MAKING TRADE AGREEMENTS WORK FOR GENDER EQUALITY – DATA AND STATISTICS

What is the impact of trade on gender equality, and how can trade policy influence that impact? These questions are difficult to answer without reliable and comprehensive statistics. In December 2017, the Buenos Aires Declaration on Trade and Women's Economic Empowerment[1] called for an inventory of data sources, collection of gender-disaggregated data and the analysis of gender-focused statistics related to trade. This policy brief provides some tools for taking stock of available data to assess the gender impacts of trade agreements.

In 2018, UNCTAD developed a statistical conceptual framework to bring together key elements for understanding the impact of trade on gender equality. This brief applies that framework by exploring data availability and gaps. The work builds on the expertise of the UNCTAD Statistics and Trade, Gender and Development programme working to improve women's economic empowerment through the development of gender-responsive trade policy.

Key points

- Governments and international organizations are committed to advancing gender equality in trade, but lack of gender and trade statistics hampers progress.

- UNCTAD encourages Member States to reach out to their national statistical office to develop the evidence base necessary to inform more effective and gender-responsive trade policies and measures.

- UNCTAD drives work to develop official statistics in support of gender-responsive trade policy in international collaboration to support the efforts and commitments of its Member States.

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Gender impacts of trade

The impact of trade is shaped by the structure of markets and institutions, and the inequalities embedded within them. There are multiple, often country and location-specific, interactions between gender and trade requiring case-by-case evaluation. Differences in labour market structures, economic conditions, degrees of trade liberalization and gender inequalities, legal frameworks and commitments as well as the level of women's participation in the economy mean that a successful strategy in one country does not necessarily work in another.

Considering the different impacts, not just in the design of policies and trade agreements, but also in their implementation and evaluation, will require reliable follow-up with official statistics. Women and men play different roles in trade as producers, paid or unpaid workers, entrepreneurs and consumers. In developing economies, trade provides a mechanism for addressing gender inequalities and development issues, including poverty reduction. To this end, it is important to be aware of the preconditions for trade participation, such as trade barriers. UNCTAD discusses gendered trade barriers in a recent publication[2] jointly with the European Commission and UN Women. Gender inequalities, when not fully considered, may hinder the effectiveness of trade measures.

Note: This document has not been formally edited.

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

[2] https://www.empowerwomen.org/en/resources/documents/2020/05/assessing-the-impact-of-trade-agreements-on-gender-equality-canada-eu-ceta?lang

Currently, official statistics linking gender and trade are scarce, even in countries with advanced statistical systems. New statistics need to be collected or compiled by linking across sources. Canada and the EU have taken steps in this direction and some statistics are already available; they show women's lower involvement in trade compared with men and differences in male-owned and female-owned businesses.

> *Canada:*
>
> In 2018, women owned almost 16% of small and medium-sized enterprises (SMEs), men nearly 65%.[3]
>
> In 2018, 11% of majority women-owned SMEs exported goods or services, up from 5% in 2011.[4]
>
> Female-owned SMEs make on average CAN$68,000 less than similar male-owned businesses, 58% gap.[5]
>
> *EU:*
>
> In 2017, women held 38% of export-dependent jobs, while women constitute 46% of total employment.[6]
>
> Between 2010 and 2014, 15% of new female entrepreneurs exported versus 19% of male entrepreneurs.[7]
>
> Women led 22% of businesses trading with non-EU countries with a lower turnover than those led by men.[8]

Gender equality and trade agreements

The 2030 Agenda for Sustainable Development requires gender-disaggregated data to track progress, especially towards goal 5 on gender equality. There are 53 indicators[9] explicitly referring to sex, gender, women or girls. Out of these, 20 relate to women's empowerment and possibilities to participate in the economy. In this context, lack of gender and trade statistics to measure women's empowerment in trade is striking.

Gender mainstreaming in trade policy and agreements is progressing. Following the Buenos Aires declaration, the European Parliament adopted a resolution[10] on gender equality in trade agreements in March 2018. Until then only 20 per cent of EU trade agreements mentioned women's rights.[11] New EU trade agreements should consider women's rights and labour standards and collect gender-disaggregated data.

In view of these developments, efforts to improve gender and trade statistics are increasing, even if trade agreements rarely call for the analysis of sex-disaggregated data. A review of 556 regional trade agreements, in force in November 2018, shows that only 74 agreements referred explicitly to gender issues.[12] Often these provisions prohibit gender-based labour discrimination[13] and refer to fundamental principles and rights at work, such as equal pay for work of equal value[14].

