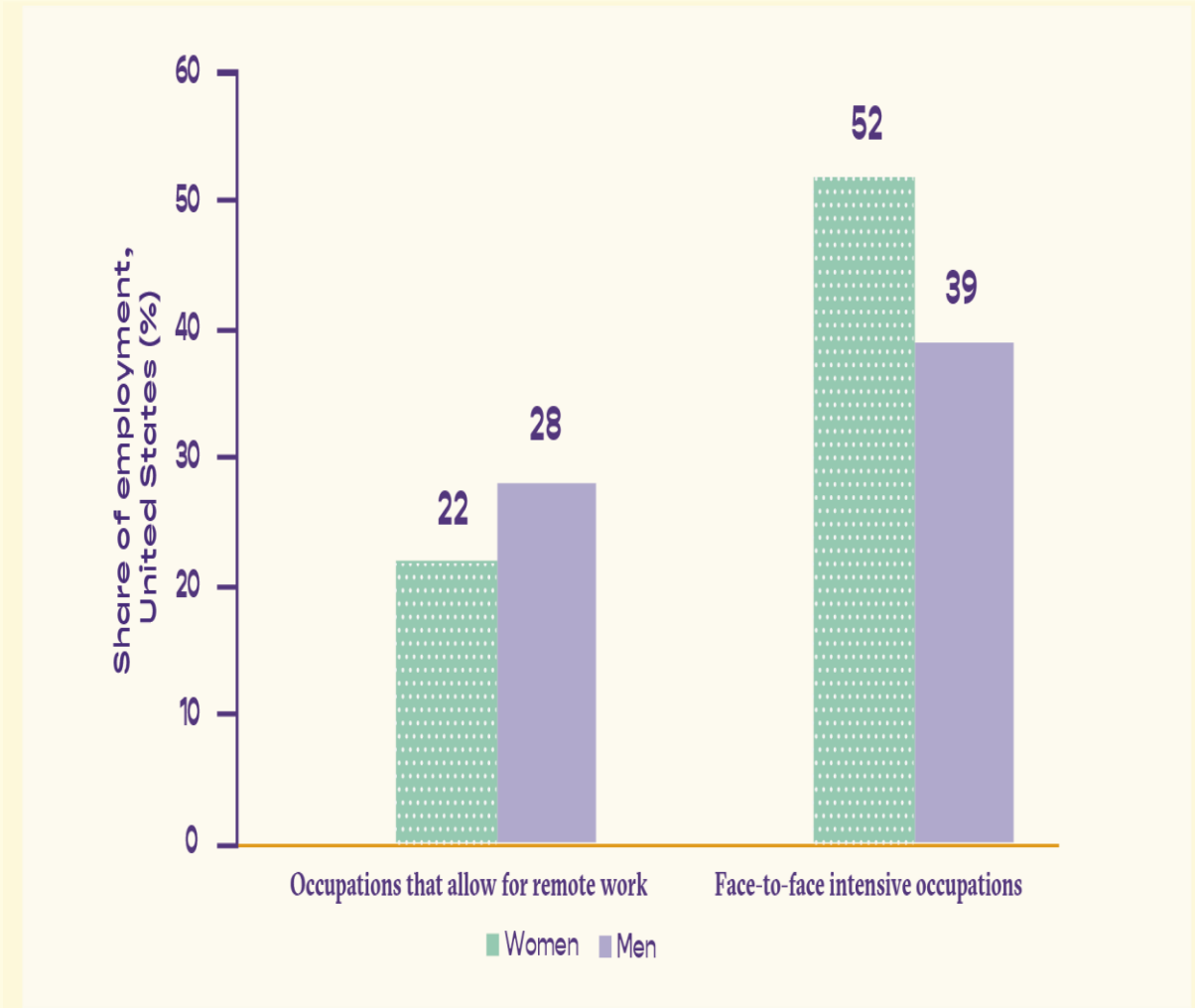
- Trade has increased female bargaining power

In Bangladesh, for example, young women in villages that have been exposed to the export-intensive garment sector:

- have delayed marriage and childbirth, and
- young girls have gained an additional 1.5 years of schooling.

However, trade may have negative effects on some women

- Localized costs related with trade liberalization can negatively affect women's livelihoods
- Women are particularly vulnerable to shocks such as Covid-19
 - Female intensive sectors have been hardly hit by the pandemic
 - Women's occupations offer less opportunity for remote work

