



EAC

TEACHING MATERIAL ON
TRADE AND GENDER

VOLUME 1: UNFOLDING THE LINKS

MODULE 4A

TRADE AND GENDER LINKAGES: AN ANALYSIS OF THE EAST AFRICAN COMMUNITY



TEACHING MATERIAL ON
TRADE AND GENDER

VOLUME 1
Unfolding the links

MODULE 4A
*Trade and gender linkages:
An analysis of the East African Community*



UNITED NATIONS

NEW YORK AND GENEVA, 2018

© 2018, United Nations

This work is available open access by complying with the Creative Commons licence created for intergovernmental organizations, available at <http://creativecommons.org/licenses/by/3.0/igo/>. The findings, interpretations and conclusions expressed herein are those of the authors and do not necessarily reflect the views of the United Nations or its officials or Member States. The designation employed and the presentation of material on any map in this work do not imply the expression of any opinion whatsoever on the part of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

Photocopies and reproductions of excerpts are allowed with proper credits.

This publication has been edited externally.

United Nations publication issued by the United Nations Conference on Trade and Development.

UNCTAD/DITC/2017/3

ACKNOWLEDGEMENTS

This teaching module is the result of collaboration between UNCTAD's Trade, Gender and Development Programme and TradeMark East Africa (TMEA) within the UNCTAD-TMEA Cooperation on Trade Facilitation and Trade and Gender Project. The trade and gender component of the project was generously financed by the Kingdom of the Netherlands.

Nursel Aydiner-Avsar prepared the module. Inputs were provided by M. Burak Onemli. Comments were provided by Simonetta Zarrilli at UNCTAD and Gloria Atuheirwe at TMEA. The module was coordinated and supervised by Simonetta Zarrilli, Chief of the Trade, Gender and Development Programme at UNCTAD. Design and layout were created by Ornella Baldini and Jacqueline Salguero Huaman. David Einhorn was in charge of English editing.

4A

MODULE

TABLE OF CONTENTS

NOTE	ii
ACKNOWLEDGEMENTS	iii
LIST OF BOXES	vi
LIST OF FIGURES	vi
LIST OF TABLES	vi
LIST OF ABBREVIATIONS	vii

<i>Trade and gender linkages: An analysis of the East African Community</i>	1
1 Introduction	2
1.1 Overview of EAC Regional Integration	2
1.2 Socio-economic profiles of EAC member countries	3
2 Gender-related outcomes	5
2.1 The capabilities domain: Education	7
2.2 The access to resources and opportunities domain	8
2.2.1 Employment patterns	8
2.2.2 Time use	17
2.2.3 Access to resources	17
2.2.4 Women's decision-making power	19
3 Gender-related inputs	21
3.1 Legal and institutional framework on gender equality	21
3.2 Gender mainstreaming in trade policy	22
3.2.1 Trade agreements and treaties	22
3.2.2 National trade policy	23
4 Gender and trade policy in EAC member countries	25
4.1 Changes in trade structure	26
4.2 Employment effects of trade and regional integration	28
4.2.1 Macro analysis	29
4.2.2 Micro analysis	29
5 Policy recommendations to support women in the process of EAC regional integration	32
5.1 The interplay between gender inequalities and trade	32
5.2 Gender equality through laws, institutions, and trade policy	33
5.3 Gender equality through regional initiatives	35
6 Conclusion	36
Exercises and questions for discussion	38
Annex 1: Empirical analysis	39
Annex 2: Case studies	44
REFERENCES	47
ENDNOTES	51

LIST OF BOXES

Box 1	Certification schemes and gender equality in agricultural production in Rwanda, the United Republic of Tanzania, and Uganda	11
Box 2	Gender wage gaps in the United Republic of Tanzania and Uganda	14
Box 3	Women as informal cross-border traders in the East African Community	16

LIST OF FIGURES

Figure 1	Selected economic and social indicators	5
Figure 2	Sectoral composition of economic activity in EAC member countries and SSA, 2016	6
Figure 3	Trade flows in the EAC and SSA	6
Figure 4	Literacy rates in EAC member countries and SSA	8
Figure 5	Gross enrolment rates in EAC member countries and SSA	9
Figure 6	Composition of male and female employment by broad sectors	10
Figure 7	Female share of total employment in manufacturing	12
Figure 8	Composition of male and female employment by work status	14
Figure 9	Informal employment rate by gender	15
Figure 10	Time-use patterns in EAC member countries	17
Figure 11	Incidence of land ownership in EAC member countries	18
Figure 12	Indicators of credit access and usage in EAC member countries	18
Figure 13	Indicators of women's political and managerial participation in EAC member countries and SSA	20
Figure 14	Selected indicators of women's household decision-making in EAC member countries	20
Figure 15	Sectoral composition of EAC trade with the rest of the world between 2002–2004 and 2010–2012	27
Figure 16	Geographic composition of EAC trade with the rest of the world between 2002–2004 and 2010–2012	27
Figure 17	Applied tariff rates in EAC member countries in 2005 and 2010	28
Figure 18	Share of female production workers in export firms	30
Figure 19	Share of female non-production workers in export firms	31

LIST OF TABLES

Table 1	Composition of male and female services employment by subsectors	13
Table 2	Trade flows in EAC member countries	26
Table A.1.1.	Macro analysis results	40
Table A.1.2.	Descriptive statistics	41
Table A.1.3.	Female share of employment and top management by sectors	42
Table A.1.4.	Micro analysis findings	42

LIST OF ABBREVIATIONS

ACP	AFRICAN, CARIBBEAN AND PACIFIC GROUP OF STATES
APEC	ASIA-PACIFIC ECONOMIC COOPERATION
CEDAW	CONVENTION ON THE ELIMINATION OF ALL FORMS OF DISCRIMINATION AGAINST WOMEN
COMESA	COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA
CWE	RWANDA CHAMBER OF WOMEN ENTREPRENEURS
EAC	EAST AFRICAN COMMUNITY
EALA	EAST AFRICAN LEGISLATIVE ASSEMBLY
EASSI	EASTERN AFRICAN SUB-REGIONAL SUPPORT INITIATIVE FOR THE ADVANCEMENT OF WOMEN
FAO	FOOD AND AGRICULTURE ORGANIZATION
FTA	FREE TRADE AGREEMENT
GDP	GROSS DOMESTIC PRODUCT
GII	GENDER INEQUALITY INDEX
HDI	HUMAN DEVELOPMENT INDEX
ICT	INFORMATION AND COMMUNICATION TECHNOLOGY
ILO	INTERNATIONAL LABOUR ORGANIZATION
MRA	MUTUAL RECOGNITION AGREEMENT
NTB	NON-TARIFF BARRIER
PPWE	ASIA-PACIFIC ECONOMIC COOPERATION POLICY PARTNERSHIP ON WOMEN AND THE ECONOMY WORKING GROUP
SACCOs	SAVINGS AND CREDIT COOPERATIVE SOCIETIES
SADC	SOUTHERN AFRICAN DEVELOPMENT COMMUNITY
SDG	SUSTAINABLE DEVELOPMENT GOAL
SID	SOCIETY FOR INTERNATIONAL DEVELOPMENT
SSA	SUB-SAHARAN AFRICA
STR	SIMPLIFIED TRADE REGIME
TMEA	TRADEMARK EAST AFRICA
UNCTAD	UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT
UNDP	UNITED NATIONS DEVELOPMENT PROGRAMME
UNECA	UNITED NATIONS ECONOMIC COMMISSION FOR AFRICA
WITS	WORLD INTEGRATED TRADE SOLUTION DATABASE
WTO	WORLD TRADE ORGANIZATION

4A

MODULE 4A

*Trade and gender linkages:
An analysis of the East African Community*

1 Introduction

This document, which focuses on the East African Community (EAC), complements the three modules of Volume 1 of the teaching manual on trade and gender compiled by the United Nations Conference on Trade and Development (UNCTAD, 2014a).¹ The teaching manual was developed to equip policymakers, civil society organisations, and academics, particularly in developing countries and economies in transition, with analytical tools to analyse the two-way relationship between trade and gender, and to produce gender-aware policy recommendations.

The previous modules of Volume 1 examine the trade and gender nexus in three stages. Module 1 introduces the basic concepts and key measures of gender and trade through a discussion of the economy as a gendered structure. Module 2 discusses the theoretical framework on the transmission channels through which trade affects women in their roles as workers, producers, consumers, taxpayers, etc. It also examines the existing empirical evidence on these issues. Module 3 looks at the other side of the two-way relationship, and examines how gender inequality affects export competitiveness and trade performance.

UNCTAD has undertaken the localisation of Volume 1 with the aim of customising the trade and gender course and supporting materials to the specific needs and contexts of target regions, and of promoting broader dissemination of the manual's analytical tools. In this respect, Module 4, *Trade and Gender Linkages: An Analysis of COMESA*, applied the analytical framework presented in Volume 1 to the case of the Common Market for Eastern and Southern Africa (COMESA) (UNCTAD, 2017a). The current document, Module 4A, customizes the trade and gender framework outlined in Module 1 to the particular circumstances and conditions of members of the EAC.² It represents the second localisation of Volume 1, following the COMESA study.

Module 4A is composed of six chapters. This first chapter presents a historical overview of the EAC regional integration process and its main pillars. It also gives an overview of the socio-economic profiles of the EAC member countries. Chapter 2 presents the gender-related outcomes in the EAC member countries within the context of EAC regional integration policies along a number of dimensions, including gender gaps in education, women's access to economic resources, assets, and opportunities, and women's decision-making in both the political and managerial settings and

the household. Chapter 3 introduces the gender-related inputs in the EAC member countries through a comparative discussion of their legal and institutional frameworks on gender equality and their approach to gender mainstreaming in trade policy. Chapter 4 presents an overview of the changes in merchandise trade structure in the EAC region through a descriptive analysis, and uses sectoral and firm-level analyses to present an econometric analysis of how trade openness and tariff liberalization influenced women's employment in EAC member countries. Based on the findings from the gendered analysis of the economy in the context of EAC regional integration and from the econometric analysis on trade and women's employment in the EAC member countries, Chapter 5 draws key policy recommendations in each respective area on how to increase the gains from trade integration for women in the EAC region. Chapter 6 concludes the module.

At the end of this module, students should be able to:

- Interpret critical data on women's participation and gender inequalities in different economic sectors of the EAC members;
- Illustrate how trade integration influenced gender labour market outcomes in EAC members with a focus on women's employment;
- Formulate policies and practices to advance the status of women in the EAC region in the context of trade integration based on the findings from the descriptive and quantitative analyses on gender and trade in EAC members;
- Contribute to mainstreaming gender in trade and other policies in the EAC region.

1.1 Overview of EAC regional integration

The origins of the East African Community go back to 1960s. The EAC was first formed in 1967 after the leaders of Kenya, the United Republic of Tanzania (then Tanganyika and Zanzibar), and Uganda met in 1963 and expressed an intention to form an East African Federation before the end of 1964. The first EAC lasted for only 10 years and collapsed in 1977 due to ideological differences. The three heads of the states met in Zimbabwe in 1991 and accepted the idea of reviving the cooperative arrangement. Following subsequent meetings, they signed an agreement for the establishment of the Permanent Tripartite Commission for East African Co-operation in November 1993. At the second summit in 1997, the commission was

directed to elevate the agreement into a treaty (SID and EASSI, 2013).

Kenya, the United Republic of Tanzania, and Uganda signed the treaty for the establishment of the EAC on 30 November 1999, and the treaty entered into force on 7 July 2000 following its ratification by the original three member countries. Rwanda and Burundi acceded to the EAC treaty on 18 June 2007, and became full members of the community on 1 July 2007. South Sudan acceded to the treaty on 15 April 2016 and became a full member on 15 August 2016 (EAC, 2016a). Article 5(1) of the treaty states that the objective of the community is "...to develop policies and programmes aimed at widening and deepening co-operation among the Partner States in political, economic, social and cultural fields, research and technology, defence, security and legal and judicial affairs, for their mutual benefit"(EAC, 2002: 12).

The Customs Union Protocol was signed in March 2004 to establish a common external tariff on imports from third countries and to gradually eliminate internal tariffs. The protocol became effective in January 2005, and the gradual process of establishing a Customs Union was completed in January 2010. The Protocol on the Establishment of the EAC Common Market was signed in November 2009 and came into effect in July 2010 as the second step of the EAC regional integration process. The introduction of the Common Market shifted the emphasis from tariff liberalization to furthering the free movement of goods, services, labour, and capital. More recently, EAC members signed the Protocol for the Establishment of the EAC Monetary Union in November 2013. The process towards an East African Federation is currently being accelerated towards the aim of building a sustainable and powerful economic and political bloc in East Africa.

Non-tariff barriers (NTBs) are still major impediments to trade in the community despite the introduction of the Customs Union. NTBs consist of non-harmonized technical regulations, sanitary and phytosanitary requirements, customs procedures and documentation, rules of origin, and police road blocks, among other barriers (WTO, 2013). The EAC's Elimination of Non-Tariff Barriers Bill passed in 2015 provides a legal mechanism for the elimination of identified NTBs in the member countries. The bill puts into effect Article 13 of the Customs Union Protocol in which the member countries agreed to immediately remove all the existing NTBs to importation into their respective

territories of goods originating in the other member countries, and thereafter not to impose any NTBs. The bill was enacted by the EAC and entered into force as the EAC Elimination of Non-Tariff Barriers Act in October 2017.

The Common Market Protocol has also brought mixed results. The easing of constraints on cross-border transactions and banking services was instrumental for capital movement and financial integration, the two notably successful areas of the Common Market process. Cuts in roaming charges and deregulation of the use of mobile phones for cross-border financial transactions helped to liberalize cross-border mobile telephony services. On the other hand, movement of labour has lagged behind, as it largely applies to highly skilled workers, and work permits are required. The paperwork process also differs across the member countries (Gasiorek et al., 2016). However, under the Northern Corridor Integration Projects, Kenya, Rwanda, and Uganda have made significant progress in the movement of labour. Article 11.1(a) of the Common Market Protocol states that EAC members undertake to "mutually recognize the academic and professional qualifications granted, experience obtained, requirements met, licenses or certificates granted in other Partner States." To this end, Mutual Recognition Agreements (MRAs) regarding professional qualifications were signed in a number of areas.³

1.2 Socio-economic profiles of EAC member countries

It is useful to have a comparative picture of member countries' socio-economic profiles for each regional integration area in order to set the backdrop for the gender and trade analysis. In this regard, figure 1 presents GDP, population, poverty and inequality, Human Development Index (HDI), and Gender Inequality Index (GII) figures for the EAC member countries. Kenya and the United Republic of Tanzania are the two largest economies and most populous countries in the EAC. Burundi and Rwanda, the two smallest EAC economies, face the challenge of high population density due to their small geographical areas. They are among the nine least-developed countries in the world that face the greatest demographic pressure on land (UNCTAD, 2015a).⁴ The populations of Burundi, the United Republic of Tanzania, and Uganda are all projected to increase at least fivefold by 2100, according to the United Nations Department of Social Affairs' Population Division (UNCTAD, 2015a). This would create demographic pressure for these member countries, but it would also emerge as an

opportunity if they can manage to respond with the right set of policies. EAC member countries in terms of GDP per capita are, from highest to lowest, Kenya (US\$1,455), the United Republic of Tanzania (US\$879), Rwanda (US\$703), Uganda (US\$615), and Burundi (US\$286), in line with their GDP and population figures.⁵

The growth performance of the EAC member countries over the last decade was relatively good in comparison with the world and sub-Saharan Africa (SSA). On average, the EAC region grew by around 5.6 per cent between 2000 and 2016.⁶ Real GDP per capita grew faster (2.6 per cent) than the SSA average (2 per cent) during the same period. Rwanda (7.9 per cent on average) followed by the United Republic of Tanzania (6.6 per cent on average) and Uganda (6.4 per cent on average) performed particularly well among the EAC member countries. While Kenya (4.6 per cent on average) lagged behind those fast-growing members, Burundi (2.7 per cent on average) had the worst growth performance and is currently going through a political and economic crisis.

Since 2001, Rwanda has experienced a fast rate of structural transformation towards higher-value-added activities, but without accompanying productivity growth in agriculture. Tourism and services related to information and communications technology (ICT) were the main drivers of Rwanda's economic growth. Rwanda is also considered to have among the best institutional capacity in Africa, ranking second after Mauritius on the World Bank's Ease of Doing Business Index (UNECA, 2015a). The United Republic of Tanzania's growth performance was mainly driven by rising domestic demand rather than export expansion or import substitution; construction and wholesale and retail trade are its largest subsectors (UNECA, 2015b). Uganda's growth performance was the outcome of sound economic policies, pro-market reforms, and a surge in development assistance. Similar to the case of Rwanda, Uganda's performance included the expansion of services, with finance and communication as the fastest-growing services subsectors (World Bank, 2015).

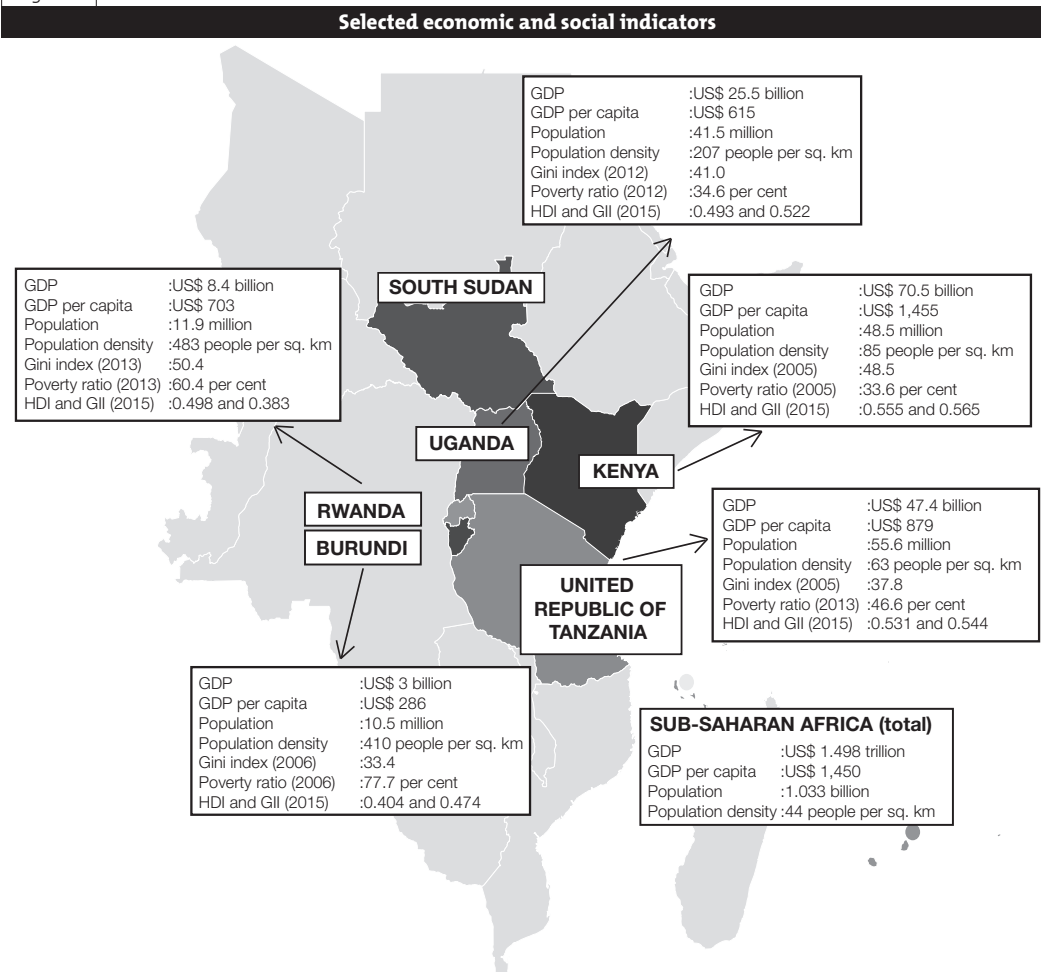
Rwanda, the United Republic of Tanzania, and Uganda recorded significant declines in absolute poverty thanks to their sustained growth in real per capita GDP. Absolute poverty did not change much in Burundi from the mid-2000s to the 2010s. Poverty is more of a rural problem, as is typical for developing countries. Gendered poverty measures are only available for Rwanda and the United Republic of Tanzania. Poverty was more common among female-headed households (43.8

per cent) than male-headed ones (36.9 per cent) in Rwanda in 2013 (National Institute of Statistics of Rwanda, 2016). Interestingly, poverty was lower among female-headed households (24.7 per cent) than the population as a whole (28.2 per cent) in the United Republic of Tanzania in 2011 (National Bureau of Statistics of the United Republic of Tanzania, 2016). One explanation could be that relatively more female-headed households might be residing in urban areas in that country. The achievements in poverty reduction were not accompanied by similar achievements in reducing income inequality, which remained high in the EAC member countries. Rwanda had much higher inequality than the United Republic of Tanzania and Uganda, according to Gini index figures for the 2010s.^{7,8} This implies that the benefits of rapid economic growth are not equally distributed in Rwanda.

Kenya and the United Republic of Tanzania had the highest HDI values in 2015 (above the SSA average),⁹ while Burundi and Rwanda were the member countries showing the biggest improvements from 2000 to 2015, mainly driven by gains in educational outcomes (UNDP, 2016a, 2016b). GII performance was better than that for HDI for all EAC member countries.¹⁰ According to GII figures for 2015, Rwanda had the least gender inequality among EAC member countries, ranking 84th in the world, followed by Burundi (108th), Uganda (121st), the United Republic of Tanzania (129th), and Kenya (135th). The GII values for all five member countries were lower than the SSA average of 0.572 in 2015. It is interesting that the two largest EAC economies are also the ones with the highest levels of gender inequality. This highlights the role of gender-specific policies and institutions in achieving gender equality regardless of the level of development of a country. Hence, gender equality is not a natural outcome of the development process.

Services and to a lesser extent industry expanded rapidly from the mid-1990s to the mid-2000s, with services replacing agriculture's dominant role in economic activity (figure 2).¹¹ Uganda, Rwanda, and to a lesser extent Kenya have the highest shares of services in their GDPs, while the industrial sector is particularly important in the United Republic of Tanzania, which relies on minerals as a key component of its exports (UNECA, 2015b). The dominance of services is not surprising in particular for Rwanda and Uganda, given their landlocked economies and limited access to other markets. Kenya has a significant share of agriculture in its GDP, reflecting the limited structural transformation of the Kenyan economy over the last few decades (UNECA,

Figure 7



Source: World Bank, World Development Indicators database (accessed in July 2017).