The first dedicated trade and gender chapters are found in Canada-Chile (2019), Chile-Argentina (2019), Chile-Uruguay (2016) and Canada-Israel (2019) trade agreements. They promote gender equality and inclusive economic growth listing areas of cooperation to promote women's participation in the economy. As many trade agreements are renegotiated, they are expected to reflect the 2030 Agenda better by considering gender aspects and data needed for the monitoring and analysis of impacts.

Conceptual framework and data inventory

Unless gender equality is considered comprehensively, trade agreements may lead to unbalanced impacts on women and men. It is necessary to collect statistics across a range of issues that look at both gender-specific and non-gender-specific goals of trade agreements to uncover their intended and unintended impacts.

UNCTAD suggests applying its conceptual framework (figure 1) for analysing the impacts of trade agreements. The framework considers the preconditions for trade participation by sex to assess the underlying economic and social structures. It identifies the gendered outcomes and impacts of trade and trade policy. By focusing the trade policy part on a trade agreement, it's goals and measures, the framework can be applied to the assessment of trade agreements.

3   www150.statcan.gc.ca/n1/pub/11-626-x/11-626-x2018083-eng.htm

4   www.canada.ca/en/innovation-science-economic-development/news/2019/08/minister-ng-announces-women-entrepreneurship-strategy-investments2.html

5   https://www.paypalobjects.com/digitalassets/c/website/marketing/na/ca/consumer/sell-online/paypal-canada-women-entrepreneurship-study-2018.pdf

6   https://trade.ec.europa.eu/doclib/docs/2019/september/tradoc_158372.pdf

7   https://www.oecd.org/cfe/smes/Policy-Brief-on-Women-s-Entrepreneurship.pdf

8   http://www.intracen.org/publication/Europe-to-world/

9   https://unstats.un.org/sdgs/metadata/

10 https://www.europarl.europa.eu/doceo/document/TA-8-2018-0066_EN.html

11 www.europarl.europa.eu/doceo/document/A-8-2018-0023_EN.html?redirect

12 https://www.wto.org/english/res_e/reser_e/ersd201815_e.htm

13 https://www.ilo.org/wcmsp5/groups/public/---ed_norm/---declaration/documents/publication/wcms_decl_fs_85_en.pdf

14 https://www.ilo.org/global/standards/information-resources-and-publications/free-trade-agreements-and-labour-rights/lang--en/index.htm

Data to assess the gender impacts of trade agreements

The below conceptual framework suggests an analysis of three elements – preconditions, outcomes and impacts – and assessing gender impacts against the measures and goals of the trade agreement. Table 1 provides an example of a way to explore available data and statistics. It uses the Canadian-European Trade Agreement (CETA) as a reference linking its goals with relevant data for each element of the UNCTAD conceptual framework. When applied to other trade agreements, the tool would need to be adapted to the goals and measures of the agreement, as well as the specific characteristics of the economies involved.