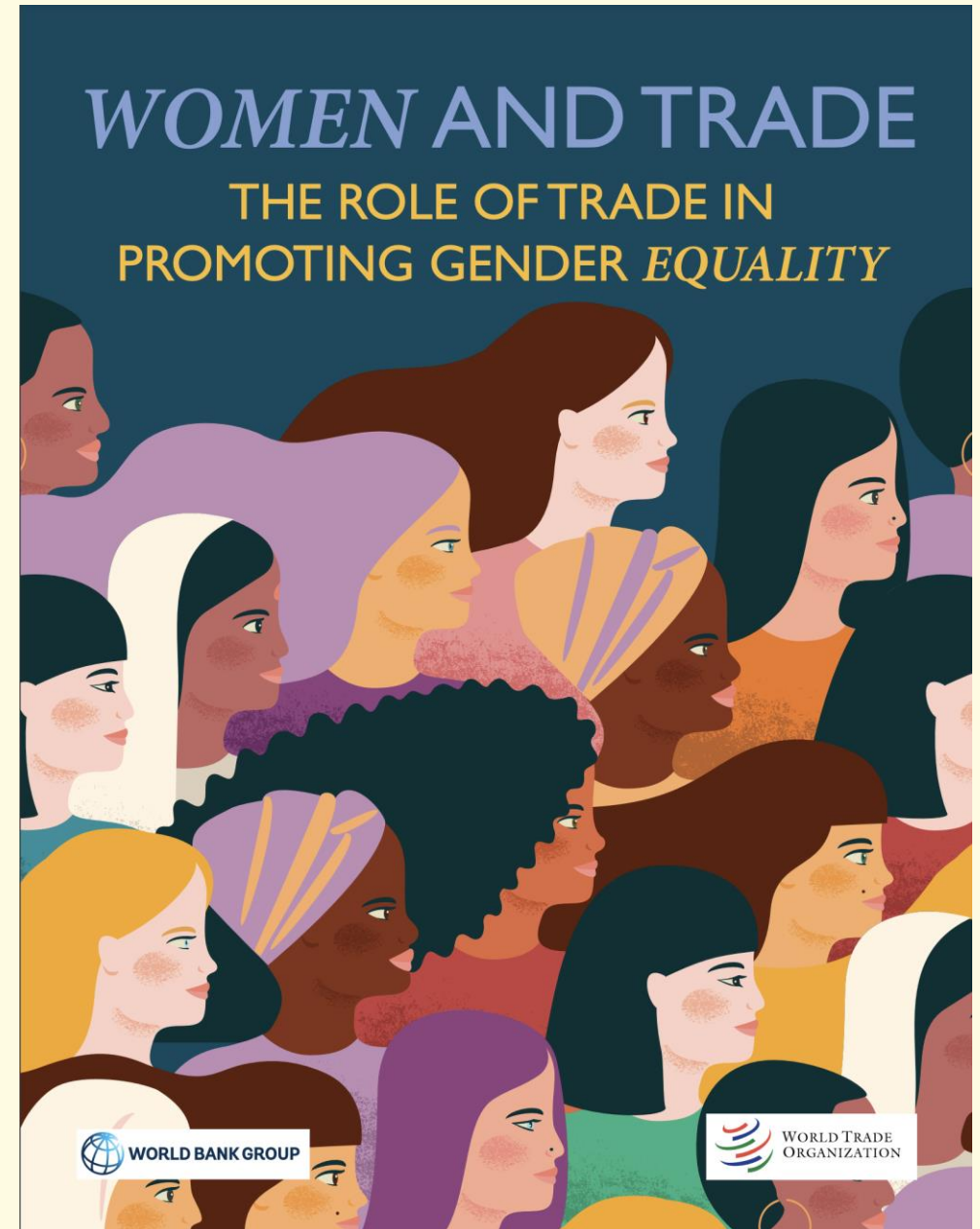


What can policy makers do to increase women participation to trade?

- Identifying and addressing constraints faced by women in their different roles
- 21st century trade as a source of new opportunities for women in the global economy