Note: GDP and population figures are for 2016. GDP and GDP per capita figures are measured in current U.S. dollars. GII: Gender Inequality Index; HDI: Human Development Index.

2015c). Compared to the SSA average, all EAC member countries have relatively higher shares of agriculture and lower shares of services in their GDPs. The share of industry is also lower than the SSA average for all except the United Republic of Tanzania. These differences imply that there is a need for additional policies to support the transformation of the EAC region from a rural/agriculture-based structure towards one further oriented towards industry and services.

EAC exports have expanded over time, particularly in the early 2000s, while EAC imports of goods and services grew faster than exports, particularly in the second half of the 2000s. The share of EAC exports of goods and services in total GDP increased from 13 per cent in 2000 to 18 per cent in 2015, while imports as a share of GDP increased from 21 per cent in 2000 to 28 per cent in 2015 (figure 3). The export capacity of the EAC lags behind that of SSA, while imports are more comparable. As a result, the trade deficit grew

well above the SSA average, particularly between 2005 and 2010. High trade deficits might cause a drag on economic growth over time.

2 Gender-related outcomes

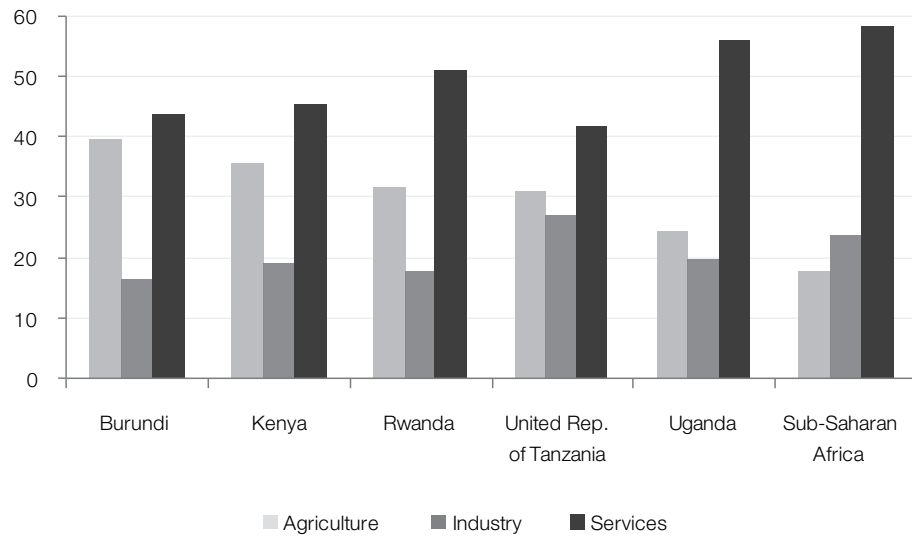
After reviewing this chapter, students should be able to:

- Understand the different domains of gender inequalities in the context of trade policy;
- Form a link between gender inequalities in the economy and trade policy outcomes;
- Interpret critical data on women’s education, employment, and access to resources and opportunities in the EAC region.

Gendered power relations underlie the various institutions, transactions, and relations that make up the sphere of an economy, and gender bias operates and affects women in the multiple roles they play in the economy as workers,

Figure 2

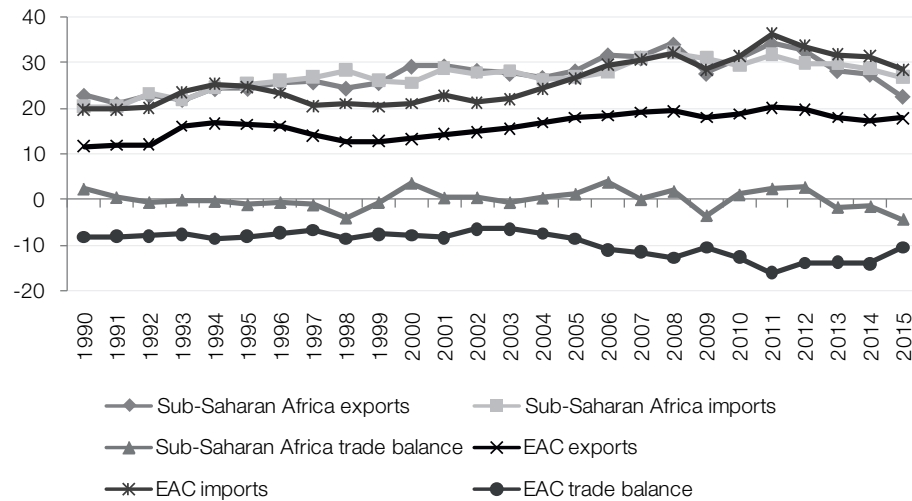
Sectoral composition of economic activity in EAC member countries and SSA, 2016 (per cent shares)



Source: World Bank, World Development Indicators database (accessed in July 2017).
 Note: EAC: East African Community; SSA: sub-Saharan Africa.

Figure 3

Trade flows in the EAC and SSA (per cent of GDP)



Source: UNCTADStat database (accessed in May 2017).
 Note: EAC: East African Community; SSA: sub-Saharan Africa.

producers, traders, consumers, and taxpayers. Module 1 identified the following three domains of gender equality based on the operational framework introduced by the United Nations Millennium Project Task Force on Education and Gender Equality:

- (i) The *capabilities domain*, which refers to basic human abilities such as knowledge and health.
- (ii) The *access to resources and opportunities domain*, which refers to conditions that enable individuals to earn adequate livelihoods for themselves and their families through their access to economic assets and resources, and by exercising political decision-making. Those resources and opportunities include land, property, and infrastructure as economic assets; income and employment as measures of access to economic resources; and women's participation in managerial and leadership positions as indicators of political opportunities.
- (iii) The *security domain*, which refers to vulnerability to violence and conflict.

Existing gender inequalities in those domains make women both “sources of competitive advantage” and “under-achievers of competitive advantage” under trade reforms, as discussed in detail in Module 3. For example, existing gender inequalities in women's employment as wage workers (such as occupational segregation and the gender wage gap) may serve as a cost-cutting strategy for exporting firms facing fierce competition in international markets. Similarly, women may be under-achievers of competitive advantage as self-employed producers and small entrepreneurs due to the existing gender inequalities in their access to resources and assets. Ensuring gender equality in these domains is essential for the successful participation of women in the economy under trade liberalization policies.

It is useful, therefore, to make a comparative assessment of the gender situation in these domains in each country/region context during the process of trade integration episodes. All three domains are important and relevant from a gender and trade perspective. However, the focus in this module is only on the capabilities domain (education only) and the access to resources and opportunities domain (employment, access to resources, and women's decision-making power), as the analysis is centred on women's role as workers and producers. Although such an assessment does not provide a causal link, it nevertheless provides a picture of the changes in

the gender situation during the implementation of trade policies.

2.1 The capabilities domain: Education

The gender gap in education has direct implications for the trade and gender nexus given the importance of education and skill development for entering higher-level job positions as wage workers, and for accessing the necessary business information and technological skills as producers and entrepreneurs. As discussed in Module 2, in agriculture, for example, the gender gap in education reduces the ability of female farmers and rural entrepreneurs to apply for credit, use market information, or comply with market requirements such as standards and regulations. In manufacturing, even if women are more educated than they used to be, they may still lack job-specific technical skills because they do not receive on-the-job training or because there is gender segregation in vocational or technical training programmes. In services, in most countries, women are crowded into the low-skill segments of services in highly informal and insecure positions because of their lower education level. For example, in the trade sector, women as vendors and owners of small and medium-sized enterprises have less education and bargaining power, and low access to productive resources, market information, and business networks. Women also face challenges such as being concentrated in lower-skilled jobs in the trade sector due to cultural norms and lack of access to specialized training.

It is useful to follow the evolution of gender inequality in education in each country/region context as a key supply-side constraint that women face when entering the labour market. Key indicators on formal education include the adult literacy rate and enrolment and attainment rates at different levels of education. A summary is provided below of developments in educational gender inequality for the EAC member countries. The sub-Saharan African average is used as a benchmark to put the status of EAC member countries in perspective. EAC members have seen significant improvements in adult literacy rates, and gender parity in adult literacy has also increased since the 2000s. In 2015, the female adult literacy rate ranged between 67 per cent in Uganda and 83 per cent in Burundi, compared to the SSA average of 53 per cent in 2010 (figure 4). Scores on the Gender Parity Index for adult literacy were 0.82 in Uganda, 0.90 in the United Republic of Tanzania, 0.91 in Rwanda, 0.92 in Kenya, and 0.94 in Burundi, while the SSA average was 0.77.

Despite the remarkable increase in adult literacy and the closing of the gender gap, the gender gap in literacy remains particularly high in rural areas. For example, in the United Republic of Tanzania, in 2012, the adult literacy rate was 78 per cent for rural men and 65 per cent for rural women, while the same figures were 95 per cent and 90 per cent, respectively, in urban areas (National Bureau of Statistics of the United Republic of Tanzania, 2015). This rural-urban divide is likely to translate into competitive disadvantages for rural women in accessing and using market information and extension services as well as getting credit when completing paperwork is required.

Educational enrolment figures provide insights about the expected education level of the future labour force (figure 5). Enrolment rates in primary education also translate into changes in adult literacy. Indeed, all the EAC member countries have achieved full gender parity in gross enrolment rates in primary education, which has contributed to their success in achieving adult literacy rates above the SSA average.¹² However, gross enrolment rates in secondary education remain low—and below the SSA average—for all EAC member countries except Kenya, where compulsory education also covers the secondary level of education. Since skill development plays an important role in the transition of the labour force towards emerging sectors under trade liberalization, the shortfall in secondary and higher-level educational enrolment is concerning

and warrants further attention.

The gross enrolment rate at the tertiary level is particularly low in EAC members, as is common in Africa. Even in Rwanda, which has the highest tertiary enrolment rates, only 6.6 per cent of girls and 8.5 per cent of boys attend a university. Further steps need to be taken to ease the access of primary school graduates to secondary and tertiary education. Closing the gender gap at higher levels of education is critical to help women access higher-value-added niches in export sectors. Moreover, technical and vocational education and training programmes are important to close the skill gap for adults who are currently in the labour force and are no longer in formal education. Such initiatives do exist in the EAC region. For example, Rwanda is expanding its vocational training programmes through the Workforce Development Authority in its Skill Development Project. There are 384 vocational training schools, 70 per cent of which are equipped with computer laboratories (UNECA, 2015a).

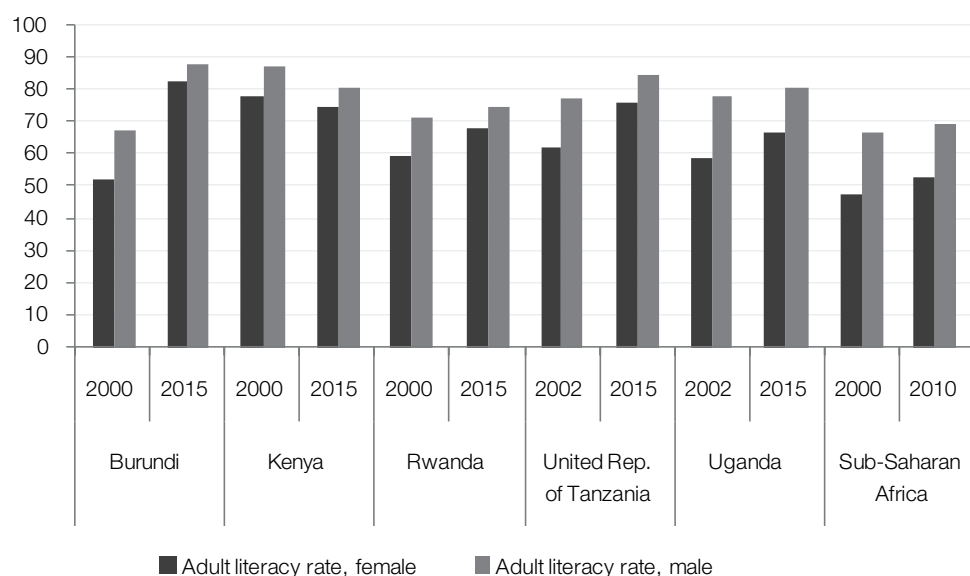
2.2 The access to resources and opportunities domain

2.2.1 Employment patterns

As presented in Module 1, income and employment are among the key indicators on gender inequality in access to economic

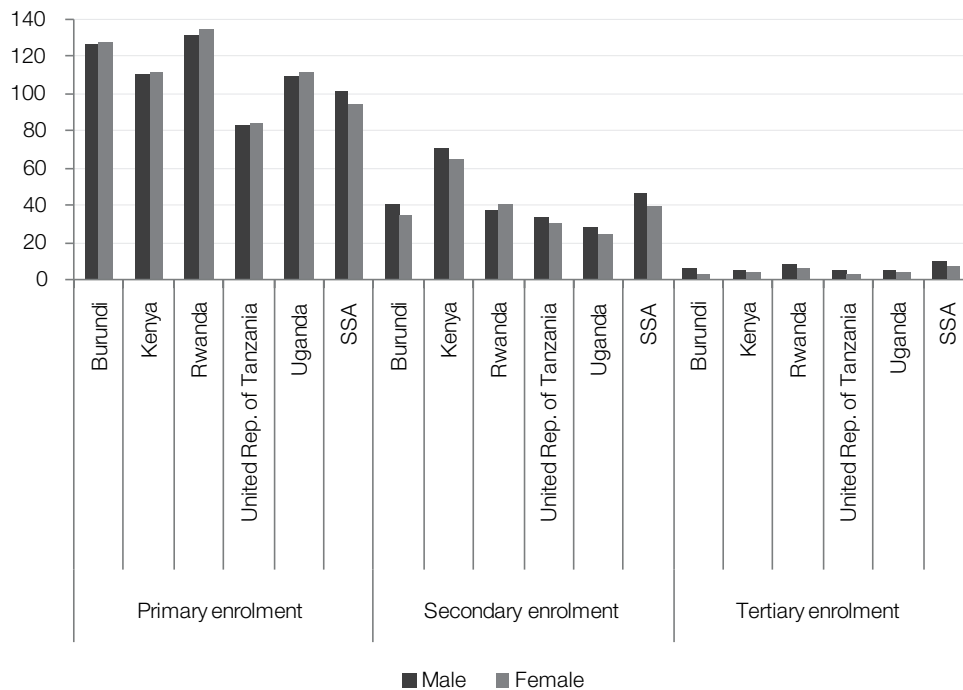
Figure 4

Literacy rates in EAC member countries and SSA (per cent)



Source: World Bank, World Development Indicators database (accessed in May 2017).
Note: EAC: East African Community; SSA: sub-Saharan Africa.

Figure 5

Gross enrolment rates in EAC member countries and SSA (per cent)

Source: World Bank, World Development Indicators database (accessed in May 2017).

Note: Data for primary education enrolment are for 2014 for all countries. Data for secondary education enrolment are for 2012 in Kenya, for 2013 in the United Republic of Tanzania, and for 2014 for the rest of the countries. Data for tertiary education are for 2009 in Kenya, for 2011 in Uganda, and for 2013 for the rest of the countries. EAC: East African Community; SSA: sub-Saharan Africa.

resources and opportunities. Trade liberalization has direct implications for women's employment and income opportunities, as trade leads to distributional outcomes through sectoral shifts in production, as explained in detail in Module 2. The distributional implications of trade liberalization will also be discussed briefly in Chapter 4 of this module. It is therefore useful to track the changes in the sectoral composition of employment by gender in the course of trade liberalization policies. An initial descriptive assessment of the changes in employment structure by broad sectors is in place using data points before and after the full implementation of the Customs Union and Common Market policies in the EAC region.

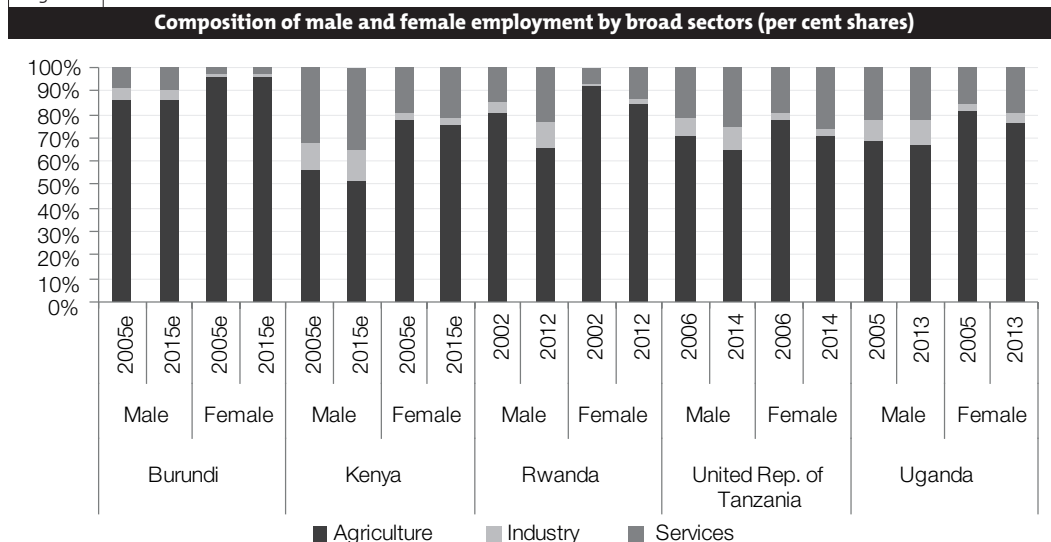
The structural change in economic activity away from agriculture and towards services (as documented in Chapter 1 of this module) did not lead to an equally strong shift in the employment structure in the EAC member countries over time. Rwanda and the United Republic of Tanzania were the two EAC members that had the strongest change in the sectoral composition of female employment over time, though the change was much weaker than the one for men. The macro analysis presented in Chapter 4 of

this module illustrates how to analyse the role of trade liberalization and EAC regional integration policies in explaining the observed sectoral shifts in female employment in the EAC member countries.

Despite the shift away from agriculture over time, agriculture continues to be the main employment sector, and its share in total employment is higher for women than for men. According to the latest figures available, 96 per cent of women in Burundi, 76 per cent in Kenya, 84 per cent in Rwanda, 71 per cent in the United Republic of Tanzania, and 77 per cent in Uganda are still employed in agriculture (figure 6). This implies that women heavily rely on agriculture as the main source of livelihood in the EAC member countries. Trade liberalization in agricultural commodities is particularly important from a gender and trade point of view, and will be discussed in more detail below.

A closer look at each broad sector of the economy is useful to better understand the trade and gender nexus in each of those sectors. Any gender analysis of trade policies needs to evaluate the issues related to women's successful participation in agriculture, manufacturing, and

Figure 6



Source: ILOStat database (accessed in February 2017).

Note: Data for Burundi and Kenya are International Labour Organisation estimates. Data for Rwanda come from the Population Census, data for the United Republic of Tanzania come from the Labour Force Survey, and data for Uganda come from the Household Survey.

services in the context of trade liberalization and regional integration policies.

2.2.1.1 Employment in agriculture

Module 2 presented a detailed discussion on how trade liberalization affects women in their different roles as wage workers, producers, traders, and consumers. In agriculture, women can be a source of competitive advantage in labour-intensive, export-oriented agri-business due to the existing gender wage gaps in the labour market. Women can also be achievers of competitive advantage in their own enterprises as producers. However, those achievements are limited by the gender constraints in access to resources and market opportunities, land ownership, educational attainment, and the domestic care work burden, discussed in Module 1. Therefore, the removal of those barriers is critical for women to reap the benefits of trade liberalization and regional integration.

One of the indicators that can inform us about the status of women as producers in the agricultural sector is the gender gap in agricultural labour productivity (output per unit of land area). The productivity gap, in turn, translates into the income gap between men and women in rural societies, and constrains the benefits that women can obtain as producers from trade liberalization policies in agriculture. It is helpful, therefore, to determine the extent of the gender gap in agricultural labour productivity and to analyse the underlying factors behind it. For example, in

SSA, female-managed plots are on average 20–30 per cent less productive than male-managed plots (FAO, 2011).

The agricultural gender productivity gap was estimated to be 34 per cent in Kenya for 2006. This gender gap disappears once the likelihood of a farm producing market-oriented crops is controlled for. Hence, crop choice emerges as the main determinant of the gender gap in agricultural productivity in Kenya (Githinji et al., 2014). This highlights the importance of policies such as credit and insurance interventions to reduce risks that prevent women from growing market-oriented cash crops. It should also be noted that even if women and men equally participate in cash crop production, women may end up not receiving the sales receipts, as it is often men who take and sell the family product to the wholesalers. A much lower gender productivity gap in agriculture (17.5 per cent) is documented in Uganda for 2009–2011 (Ali et al., 2016). Based on decomposition analysis, the authors find that women's greater childcare responsibility emerges as the main driver of the gap in returns to endowments (the discriminatory component of the gap). This is particularly important in the Ugandan context as a country with one of the highest fertility rates, and calls for policies targeting childcare constraints. Female-managed plots, interestingly, hold an endowment advantage due to the smaller planted area (in the context of strong inverse returns to planted area) as well as the higher number of family labour days per acre

Box 1

Certification schemes and gender equality in agricultural production in Rwanda, the United Republic of Tanzania, and Uganda

Voluntary certification schemes are becoming instrumental in the shift towards high-value market segments in response to increased international competition, and they have significant gender implications. According to the findings of a field survey in 2012 in Uganda, women in certified households had significantly more control over coffee production and revenues than women in non-certified households. This, in turn, has a positive impact on household nutrition and food safety. Moreover, women in certified households received training courses on coffee production and marketing (Chiputwa and Qaim, 2016). In Rwanda, which has one of the highest numbers of fair-trade certified coffee producers in Africa, a study conducted in 2009 found that women had increased participation in decision-making in cooperatives (Elder et al., 2012).

However, gender equality outcomes should not be considered as solely linked to certified value chains, but should also be evaluated in a broader framework. For example, there is evidence of gender equality in tea value chains in the United Republic of Tanzania and there are positive contributions from improved standards, although this is more a reflection of long-term socio-technical changes in the country than in the standards themselves (Loconto, 2015).

Although these findings cannot be generalized to other EAC member countries, they point to the potential of certification schemes to reduce the adverse effects on women of agricultural commercialization, which tends to be induced by increased trade openness. Hence, policymakers should introduce targeted policy measures that further consider this shift towards specialized market segments in traditional export cash crops as a way to improve the livelihoods of rural women in agriculture.

applied to female-managed plots.