The degree to which the table can be populated depends on the availability of data in each country. The ability to link these data directly to trade and gender variables would notably enhance the analysis. The table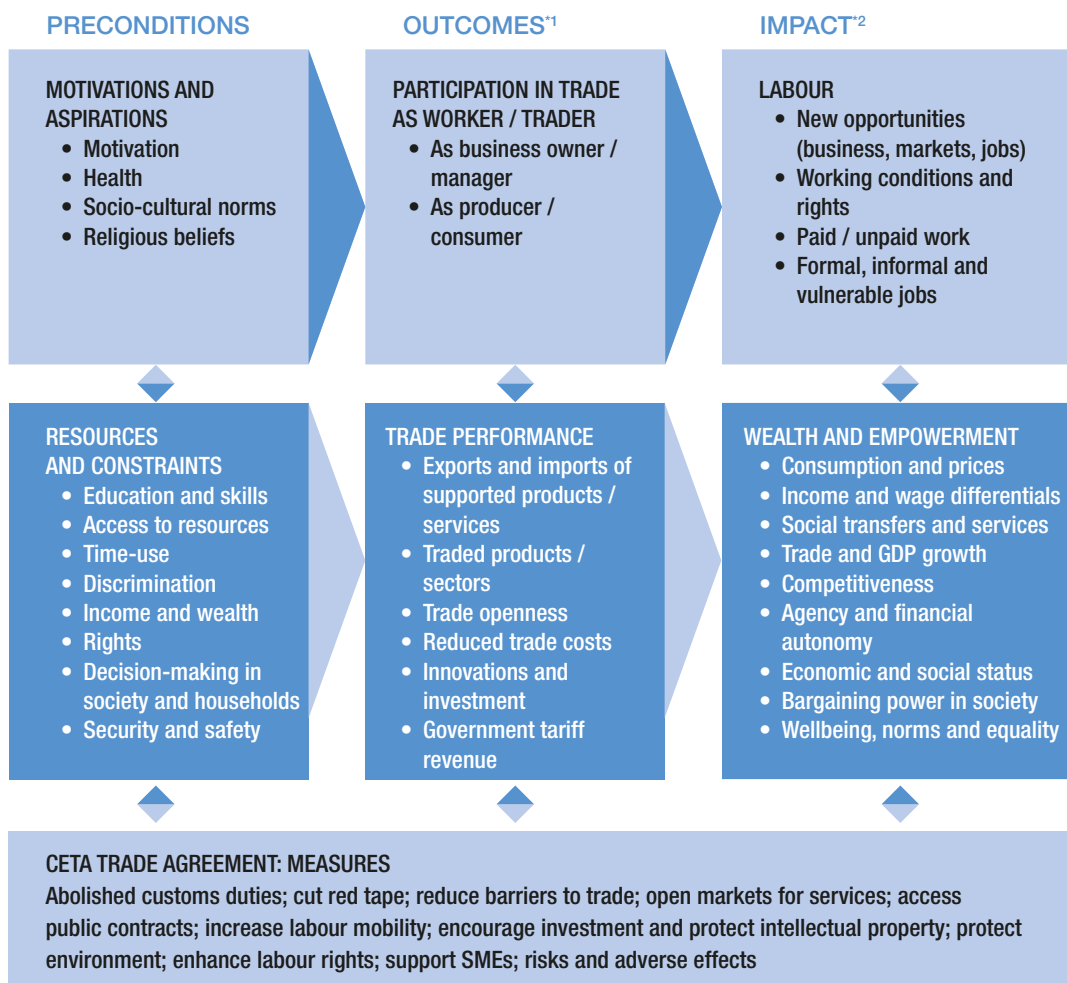 suggests a way to organise information for a systematic assessment of the gender impacts of trade agreements, but also provides a tool for identifying data gaps. These data can feed the quantitative ex-ante analysis of the UNCTAD Trade and Gender Toolbox[15]. The above categories are not necessarily mutually exclusive, as the impacts of policies are likely to affect many of the mentioned outcomes.

Moving forward – better data for better policy

Governments and international organizations are taking important steps towards gender mainstreaming in trade policies and agreements. Official statistics need to be developed in parallel to inform policy action. This is the second policy brief to support the development of gender and trade statistics. Assessing structural gender inequalities and dynamic change factors driving women and men to participate in and benefit from trade, is essential for a gender-responsive trade policy.

Figure 1.
A conceptual framework for assessing the gender impacts of trade agreements

PRECONDITIONS

MOTIVATIONS AND ASPIRATIONS
- Motivation
- Health
- Socio-cultural norms
- Religious beliefs

RESOURCES AND CONSTRAINTS
- Education and skills
- Access to resources
- Time-use
- Discrimination
- Income and wealth
- Rights
- Decision-making in society and households
- Security and safety

OUTCOMES[*1]

PARTICIPATION IN TRADE AS WORKER / TRADER
- As business owner / manager
- As producer / consumer

TRADE PERFORMANCE
- Exports and imports of supported products / services
- Traded products / sectors
- Trade openness
- Reduced trade costs
- Innovations and investment
- Government tariff revenue

IMPACT[*2]

LABOUR
- New opportunities (business, markets, jobs)
- Working conditions and rights
- Paid / unpaid work
- Formal, informal and vulnerable jobs

WEALTH AND EMPOWERMENT
- Consumption and prices
- Income and wage differentials
- Social transfers and services
- Trade and GDP growth
- Competitiveness
- Agency and financial autonomy
- Economic and social status
- Bargaining power in society
- Wellbeing, norms and equality

CETA TRADE AGREEMENT: MEASURES
Abolished customs duties; cut red tape; reduce barriers to trade; open markets for services; access public contracts; increase labour mobility; encourage investment and protect intellectual property; protect environment; enhance labour rights; support SMEs; risks and adverse effects

Source: Developed based on UNCTAD, 2018 (available at https://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=2247).