Chapter 2

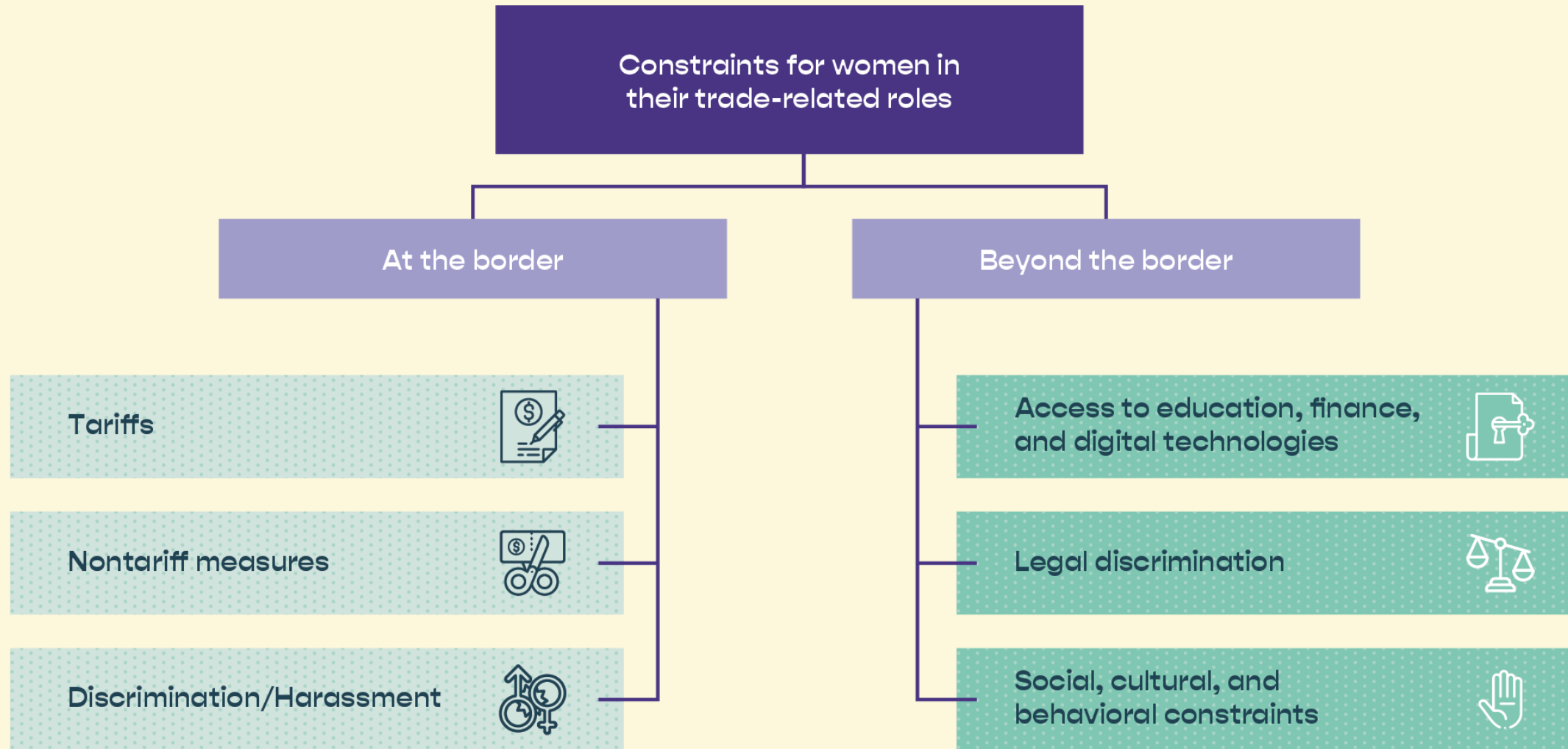
How constraints and opportunities shape women's roles in trade



Key messages

- Compared to men, women face many constraints both at and beyond the border that restrict their ability to trade and to realize the benefits of trade.
- Three major global trends present powerful opportunities to grow their presence in 21-century trade and better reap its benefits:
 1. The rapid growth of services in global economies and trade
 2. The rise of global value chains
 3. The digitalization of economies