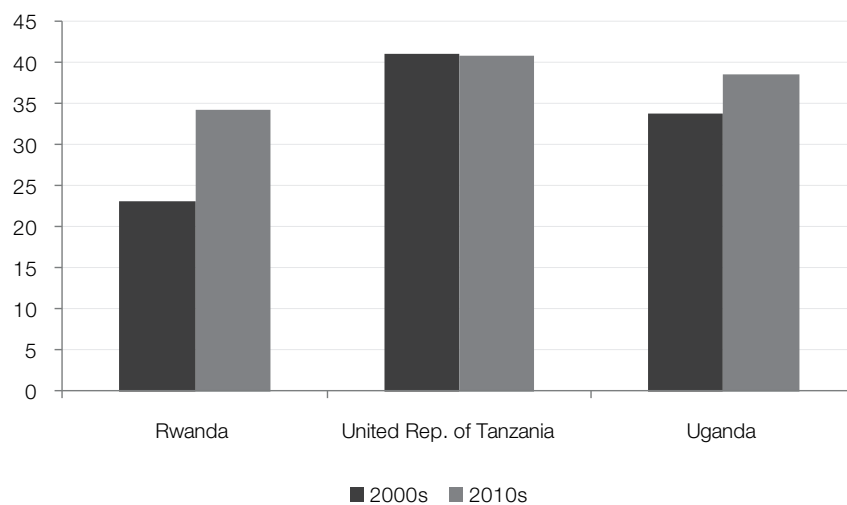
Another important issue to consider in analysing the trade and gender nexus in agriculture is the distinction between export cash crops and subsistence-oriented staple food crops. As discussed in Module 2, in subsistence-based agriculture, the influx of cheap food imports reduces the domestic price of subsistence-oriented crops and erodes the already low earnings of subsistence farmers, a group often dominated by women. Hence trade liberalization is likely to negatively affect those farmers in subsistence agriculture. For market-oriented cash crops, however, trade liberalization can provide women with expanded export markets and opportunities to integrate into global supply chains as producers.

It is useful, therefore, to identify the key export crops and how women participate in the production of those crops in each country/region. Coffee and coffee substitutes ranked among the top five export commodities in Burundi, Kenya, Rwanda, and Uganda in 2015. Similarly, tea and mate ranked among the top three export commodities in Burundi, Kenya, and Rwanda in 2015, as will be shown in Section 4.1 of this module. Tea and coffee are often the only source of cash income for rural women in the EAC. Therefore, developments in the trade of tea and coffee have important gender implications.

One such development is the shift towards premium-quality and high-value market segments in tea and coffee markets. For example, Rwanda is repositioning itself from standard grades to high-quality specialty products such as fully washed Arabica coffee or orthodox loose-leaf or green tea varieties (UNCTAD, 2014b). The shift towards specialty markets may crowd out smallholder farmers, many of whom are women, by favouring commercially oriented farmers who have easier access to inputs and marketing networks. This transformation, however, can also benefit women by supporting the reorganization of the value chain beyond gender stereotypes, as direct marketing links would be established with large processors, traders, and retailers (UNCTAD, 2014b). Moreover, the knowledge-based and labour-intensive nature of specialty production may put women at an advantage as small-scale farmers if the right incentives are put in place (UNCTAD, 2014b). Certification schemes can be instrumental in pushing forward this transformation in export cash crop markets, and they have proven positive implications for gender equality. For example, box 1 presents evidence for Rwanda, the United Republic of Tanzania, and Uganda about the positive impact of certification schemes on women's control over revenue, access to training, and participation in decision-making processes in agriculture.

Figure 7

Female share of total employment in manufacturing (per cent)



Source: ILOStat database (accessed in May 2017).

Note: Data for Rwanda are from the Population Census (2002, 2012), for the United Republic of Tanzania from the Labour Force Survey (2006, 2014), and for Uganda from Household Surveys (2005, 2013).

2.2.1.2 Employment in manufacturing

Module 2 provided an overview of several studies that documented an increase in the female share of employment—particularly in labour-intensive and low-value-added export sectors such as garments, textiles, and leather—following trade liberalization policies in many developing countries. This phenomenon of the “feminisation of labour” refers not only to women’s increased share of employment but also to the extension of insecure working conditions from female to male jobs (Standing, 1989, 1999). The main underlying force behind this phenomenon was the competitive advantage that women provided to firms thanks to existing gender wage gaps and their relatively lower bargaining power. Indeed, producers use existing gender inequalities as a cost-cutting strategy, crowding women into low-paid and low-skilled jobs and creating new forms of inequalities, as highlighted in Module 3. More recently, there has been a decline in the female share of employment in traditional export sectors in some middle-income developing countries—a phenomenon defined as the “defeminisation process.” Firms’ stronger preference for male workers in more technologically advanced production seems to be a key factor behind this trend observed in the course of industrial upgrading (Kucera and Tejani, 2014). It should be highlighted that this latter phenomenon is more valid for middle-income developing countries.

It is useful to track the evolution of the female

share of manufacturing employment in each country context to see if there is a feminisation or defeminisation process in place. Indeed, in EAC member countries for which data were available, there has been a feminisation of labour in manufacturing during the EAC regional integration process (figure 7). This phenomenon has been particularly strong for Rwanda and to a lesser extent for Uganda, while the female share of total employment in manufacturing has remained almost the same in the United Republic of Tanzania. This is not surprising given the high share of female employment in the United Republic of Tanzania to start with.

Despite its relatively small share in total employment, manufacturing plays a key role in trade liberalization policies as a sector directly affected by tariff changes, and provides higher wages and more stable job prospects than agriculture and low-skilled services sectors in general. Therefore, it is a key sector to investigate the gender impact of trade liberalization policies. In this regard, Chapter 4 illustrates how to analyse the effect of tariff liberalization in the EAC regional integration process on gender employment outcomes in manufacturing firms.

2.2.1.3 Employment in services

The services sector increases its share in production, trade, and employment in the course of development. Contrary to the earlier experiences in other developing countries,

African economies have been experiencing a rapid shift from agriculture towards services with a limited expansion of the industrial sector. Employment figures by broad sectors have also shown an increase in the share of services in women's employment in the EAC member countries. Therefore, it is useful to look at what types of services jobs women are increasingly holding in the course of the integration process (table 1).

Wholesale and retail trade and repair is the main subsector of services employment for women in the United Republic of Tanzania and Uganda, and to a lesser extent in Rwanda. Public services and tourism (hotels and restaurants) are the other major service subsectors for women's employment. This is in line with the significant role that tourism plays in services trade in those countries. In tourism, women are often segregated into higher-risk, lower-value, and lower-skilled jobs, as documented for Kenya (Christian et al., 2013). In contrast, men are employed mostly in the trade, transport, and public services subsectors. They also hold a relatively larger share of employment than women in the finance subsector, although the employment share overall in finance is still very low. Overall, the expansion of services trade in the EAC regional integration process seems to have translated mainly into tourism and trade jobs for women, while men accessed more positions in higher-skilled services such as transport and communication.

2.2.1.4 Status in employment

Module 2 highlighted the need to look at the quality of trade-related employment and the impact of trade on gender-based employment segregation when carrying out a gender-and-trade analysis. If women continue to be concentrated in precarious forms of employment, then the expansion of women's employment could result in a limited increase in their well-being. Employment gains for women from trade liberalization need to be interpreted together with an assessment of the changes in their work status and the labour standards being put in place.

In this regard, it is useful to examine the work status of women in order to gain a broader perspective about their overall position in the labour market. It would be ideal to examine the female employment composition by work status and occupation in each respective sector of the economy. However, due to the unavailability of comparable data, figure 8 presents the employment composition for men and women by work status in the total economy in EAC member countries.¹³ Even if the shares of men and women employees in total employment increased over time, own-account work and contributing family work—the two components of vulnerable employment, according to the International Labour Organization (ILO)—continue to form the bulk of employment, and particularly for

Table 1

Composition of male and female services employment by subsectors (per cent shares)

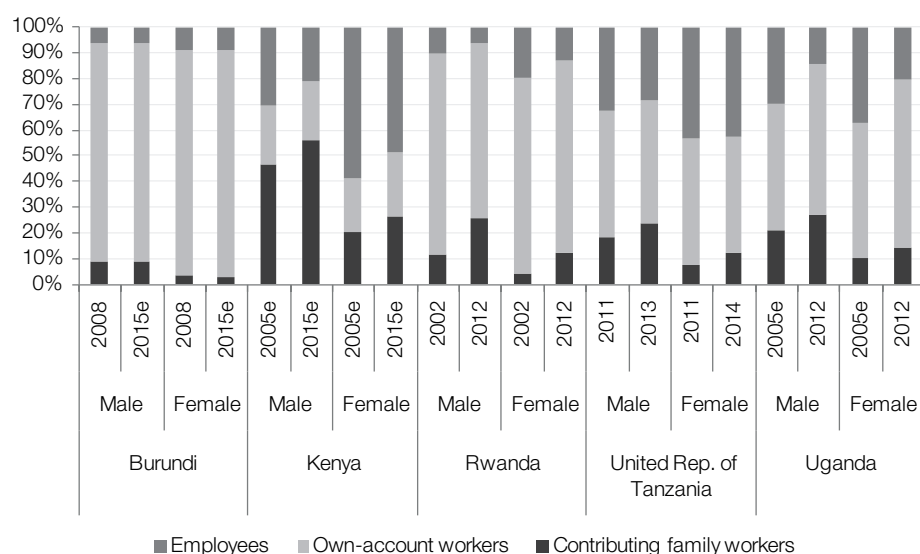
	Rwanda				United Republic of Tanzania				Uganda			
	Male		Female		Male		Female		Male		Female	
	2002	2012	2002	2012	2006	2014	2006	2014	2003	2012	2003	2012
Wholesale and retail trade, and repair	3.7	6.0	1.7	4.0	10.3	11.9	7.3	12.5	13.8	11.8	9.4	11.5
Hotels and restaurants	0.3	1.1	0.1	0.6	1.1	1.4	3.0	6.3	1.4	1.1	3.8	3.7
Transport, storage and communications	1.9	4.2	0.1	0.2	2.8	5.0	0.1	0.3	3.7	4.7	0.1	0.3
Financial intermediation, real estate, etc.	0.5	1.9	0.2	0.6	0.9	1.5	0.2	0.7	0.6	1.4	0.2	0.4
Public administration and defence, education, health, social work, etc.	4.2	5.7	1.7	3.2	4.8	5.2	2.4	4.3	7.6	7.8	4.0	6.0
Activities of private households, extraterritorial organizations, and services not elsewhere classified	3.5	4.2	3.1	4.5	1.6	0.3	6.1	1.9	0.9	0.8	1.6	2.1

Source: ILOstat database (accessed in February 2017).

Note: Data for Rwanda come from the Population Census; data for the United Republic of Tanzania and Uganda come from Labour Force Surveys. Statistics on the sub-sectoral composition of services employment were not available for Burundi and Kenya.

Figure 8

Composition of male and female employment by work status (per cent shares)



Source: ILOStat database (accessed in February 2017).

Box 2

Gender wage gaps in the United Republic of Tanzania and Uganda

Gender wage gap figures are available at the subsector level for the United Republic of Tanzania and Uganda for 2014. The raw gender wage gap is calculated as the ratio of mean monthly earnings (gross remuneration in cash and in-kind) of women to that of men. Overall, there is a larger gender wage gap in Uganda than in the United Republic of Tanzania (box table 2.1).

Sectoral employment figures presented in the main text show that agriculture, services (trade, tourism), and to a lesser extent manufacturing are the main sectors of women's employment in EAC member countries. Therefore, sectoral gender wage gaps are presented for those sectors only. In Uganda, women in agriculture earn 63 per cent of what men earn, on average, while the agricultural gender wage gap is lower in the United Republic of Tanzania (88 per cent). However, the United Republic of Tanzania has a much higher gender wage gap in manufacturing, with women earning only 57 per cent of what men earn, on average. In services, there is a higher gender wage gap in the trade sector in Uganda and in the tourism sector in the United Republic of Tanzania. Although the raw gender wage gap does not control for differences in qualifications of workers, it still shows that women lag behind men to different degrees in various sectors of the economy. While increasing women's employment is a goal itself, policies should target improving women's skills and their access to higher-remuneration positions as well. Only then will women be able to fully benefit from the positive employment stimulus of the EAC integration process documented in Chapter 4 of this module.

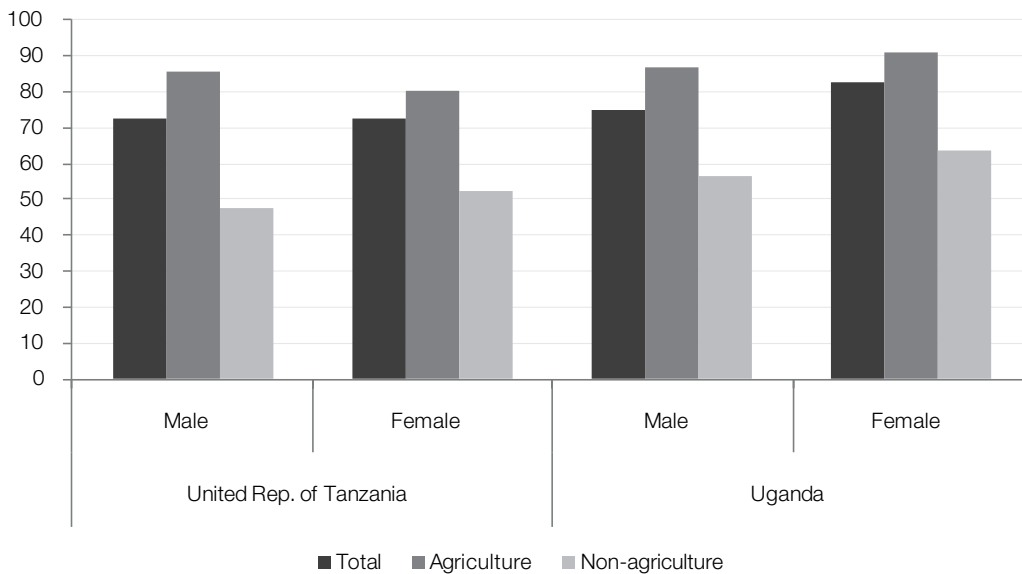
BOX TABLE 2.1.

Raw gender wage gap (ratio)

	United Republic of Tanzania	Uganda
Total	0.80	0.64
Agriculture, forestry, and fishing	0.88	0.63
Manufacturing	0.57	0.73
Wholesale and retail trade; repair of motor vehicles and motorcycles	0.67	0.46
Accommodation and food service activities	0.60	0.86

Source: ILOStat database (accessed in February 2017).

Figure 9

Informal employment rate by gender (per cent)

Source: ILOStat database (accessed in July 2017).

Note: Figures are for 2014 for the United Republic of Tanzania and for 2012 for Uganda.

women, in the EAC region. Overall, women have fewer opportunities than men to be wage-salary employees in the tradable sectors. Even in Kenya, which has the highest share of women in wage employment among EAC members, more than three-quarters of women in wage employment were employed mainly in the non-tradable services subsectors in 2014 (Kenya National Bureau of Statistics, 2016).

The structural change in employment is rather weak in EAC member countries compared to the changes in production and trade structures. Although there is an increase in women's share of services and industry as well as wage-salary employment over time, women shifted relatively towards lower-skilled sectors such as trade and tourism, where women tend to be segregated into lower-skilled positions and face a significant gender wage gap (box 2). This weak transformation in the quality of jobs also results in a reduction in aggregate labour productivity, with an adverse impact on economic performance (UNCTAD, 2014c). The descriptive statistics on employment patterns highlight the need for more targeted policies on both the supply and demand sides of the labour market to ease the transfer of women towards higher-value-added areas. For example, increasing digital literacy is one such policy that would facilitate women's participation in higher-skilled ICT-enabled services sectors.

2.2.1.5 Women in the informal economy

Informal economic activity is one of the key features of developing countries, and informal employment is a major source of livelihood, particularly for vulnerable groups. Women are more likely than men to be informally employed, and they correspond to a relatively higher share of informal employment overall (Vanek et al., 2013). It is therefore useful to examine the extent of informal employment and its characteristics in the analysis of gender and trade, even though it is not possible to form a direct link between the informality of women's employment and trade policies.

In SSA, 66 per cent of women were informally employed based on survey data for 2004–2010 (UNDP, 2016c). In the EAC region, the share of informal employment in total non-agricultural employment was 52.4 per cent for women and 47.4 per cent for men in the United Republic of Tanzania in 2014. The same ratios were 63.9 per cent and 56.3 per cent, respectively, in Uganda in 2012 (figure 9). In Kenya, the informal employment rate for the active population was 76 per cent for men and 85 per cent for women in 2009 (UNCTAD, 2017b).

Women as informal workers often lack formal work arrangements such as health insurance and pension coverage, and earning flows are irregular. They face the high risk of being trapped in a vicious circle of poor remuneration and a

limited ability to improve their skills and move up the wage and jobs ladder. This, in turn, has implications for overall development and growth prospects (UNDP, 2016c). Gender barriers to wage employment and business growth make women in self-employment particularly subject to informality in East Africa. It is documented that women-owned micro and small enterprises in the United Republic of Tanzania and Uganda are more likely to have no employees than male-owned businesses. Since they are mostly subsistence enterprises, they are not likely to benefit from formalisation alone. There is a need to extend rights and protections as well as improve business capacity and integration into the local economy for women-owned micro and small enterprises (ILO, 2015).

Informal cross-border trade is one of the major activities for self-employed women in the

informal economy,¹⁴ and women account for most informal cross-border traders, as documented in many case studies (Mbo'o-Tchouawou et al., 2016). Simplified trade regimes (STRs) are the main trade instruments to encourage informal traders to switch from informal to formal trade in the context of trade policy. A number of countries and regions in SSA, including the EAC, introduced STRs to reduce the cost of formal trade formalities and the difficulties resulting from regulations and requirements. However, several factors inhibit the effective uptake of these regimes. STRs do not provide exemptions from certain domestic taxes and border requirements. To benefit from the STR, transactions must be below a value of US\$2,000 and involve merchandise included on a common list of approved products. Lack of awareness about the STR also limits the reach of this policy instrument (UNCTAD, forthcoming). Box 3 presents a summary of the case studies on

Box 3

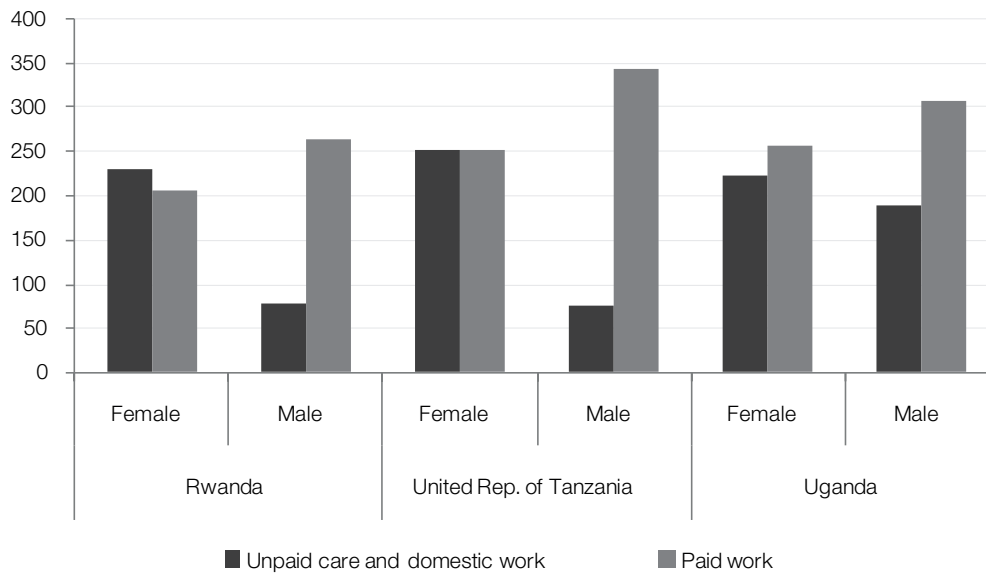
Women as informal cross-border traders in the East African Community

According to the findings of a field study of 538 women informal cross-border traders in five EAC member countries (EASSI, 2012), women informal cross-border traders face various border and supply-side obstacles despite the introduction of simplified trade regimes (STRs) and other related policies. Cross-border trading was the primary economic activity for 68 per cent of women informal cross-border traders interviewed: 42 per cent of them traded agricultural products, while other major tradable products included textiles (21.5 per cent) and consumables (18.5 per cent). Of the women interviewed, 28 per cent and 39 per cent were daily and weekly traders, respectively. This implies that women are frequent traders due to the small quantities they trade and therefore are prone to the inefficiencies from such trade. Certificates are issued free at all border posts for goods that are worth US\$2,000 or less according to the Rules of Origin in a Single Customs Territory. Among survey respondents, 48.5 per cent spent less than one hour and 22 per cent spent one hour at customs clearing their products (EASSI, 2012). Overall, these findings are positive in terms of expanding formal trade and shortening the time spent at borders, even if much remains to be done.

In terms of supply-side obstacles, only 15.5 per cent of the respondents had completed secondary school or more, while 11 per cent had no schooling. While most women informal cross-border traders (82 per cent) had heard of the EAC Customs Union and Common Market protocols, only 64 per cent of them were aware of the free movement of goods, services, and people within the region and the elimination of internal customs border controls, and only 59 per cent of them were aware of the elimination of duties on goods and services originating within the EAC (EASSI, 2012). A study conducted among women traders in the United Republic of Tanzania found the level of awareness to be much lower, with only 11 per cent of respondents acquainted with the rules of the EAC Customs Union Protocol (UN Women, 2012). These diverse findings point to the importance of local programmes to target the different needs of women at various border crossing points.

Among the respondents, 46 per cent of the women relied on their own capital for trading, and access to credit was limited due to lack of collateral for banks and to misinformation and fear of losing assets based on others' experiences. Most women (84 per cent) had mobile phones; only 45 per cent owned land; and 66 per cent had adequate access to markets to sell their products, generally because they dealt in small quantities. Access to markets, and to bigger markets, could be further expanded by initiatives such as group marketing through cooperatives, processing, packaging, and branding (EASSI, 2012). According to a study conducted in four towns along the Kenya-Uganda and Kenya-United Republic of Tanzania borders, men tend to have more experience than women in cross-border trade in agriculture, and they trade in larger volumes than women. Moreover, regression analysis shows that women tend to be more involved as buyers in agricultural trade than men (Mbo'o-Tchouawou et al., 2016).

Figure 10

Time-use patterns in EAC member countries (minutes per day)

Source: UN Women (2016).

Note: Figures are for 2006 for the United Republic of Tanzania, 2010 for Uganda, and 2011 for Rwanda. EAC: East African Community.

women informal cross-border traders in the EAC.