[*1] Immediate short-term outcomes of a change.

[*2] Longer-term effects of the outcomes on lives and living conditions.

[15] https://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=1877

Table 1.
Examples of statistical data to assess the gender impacts of trade agreements

Trade agreement measures	Preconditions	Outcomes	Impacts
Abolish customs duties	Equal rights, access to trade/information, motivations	Tariffs, exports, imports of affected products	Trade, GDP, prices, disposable income, consumption
Reduce barriers to trade	Economic roles, safety, motivations, norms	Trade barriers, non-tariff measures, exports, imports	Business conditions, business confidence, consumption
Open markets for services	Equal rights, access to services/markets	Roles/participation in services, trade in services by category	Employment, production, start-ups in services
Access public contracts	Access to information/networks, training, skills	Roles/participation in public investment/contracts	Employment/production in service industries
Cut red tape	Customs efficiency, export/imports permits, trading costs	Roles/participation in trade	Business conditions, prices, productivity
Increase labour mobility	Education, skills, participation in migration	Migrants by country, education, labour participation	Labour force changes, skills, innovation, R&D by industry
Encourage investment	Access to resources/finance, land/business ownership	Innovation, R&D statistics	Competitiveness, investment, foreign direct investment
Protect the environment	Access to natural resources, ownership rights, legal environment	Environmental accounting, emissions	Environmental accounting, green jobs, energy efficiency
Enhance labour rights	Time-use, education, skills, economic roles, wage differentials, equal rights, freedom of association, collective bargaining	Informal/vulnerable jobs by industry, working conditions, status in employment, workers' representation, women in leadership	Status/security in work, income/living conditions, share of vulnerable employment, unpaid care
Support SMEs	Training, access to information/networks, skills, business goals, motivations	Business owners, managers, workers, export/import-orientation by industry, enterprise size	Production, productivity employment, wages by enterprise size

Source: UNCTAD and the European Commission inventory of data for gender and trade analysis.

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Internationally, UNCTAD engages in joint work within the global statistical system, with UN entities and other international organizations to:

1. **Develop concepts and methods** for gender and trade statistics, in coordination with the UN Statistics Division and national statistical offices.
2. **Strengthen the capacity of countries** in Africa and Eastern Europe, jointly with UNECA and UNECE, to inform gender-responsive trade policy in line with development priorities.
3. **Improve the use of official statistics** by developing analytical and econometric methods and key indicators for trade policy with the European Commission.

UNCTAD collaborates with statisticians and trade policymakers to spearhead dialogue between the two communities. We encourage UNCTAD Member States, with their national statistical office, to:

1. **Track national priority data needs and assess data availability** for gender-responsive trade policy to improve the use of existing gender-specific data. Apply the UNCTAD conceptual framework to review existing data and identify important data gaps to be filled reflecting on national priorities with the aim to enable the assessment of gendered structures of labour markets and the gender impacts of trade and trade policy.
2. **Carry out micro-data linking pilots** to bridge data on trading businesses with employee data disaggregated by sex, income, employment status and education. Countries with comprehensive datasets can go further in analysing the interconnections, such as Canada and EU countries[16], like Denmark, Estonia, Finland[17], Netherlands, Portugal and Sweden. We encourage national statistical offices to carry out pilots and share the results and challenges. Micro-data linking provides the most accurate information on people and businesses involved in trade directly and enables an analysis by firm type – a key determinant of labour market outcomes[18].
3. **Compile new statistics for trade policy use** by linking available data or surveying individuals and businesses participating in trade. While new surveys are costly and burdensome to respondents, they can address issues not otherwise measured. Adjusting existing surveys, such as the labour force survey, to accommodate a few trade variables would be particularly useful in providing gender and trade statistics with only marginal additional costs.

UNCTAD will continue the collective design of gender and trade statistics in dialogue with trade policy makers and statisticians to support Member States in their efforts towards a more evidence-based and inclusive trade that contributes to the 2030 Agenda.

[16] ec.europa.eu/eurostat/web/products-manuals-and-guidelines/-/KS-GQ-19-013?inheritRedirect=true.

[17] http://www.unece.org/index.php?id=50364

[18] See: https://eml.berkeley.edu/~cle/e250a_f14/paper2.pdf, and https://econpapers.repec.org/article/oupoxecpp/v_3a68_3ay_3a2016_3ai_3a2_3ap_3a506-524..htm.