Barriers reducing women's share in the gains from trade



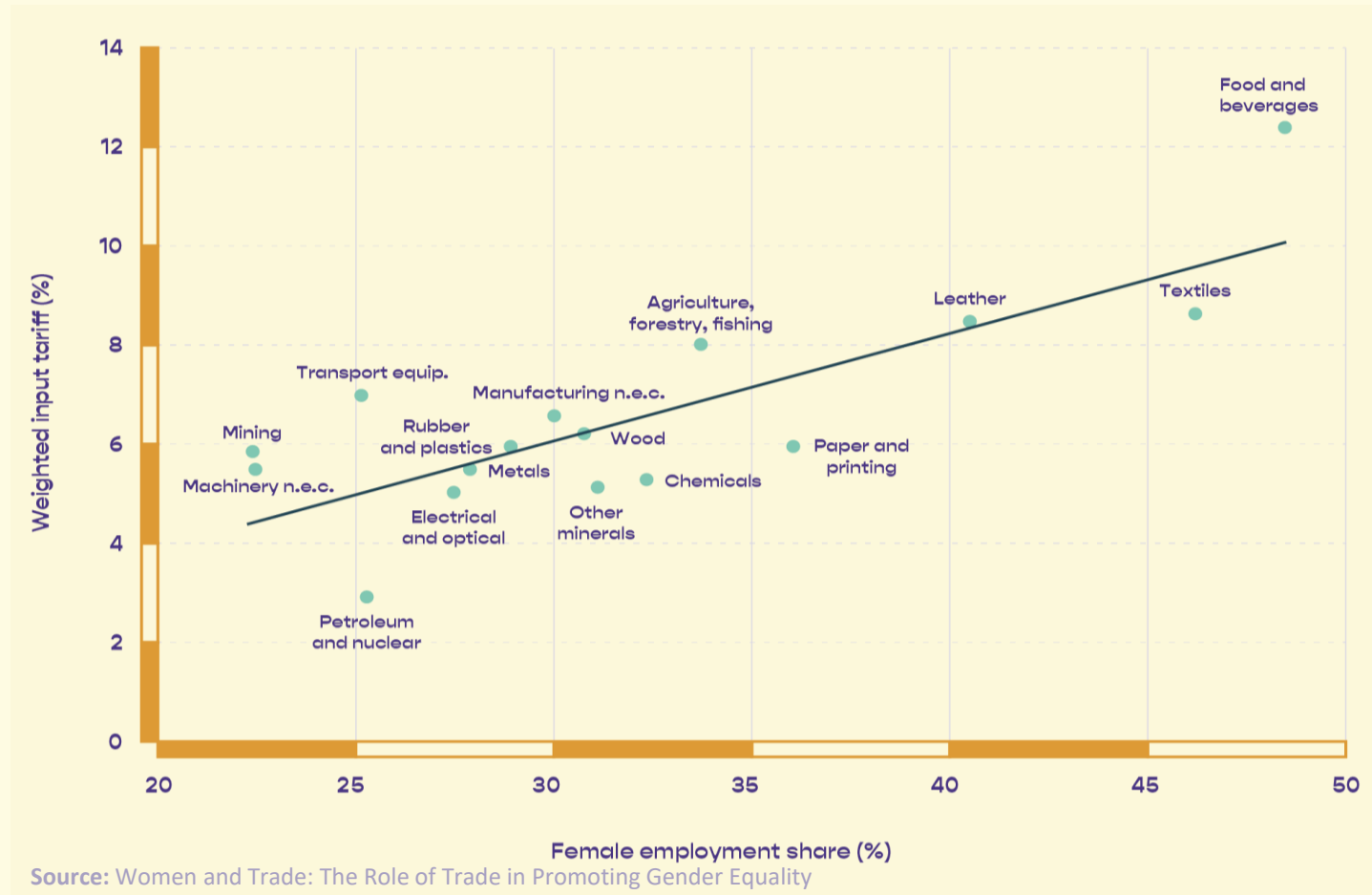
The pink tariff burden

Women are hit in three ways by a larger tariff burden than men:

1. As importers
2. As exporters
3. As consumers

The pink tariff burden for importers

- The sector with the highest share of female employment pays an average tariff more than twice as high as its male counterpart.



Non-tariff measures as barriers

- Survey evidence from Pakistan has found that 2/3 of women entrepreneurs reported NTMs as burdensome compared to only ½ of male entrepreneurs.
- As women make up a relatively larger share of workers/managers/owners of MSMEs, NTMs are more burdensome for them.

Beyond-the-border: finance and digitalization

- Access to finance and digital technologies is key to trade but there is a persistent gender gap for both.
 - International surveys show that women-led businesses have a lower probability of obtaining credit and are charged a higher interest rate for loans once approved - One study shows that women are 30 percent more likely to need a guarantor even when all other observable criteria but gender are identical.
 - The Internet user gender divide increased from 11 percent in 2013 to 12 percent 2016, with more than 250 million fewer women than men online at the global level.