2.2.2 Time use

Unpaid care work forms an essential component of the market-oriented economy through its role in the reproduction of the labour force. However, there is need to better understand the interdependence between paid (production) and unpaid (nonproduction) activities and the gender division of labour within each sphere, as highlighted in Module 1. In the absence of social policies to reduce care work and transform the established gender division of labour in society, women often end up facing a double burden combining paid work with unpaid work. This double burden often has the effect of undermining women's position and negotiating power in the paid labour market and jeopardizes their access to credit and other resources. Therefore, any analysis of gender and trade needs to also consider the unpaid sphere of the economy while developing gender-aware trade policies.

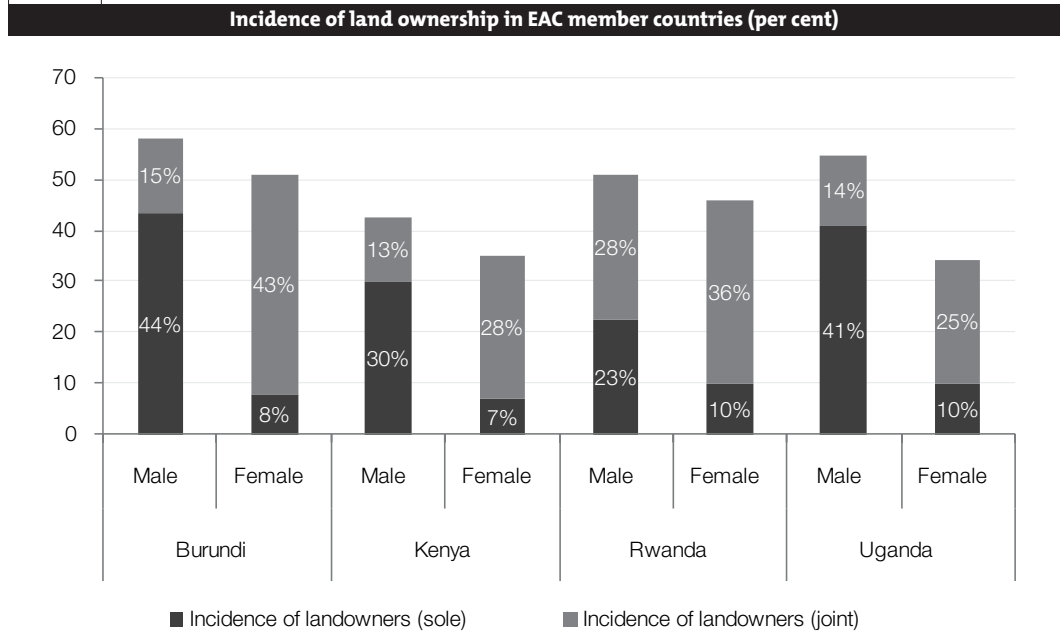
Time-use patterns help explain the existing gender inequalities in paid and unpaid work. In the case of the EAC, women shoulder a higher share of unpaid care work in line with the traditional gender division of labour. For example, women spend 3 and 3.5 times more minutes per day on unpaid care and domestic

work than men in Rwanda and the United Republic of Tanzania, respectively (figure 10). Uganda exhibits a more egalitarian picture, with women spending 1.2 times more minutes per day on unpaid work than men. Overall, in all the EAC members for which data are available, unpaid care work is a significant constraint that women face, and one that needs to be taken into account in the formulation of gender-sensitive trade and employment policies. One such policy tool, for example, is introducing free or affordable childcare centres in firms as well as at border crossings.

2.2.3 Access to resources

Land is a key asset for rural women's livelihoods given the dominance of agriculture in female employment in the EAC. Land can be used for subsistence farming, cash crop farming, or as collateral for borrowing. The importance of reducing the gender gap in access to land in developing countries is widely recognized. Many countries have introduced equal property ownership and inheritance laws, including some of the EAC members, as will be discussed in Chapter 3 of this module. Despite the laws in place, however, a lower share of women tends to be landowners in the EAC, and the gender gap is particularly high in Uganda (figure 11).¹⁵ This is mainly due to the existing customs and traditions that are biased against women's land ownership,

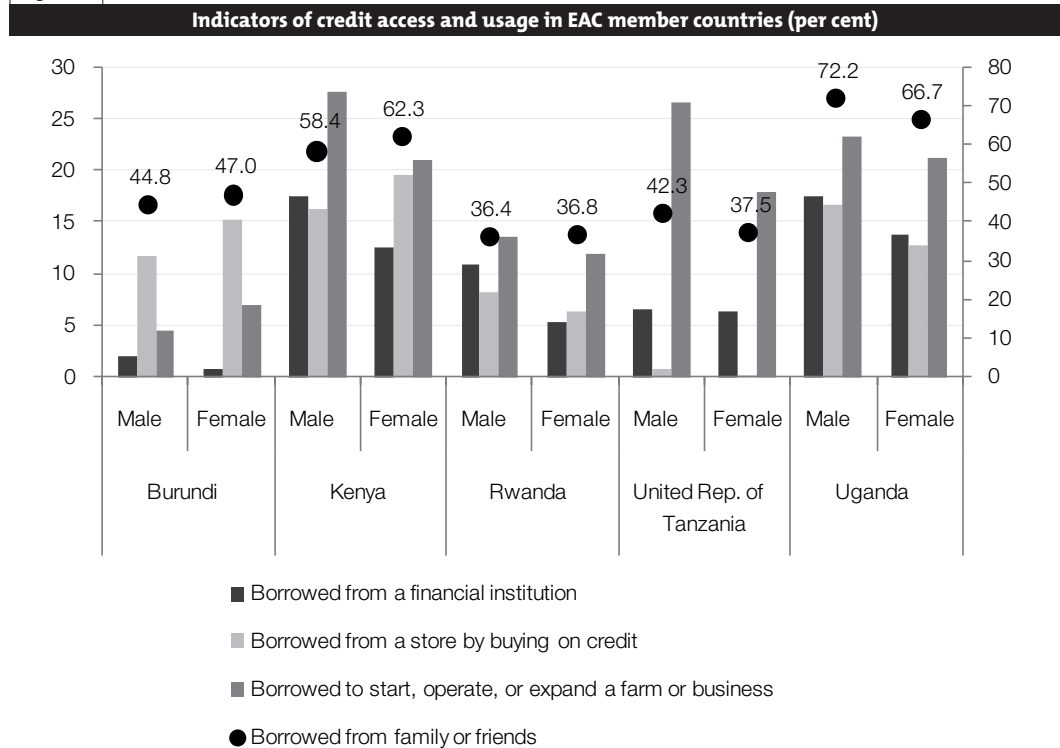
Figure 11



Source: World Bank, Gender Statistics database (accessed in February 2017).

Note: Data points are for 2010 in Burundi, 2014 in Kenya, 2015 in Rwanda, and 2011 in Uganda. Land covers both agricultural and residential areas. The rates for women are defined for the 15-49 year-old age group. EAC: East African Community.

Figure 12



Source: World Bank, World Development Indicators database (accessed in May 2017).

Note: Data are for 2014 for all the countries. The y axis on the right measures the share of men and women ages 15 and older who borrowed from family or friends (indicated by the black dots in the figure). The y axis on the left measures the other three indicators listed in the figure. EAC: East African Community.

despite the laws in place. Women also tend to be joint owners, while sole ownership is more common among men. And since agricultural commodities continue to be among the main export products of the EAC member countries, as shown in Section 4.1 of this module, ensuring equal access of women to land is critical for women as producers to fully benefit from trade liberalization in agricultural goods.

Credit plays a particularly important role for women farmers and business owners in starting or expanding their enterprise, as they often possess fewer resources and assets than men. However, existing gender-biased customs and traditions that are common in many societies limit women's access to formal sources of credit. In the context of the EAC member countries, access to formal sources of credit remains limited, and more so for women, and family or friends continue to be the main source of borrowing for both men and women (figure 12). For example, even in Kenya and Uganda, which have the highest incidence of formal credit usage, around 18 per cent of men borrowed from a financial institution, while only 13-14 per cent of women in those countries did so. Borrowing for investment purposes was also more common in Kenya, Uganda, and the United Republic of Tanzania, while it was less common in the two smallest EAC member countries of Burundi and Rwanda. However, a lower share of women borrows to start, operate, or expand a farm or business, particularly in Kenya and the United Republic of Tanzania.

Besides examining the gender gap in access to assets, it is also important to evaluate if there are any initiatives already in place to target those gaps in each country/region context. Indeed, there are programmes to enhance women's access to credit in the EAC. For example, the Women Enterprise Fund, which was established in Kenya in 2007, provides affordable loans to women enterprises and helps women form linkages with larger enterprises, marketing activities, and capacity-building. However, the marketing and capacity-building activities of the fund have reached only a small share of women and the amounts loaned have been small (UNCTAD, 2015b). In Rwanda, the Women Guarantee Fund established in 2006 supports women's access to credit without collateral through banks and microfinance institutions at affordable rates. However, the requirement of a sound business plan for eligibility is a significant obstacle, particularly for rural women (EASSI, 2015).

2.2.4 Women's decision-making power

Closing the gender gap in access to education, assets, resources, and opportunities is critical but not sufficient for women to fully benefit from trade liberalization policies. Women need to realize their decision-making power at both the macro and micro levels in order to fully realize their potential. In the context of trade policy, women need to be present in political processes to actively participate in policymaking on gender and trade. Women need to increase their presence in managerial positions in private firms to both be part of the decision-making processes and benefit from these high-skilled positions arising under trade liberalization. Women's decision-making power in the household is an important element of women's empowerment due to its direct implications for women's control of household resources and for women's employment outside the household.

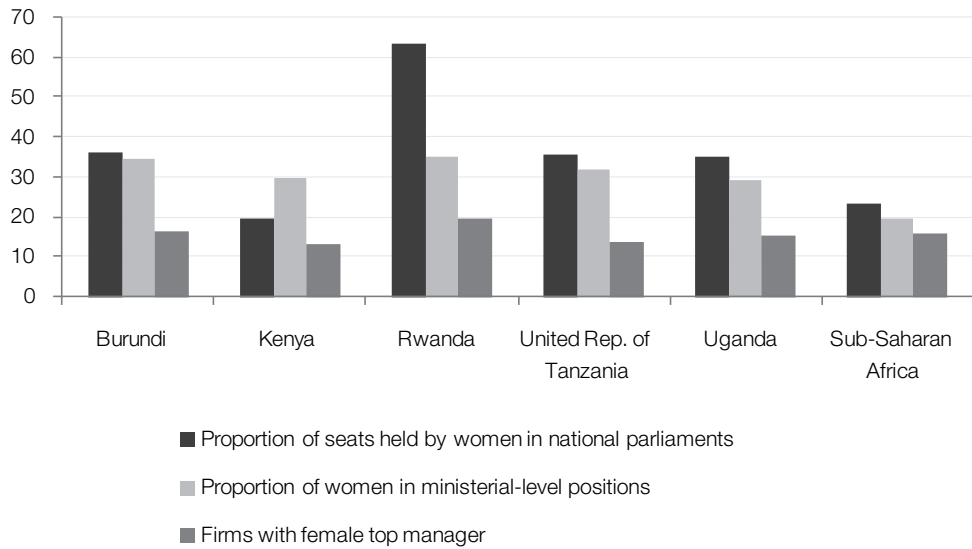
It is useful, therefore, to examine the gender situation in a country/region context with respect to women's participation in decision-making processes. EAC member countries performed well above the SSA average with respect to women's participation in political life. This is not surprising, as political representation is being stimulated by the introduction of gender quotas, as discussed in more detail in Chapter 3 of this module. While 38 per cent of the seats in the national parliament and 32 per cent of ministerial-level positions were held by women on average in the EAC, the same averages were 24 per cent and 20 per cent for SSA (figure 13).

Rwanda is a particularly outstanding case, as it became the first country in history to have a higher share of women than men in parliament in 2008. In 2015, 64 per cent of the seats were held by women in the national parliament. This indeed was instrumental to Rwanda's outstanding achievements in gender equality. On the other hand, in Kenya, women held only 20 per cent of the seats in the national parliament in 2015. Women's participation rate in top managerial positions in firms in the EAC is equal to the SSA average of 16 per cent. Rwanda (20 per cent) and Kenya (13 per cent) are also the two extremes with respect to participation in firm management. Hence, women's participation in decision-making processes in the private sector is less pronounced.

Similar to the case of political participation, Rwanda performs well above the other EAC member countries at the household level. While 65 per cent of women in Rwanda participate in

Figure 13

Indicators of women's political and managerial participation in EAC member countries and SSA (per cent)

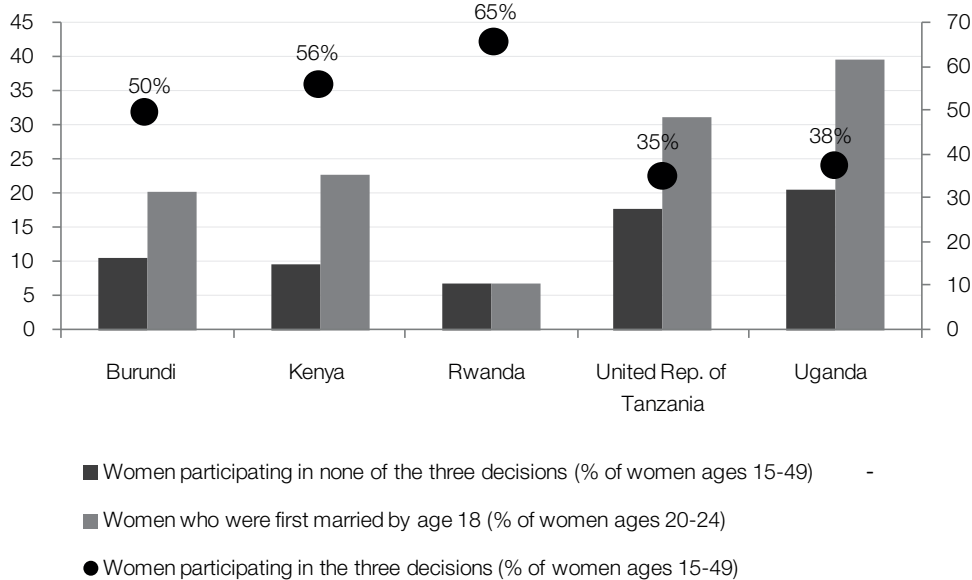


Source: World Bank, Gender Statistics database (accessed in February 2017).

Note: Data for firms with female top manager are for 2016 in SSA, for 2011 in Rwanda, for 2014 in Burundi, and for 2013 for the rest of the countries. Political participation indicators are for 2015 for all countries. EAC: East African Community; SSA: sub-Saharan Africa.

Figure 14

Selected indicators of women's household decision-making in EAC member countries (per cent)



Source: World Bank, Gender Statistics database (accessed in February 2017).

Note: Decision-making and early marriage data are for 2010 in Burundi, for 2014 in Kenya, for 2015 in Rwanda, and for 2011 in Uganda. Decision-making data are for 2016 and the early marriage indicator is for 2012 in the United Republic of Tanzania. The three decisions referred to in the figure are own-health care, major household purchases, and visiting family. The y axis on the right measures the share of women participating in the three decisions (indicated by the black dots in the figure). The y axis on the left measures the other two indicators listed in the figure. EAC: East African Community.

the three decisions of own-health care, major household purchases, and visiting family, only 35 per cent and 38 per cent of women participate in those decisions in the United Republic of Tanzania and Uganda, respectively (figure 14). The limited participation of women in major household decisions forms an obstacle to their control over household resources and for the realization of their potential. Early marriage is also an important issue in the United Republic of Tanzania and Uganda. This is an issue with direct implications for women's participation in the labour force from the gender and trade point of view. Addressing those household dynamics requires challenging gender stereotypes and discriminatory norms through a fundamental approach. Trade policy can still take these issues into account while designing gender-related instruments.

3 Gender-related inputs

After reviewing this chapter, students should be able to:

- Understand the legal and institutional framework that contributes to the observed gender situation and outputs in each country context;
- Form a link between gender-related inputs and gender-related outcomes in the context of the trade and gender nexus;
- Evaluate the different ways to mainstream gender in different trade policymaking stages.

Gender-related inputs refer to the legal and institutional framework on gender equality in each country context. They form the underlying legal and institutional gender setting for the observed gender-related outputs with respect to education and access to resources and opportunities, presented in Chapter 2 of this module. Other aspects of gender outputs, such as women's health in the capabilities domain and gender-based violence and sexual harassment in the security domain, are also very important. However, the focus here is on women's participation in economic life due to its direct role in understanding the trade and gender nexus. Section 3.1 presents an overview of the EAC members' gender policy frameworks with respect to economic life.

A more direct gender-related input in the trade and gender nexus is the effort to mainstream gender in trade policy. Section 3.2 presents a discussion of gender mainstreaming in trade policy. As discussed in Module 1, mainstreaming gender in trade policy means that the

implications of trade for gender inequality should be given due consideration at every stage of the trade policy process: (a) the evidence-generation stage to inform decisions on trade policy; (b) the policy-design stage based on evidence; and (c) the supporting-interventions stage to enable the successful implementation of policies on the ground. Section 3.2.1 introduces good examples of gender mainstreaming in trade agreements, and Section 3.2.2 presents an overview of efforts to mainstream gender in trade policy in the EAC member countries at the national level.

3.1 Legal and institutional framework on gender equality

As discussed in Module 1, the economy is a gendered structure with the underlying gendered power relations in various institutions, transactions, and relations that make up the sphere of the economy. The legal and institutional framework on gender equality introduced at the international, regional, and national levels has direct implications for transforming this gendered structure and reducing gender inequalities. It is important, therefore, to assess the gender policy framework in each country/region while making a gender analysis of trade policy.

The Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), which was adopted in 1979 by the United Nations General Assembly, is often referred to as an international bill of rights for women. All the EAC members ratified the CEDAW without reservations.¹⁶ Burundi also signed, and Rwanda and the United Republic of Tanzania ratified, the Optional Protocol to CEDAW.¹⁷ By ratifying the Optional Protocol, a state recognizes the competence of CEDAW to receive and consider complaints from individuals or groups within its jurisdiction. At the regional level, all EAC members ratified the Protocol to the African Charter on Human and Peoples' Rights on the Rights of Women in Africa (the Maputo Protocol).¹⁸ However, it should be noted that traditional patriarchal attitudes that remain dominant, particularly in rural areas, continue to be an obstacle despite the commitments made by the governments. Specific action is needed to target those attitudes.

With the aim of consolidating into one legally binding document the various instruments on gender equality,¹⁹ the East African Legislative Assembly (EALA) passed the EAC Gender Equality and Development Bill on 8 March 2017, which was International Women's Day (EASSI, 2017).

The bill covers the following areas (EALA, 2017a): legal and state obligations to protect human rights, media, education, health, power and decision-making, economic empowerment, agriculture and food security, land rights, trade, peace and security, environmental management, marginalized groups, financial provisions, institutional arrangements, and regulations. The major objective of the bill is to ensure a uniform approach to promoting the rights of women and men and gender equality across the member countries (EALA, 2017b). It aims to harmonize existing gender frameworks across members and to develop and implement gender-responsive legislation, policies, programmes, and projects at both national and regional levels.

At the national level, all five countries contain a clause on non-discrimination that mentions gender and a clause on equality in their constitutions. Although customary law is considered a valid source of law under the constitution in Kenya, Rwanda, and Uganda, it is invalidated if it violates constitutional provisions on non-discrimination or equality (World Bank, 2016).²⁰ All EAC member countries have ministries working on gender equality issues,²¹ and they recognise gender issues in their National Development Visions, which are long-term strategies for national development.

To better understand the underlying legal framework behind the gender outputs presented in Chapter 2 of this module, it is useful to look at the specific laws in place with respect to women's ownership and inheritance rights, workplace protection and restrictions, and participation in decision-making bodies. Men and women have equal ownership rights to property in all of the EAC member countries (World Bank, 2016). However, as shown earlier in figure 11, there is a significant gender gap in land ownership in EAC members due to cultural practices, despite the existence of gender-equal property rights. There is also a significant gender gap in inheritance laws in all EAC member countries except Rwanda. For example, equal inheritance rights are granted to both sons and daughters only in Kenya and Rwanda; and equal inheritance rights for female and male surviving spouses are granted only in Rwanda.

There are quotas for women representatives in the parliament in all five EAC member countries (29 per cent in Uganda, 33 per cent in Kenya, and 30 per cent in the rest), and in local government in all but the United Republic of Tanzania (Burundi and Rwanda, 30 percent each; Kenya and Uganda, 33 per cent each). Political participation is one of

the areas in which the EAC member countries in general have performed well, as documented in Chapter 2 of this module, thanks to the quotas in place. However, there are no quotas for women on corporate boards and candidate lists in elections (World Bank, 2016).

Some EAC members have in place certain workplace protections and restrictions that aim to promote gender equality. For example, the law mandates equal remuneration for work of equal value in Kenya, the United Republic of Tanzania, and Uganda. However, as was seen in box 2, there is a significant gender wage gap in the United Republic of Tanzania and Uganda, the countries for which data were available.²² Only Burundi and the United Republic of Tanzania have laws for non-discrimination based on gender in hiring. All the member countries prohibit the dismissal of pregnant workers, and all except Burundi guarantee mothers an equivalent position after maternity leave. Burundi, Rwanda, and the United Republic of Tanzania require employers to provide break time for nursing mothers (World Bank, 2016). Although not uniformly introduced across all the EAC members, these are important protections for the continuation of career development for female workers and their equal participation in the rising sectors under trade liberalization reforms. Those protections need to be introduced as well in the member countries that have not done so yet, and their effective implementation should be monitored and ensured across the EAC region.

3.2 Gender mainstreaming in trade policy

3.2.1 Trade agreements and treaties

It is important to include gender considerations in the text of trade measures, including agreements to make trade policy gender-sensitive. Indeed, gender considerations are increasingly included in trade agreements, and there has been a shift in the approach to doing so over time. In the past, gender considerations were incorporated in the preambles of trade agreements or gender issues were addressed as cross-cutting issues.²³ More recently, gender issues have been incorporated into trade agreements through specific trade and gender chapters. This shift in approach increases the visibility of gender issues in trade agreements. Both the Chile-Uruguay Free Trade Agreement (FTA), signed in October 2016, and the Canada-Chile FTA, signed in June 2017 to amend the pre-existing agreement, are examples of the "last generation" agreements that incorporate gender issues more directly (UNCTAD, 2017c). Both Chapter 14 of the Chile-Uruguay FTA and

Appendix II - Chapter N bis-Trade and Gender of the Canada-Chile FTA acknowledge the importance of gender mainstreaming and gender equality policies in fostering sustainable economic development. In both cases, the parties reaffirm their gender commitments taken within multilateral covenants. The parties in both FTAs will carry out cooperation activities to improve women's capacity in order to help women fully benefit from the opportunities arising from trade integration, and will establish a Trade and Gender Committee to monitor the implementation of the trade and gender chapter (UNCTAD, 2017c; Global Affairs Canada, 2017).

