



Gender & Trade

Gender Matters when We Talk about Trade

Increased trade is widely promoted as an important ingredient to stimulate growth and reduce poverty. Indeed, there is evidence that trade liberalisation results in cheaper products for local consumers, creation of new markets and in a rise in employment opportunities. However, these benefits are not equally distributed between women and men. Women are often less able than men to take advantage of new opportunities due to the gender-specific constraints women face such as limited access to and control over resources (land and other assets, credit, information, technology), limited access to markets, social responsibility for unpaid domestic work, legal discrimination and discriminatory cultural norms and values.



the achievement of gender equality goals. In addition, gender experts and women's civil society organisations should be consulted in trade negotiations and participate in trade review mechanisms.

Engendering the trade agenda – Strategic tools

Several tools may help incorporate a gender equality

perspective in trade policy design and impact assessments. The following are two potential examples:

- *Gendered Value Chain Analyses* highlight women's and men's economic situation and empowerment by tracing profits and benefits throughout the global value chain of production. As a targeted support of women in the Ethiopian private sector, the German Development Cooperation within the Engineering Capacity Building Programme (ECBP) is conducting a gender-sensitive Value Chain Analysis in cooperation with the International Labour Organisation (ILO).
- *Poverty and Social Impact Analysis (PSIAs)* are carried out to analyze possible gendered impacts and outcomes of trade policies such as export promotion strategies. For example, when applied to the Strategic Export Initiative in Uganda, a PSIA revealed that while export oriented production growth would probably lead to male-based income growth within households, there might be concurrent negative impacts on important non-income dimensions of poverty reduction. As a result, complementary measures to reverse this negative impact are needed as well.

Import liberalisation results in a drop in tax revenue collected from tariffs on imported goods. If these losses are not replaced by other forms of domestic revenues, they may lead to cuts in government spending. There is evidence that poor women and girls are disproportionately affected by reduced public spending, especially in social sectors such as health and education.

In addition to the different impact of trade policies on women and men as workers, consumers, producers and carers in the domestic sphere, gender relations may also determine the outcomes of trade policies. Therefore, policies and international rules governing trade relations between nations have to be analyzed and designed from a gender equality perspective. This will ensure that trade policies contribute effectively to growth and development and also support



Focus Sub-Saharan Africa

In Sub-Saharan Africa (SSA), the agricultural sector accounts for the bulk of women's trade-related economic activity. As small scale producers of mainly food crops, women not only face stiff competition with cheap imported goods but are also disadvantaged by the fact that government policies of export promotion tend to prioritise cash crops which are more often produced by men. These processes can result in a negative effect on food security.

Supporting women to gain from trade

In order to reduce women's vulnerability and to develop women's capacities to actively exploit the benefits of trade liberalisation, to support the economic empowerment of women and to increase the share of women in wage employment, gender-differentiated instruments at all levels of trade policy are required.

Whenever possible, gender-sensitive aid for trade should include:

- Promoting the rights and the participation of women in trade negotiations and in the development of trade policies.
- Implementing gender-sensitive national export strategies.
- Supporting sectors of particular interest for women.
- Enhancing gender-related capacity at trade-supporting institutions.
- Fostering gender-sensitive business development services.
- Supporting (the creation of) female business networks.

Under the German EU-presidency, the European Council and the Representatives of the Governments of the Member States underlined in their Council Conclusions of 2007 on "Aid for Trade" (AFT) that enhancing the pro-poor focus and quality of

EU AFT includes stressing the importance that the EU attaches to the impacts of AFT on sustainable poverty reduction. They are recognizing in particular that further economic empowerment of women and increasing the share of women in wage employment deserves utmost attention as an essential cross-sectoral dimension of AFT.

The German Technical Cooperation supports partners as follows:

- Support of gender aware impact assessments (e.g. PSIA's).
- Capacity development that targets decision makers and women's organisations that focus on gender equality and trade policies to strengthen their capability to effectively negotiate trade policies in international and regional institutions.
- Strengthening capacities to collect sex-disaggregated data that are needed to carry out detailed research on the impact of trade liberalisation on gender relations and women's lives.

Literature & Links

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Williams, Mariama: *Gender Mainstreaming in the Multilateral Trading System, Commonwealth Secretariat, London, 2003.*

IGTN International Gender and Trade Network:

<http://www.igt.org>

Network Women in Development Europe (WIDE):

<http://www.eurosur.org/wide/home.htm>

GTZ German Technical Cooperation:

<http://www.gtz.de/trade>

<http://www.gtz.de/gender>



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