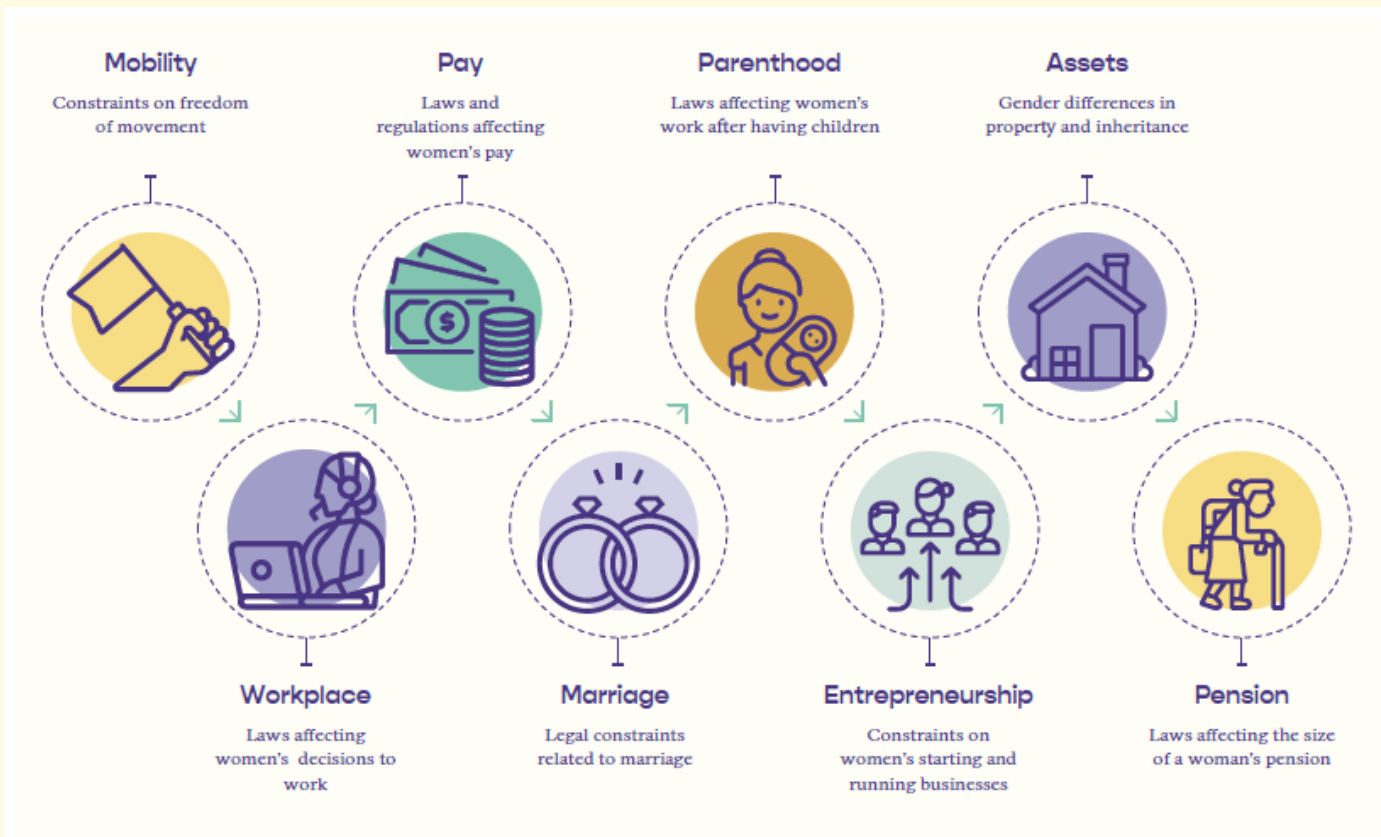
Beyond-the-border: education

- Women have made up ground in terms of education attainment globally, but not in all subjects. This limits their access to trade.



Beyond-the-border: legal and regulatory barriers

- Many laws and regulations directly discriminate against women, preventing them from entering the workforce, starting a business, or making decisions for the household.

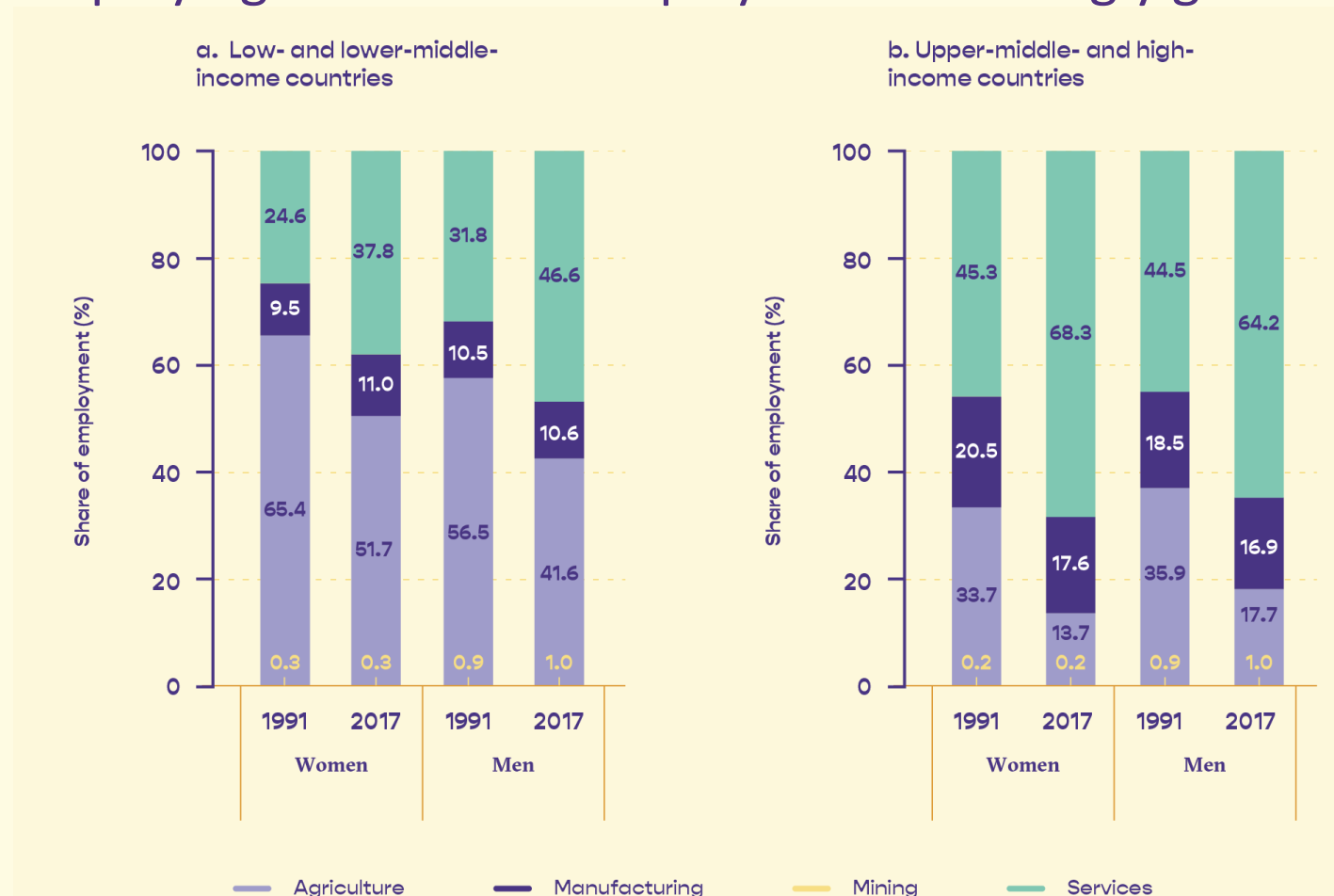


Beyond-the-border: social, cultural and behavioral barriers

- Even if all discriminatory laws and practices were addressed overnight, women would still face challenges to playing a more active role as traders.
 - Uneven household responsibilities even in very equal societies.
 - Lack of role models (e.g. in STEM subjects).
 - Lack of networks.
 - Attitudes and prejudices (e.g. parental expectations, grading, risk aversion).