Article 5.3 of the EAC Treaty states that the community shall ensure the mainstreaming of gender in all endeavours in order to achieve the goal of widening and deepening cooperation among the member countries in various areas. Article 6(d) mentions adherence to gender equality as one of the fundamental principles of the community. Articles 121 and 122 refer to the role of women in socio-economic development and business, respectively, and both highlight the need for developing policies and programmes to promote gender equality (EAC, 2002). The EAC Gender and Community Development Framework was adopted in November 2006. While the Customs Union Protocol makes no mention of gender or women in the text, Article 39 of the Common Market Protocol makes reference to the coordination and harmonisation of member countries' social policies in relation to the promotion of equal opportunities and gender equality (EAC, 2010).

While the need for gender mainstreaming in EAC member countries is highlighted in certain articles of the treaty, no detailed provision or chapter is devoted to gender and trade in any of the legal texts of the EAC. In this regard, the above-mentioned FTAs can be an example for possible future amendments to or revisions of the treaty and its protocols. Although they help increase the visibility of gender issues in trade instruments, these FTAs also lack some features. For example, they do not include gender-related standards or specific goals to reach, do not request the harmonisation of legislation on gender, do not consider the potential impact of the trade agreement on women, and do not apply dispute settlement mechanisms to the trade and gender chapters (UNCTAD, 2017c).

In addition to the above-mentioned articles, some EAC-level documents provide guidelines for gender mainstreaming in EAC policies and programmes. For example, the 4th EAC

Development Strategy (2011–2016) presents the overall approach and strategic interventions for gender, community development, and empowerment in the EAC region (EAC, 2011). The EAC Strategic Plan for Gender, Youth, Children, Persons with Disability, Social Protection and Community Development (2012–2016) provides thematic areas and an action plan on gender for gender mainstreaming in all strategic interventions and priorities of the community and for enhancing women's participation in socio-economic development and in business (EAC, 2012).

The EAC also published a number of gender mainstreaming documents including the Participatory Gender Audit Report for EAC Organs and Institutions (2013), the EAC Framework for Gender and Social Development Outcome Indicators for EAC Development Strategy (2011–2016), the Guidelines and Checklists for Gender Mainstreaming in EAC Organs and Institutions (2013), and the Gender Mainstreaming Strategy for EAC Organs and Institutions (2013) (EAC, 2017). The EAC Vision 2050 document also highlights the importance of women's participation in the transformation of the region through comprehensive programmes such as conditional cash transfer programmes, early childhood development programmes, and finance for female farmers (EAC, 2016c). Although these regional documents that make reference to gender mainstreaming in the region are welcome, a more effective tool for gender mainstreaming in trade policy would be to include a specific chapter on gender with binding provisions, mirroring the recent FTAs discussed above.

3.2.2 National trade policy

National trade policy documents introduce a structured policy framework by consolidating different trade policy interventions into a single document. It is useful, therefore, to examine the existing national trade policy frameworks from a gender perspective while analysing the gender inputs into the trade and gender nexus. All EAC member countries except Burundi have national trade policies. Rwanda adopted its national trade policy in 2010, Uganda in 2007, and the United Republic of Tanzania in 2003. More recently, Kenya launched its national trade policy in July 2017.

Rwanda's 2010 National Trade Policy document refers to gender in the discussion on trade policy as a tool for social development. It points to the need for gender impact assessments of trade agreements and for mainstreaming

gender in trade policy, and introduces a number of specific considerations in this regard. These considerations include integrating gender issues in trade policy formulation and implementation and in trade negotiations, increasing gender awareness about trade opportunities, improving women's access to training programmes on entrepreneurial skills (including rural female entrepreneurs), and designing measures to enhance production and trade opportunities in sectors where women have significant participation (Ministry of Trade and Industry, 2010). However, no such gender impact assessments have yet been carried out.

The United Republic of Tanzania's 2003 National Trade Policy document makes reference to gender as a cross-cutting issue, along with the environment. It focuses on women as a disadvantaged group with limited access to productive assets, and puts forward the strategy to improve access to better extension services in agriculture for the rural population and in particular for women (Ministry of Industry and Trade, 2003). While Uganda's 2007 National Trade Policy document does not make an explicit reference to gender, it cites women as one of the disadvantaged groups (alongside youth and people with disabilities) that should be targeted by policy action to enable their greater participation in trade (Ministry of Tourism, Trade and Industry, 2007).

Kenya's 2017 National Trade Policy document cites gender equity and a youth-inclusive approach to trade development under the complementary measures. It highlights as key policy measures the need to promote gender equality for trade development, transform the legal framework so that it enables women's access to credit, provide capacity-building activities for women in business, and develop education programmes that aim at removing prejudices against women (Ministry of Industry, Trade and Cooperatives, 2017).

Although these steps towards introducing gender considerations into members' national trade policies are welcome, an assessment of them reveals that they lack sufficient detail on the gender equality instruments for trade policy. Moreover, within the Ministries of Trade in the United Republic of Tanzania, Uganda, and Kenya, national monitoring committees on non-tariff barriers do not include representatives from gender ministries. Even though some Ministries of Trade established gender desks within the ministry or one of its departments, those desks are inactive (Karuhunga, 2017).

EASSI (2015) presents a comparative gender analysis of trade policies of the EAC member countries based on a review of regional and national trade policy and strategy documents, gender analysis reports, and in-depth interviews conducted with key informants in trade ministries and experts in public and private organisations working on trade and development issues.

In Uganda, the Ministry of Gender was not actively involved in trade policy formulation. However, the National Export Strategy introduced major measures to increase women's participation in export sectors through capacity-building initiatives in the areas of export and financial management and business counselling for women entrepreneurs (EASSI, 2015). The National Export Strategy Gender Dimension document, which was introduced in 2009, identified the sectors with a high concentration of women—coffee, dairy, commercial handicrafts, and tourism—as targets for support. It also developed a detailed strategy to prioritize gender considerations in each respective sector (Uganda Export Promotion Board, 2009).

The Ugandan Women Entrepreneurs Association Limited bestows a best female entrepreneur of the year award in order to promote successful businesswomen as role models (EASSI, 2015). Uganda's Women's Entrepreneurship Programme was launched in 2016 to support women in micro, small, and medium-sized enterprises through interest-free credit and technical advice on market information and value addition. However, the programme reached a very small percentage of women in the planned pilot area due to the low level of funds, and it faces problems in its implementation (Mufumba, 2017). Savings and Credit Cooperative Societies (SACCOs) are an important source of credit for women particularly in rural areas in Uganda. However, they lack specific interventions targeting women entrepreneurs. The government also developed initiatives targeting informal cross-border trade, including the establishment of cross-border markets, Cross-Border Traders Associations, and information hubs at selected border points (EASSI, 2015).

Rwanda has performed extremely well in promoting gender equality among all the EAC member countries, as discussed earlier. Similar to the Rwanda National Trade Policy, Rwanda's National Export Strategy recognizes gender considerations explicitly, considers gender, youth, and environmental sustainability as cross-cutting issues, and calls for collecting data on

gender disparities and for supporting initiatives designed to increase the participation of women in trade activities (Government of Rwanda, 2011).

The Rwandan government introduced a number of institutional structures together with a commitment to gender-based budgeting to respond to these commitments. The Chamber of Women Entrepreneurs (CWE) was established as a focal point for women in the private sector. The CWE provides entrepreneurship training, facilitates access to finance, and promotes networking opportunities to build business partnerships for women. It has also established telecentres in rural areas to reduce the gender gap in information and communications technology. Business Development Support Centres were established by the Private Sector Federation to provide business support services to micro and small-scale businesses. Besides the Women Guarantee Fund and microcredit initiatives, the SACCOs have also been a key source of credit for women in Rwanda (EASSI, 2015).

The United Republic of Tanzania established the Women Entrepreneurship Development Programme in 2004 in partnership with the United Nations Industrial Development Organization to promote gender equality in the food processing industry in all regions of the country. There are many microfinance initiatives that benefit Tanzanian women as well. The United Republic of Tanzania Women's Bank and the Women Entrepreneurship Development Trust Fund provide both credit and business training to women entrepreneurs. However, although there are many efforts to engender trade policy instruments, those instruments suffer from limited implementation and hence do not translate into the targeted outcomes (EASSI, 2015).

In Kenya, the Women Enterprise Fund was established in 2007 to provide affordable credit, capacity-building, and marketing information to women entrepreneurs. However, SACCOs and informal providers such as the Rotating Savings and Credit Associations and "merry-go-rounds" continue to be the main sources of credit for most women. The Kenyan government introduced an initiative in 2013 that directs that 30 per cent of public procurement contracts be given to youth, women, and persons with disabilities without competition from established firms. However, women need to strive to benefit from these opportunities. Although the Kenya National Chamber of Commerce and Industry provides entrepreneurship and business development

services across the country, they are not tailored to the specific needs of women (EASSI, 2015).

Burundi has made meagre efforts to mainstream gender into its trade policy instruments, although the country has performed well in areas such as education. The Association of Women in Business has started initiatives to support women entrepreneurs, but their reach has been limited. UN Women made a number of interventions targeting women association networks to enhance women's technical and managerial skills and to increase their productivity. However, there are still challenges with the implementation of formulated policies and legislative reforms in Burundi. Rwanda and Uganda provide good examples to Burundi in terms of mainstreaming gender in its trade policy (EASSI, 2015).

Overall, although the establishment of these targeted programmes is a welcome step, the main challenge for all the EAC members is to increase the reach of these programmes by increasing their funding and monitoring their effective implementation. Otherwise, the programmes will fall behind in delivering their promised outcomes.

4 Gender and trade policy in EAC member countries

After reviewing this chapter, students should be able to:

- Interpret critical data on the merchandise trade structure in the EAC region;
- Understand how to form a link between trade policy and gender labour market outcomes;
- Evaluate empirical findings on the link between tariff liberalisation and the female share of employment in light of the theoretical framework and changes in trade structure.

As introduced in Module 1, trade and gender interact with each other through multiple channels in the labour market. Trade liberalization induces a change in the production structure, with export sectors expanding and import competition sectors contracting. Depending on the relative presence of women in those expanding and declining sectors, women may gain or lose under trade policy in terms of labour market outcomes. There are other channels through which trade has gender outcomes as well. Trade can have gender effects on consumption and livelihood strategies by leading to a change in the relative price of goods

and services. Trade can also affect people's well-being by reducing tariff revenue, with negative repercussions for social spending and services. However, this chapter concentrates only on the employment channel because comparable data across the EAC members are available for the labour market channel.²⁴ The case studies presented in Annex 2 provide examples of gender analysis in women's roles as producers and entrepreneurs.

4.1 Changes in trade structure

It is helpful to examine the changes in trade structure with respect to product groups and trading partners in the course of trade liberalization and regional integration policies while analysing their gender implications. In the context of the EAC, various trade structure indicators are calculated as three-year averages for 2002–2004 and 2010–2012 in order to compare the pre- and post-Customs Union periods.²⁵ Table 2 presents merchandise and services exports and imports as percentages of GDP for EAC member countries. Merchandise exports as a share of GDP increased notably in the United Republic of Tanzania, and to a lesser extent in Rwanda and Uganda, while declining in Burundi and Kenya between the two periods. The decline in Kenya was driven partly by the fall in the price of some commodities such as tea and weak external demand in recent years (UNECA, 2015c).

In all EAC members, and more markedly in Rwanda and the United Republic of Tanzania, merchandise imports as a share of GDP increased substantially between 2002–2004 and 2010–2012, exceeding the SSA average. In line with the increasing role of services, as documented in Chapter 1 of this module, services exports as a share of GDP expanded in all EAC member countries except Burundi. Rwanda and Uganda had the most notable increase as landlocked economies. However, employment figures presented in Section 2.2.1 of this module show that this expansion of services exports coincided with an expansion of services employment in low-skill sectors such as trade and tourism for women.

Figure 15 presents the changes in the composition of EAC merchandise exports and imports by product group in the course of the EAC Customs Union. Although primary products continue to dominate EAC merchandise exports, there has been a shift of merchandise exports away from primary products towards manufacturing and unclassified products in the EAC regional integration process.²⁶ Resource-based manufactures are the key manufacturing exports of the EAC region. In addition, although the share of medium-technology manufacturing exports in total merchandise exports is still very low, it rose significantly.

Table 2

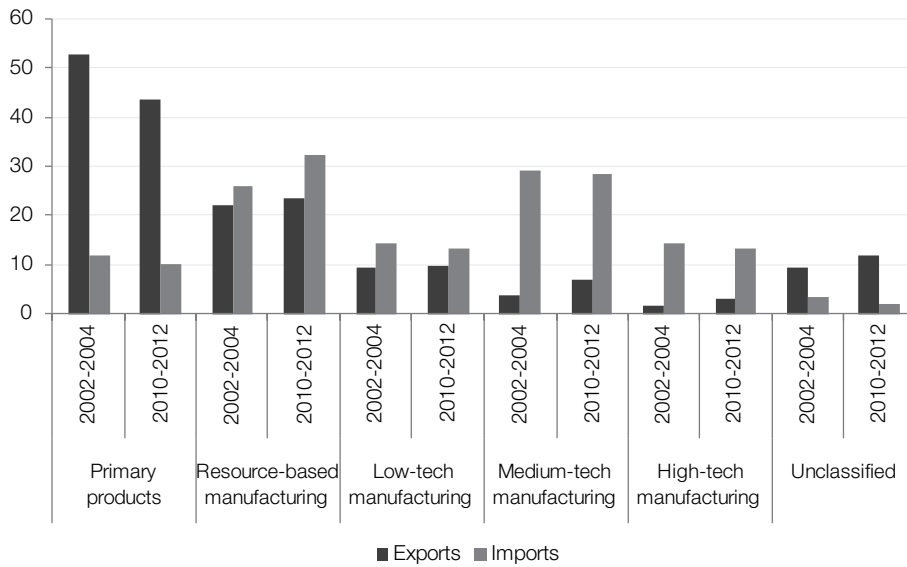
	Trade flows in EAC member countries (per cent of GDP)							
	Merchandise exports		Merchandise imports		Services exports		Services imports	
	2002–2004	2010–2012	2002–2004	2010–2012	2005	2010–2012	2005	2010–2012
Burundi	6.0	5.4	23.4	30.3	3.1	4.3	12.0	9.0
Kenya	14.5	12.6	21.8	32.6	8.8	9.6	5.4	5.1
Rwanda	4.0	6.9	14.7	29.4	4.6	6.2	11.1	9.0
United Republic of Tanzania	7.5	13.5	13.8	29.0	6.9	6.7	6.5	6.1
Uganda	6.7	9.2	16.8	24.6	4.7	7.8	5.5	10.1
EAC	9.9	11.7	17.7	29.6	7.0	8.0	6.2	6.7
Developing economies in Asia	35.5	34.9	32.6	32.2	6.4	5.8	7.5	6.7
Sub-Saharan Africa	21.9	27.4	20.0	23.0	3.9	3.6	6.8	8.1

Source: UNCTADStat database (accessed in May 2017).

Note: EAC: East African Community.

Figure 15

Sectoral composition of EAC trade with the rest of the world between 2002–2004 and 2010–2012 (per cent shares)

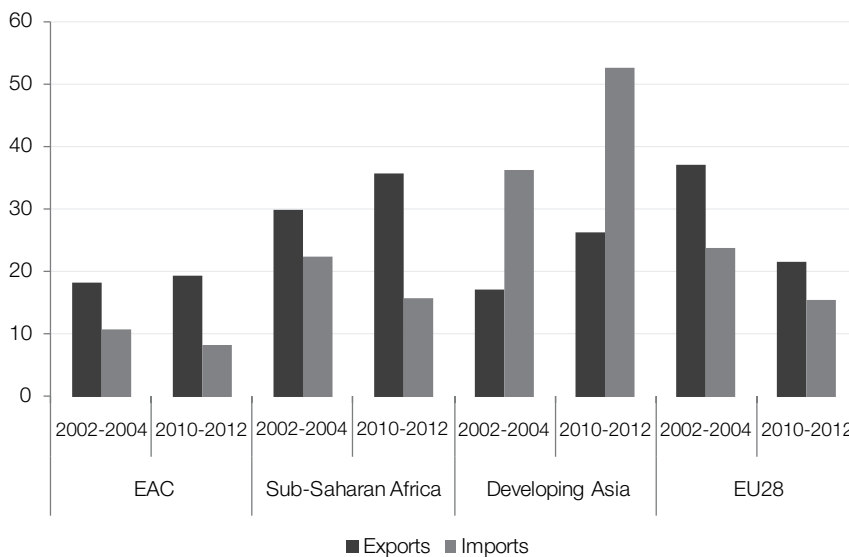


Source: UNCTADStat database (accessed in May 2017).

Note: According to the Lall (2000) classification, primary products refer to agriculture and mining products; resource-based manufactures refer to agro-based and other resource-based products; low-technology manufactures refer to textile, garment, footwear, etc.; medium-technology manufactures refer to automotive, process, and engineering products; high-technology manufactures refer to electronic and electrical, etc. products; and unclassified products refer to commodities and transactions not elsewhere specified. EAC: East African Community.

Figure 16

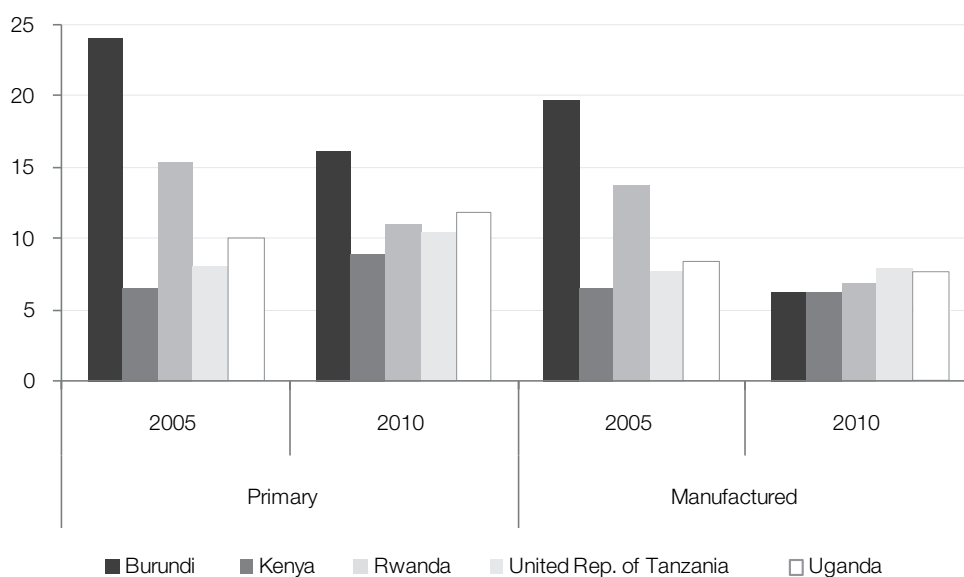
Geographic composition of EAC trade with the rest of the world between 2002–2004 and 2010–2012 (per cent shares)



Source: UNCTADStat database (accessed in May 2017).

Note: EAC: East African Community. EU28 refers to the member countries of the European Union.

Figure 17

Applied tariff rates in EAC member countries in 2005 and 2010 (trade-weighted averages, per cent rate)

Source: World Bank, World Development Indicators database (accessed in January 2017).

Note: EAC: East African Community.

The geographic composition of EAC trade shows that intra-EAC merchandise exports increased only slightly from the pre- to post-Customs Union periods (figure 16). However, EAC merchandise exports to developing economies in Asia (China and India being the biggest economies) and SSA increased significantly, replacing the dominance of traditional European Union export markets. Similarly, merchandise imports from Developing Asia saw a substantial rise, while imports from other regions, including intra-EAC imports, lost their shares in total EAC merchandise imports. The rise of Asian developing countries, particularly the People's Republic of China and India, is in line general trends around the world. However, the limited role of intra-EAC trade warrants attention.

Tariff policy represents a key trade policy instrument. In that regard, it is useful to track the changes in the applied tariff rate (trade-weighted) for EAC member countries over time (figure 17).²⁷ There were significant declines in the average applied tariff rates in Burundi and Rwanda given their initially high rates. Kenya, the United Republic of Tanzania, and Uganda, on the other hand, had some increase in average applied tariff rates in primary products between 2005 and 2010. This seems to be a reflection of increased protection applied to imports from the rest of the world during the global economic crisis. The direction of change in applied tariff

rates will guide us in interpreting the results of the micro analysis in Section 4.2.2 of this module.

4.2 Employment effects of trade and regional integration

Module 2 explained in detail what trade theory predicts about the impact of trade liberalization on labour market outcomes. According to standard trade theory, trade is based on comparative advantage (i.e. relative unit cost). Therefore, trade liberalization leads to a relative expansion of sectors that use the abundant factor of production intensively. This, in turn, increases the relative demand for and the returns to the abundant factor of production in each country context. In the context of developing countries, production and exports expand in labour-intensive and low-skilled-labour-intensive sectors. Since women are assumed to form the bulk of the low-skilled labour force in developing countries, standard trade theory predicts that trade liberalization will increase the relative employment and wages of female workers. However, if women are concentrated relatively more in declining sectors under import competition, the impact of trade liberalization on women's labour market outcomes could be detrimental. Hence, the gender impact of trade is context-specific. As discussed in Module 2, these arguments are challenged on both theoretical and empirical grounds. First, not all developing

countries are characterized by endowments of female unskilled wage labour, as women are relatively well educated in some developing countries. Second, gender discrimination is influenced by social norms and is not natural; analysing such a phenomenon only based on the natural factor endowments model is therefore problematic (Tejani and Milberg, 2016).

In contrast, heterodox theory argues that trade is based on absolute or competitive advantage (i.e. absolute unit cost). Therefore, international competition induces firms to search for lower labour costs, and firms tend to hire women to take advantage of the competitive advantage that a female workforce provides thanks to existing gender wage gaps. Hence the female share of employment would increase mainly in low-paying and less-secure jobs as a cost-cutting strategy without any improvement in wages. Following the implementation of trade liberalization policies in many developing countries, there was indeed an increase in the female share of employment in manufacturing, which is known as the “feminisation of labour.” More recently, there has been a reverse trend of “defeminisation of labour” as a result of technological upgrading and the expansion of higher-value-added production, as explained in Section 2.2.1.2 of this module.