New opportunities: Servicification

- Services - the sector employing most women – plays an increasingly greater role in economies globally.



New opportunities: Digitalization

- Digital technologies such as electronic commerce platforms
 - bring female producers and traders closer to markets.
 - offer female consumers a larger variety of products at lower costs.
 - make it easier for women to borrow or obtain education and training.
 - deal with mobility constraints and cultural barriers faced by women by reducing face-to-face interactions when trading.

New opportunities: Global Value Chains

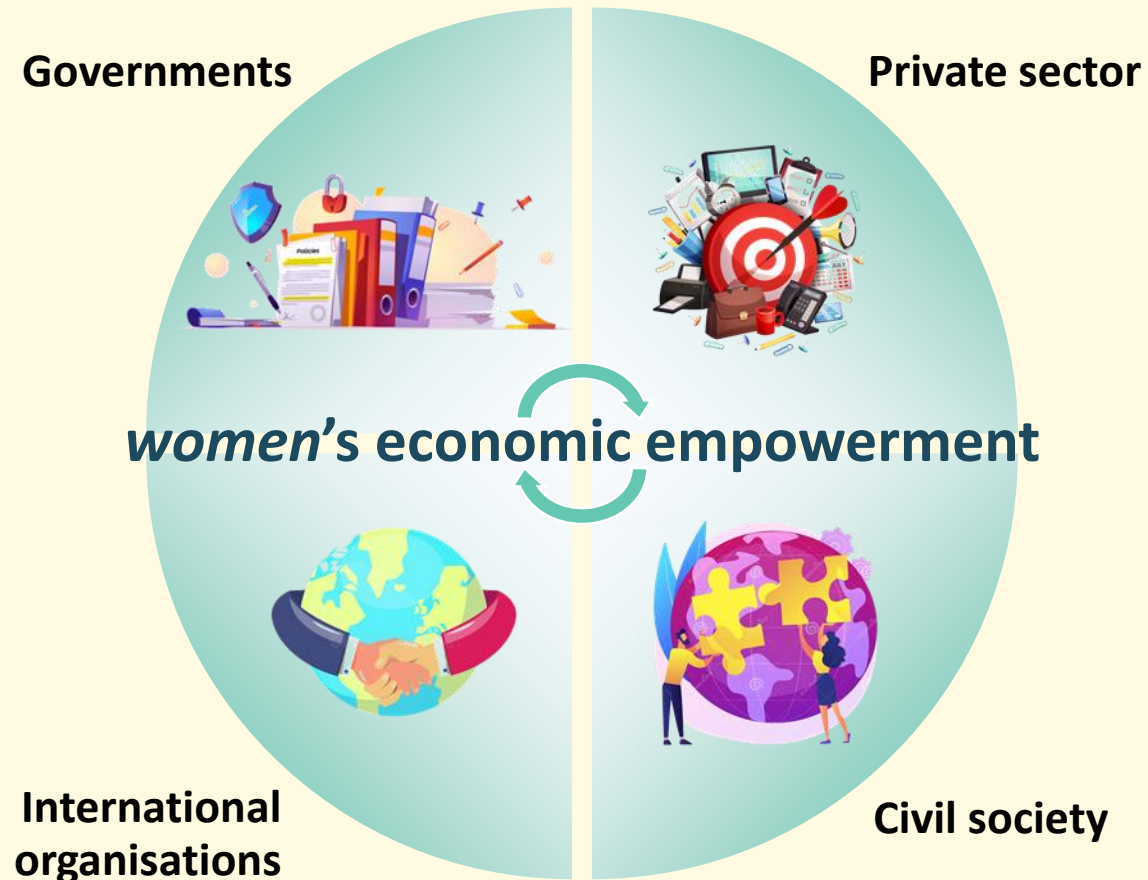
- GVCs have strongly increased labour demand in sectors with a high share of female employment.
- GVC-related FDI often benefits women workers.
- GVCs connect MSMEs and small-scale women farmers to foreign markets which benefits in particular women.