There are also implications of trade for technological change. Trade-induced technological upgrading reduces the need for physically demanding skills. This, in turn, makes women more productive than men in blue-collar jobs under the new technology while not affecting their relative productivity in white-collar jobs. As a result, trade liberalization is expected to improve labour market outcomes for women in blue-collar jobs and leave them unchanged in white-collar jobs (Juhn et al., 2014). It is important, therefore, to investigate the impact of trade liberalization on different types of women’s employment.

4.2.1 Macro analysis

Section 2.2.1 in this module showed that over time there has been a shift in the sectoral employment structure in EAC member countries away from agriculture and mainly towards services, and to a lesser extent towards industry. This section presents an empirical analysis of the role that trade openness played in this shift, following a framework similar to that of Bussmann (2009). Specifically, the empirical model estimates the impact of trade openness²⁸ on the share of women employed in each broad sector in total

female employment of a country. The model also tests whether there is any structural change in the sectoral composition of female employment following EAC regional integration. The details about the econometric model, data sources, and estimation results are presented in Annex 1.

According to the findings of the macro analysis, an increase in trade openness is positively associated with the female employment share in services, while the effect is negative on the female employment share in agriculture. No significant relationship is found between trade openness and the female employment share in industry. These findings are in line with the trends observed in the African development episodes, as discussed in Section 1.2 of this module. Both export and import shares have a qualitatively similar effect on the sectoral composition of female employment, with a stronger effect from the export share. The introduction of EAC regional integration policies also led to similar effects with trade openness measures. However, it should be noted that there might be other factors that coincide with the integration period, so it might not be the integration policies per se that led to this outcome. Overall, trade openness coincided with a higher share of women’s employment in services and a lower share in agriculture during EAC regional integration. Hence, the findings of the macro analysis show that trade openness played a role in explaining the observed trends in the sectoral composition of female employment over time, as documented in Section 2.2.1 of this module.

4.2.2 Micro analysis

Tariff changes constitute the main instruments of trade policy, while trade openness also reflects the influence of other non-trade-policy-related factors such as increased communication, foreign direct investment, etc., as explained in Module 1. Therefore, analysing the effect of tariff changes on the female share of employment is a more direct approach to identifying the impact of trade integration policies on gender employment patterns. This section presents an empirical analysis of the impact of sectoral tariff changes on the female share of employment in formal manufacturing firms in EAC members using the framework in Juhn et al. (2014) and UNCTAD (2017a). The tariff variable is measured as the difference between the average of applied tariff rates before the implementation of the Customs Union and the average after it.²⁹

The empirical analysis distinguishes sectoral tariff changes as export and import tariffs. As

discussed in Module 2, trade liberalization is expected to lead to gender-related employment effects depending on the distribution of women and men across different sectors of the economy. Module 2 highlighted the need to take into account the effects of both export expansion and import displacement when analysing the gender-related employment effects of trade. On the one hand, trade liberalization expands production in export-oriented sectors. The export tariff variable indicates the degree of trade liberalization in each export market for EAC firms. On the other hand, trade liberalization increases import competition in the domestic market for all firms. The import tariff variable measures the effect of increased import competition in the EAC market from different trading partners.

The empirical analysis also distinguishes between different trading partners while estimating the impact of export and import tariff changes on female employment shares in manufacturing firms in the EAC region. Developing Asia, SSA, and the European Union are the major trading partners of the EAC region according to the trade structure figures presented in Section 4.1 of this module. Therefore, sectoral tariff variables are defined for each region (EAC, Asia Pacific, European Union, SSA, and the world) to test whether the impact varies across markets due to differences in traded products or specialization patterns.

In analysing the labour market impact of trade liberalization policies in terms of gender, it is also

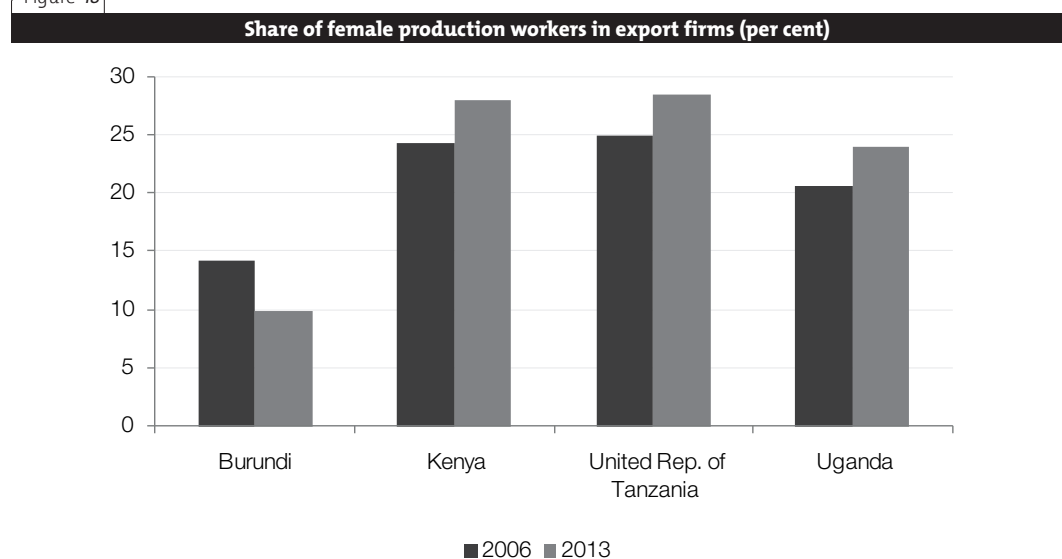
important to distinguish between the impact on production and non-production workers in order to determine if there is any trade-induced technological upgrading effect, as discussed in the introduction to this section. Production tasks mostly coincide with blue-collar jobs, while non-production tasks refer to white-collar jobs. This distinction is also important in examining the implications of heterodox trade theory for gender-related labour market outcomes. Although it is not a perfect measure, the blue-collar/white-collar distinction could help in drawing some conclusions regarding the quality of jobs being generated under trade liberalization.

In the case of EAC member countries, the female share of employment in production tasks in exporting firms tends to increase in all the members studied except Burundi (figure 18).

On the other hand, the share of female employment in non-production tasks during the EAC integration process fell more sharply in the United Republic of Tanzania and to a small degree in Kenya and Uganda (figure 19). There are no data available on non-production workers in Burundi for the post-EAC-integration period. Hence, it seems to be the case that there is a feminisation of the labour force only in production tasks between pre- and post-EAC integration. The empirical analysis sheds light on the role of tariff liberalization in this outcome.

Finally, the empirical model includes firm sales to control for firm size and an exporter firm

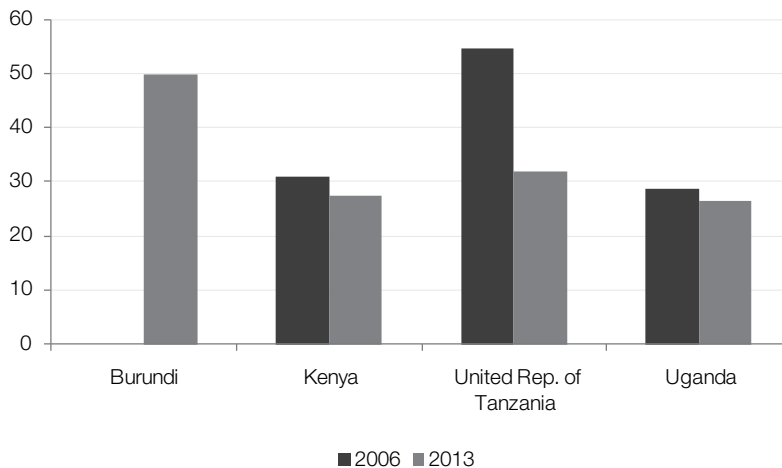
Figure 18



Source: UNCTAD calculations based on World Bank Enterprise Surveys.
Note: The initial year is 2007 in Kenya; the final year is 2014 in Burundi.

Figure 19

Share of female non-production workers in export firms (per cent)



Source: UNCTAD calculations based on World Bank Enterprise Surveys.
 Note: The initial year is 2007 in Kenya; the final year is 2014 in Burundi.

indicator (defined as having export revenues) to control for the impact of outward orientation. The other control variables are being located in the capital or the main business city, having multiple establishments, and having an international certification. International certification has implications for women's empowerment, as discussed in Chapter 2 of this module. The details of the estimated regression are presented in Annex 1.

According to the findings of the micro analysis, tariff liberalization in the EAC region had a positive effect on women's share of employment at the firm level in all EAC member countries analysed except Burundi. Specifically, a 1 percentile point decrease in EAC export duties³⁰ faced in destination markets in the EAC region is correlated with an approximate 3.6 per cent reduction in the overall female-to-total-labour ratio in Burundi and a 2.1 to 2.5 per cent increase in the overall female-to-total-labour ratio in Kenya, the United Republic of Tanzania, and Uganda.³¹

These employment effects of tariff liberalization in export markets materialize only for female production workers, while no significant effect is observed for female non-production workers. More specifically, a 1 percentile point decrease in EAC export tariffs decreases the female share of employment in production tasks in Burundi by 4.3 per cent while increasing it by a range of approximately 1.9 to 2.7 per cent in Kenya, the United Republic of Tanzania, and Uganda. Hence, in those countries where a significant positive effect is found only for production workers,

trade-induced technological upgrading seems to increase the productivity of female production workers and their relative employment by reducing the required physical strength. It might also be an indication of women in blue-collar positions being a source of competitive advantage for exporting firms thanks to existing gender wage gaps. Contrary to the effect of tariff liberalization in export markets, increased import competition in the domestic economy (measured by the EAC import tariff variable) does not have a significant effect on the intensity of female employment in EAC member countries.

In addition to investigating the impact of intra-EAC tariff liberalization on gender employment patterns, it is also relevant to examine how tariff liberalization with the rest of the world and with other trade partners in different regions around the world affect female employment shares in manufacturing firms in EAC members. Tariff liberalization in world export markets is also positively associated with the female share of employment overall and in production tasks. Trade liberalization with the Asia-Pacific region and the European Union has a similar positive effect on the female employment ratio, though to a lesser extent.

It is useful to examine the findings on the impact of tariff liberalization with non-EAC trading partners in light of the changes in trade structure documented in Section 4.1 of this module. It was seen that EAC members experienced a loss in the share of traditional European Union

export markets, which have been replaced by an increasing share of exports to Asia. Hence it seems to be the case that the loss in the positive employment stimulus for women from tariff liberalization in the European Union export markets is being offset by a positive impact of exports to Asian markets on women's share of employment. In contrast, tariff liberalization on imports from the rest of the world is negatively associated with the female employment share overall and in production tasks. However, the increase in tariffs on imports from the rest of the world after 2008 implies that increased overall import protection seemed to benefit women in production tasks as well.

Besides tariff liberalization in export markets, being an exporting firm, having international certification, and being located in the capital city or main business city all have an overall positive effect on women's employment in EAC member countries. This implies that other aspects of globalisation besides trade policy are also important in influencing women's employment. On the other hand, working in a large firm has a negative effect on the intensity of female employment; hence, women have better chances in smaller firms in the EAC region.

5 Policy recommendations to support women in the process of EAC regional integration

After reviewing this chapter, students should be able to:

- Understand how to formulate evidence-based policy proposals to mainstream gender in trade in the EAC region;
- Critically evaluate different instruments of gender mainstreaming in the context of trade and gender nexus.

This module presented an analysis of the trade and gender nexus in the EAC region with a focus on women's status in the labour market and the gender employment effects of trade liberalization policies. This chapter presents policy recommendations that would help women further reap the benefits of regional integration.

5.1 The interplay between gender inequalities and trade

EAC member countries experienced a shift in the sectoral composition of economic activity away from agriculture and mainly towards services and, to a lesser extent, industry. This is similar to trends in Africa in general.

There is a need for complementary policies on both the supply and demand sides of the labour market to ease the transfer of labour from agriculture to expanding sectors of the economy and to increase value-added in agriculture. Education policy plays a critical role on the supply side. In addition to programmes directed towards reducing existing gender gaps in formal education, particularly at the secondary and higher education levels, programmes targeting the existing labour force and adult populations are also important. For example, there could be further development of joint public/private sector educational initiatives such as on-the-job training and skill development programmes to improve women's skills in higher-value-added niches where demand is increasing. Additionally, training certification programmes could make these skills more easily recognized. It would also help to design the curricula of formal education programmes, particularly at higher levels, according to the needs of the market.

These supply-side policies should be accompanied by demand-side policies to support and incentivize the expansion of trade and production in those higher-value-added niches. For example, policy instruments such as targeted input subsidies, technological investments, and extension and advisory services could be used to support the upgrading of female farmers towards higher-value-added areas. Labour market policies that incentivize both vertical and horizontal mobility as well as enforce protection against gender-based discrimination are also essential for women to successfully participate in expanding export sectors. For example, government programmes could award enterprises that increase the share of under-represented groups, including women, in high-skilled tasks and supervisory positions in those sectors. Training programmes and employment offices could help facilitate women's access to wage/salary employment in those sectors. Training programmes as part of active labour market policies could be designed so that they take into account obstacles to women's participation such as domestic care responsibilities.³²

The expansion of services employment was mainly at the lower end of the skill spectrum, such as in trade and tourism sectors, as documented in Section 2.2 of this module. Thus there is a need for more consolidated efforts region-wide to move beyond employment generation and help women transfer to higher-skilled services and industrial jobs in order for EAC regional integration to translate into income gains for women.

The micro analysis of the manufacturing sector showed that EAC tariff liberalization had a positive effect on the share of female employment in formal manufacturing firms. However, this effect was realized only for production workers. These findings imply that trade-induced technological upgrading in the economy might be benefiting women as production workers by easing their access to jobs previously dominated by men. Implementing incentive programmes that encourage more domestic firms to open to international markets in those sectors would help increase the employment gains for women resulting from EAC export tariff liberalization. However, targeted training programmes are also needed to support women's skill upgrading and match it with higher-skilled and better-paying positions.

The micro analysis showed that firms with an international certification tend to employ more female workers than firms without such certification. Developing or continuing programmes that help firms achieve certification is another policy instrument for EAC member countries to boost female employment in the manufacturing sector. However, it should also be noted that the certification process requires strong institutions and capacity, and that women's participation in those programmes needs to be supported.

With regard to the care domain, policy instruments such as public childcare facilities, the introduction of private childcare facilities in the workplace to complement public programmes, and the establishment of gender equality in paid parental leave policies would help reduce the negative implications of the care burden for women's participation in the economy. As a longer-term goal, education programmes aiming to transform the established gender division of labour in society could also help reduce the unpaid work burden of women in EAC member countries.

In EAC member countries, borrowing from family or friends continues to be the main source of credit, while formal credit use is still very limited, especially for women. Although country-level initiatives have been introduced to target women entrepreneurs and their access to credit, the efficiency of those programmes has not been proven and therefore needs to be reconsidered. Initiatives to provide credit and training to women entrepreneurs need to be developed further.

Despite the incorporation of laws on gender equality into property and inheritance laws, there is a significant gender gap in access to land in EAC member countries. There is need for targeted policies to transform customs that constrain women's access to land.

Finally, informal employment and informal cross-border trade are widespread among women in the EAC region. Measures to stimulate women's transition from informal to formal trade should be evaluated and developed further. Gender-sensitive application of the EAC's Elimination of Non-Tariff Barriers Bill might prove useful toward this end.

5.2 Gender equality through laws, institutions, and trade policy

EAC member countries have made commendable efforts towards reducing gender inequality by taking on commitments at the international, regional, and national levels, as discussed in Chapter 3 of this module.

There are still problems, however, with enforcement of these legal and institutional frameworks. A number of factors might be the cause of this discrepancy between the legal and institutional setting and enforcement. First, the institutions in charge of gender equality may lack the necessary influence in policymaking. Second, customary law may still prevail over civil law. Finally, gender stereotypes and social rules very much embedded in most cultures and societies constrain full implementation of legal and institutional frameworks on gender equality. Nonetheless, gender relationships can be transformed, and education and awareness-raising programmes are critical in this regard.

The 2017 EAC Gender Equality and Development Bill provides an opportunity to develop a region-wide approach to gender mainstreaming in trade policy, particularly through its provisions on trade (Clause 14), education (Clause 8), power and decision-making (Clause 10), economic empowerment (Clause 11), agriculture and food security (Clause 12), land rights (Clause 13), and financial provisions (Clause 18), although all clauses of the bill are important and relevant.³³ In particular, EAC member countries may consider applying the provisions of Clause 14 on trade in parallel with other important areas listed above for women's successful participation in the economy under regional integration policies. Developing a broad approach to mainstreaming gender in trade might prove more effective given the cross-cutting nature of the issue.

With regard to trade policy and agreements, EAC member countries may be well advised for possible future amendments to the EAC treaty and its protocols to look to the recent free trade agreements between Chile and Uruguay and between Canada and Chile as good examples of engendering trade policy while negotiating new trade agreements at the national or regional levels. They may also wish to carry out ex-ante gender assessments of the trade reforms before starting the negotiations. UNCTAD's Trade and Gender Toolbox makes it possible to carry out such an assessment (UNCTAD, 2017b). This would become possible to predict the likely impact of trade reforms on women and put in place compensatory measures in the event of expected negative impacts, or complementary measures to increase the expected positive impacts, from trade integration.

It is also important to introduce gender-related capacity-building mechanisms in trade agreements to increase the expected gains from trade integration for women. For example, the European Union-Mexico Global Agreement considers gender along with human rights and environmental issues as a cross-cutting issue to be mainstreamed in development cooperation activities. The Economic Partnership Agreement between the European Union and the EAC, which is pending ratification, makes reference to developing the capacity of women traders as an area of cooperation in its chapter on fisheries (UNCTAD, 2017c). Both the labour cooperation and capacity-building mechanisms of the United States-Central America FTA and the North American Agreement on Labour Cooperation—one of the two side agreements of the North America Free Trade Agreement (NAFTA)—make reference to elimination of gender-based discrimination in the workplace as a cooperation area (UNCTAD, 2009).

Within the context of their national trade policies and export strategies, some of the EAC members have introduced capacity-building initiatives for women such as entrepreneurship and business training, skill development, access to finance, and targeted sectoral programmes to reduce gender imbalances in the context of trade policy. Women's networks and associations as well as cooperatives play an important role in enhancing women's access to market information and opportunities and to better terms for selling their products in export markets. The use of information and communication technologies is also effective in enhancing the access of women traders and entrepreneurs to market information. These networks are particularly

important for rural women who are excluded from mainstream business networks (Higgins, 2013).

Existing programmes to facilitate women's access to credit and market information, develop women's business networks, and promote skill development and training should be developed further, and in cases where they do not exist, they should be initiated. For example, Canada's Business Women in International Trade Initiative facilitates women's access to support networks, government resources, and services, and it also assists women in leveraging supplier diversity procurement opportunities. Another good example is the Malaysia External Trade Development Corporation, which assists women exporters with international marketing support and skill development opportunities with a network of more than 40 offices worldwide (Higgins, 2013).

Moreover, gender value-chain analyses help identify areas where there is a need for skill development and training for women producers and entrepreneurs in export markets. These analyses need to be conducted in key export sectors across all EAC members in order to develop more specific measures incentivising the participation of women in higher-value-added niches of key export sectors. In this regard, the gender dimension of Uganda's National Export Strategy constitutes a good example to follow. The U.S. Agency for International Development's Greater Access to Trade Expansion Project also provides a detailed framework on how to conduct gender analysis of value chains and has a case study on Kenya (Rubin et al., 2011). The findings can be used to provide women exporters with technical support for trading in high-value-added segments of the value chains.

Another trade policy area where gender considerations could be brought more to the front is related to development assistance. For example, development assistance programmes, such as Aid for Trade, focus mainly on trade-related infrastructure (e.g. roads, ports, communications, etc.) and on building productive capacity through social policy interventions in education, health, and the environment. They tend to benefit the higher end of the global value chains without reaching small entrepreneurs and working down the value chain. Therefore, support policies to enhance women's access to new technologies and to improve their negotiation power are needed to overcome this inherent bias in development assistance projects (Silvander, 2015).

Supplier diversity initiatives are also important to connect corporations as buyers with diverse under-represented groups such as women, the disabled, and minorities as suppliers (Higgins, 2013). WEConnect International is a good example of a corporate-led non-profit organization that certifies women's businesses so that they can compete for business opportunities provided by WEConnect member corporations. Currently, WEConnect only has networks in South Africa and Nigeria in Africa.³⁴ EAC members may wish to consider building partnership with such initiatives.

Kenya, Rwanda, the United Republic of Tanzania, and Uganda have all introduced gender considerations into their national trade policies and export strategies.³⁵ It might prove helpful to identify the products that would boost female employment and entrepreneurship in each country context and take steps to facilitate their expansion. For example, reductions in import duties could be directed to key inputs and machinery for the production of such products through sectoral strategies developed in each country (Silvander, 2015). In this regard, the EAC Elimination of Non-Tariff Barriers Act which entered into force in October 2017 could be implemented in a gender-responsive way to meet the specific needs of women traders.

Finally, earlier examples of mainstreaming gender into trade policy in other regional economic communities could be closely investigated, and good practices could be adapted to the EAC context. In the developing world, for example, Asia-Pacific Economic Cooperation introduced its Policy Partnership on Women and the Economy in 2011 and the Women and the Economy Dashboard in 2014 to track progress (PPWE and United States-ATAARI, 2015). Another example is the effort of the Southern African Development Community (SADC) to simplify instruments such as its guidelines for mainstreaming gender issues in trade, industry, finance, and investment, the SADC gender mainstreaming toolkit, and the SADC gender monitoring tool. However, it should be noted that limited institutional structures and human resources emerge as main obstacles in the implementation stage (Mathiba-Madibela, 2010).

5.3 Gender equality through regional initiatives

Mainstreaming gender in policymaking and in institutional frameworks at the regional level has proven to play an important role in reducing gender inequalities across regional integration areas. The European Union's gender

policy framework provides a positive example of gender mainstreaming at the regional level. It should be noted that the European Union is considered by some to have left trade policy too much aside in its gender mainstreaming efforts in policymaking (Viilup, 2015). However, the union's long-standing efforts to institutionalize gender policy in broad policy areas can still prove useful given the cross-cutting nature of these areas with regard to the trade and gender nexus.