Chapter 3

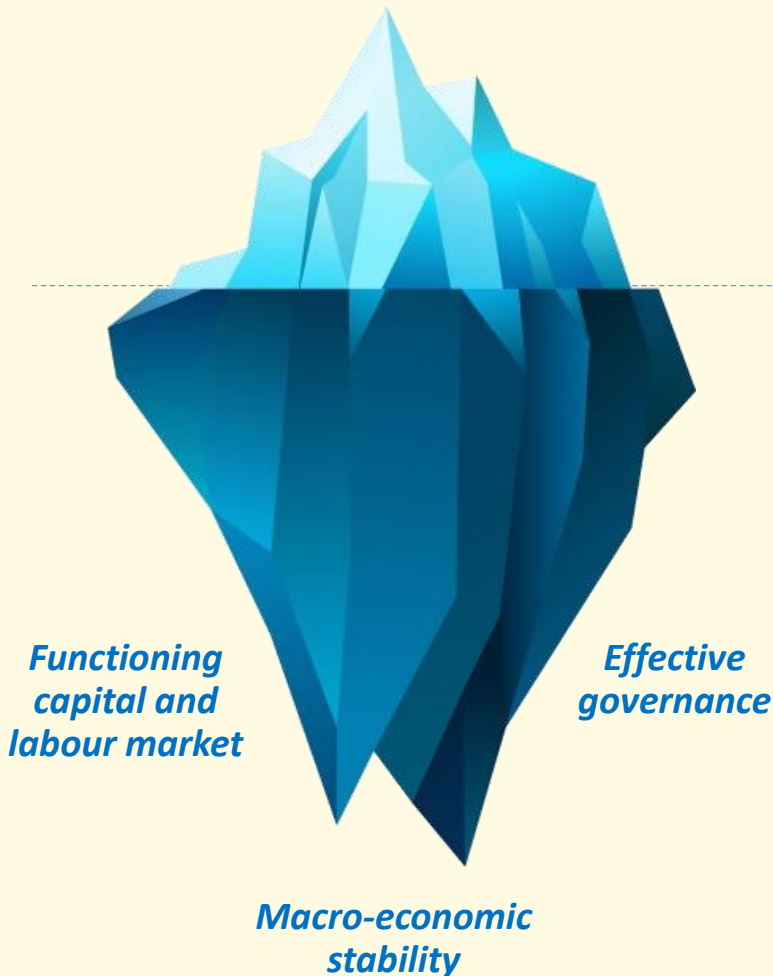
POLICY RESPONSES TO PROMOTE *WOMEN'S* BENEFITS FROM TRADE



Collective *efforts*



Government *actions*



Increasing market access for *women*

- Eliminating/lowering (pink) tariffs and non-tariffs barriers
- Reducing barriers to services trade
- Improving trade facilitation and access to trade finance

Supporting *women's* capacity to engage in trade

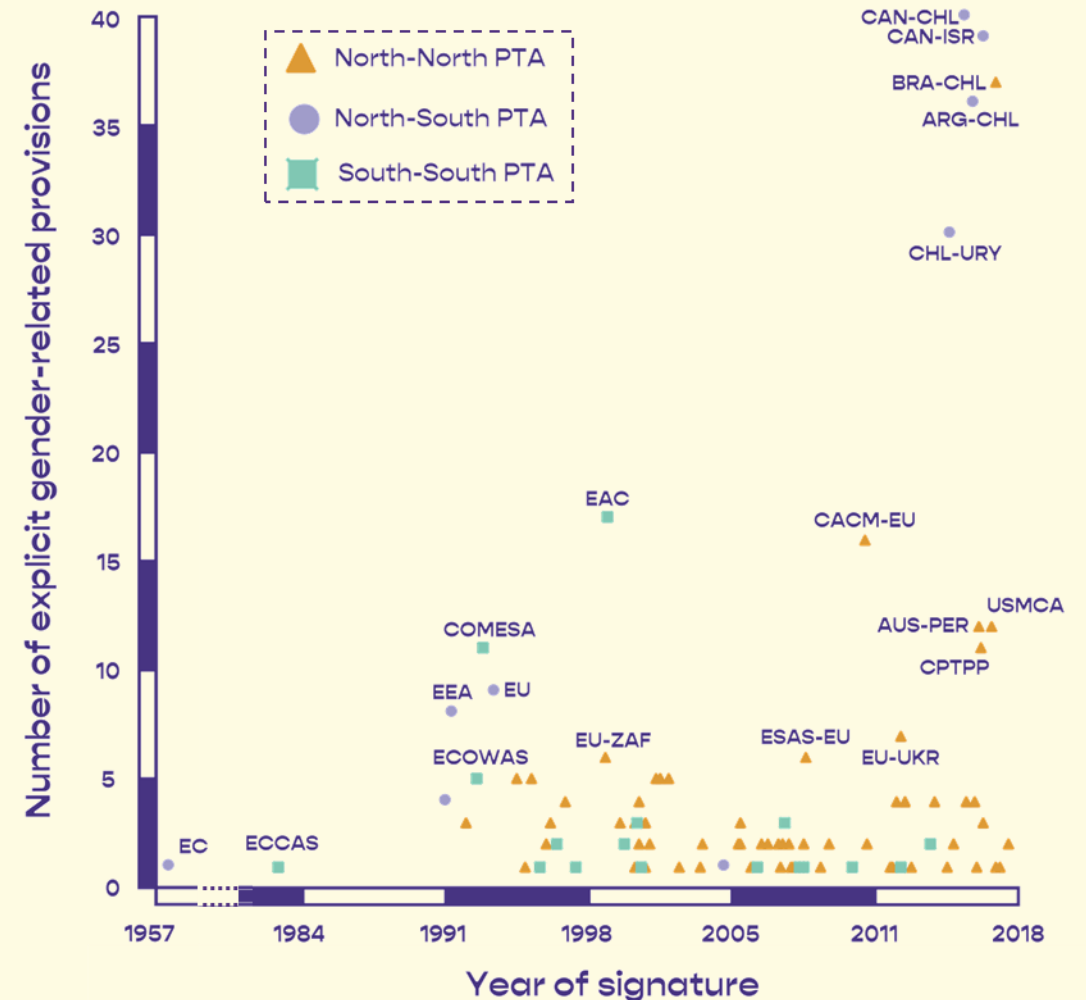
- Developing human capital
- Better access to digital technology
- Increasing access to finance
- Enhancing access to information
- Improving access to infrastructure
- ...