The European Union Commission's 2016–2019 Strategy for Equality between Women and Men prioritizes five key areas for action: (i) increasing female labour market participation and equal economic independence; (ii) reducing the gender pay, earnings, and pension gaps and thus fighting poverty among women; (iii) promoting equality between women and men in decision-making; (iv) combatting gender based-violence, including trafficking in human beings and protecting and supporting victims; and (v) promoting gender equality and women's rights across the world.

Each of these areas is targeted through different policy initiatives at the regional level (European Commission, 2017). For example, the European Structural and Investment Funds, such as the European Social Fund and the European Regional Development Fund, are used as leverage to encourage investment in care facilities and women's labour market integration by member states. The European Union Rights, Equality and Citizenship Programme supports projects to promote economic independence and equal sharing of paid and unpaid work for women. The directive (2006/54/EC) on gender equality in employment and occupations faces some challenges in terms of its effective implementation in European Union member states, and is monitored constantly. Awareness-raising events are organized on such topics as wage transparency (e.g. 3 November 2016 was designated as "European Equal Pay Day").

In addition to introducing policy initiatives that target women's successful participation in the labour market, the European Union has launched a number of projects to increase women's participation in decision-making processes, particularly in managerial positions. The European Women on Boards Network launched an online talent pool of women for transnational, non-executive directorship positions to increase their profile and visibility. The Mentoring as a Tool towards Empowerment Project develops a toolkit and highlights best practices for increasing the percentage of women in senior executive positions. The European Commission's

initiative to bring together different stakeholders to collectively combat gender-based violence includes funding for national authorities and grassroots organisations as well as policy exchanges between members and social media campaigns. The European Institute for Gender Equality launched a gender mainstreaming platform in 2016 that includes online gender mainstreaming toolkits in selected sectors (European Commission, 2017).

The EAC could use a mix of instruments to achieve gender equality objectives throughout the region mirroring the European Union approach. For example, the EAC could create platforms to exchange good practices and peer learning between member countries, and undertake an annual review of key actions carried out by member countries towards achieving gender equality in line with the EAC Gender Equality and Development Bill.³⁶ Gender focal points could be introduced at the subsectoral level to develop policies to enhance women's participation in key sectors of the economy.

The EAC could introduce a gender-equality perspective into all EAC activities and ensure the enforcement of equal rights legislation across member countries. Uniform and improved collection of gender-disaggregated data throughout the EAC should also be institutionalized as a way of developing the capacity to carry out gender analysis of trade policies to inform policymaking and monitor and evaluate progress over time. The pilot gender barometer for the EAC Gender Equality and Development Bill was released in May 2017, inspired by the SADC gender barometer.³⁷

Regional funds could be made available to address the constraints that prevent women's successful participation in the labour market as workers and producers. This would also act as leverage and help close the gaps in funding across the EAC members, as in the case of the European Union. Specific areas to target in this regard include childcare facilities, vocational training, employment programmes, and career progression programmes for women.

Implementation of the United Nations Sustainable Development Goals (SDGs) provides another opportunity for the EAC to further efforts towards reducing gender inequalities in the EAC member countries. Countries may wish to make implementation of the SDGs gender-sensitive, and not only with reference to the gender equality goal (SDG 5). The EAC could play a guiding role in this regard by introducing a regional initiative that

helps member countries mainstream gender in the implementation of SDGs. For example, SDGs 1 and 2 make a link between ending poverty and hunger and access to economic resources, basic services, land, technology and finance. Gender-sensitive implementation of SDGs 1 and 2 would include, for example, increasing women's access to land, formal sources of credit, professional and managerial positions as wage-earning workers in the formal sector, and business skills as producers. These measures would also contribute towards expanding the expected positive benefits for women from EAC regional integration by reducing some of the obstacles faced by women as producers and workers, as discussed in Chapter 2 of this module.

Finally, overcoming gender norms and stereotypes that impede or limit women's successful participation in economic, social, and political life requires long-term advocacy campaigns. The EAC could play a critical role by efficiently promoting such campaigns across the EAC member countries similar to the approach of the European Union. Similarly, a checklist on gender equality objectives could be developed and implemented to evaluate progress by EAC members over time.

6 Conclusion

This module has presented an analysis of gender and trade in the EAC member countries. To differing degrees, EAC member countries have performed remarkably in reducing gender inequalities and promoting women's empowerment. Education and political participation are the two areas in which EAC member countries performed well above the SSA average. Indeed, all EAC member countries achieved gender parity in primary education enrolment rates, and Rwanda holds the highest share of women in the national parliament in the entire world, as discussed in Chapter 2 of this module.

The sectoral composition of GDP in the EAC member countries shifted away from agriculture towards services and to a lesser extent industry over time, as shown in Chapter 1 of this module. According to the findings of the gender output analysis in Chapter 2, the shift in the sectoral structure of employment is less pronounced, and even less so for women. Agriculture continues to be the main sector of employment for most women, although there has been an increase in the share of services and to a lesser extent industry in total female employment during the EAC integration process.

There were also significant changes in the structure of trade during the course of EAC regional integration, as shown in Chapter 4 of this module. Services trade increased its share in GDP, reaching an equal share with merchandise trade in some EAC members. The merchandise trade structure of the EAC as a region also shifted away from primary products towards manufactured products during the integration process, although primary products, with agricultural commodities among the top export commodities, continue to dominate EAC members' export structure.

According to the results of the empirical analysis in Chapter 4 of this module, tariff liberalization in the EAC integration process had a positive effect on the female employment share in manufacturing firms only for production workers. The impact was found to be insignificant for non-production workers. Although the positive impact of EAC trade integration on women's employment in blue-collar positions is welcome, additional initiatives are needed to promote women's employment in higher-level white-

collar positions in exporting firms.

Finally, Chapter 5 presented a detailed discussion on the policy recommendations based on the findings of the gender and trade analysis applied to the context of EAC member countries. A number of policy instruments emerge as priority areas and could be instrumental in increasing the gains for women from EAC trade and regional integration. They include enhancing the reach of existing initiatives on access to credit, extension services, and market information for women; and initiating tailor-made training programmes in targeted export sectors in which women have a large presence, and improving the scope and reach of the few programmes that already exist. It is also important to develop region-wide initiatives to mainstream gender in trade policy and promote gender equality uniformly across the EAC member countries, mirroring the European Union approach. Mainstreaming gender in the implementation of SDGs provides further opportunities to improve the gains for women from regional integration among EAC member countries.

Exercises and questions for discussion

1. What does the capabilities domain refer to in the discussion of gender inequalities? How did the EAC members perform with respect to education outcomes over the course of EAC regional integration?
2. What is the significance of the access to resources and opportunities domain in the trade and gender nexus? Discuss the different dimensions of this domain in your answer.
3. How did the sectoral composition of employment change for men and women workers in EAC member countries during EAC regional integration? Which services subsectors did women shift to more? What factors might be driving the gender gap in the sectoral shifts in employment?
4. What does it mean to be “sources of competitive advantage” and “achievers of competitive advantage” for women in the context of agricultural employment in the EAC region?
5. What are the possible gender implications of the shift towards high-value segments in export cash crop markets in the EAC member countries?
6. Which factors explain the “feminisation of labour” and the “defeminisation process” in the manufacturing industry in general? Which of the two phenomena seems to be the case in the manufacturing sectors of the EAC members for which data were presented?
7. What are the gender implications of informal employment? How do women compare to men with respect to informal employment in general and informal cross-border trade in particular in the EAC member countries?
8. What is the significance of unpaid work for women’s successful participation in the economy under trade liberalization policies? How do women perform with respect to time-use patterns in the EAC members for which data were available?
9. How do EAC members compare with respect to the gender gap in land ownership? Why are the laws on equal property ownership not translating into changes in practice?
10. What obstacles do women face in access to credit? What are some of the barriers to effective implementation of initiatives to promote women’s access to credit in the EAC member countries?
11. How do EAC member countries compare to sub-Saharan Africa with respect to women’s decision-making power in political life and in managerial positions in the private sector? What was the key driver behind the countries’ success in terms of female parliamentary representation?
12. What does mainstreaming gender in trade policy mean? How are gender issues incorporated into trade policy in the more recent trade agreements around the world? How do the EAC member countries compare in this regard?
13. In what ways did the EAC member countries introduce gender into their national trade policies? What are the pending challenges?
14. What have been the major changes in the trade structure of the EAC region during the course of trade integration policies? How did tariff liberalization within the EAC region and with non-EAC members affect female employment patterns in production and non-production tasks? Explain the reasons behind these observed impacts based on the theoretical framework on the gender impact of trade reforms, and briefly discuss the policy implications.

ANNEX 1: EMPIRICAL ANALYSIS

Macro Analysis

The macro analysis is based on the following two specifications:

$$FES_{it} = \beta_1 TO_{it} + \sum_{j=1}^6 \delta_j X_{jit} + u_{it},$$

and

$$FES_{it} = \beta_1 ETO_{it} + \beta_2 ITO_{it} + \sum_{j=1}^6 \delta_j X_{jit} + u_{it}$$

where FES_{it} , the dependent variable, denotes the female employment share in a given broad sector for country i and time t ; TO_{it} , the main variable of interest, refers to trade openness and is defined as the share of total trade (exports and imports) in GDP; X_{jit} represents the six control variables and u_{it} represents unobservable factors. Furthermore, ETO_{it} and ITO_{it} in the second specification represent the export and import components of trade openness. A dummy variable was created for each country based on its participation date in order to evaluate whether there is any structural change after EAC regional integration policies went into effect. Year dummies are also used in the estimation of those models given above.

The analysis uses balanced panel data of five countries for the period 1991–2014. Data for employment shares come from International Labour Organization (ILO) estimates, and data for trade openness and other control variables are from the World Bank's World Development Indicators database. The fixed-effect panel data model is used as the estimation method. The advantage of this model is that it controls for country-specific characteristics such as religion, culture, and other socio-economics factors.

Control variables are introduced as follows:

- GDP per capita controls for the influence of economic development on the employment structure.
- The fertility rate controls for the impact of domestic care work on women's employment.
- The population growth rate controls for the size of the labour market as well as the different tendencies between small and large countries to open up to trade.
- The urban population share controls for the structural features of the sectoral composition of an economy.
- Sectoral shares of male employment are used to test relative effects in employment shifts.

The findings for the control variables are as follows (table A.1.1):

- GDP per capita is positively associated with services employment. This is consistent with the African model of development in which services play a leading role in the transition from a rural to an urban society.
- An increase in the fertility rate has a negative effect on the female employment share in agriculture and a positive effect on the female employment shares in industry and services.
- Urbanisation also leads to similar effects. Women in urban areas might be facing the pressure of being the household breadwinners as the number of children increases, whereas women in agriculture might be more inclined to take care of children instead of working as unpaid family workers.
- Male employment shares all have a positive and significant coefficient, implying that female and male employment distributions follow similar patterns.
- Population growth rate is statistically insignificant.

Table A.1.1.

Macro analysis results						
	Female agricultural employment		Female industrial employment		Female services employment	
Trade/GDP	-0.037** (0.014)		0.004 (0.007)		0.034*** (0.011)	
Export/GDP		-0.069* (0.038)		0.015 (0.017)		0.048** (0.024)
Import/GDP		-0.025** (0.010)		-0.001 (0.009)		0.029*** (0.008)
EAC	-0.908** (0.385)	-0.962** (0.394)	0.191 (0.200)	0.201 (0.198)	0.746*** (0.247)	0.771*** (0.254)
Log(GDP per capita)	0.454 (0.554)	0.819 (0.747)	-2.295*** (0.459)	-2.469*** (0.629)	1.967*** (0.432)	1.812*** (0.455)
Fertility	-5.059*** (1.081)	-4.994*** (1.076)	1.975*** (0.143)	1.946*** (0.140)	3.222*** (1.085)	3.199*** (1.085)
Log(population)	-3.423 (3.964)	-2.369 (3.376)	2.908 (1.771)	2.649 (1.693)	-0.301 (2.374)	-0.781 (2.064)
Urban population share	-0.286* (0.140)	-0.257* (0.131)	0.172*** (0.048)	0.160*** (0.053)	0.172 (0.109)	0.161 (0.104)
Male agricultural employment	0.428*** (0.051)	0.436*** (0.050)				
Male industrial employment			0.332*** (0.104)	0.346*** (0.111)		
Male service employment					0.426*** (0.032)	0.429*** (0.031)
Constant	146.234** (68.996)	125.440** (57.464)	-49.259* (26.594)	-43.772* (24.563)	-28.069 (44.237)	-19.068 (38.113)
Number of observations	125	125	125	125	125	125

Source: UNCTAD estimates using data from the ILOStat database and the World Bank, World Development Indicators database. Note: *** Significant at the 1 per cent level; ** significant at the 5 per cent level; * significant at the 10 per cent level. To obtain heteroscedasticity and autocorrelation robust Driscoll-Kraay standard errors, the user written command xtscrcorr by Hoechle (2007) in Stata was used for the estimation of the fixed-effect panel data models. EAC: East African Community.

Micro Analysis

The micro model is based on the following specification:

$$\begin{aligned}
 ftr = & \alpha_0^1 + \sum_{j=2}^4 \alpha_0^j \cdot D^j + \beta^1 \cdot EACexpT + \\
 & \sum_{j=2}^4 \beta^j \cdot EACexpT \cdot D^j + \sum_{k=1}^4 \gamma^k \cdot OPexpT^k + \\
 & \delta^1 \cdot EACimpT + \sum_{j=2}^4 \delta^j \cdot EACimpT \cdot D^j + \\
 & \sum_{k=1}^4 \tau^k \cdot OPimpT^k + \sum_{l=1}^5 \theta^l X^l + u,
 \end{aligned}$$

where ftr , the dependent variable, measures the ratio of female employment to total employment in each firm; $EACexpT$ and $EACimpT$ denote intra-EAC export and import tariff changes, respectively; $OPexpT$ and $OPimpT$ refer to the export and import tariff change with other trading partners; D represents the dummy variable for countries where Burundi is the base; X refers to other control factors used in the regression; and 1 denotes the base category (Burundi) while j denotes the other countries (2 for Kenya, 3 for the United Republic of Tanzania, and 4 for Uganda). Additionally, k is the code for trade partner where 1 represents trade with the rest of the world, 2 with the Asia-Pacific region, 3 with the European Union, and 4 with SSA.

The micro analysis utilises firm-level data on the female employment share and other firm-level characteristics introduced above from the World Bank's Enterprise Survey for Burundi, Kenya, the United Republic of Tanzania, and Uganda for 2013–2014 (World Bank, 2017)³⁸ and sectoral tariff data from the World Bank's World Integrated Trade Solution (WITS) database. Ordinary least squares are used as the estimation procedure.

Table A.1.2 presents the descriptive statistics for the variables included in the regressions. For example, the female employment share is higher in non-production (31 per cent) than in production tasks in the EAC member countries. The world average import tariff change was -2.17 per cent, implying higher protection against imported goods from the rest of the world. The same was true for imports from the Asia-Pacific region. Tariffs were reduced in all export markets and also for imports from the SSA and the European Union.

Table A.1.3 presents the female-to-total employment shares and the percentage of top female managers across sectors for individual countries and the EAC region overall. Textiles, garments, publishing, printing and recorded media, and chemicals are the sectors where women have a high presence across all EAC members. Overall, women tend to concentrate more in the lower-value-added manufacturing sectors. Similarly, the percentage of top female managers tends to be high in the garments and publishing, printing, and recorded media sectors. Given the shift of exports towards low- and medium-technology sectors over time, a feminisation of labour is expected to follow further in those sectors.

Table A.1.4 presents the findings from the micro analysis discussed in Chapter 4.

Table A.1.2.

Descriptive statistics

Variable	Minimum	25th percentile	Mean	Median	75th percentile	Maximum
Female employment share	0	0	0.22	0.17	0.33	1
Female employment share in production	0	0	0.20	0.10	0.33	2
Female employment share in non-production	0	0	0.31	0.28	0.50	1
EAC export tariff change	0	3.74	6.42	5.67	10.49	11.71
World export tariff change	-4.23	-0.79	1.91	1.80	4.32	11.18
Asia-Pacific export tariff change	-20	0.04	1.80	0.91	3.24	39.79
European Union export tariff change	0	2.1	5.22	3.53	7.54	57.6
Sub-Saharan Africa export tariff change	-2.42	3.33	5.73	6.22	8.52	24.2
EAC import tariff change	0	0	2.75	1.39	3.16	16.59
World import tariff change	-12.45	-4.58	-2.17	-0.77	1.34	18.2
Asia-Pacific import tariff change	-8.44	-5.04	-1.71	-0.43	0.80	11.64
European Union import tariff change	-8.02	-3.12	0.16	1.21	3.45	13.48
Sub-Saharan Africa import tariff change	-4.38	0.82	3.44	1.78	4.74	34.04
Capital or business city	0	0	0.46	0	1	1
International certificate	0	0	0.29	0	1	1
Multi-establishment firm	0	0	0.13	0	0	1
Log of total sales	11.92	16.71	18.63	18.32	20.24	27.61
Exporting firms	0	0	0.34	0	1	1

Source: UNCTAD calculations based on the World Bank's Enterprise Surveys and World Integrated Trade Solution database.

Note: EAC: East African Community.

Table A.1.3.

Sectors	Female-to-total employment share (per cent)					Top female manager share (per cent)				
	B	K	T	U	O	B	K	T	U	O
Food	15	26	21	26	24	18	9	9	9	10
Textiles	20	28	34	52	39	0	8	22	37	22
Garments	...	28	37	49	38	...	25	28	54	32
Leather	19	25	...	17	22	0	0	...	0	0
Wood	12	33	9	5	10	0	0	0	5	2
Paper	...	22	...	33	26	...	0	...	20	8
Publishing and printing	20	23	40	42	31	23	14	21	29	22
Refined petroleum	...	6	15	53	16	...	20	50	0	25
Chemicals	32	30	27	33	30	0	8	25	22	13
Plastics	28	12	21	22	18	0	0	0	20	3
Non-metal	...	9	8	19	13	...	0	14	0	5
Basic metal	...	12	7	12	11	...	0	0	0	0
Fabricated metal	7	11	7	11	10	0	0	0	8	4
Machinery and equipment	...	15	2	17	15	...	9	20	18	13
Electronics	...	15	18	31	21	...	18	0	25	14
Transport machines	...	15	5	0	12	...	5	0	0	3
Furniture	7	16	8	10	9	0	0	1	4	2
Total	18	23	20	24	22	13	8	10	14	11

Source: UNCTAD calculations based on the World Bank's Enterprise Surveys.
Note: B: Burundi; K: Kenya; T: United Republic of Tanzania; U: Uganda; O: Overall.

Table A.1.4.

	Overall	Production tasks	Non-production tasks
Constant (Burundi)	0.2633* (0.1479)	0.3326* (0.1820)	0.0383 (0.2517)
Kenya	-0.1582 (0.1527)	-0.2146 (0.1885)	0.0894 (0.2338)
United Republic of Tanzania	-0.3637** (0.1434)	-0.4186** (0.1748)	-0.0246 (0.2368)
Uganda	-0.3083** (0.1397)	-0.3413** (0.1710)	-0.0798 (0.2420)
EAC export tariff (Burundi)	-0.0356*** (0.0096)	-0.0425*** (0.0127)	-0.0044 (0.0299)
EAC export tariff (Kenya)	0.0565*** (0.0212)	0.0618** (0.0254)	0.0056 (0.0415)
EAC export tariff (United Republic of Tanzania)	0.0603*** (0.0109)	0.0689*** (0.0136)	0.0130 (0.0311)
EAC export tariff (Uganda)	0.0601*** (0.0110)	0.0671*** (0.0138)	0.0176 (0.0312)
World export tariff	0.0210*** (0.0035)	0.0227*** (0.0039)	0.0079 (0.0064)
Asia-Pacific export tariff	0.0049** (0.0022)	0.0065*** (0.0025)	-0.0035 (0.0035)

	Overall	Production tasks	Non-production tasks
European Union export tariff	0.0062** (0.0025)	0.0062** (0.1434)	0.0041 (0.0040)
Sub-Saharan Africa export tariff	-0.0014 (0.0044)	-0.0003 (0.0049)	-0.0003 (0.0071)
EAC import tariff (Burundi)	0.0084 (0.0102)	-0.0006 (0.0123)	0.0259 (0.0175)
EAC import tariff (Kenya)	-0.0017 (0.0105)	0.0008 (0.0131)	-0.0200 (0.0187)
EAC import tariff (United Republic of Tanzania)	-0.0046 (0.0123)	0.0028 (0.0139)	-0.0264 (0.0199)
EAC import tariff (Uganda)	0.0167 (0.0238)	0.0323 (0.0270)	-0.0242 (0.0372)
World import tariff	-0.0166*** (0.0030)	-0.0201*** (0.0034)	-0.0070 (0.0060)
Asia-Pacific import tariff	-0.0023 (0.0030)	0.0009 (0.0035)	-0.0029 (0.0056)
European Union import tariff	0.0165*** (0.0040)	0.0175*** (0.0046)	0.0070 (0.0050)
Sub-Saharan Africa import tariff	-0.0062* (0.0036)	-0.0034 (0.0042)	-0.0072 (0.0055)
Capital or business city dummy	0.0211 (0.0152)	-0.0079 (0.0174)	0.0766*** (0.0230)
International certificate dummy	0.0303* (0.0169)	0.0301 (0.0199)	0.0095 (0.0249)
Multi-establishment firm	0.0236 (0.0210)	0.0353 (0.0242)	-0.0233 (0.0311)
Exporter dummy	0.0377** (0.0165)	0.0517*** (0.0200)	0.0251 (0.0242)
Log total sales	-0.0050 (0.0033)	-0.0079** (0.0039)	0.0056 (0.0052)
Number of observations	837	855	721
R-square	0.202	0.194	0.06

Source: UNCTAD calculations based on the World Bank's Enterprise Surveys and World Integrated Trade Solution database.

Note: EAC: East African Community.

ANNEX 2: CASE STUDIES

A.2.1. Golan and Lay (2009): "More Coffee, More Cigarettes? Coffee Market Liberalization, Gender, and Bargaining in Uganda"

Context

Trade reforms can have an important effect on households' resource allocation and gender relations through their impact on household production and consumption patterns. Coffee sector deregulation formed a core component of the economic reforms implemented in Uganda in the 1990s. This study looks at the gender consequences of cash crop market liberalization, with a focus on intra-household allocation. It aims to assess the changes in intra-household resource allocations related to changes in coffee income by examining the impact of the share of coffee income on the expenditure shares on male (female) goods.

Such an assessment requires an in-depth understanding of household decision processes. The unitary model of household behaviour assumes that household members behave as if they maximize a well-defined and uniform household welfare function. In this setting, the gender effects of trade reforms would be negligible, as this model implies pooling of all household resources (land, labour, and capital) and all production and factor incomes. In contrast, bargaining models of household behaviour reject the notion of a uniform household welfare function, and assume that individuals have diverse preferences, and have no a priori reason to give up control over individually earned income; hence, there is no supposition of income pooling within the household.