Mitigating the risks from trade faced by *women*

- Labour adjustment policies
- Compensation policies
- ...

Gender *mainstreaming* strategies

- Gender **impact assessment** of (future) trade policies and other public policies
- Explicit gender-related **provisions in preferential trade agreements (PTAs)**
- **Unilateral trade preference programs** subject to compliance with gender-related international conventions
- (Specific) gender-related **Aid-for-Trade projects**



Source: Updated from Monteiro (2018)

Other domestic *stakeholders*

Civil society

- Important role of **women's organizations** in raising concerns at:
 - national level
 - regional / international level
- Creation of (professional) networks
- Some **consumers** willing to buy products promoting gender equality

Private sectors

- **Voluntary initiatives** addressing different dimensions of women empowerment:
 - specific gender programs
 - part of corporate social strategy
- Participation in **public-private partnerships** on women empowerment

International *cooperation*

- **WTO agreements** providing rule-based, transparent and predictable environment
- Ongoing WTO **negotiations and initiatives** on services, agriculture, electronic commerce and MSMEs highly relevant for women
- Discussion of gender-related trade policies under the **Trade Policy Review Mechanism**
- **Buenos Aires Declaration** on Women's Economic Empowerment and creation of **Informal Working Group** on Trade and Gender



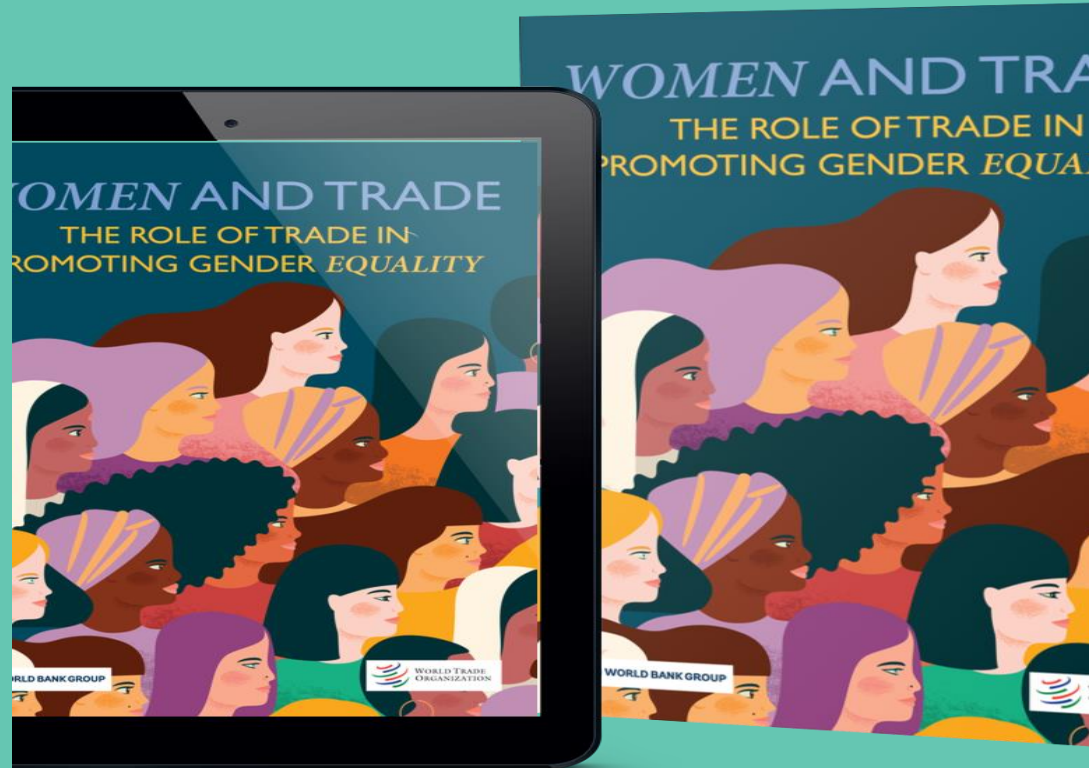
Source: der Boghossian (2019)

Looking *forward*

- Increasing awareness of interlinkages between women and trade
- Identification of best practices hinges on:
 - Collection of gender disaggregated data
 - Impact assessment of international assistance and domestic programs
 - Further analysis and technical assistance on gender-related topics



More *information*:



#WomenAndTrade