Based on this theoretical framework, Golan and Lay (2009) examine two scenarios. The first scenario favours the male position in the household. Higher incomes from coffee may lead to increased struggles over household resources, and increase the bargaining power of men as they start controlling a larger share of household income. This may, in turn, increase the consumption of male goods, some of which may be harmful to other household members' welfare; put pressure on women to contribute more labour to cash crop production; and in extreme cases cause a higher incidence of domestic violence. The second scenario foresees an increase in women's relative bargaining power through the increased coffee income and the resulting increase in the importance of female labour in the production process. This can lead to more cooperative behaviour within the household.

Data and methodology

The empirical analysis aims to understand the changes in Ugandan households' resource allocation rules during the period of trade liberalization. It uses data from the 1992/1993 Integrated Household Survey and the 1999/2000 and 2005/2006 Uganda National Household Surveys. The authors gauge the effect of an increase in coffee income on household income pooling by estimating Engel curves³⁹ for a number of goods, and then determine the impact of the coffee income share on household expenditure over time.

The dependent variable is the expenditure share for a certain good. The independent variables include (i) the household's income share from coffee production, as the primary variable of interest; (ii) the logarithm of the household's per capita expenditure; (iii) the logarithm of the household's size; (iv) the demographic composition of the household (the proportion of household members in each demographic group); (v) other factors that may affect the overall expenditure pattern, such as the education level of the household head and spouse; (vi) urban, regional, and month dummies to control for income fluctuations, expenditure seasonality, and regional price variations; and (vii) a dummy capturing male or female "excess education" to control for the importance of bargaining processes beyond coffee income.⁴⁰

The Engel curve is estimated for four "male" expenditure items (tobacco, alcohol, beef,⁴¹ and meat⁴²) and two "female" expenditure categories (women's clothing and children's clothing). Urban areas and the northern part of the country are dropped from the sample to have homogeneity. Estimations are repeated for three subsamples. The first subsample drops households with no spouses (as the bargaining problems discussed above do not apply to them), and includes a female-head dummy in the estimation. The second subsample excludes female-headed households, and the third subsample keeps only male-headed coffee farmers with a female spouse. A dummy variable is constructed for households headed by men with multiple spouses to control for the effect of polygamy.

Findings

The estimation results for the Engel curves show that the increased share of coffee income increased the share of alcohol and reduced the share of children's and women's clothing in

total household expenditure in the early 1990s. Hence, income from coffee seemed to be pooled in the 1990s. These results become statistically insignificant in the 1999/2000 and 2005/2006 estimations. These findings imply that increased coffee proceeds were not associated with a disproportionate increase in the consumption of “male” consumption goods in the following years. No particular path was observed for the nature of the bargaining process. Education is found to play a role in setting household expenditure patterns. The polygamy dummy had a negative effect on the consumption of alcohol in 1992/1993 and 1999/2000 while becoming statistically insignificant in 2005/2006, implying a cultural change. Overall, the findings of the study show that increased income from coffee did not disproportionately increase male welfare. It appears to be the case that proceeds from coffee have been more equally shared among household members, providing incentives for households to move towards more cooperative consumption behaviour.

A.2.2. Kweka and Haji (2003): "Trade and Gender in Tanzania: What Matters - Participation or Outcomes?"

Context

This study examines women entrepreneurs in export activities in the United Republic of Tanzania, and assesses how female ownership is associated with the determinants of firms' export performance. Contrary to earlier studies that focused on small enterprises to explain the lower participation of women in exporting sectors, this study examines large firms and looks at the participation of women in export activities in an entrepreneurial context. The empirical analysis investigates the impact of female ownership on three aspects of firms: (i) the share of export sales; (ii) firm profitability; and (iii) the probability of becoming an exporter.

Data and methodology

The analysis uses data from the Annual Survey of Industrial Production (ASIP 2008) in the United Republic of Tanzania, which contains firm-level data disaggregated by gender. The sample includes 729 industrial establishments, 110 of which are exporters. The empirical analysis estimates three regression specifications. The first two specifications are estimated only using data for exporting firms. The third specification includes both exporting and non-exporting firms.

The first regression specification estimates the impact of female ownership of export firms, the key variable of interest, on the firms' share of export sales using a fractional logit model (for bounded outcomes in the dependent variable). The independent variables include productivity, firm size, manufacturing capacity, type of technology employed (manual, semi-automatic, computerized), network reach (measured by an index of membership associations to which the firm belongs), investment plans (whether the firm has plans to invest in expansion or upgrades), source of credit (government funding, bank credit, personal sources, foreign sources, and other means), and industry to control for industry-specific effects.

The second regression specification estimates the impact on firms' profitability of female ownership of export firms and the proportion of border trade (as compared to trade beyond country borders), the key variables of interest. The dependent variable is defined as the logarithm of profits. The independent variables include manufacturing capacity, type of technology employed, network reach, investment plans, source of credit, barriers faced by the firm,⁴³ perception of challenges faced by the firm (measured by an index), and industry.

The third regression specification estimates the probability of being an exporter using a probit regression framework. The dependent variable is defined as a binary variable that takes on a value of 1 if a firm is exporter, and zero otherwise. The independent variables consist of the share of female owners, firm productivity, manufacturing capacity, type of technology, network reach, and industry.

Findings

The estimation results for the first regression specification are as follows:

- (i) The investigation of the impact on the share of export sales shows that an increase in the share of female owners of exporting firms has a negative effect on the ratio of export sales to domestic sales (though it is significant at the 10 per cent level). All the industries have lower shares of exports compared to the base group of mining, which constitutes an important share of Tanzanian exports. Export firms with investment plans to expand production capacity or upgrade their equipment have a relatively larger ratio of export sales.

The estimation results for the second regression specification are as follows:

- (ii) The investigation of the impact on firm profitability finds that female ownership is negatively related to a firm's profitability until the addition of industry controls. It then turns out to be statistically insignificant. It seems to be the case that industry is a better indicator of firm profitability; however, it might also be reflecting a potential endogeneity effect. It might be the case that women workers are clustered in a few sectors that are less profitable due to gender-related constraints. As expected, labour productivity, firm size, and investment plans all have a positive association with a firm's profitability.

The estimation results for the third regression specification are as follows:

- (iii) The investigation of the impact on the probability of becoming an exporter finds no statistically significant association between the share of female owners and firms' probability of being an exporter. Both larger firms and firms with greater assets are more likely to be exporters. It is noted that many unobservable characteristics such as individual ability might be explaining this probability; hence, the estimations might be prone to omitted-variable bias.

REFERENCES

- Ali D, Bowen D, Deininger K, and Duponchel M (2016). Investigating the Gender Gap in Agricultural Productivity: Evidence from Uganda. *World Development*. 87: 152–170.
- Bussmann M (2009). The Effect of Trade Openness on Women's Welfare and Work Life. *World Development*. 37(6): 1027–1038.
- Chiputwa B, and Qaim M (2016). Sustainability Standards, Gender, and Nutrition among Smallholder Farmers in Uganda. *The Journal of Development Studies*. 52(9): 1241–1257.
- Christian M, Gamberoni E, and Reis J (2013). Gender in the Tourism Industry: The Case of Kenya. In: Brenton P, Gamberoni E, and Sear C. *Women and Trade in Africa: Realizing the Potential*. World Bank. Washington, DC: 115–128.
- EAC (2002). The Treaty for the Establishment of the East African Community. East African Community, Arusha.
- EAC (2010). Protocol on the Establishment of the East African Community Common Market. East African Community, Arusha.
- EAC (2011). 4th EAC Development Strategy (2011/12–2015/16). East African Community, Arusha.
- EAC (2012). EAC Strategic Plan for Gender, Youth, Children, Persons with Disability, Social Protection and Community Development (2012–2016). East African Community, Arusha.
- EAC (2016a). Overview of EAC. Available at: <http://www.eac.int/about/overview> (accessed on 20 December 2016).
- EAC (2016b). East African Common Market Scorecard 2016. East African Community, Arusha.
- EAC (2016c). Vision 2050. East African Community, Arusha.
- EAC (2017). Gender Mainstreaming Documents. Available at: <http://www.eac.int/sectors/gender-community-development-and-civil-society/gender-and-women/mainstreaming-documents> (accessed on 24 August 2017).
- EALA (2017a). The East African Community Gender Equality and Development Bill - An Abridged Version. East African Legislative Assembly, Arusha.
- EALA (2017b). Report on the Public Hearings on the EAC Gender Equality and Development Bill, 2016. East African Legislative Assembly, Arusha.
- EASSI (2012). Women Informal Cross Border Traders: Opportunities and Challenges in the East African Community. Eastern African Sub-regional Support Initiative for the Advancement of Women, Kampala.
- EASSI (2015). Gender Analysis of Existing Trade Policies and Regulatory Frameworks within the East-African Community Partner States. Eastern African Sub-regional Support Initiative for the Advancement of Women, Kampala, and TradeMark East Africa (TMEA).
- EASSI (2017). Press Release on the passing of the EAC Gender Bill/Act, May. Available at: <http://www.eassi.org/home/news/finally-the-eac-gender-equality-and-development-act-is-passed-on-international-women-s-day-2017-as-the-best-gift-to-eac-citizens>
- Elder S, Zerriffi H, and Le Billon P (2012). Effects of Fair Trade Certification on Social Capital: The Case of Rwandan Coffee Producers. *World Development*. 40(11): 2355–2367.
- European Commission (2017). 2017 Report on Equality between Women and Men in the EU. European Commission, Brussels.
- FAO (2011). The State of Food and Agriculture - Women in Agriculture: Closing the Gender Gap for Development. Food and Agriculture Organization, Rome.
- Fontana M (2016). Gender Equality in Trade Agreements, Study for the FEMM Committee. European Parliament Policy Department C: Citizen's Rights and Constitutional Affairs, Brussels.
- Gasiorek M, Byiers B, Rollo J, and CUTS International (2016). *Regional Integration, Poverty and the East African Community*. European Centre for Development Policy Management, Maastricht.
- Githinji M, Konstantinidis C, and Barenberg A (2014). Small and Productive: Kenyan Women and Crop Choice. *Feminist Economics*. 20(1): 101–129.
- Global Affairs Canada (2017). Appendix II – Chapter N bis–Trade and Gender. Available at: http://international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/chile-chili/fta-ale/2017_Amend_Modif-App2-Chap-N.aspx?lang=eng (accessed on 28 August).
- Golan J, and Lay J (2009). More Coffee, More Cigarettes? Coffee Market Liberalization, Gender, and Bargaining in Uganda. In:

- Bussolo M, and De Hoyos R. *Gender Aspects of the Trade and Poverty Nexus: A Macro-Micro Approach*. World Bank. Washington, DC: 185–216.
- Government of Rwanda (2011). Rwanda National Export Strategy (NES). Government of Rwanda, Kigali.
- Higgins K (2013). *Gender and Free Trade Agreements: Best Practices and Policy Guidance*. The North-South Institute, Ottawa.
- Hoechle D (2007). Robust standard errors for panel regressions with cross-sectional dependence. *The Stata Journal*. 7(3): 281–312.
- ILO (2015). Engaging Informal Women Entrepreneurs in East Africa: Approaches to Greater Formality. International Labour Organization Women's Entrepreneurship Development Programme Issue Brief, Geneva.
- Juhn C, Ujhelyi G, and Villegas-Sanchez C (2014). Men, Women, and Machines: How Trade Impacts Gender Inequality. *Journal of Development Economics*. 106: 179–193.
- Karuhunga J (2017). East Africa: EAC Gender Equality Bill to Address Gaps in Trade. January 18. Available at: AllAfrica: <http://allafrica.com/stories/201701180151.html>
- Kenya National Bureau of Statistics. (2016). *Kenya Statistical Abstract 2016*. Kenya National Bureau of Statistics, Nairobi.
- Kucera D, and Tejani S (2014). Feminization, Defeminization, and Structural Change in Manufacturing. *World Development*. 64: 569–582.
- Kweka J, and Haji M (2013). Trade and Gender in Tanzania: What Matters—Participation or Outcomes? In: Brenton P, Gamberoni E, and Sear C. *Women and Trade in Africa: Realizing the Potential*. World Bank. Washington, DC: 167–187.
- Lall S (2000). The Technological Structure and Performance of Developing Country Manufactured Exports, 1985–98. *Oxford Development Studies*. 28(3): 337–369.
- Latorre M (2016). A CGE Analysis of the Impact of Foreign Direct Investment and Tariff Reform on Female and Male Workers in Tanzania. *World Development*. 77 : 346–366.
- Loconto A (2015). Can Certified-Tea Value Chains Deliver Gender Equality in Tanzania? *Feminist Economics*. 21(3): 191–215.
- Mathiba-Madibela M (2010). *Case Story on Gender Dimension of Aid for Trade, Gender Mainstreaming: The Experience of SADC and Lessons Learnt*. International Trade Centre, Geneva.
- Mbo'o-Tchouawou M, Karugia J, Mulei L, and Nyota H (2016). Assessing the Participation of Men and Women in Cross-border Trade in Agriculture: Evidence from Selected East African Countries. Regional Strategic Analysis and Knowledge Support System (ReSAKSS) Working Paper No. 38.
- Ministry of Industry and Trade (2003). The United Republic of Tanzania National Trade Policy. Ministry of Industry and Trade, Dar es Salaam.
- Ministry of Industry, Trade and Cooperatives (2017). National Trade Policy. Republic of Kenya, Ministry of Industry, Trade and Cooperatives, Nairobi.
- Ministry of Tourism, Trade and Industry (2007). National Trade Policy. Republic of Uganda, Ministry of Tourism, Trade and Industry, Kampala.
- Ministry of Trade and Industry (2010). Rwanda Trade Policy. Republic of Rwanda, Ministry of Trade and Industry, Kigali.
- Mufumba I (2017). Women Entrepreneurship Fund Facing Financial Problems. *Daily Monitor*, March 8. Available at: <http://www.monitor.co.ug/SpecialReports/Women-entrepreneurship-fund-facing-financial-problems/688342-3847880-n5hb42z/index.html>
- National Bureau of Statistics of the United Republic of Tanzania (2015). Gender Dimensions Monograph. United Republic of Tanzania, Dar es Salaam.
- National Bureau of Statistics of the United Republic of Tanzania (2016). Tanzania in Figures 2015. United Republic of Tanzania, Dar es Salaam.
- National Institute of Statistics of Rwanda (2016). National Gender Statistics Report 2016. National Institute of Statistics of Rwanda, Kigali.
- PPWE and United States-ATAARI (2015). APEC Women and the Economy Dashboard. Asia-Pacific Economic Cooperation Policy Partnership on Women and the Economy Working Group and the U.S. Agency for international Development, Singapore.
- Rubin D, Manfre C, and Barrett KN (2011). *Promoting Gender Equitable Opportunities in Agricultural Value Chains*. USAID GATE Project.

- SID and EASSI (2013). *Tracking Gender Equality Commitments in the East African Community*. Society for International Development and the Eastern African Sub-regional Support Initiative for the Advancement of Women, Nairobi and Kampala.
- Silvander J (2015). *Gender Equality in Global Value Chains and the Role of Aid for Trade in Promoting Gender Equality and Women's Employment in Developing Countries*. Ministry of Foreign Affairs of Finland Publications, Helsinki.
- Standing G (1989). Global Feminization Through Flexible Labor. *World Development*. 17(7): 1077–1095.
- Standing G (1999). Global Feminization Through Flexible Labour: A Theme Revisited. *World Development*. 27(3): 583–602.
- Tejani S, and Milberg W (2016). Global Defeminization? Industrial Upgrading, Occupational Segmentation and Manufacturing Employment in Middle-Income Countries. *Feminist Economics*. 22(2): 24–54.
- Uganda Export Promotion Board (2009). National Export Strategy - Gender Dimension. Uganda Export Promotion Board, ITC, Kampala.
- UNCTAD (2009). *Mainstreaming Gender in Trade Policy*. United Nations Conference on Trade and Development, Geneva.
- UNCTAD (2014a). *Virtual Institute Teaching Material on Trade and Gender. Volume 1: Unfolding the Links*. United Nations, New York and Geneva.
- UNCTAD (2014b). *Who Is Benefiting from Trade Liberalization in Rwanda? A Gender Perspective*. United Nations Conference on Trade and Development, Geneva.
- UNCTAD (2014c). *The Least Developed Countries Report 2014*. United Nations Conference on Trade and Development, Geneva.
- UNCTAD (2015a). *The Least Developed Countries Report 2015 - Transforming Rural Economies*. United Nations Conference on Trade and Development, Geneva.
- UNCTAD (2015b). *Gender and Trade Liberalization in Kenya: The Case of Women Retail Traders*. United Nations Conference on Trade and Development, Geneva.
- UNCTAD (2017a). *Trade and Gender Linkages: An Analysis of COMESA*. Geneva: United Nations.
- UNCTAD (2017b). *Trade and Gender Toolbox: How Will the Economic Partnership Agreement between the EU and EAC Impact Kenyan Women?* United Nations Conference on Trade and Development, Geneva.
- UNCTAD (2017c). *The New Way of Addressing Gender Equality Issues in Trade Agreements: Is It a True Revolution?* United Nations Conference on Trade and Development, Geneva.
- UNCTAD (forthcoming). *Informal Cross-border Trade for Empowerment of Women: Economic Development and Regional Integration in Eastern and Southern Africa*. United Nations Conference on Trade and Development, Geneva.
- UNDP (2016a). Briefing Note for Countries on the 2016 Human Development Report: Burundi. United Nations Development Programme, New York.
- UNDP (2016b). Briefing Note for Countries on the 2016 Human Development Report: Rwanda. United Nations Development Programme, New York.
- UNDP (2016c). *Africa Human Development Report 2016: Accelerating Gender Equality and Women's Empowerment in Africa*. United Nations Development Programme, New York.
- UNECA (2011). *The African Gender and Development Index*. United Nations Economic Commission for Africa, Addis Ababa.
- UNECA (2015a). Country Profile - Rwanda. United Nations Economic Commission for Africa, Addis Ababa.
- UNECA (2015b). Country Profile - Tanzania. United Nations Economic Commission for Africa, Addis Ababa.
- UNECA (2015c). Country Profile - Kenya. United Nations Economic Commission for Africa, Addis Ababa.
- UN Women (2012). *Final Report on the Assessment of Women Traders Engaged in Cross Border to Support Formation of Networks in Tanzania*. UN Women (United Nations Entity for Gender Equality and the Empowerment of Women), New York.
- UN Women (2016). *Progress of the World's Women 2015–2016: Transforming Economies, Realizing Rights*. New York: UN Women.
- Vanek J, Chen M, Hussmanns R, and Carre F (2013). *Women and Men in the Informal Economy: A Statistical Picture (Second edition)*. International Labour Organisation, Geneva.
- Viilup E (2015). The EU's Trade Policy: From Gender-blind to Gender-sensitive? In-Depth Analysis. European Parliament, Directorate-General for External Policies, Policy Department.

Wanjala B, and Were M (2009). Gender Disparities and Economic Growth in Kenya: A Social Accounting Matrix Approach. *Feminist Economics*. 15(3): 227–251.

World Bank (2015). Uganda Country Economic Memorandum - Economic Diversification and Growth. World Bank, Washington, DC.

World Bank (2016). *Women, Business and the Law*. World Bank, Washington, DC.

World Bank (2017). Enterprise Surveys. Available at: <http://www.enterprisesurveys.org/> (accessed in May 2017).

WTO (2013). Trade Policy Review. Secretariat, Eastern African Community Report No. WT/TPR/S/271/Rev.1. World Trade Organization, Geneva.

ENDNOTES

- 1** The teaching manual includes Volume 1 (*Unfolding the Links*) and Volume 2 (*Empirical Analysis of the Trade and Gender Links*).
- 2** South Sudan is not covered in this study because the country has only recently joined the EAC and not enough time has passed to assess the impact of regional integration on women there. Therefore, the terms “EAC member countries,” “EAC members,” and “EAC partner states” used in the study refer to Burundi, Kenya, Rwanda, the United Republic of Tanzania, and Uganda.
- 3** MRAs were signed by Kenya, Rwanda, the United Republic of Tanzania, and Uganda for engineering services (December 2012) and accounting, auditing, and bookkeeping services (September 2011), and by Burundi, Kenya, Rwanda, and Uganda for architectural services (July 2011) (EAC, 2016b). Other professions such as legal services, veterinarians, nurses, and doctors are negotiating MRAs in their respective professions. An MRA for legal services is in the final stages of negotiation.
- 4** Six are in Africa (Burundi, Djibouti, Eritrea, Ethiopia, Rwanda, Somalia) and three are in Asia (Bangladesh, Bhutan, Nepal).
- 5** The ranking of the countries remains unchanged when the comparison is made using GDP per capita measured in purchasing power parity, constant 2011 international dollars based on data from the World Bank’s World Development Indicators database (accessed in July 2017).
- 6** Average growth statistics are calculated based on data from the World Bank’s World Development Indicators database (accessed in July 2017). Simple averages of the growth rates of the five member countries are used to calculate EAC averages.
- 7** The Gini index is a measure of inequality derived from the Lorenz curve. The closer the index number is to 100, the higher the degree of inequality. The descriptive statistics on inequality led to similar conclusions when alternative measures such as the 90/10 ratio or the Palma ratio were used. The 90/10 ratio is defined as the ratio of the income share of the top 10 per cent of the society to that of the bottom 10 per cent. The Palma ratio is defined as the ratio of the income share of the top 10 per cent of the society to that of the bottom 40 percent.
- 8** Comparable figures were not available for Burundi and Kenya for the 2010s.
- 9** The HDI is a composite measure of development that is composed of the dimensions of health, knowledge, and living standards. The health dimension is measured by life expectancy at birth; the education dimension is measured by expected years of schooling and mean years of schooling; and living standards are measured by gross national income per capita. The HDI is calculated as the geometric mean of these three subindices.
- 10** The GII measures gender inequalities in the areas of reproductive health (measured by the maternal mortality ratio and adolescent birth rates); empowerment (measured by the proportion of parliamentary seats occupied by women and the proportion of adult women and men ages 25 and older with at least some secondary education); and economic status (measured by the labour force participation rate of female and male populations ages 15 and older).
- 11** Sectoral composition figures show the share of value added by each sector to a country’s GDP. According to the World Bank’s World Development Indicators database, value added measures the net output of a sector after adding up all outputs and subtracting intermediate inputs. Deductions for depreciation of fabricated assets or depletion and degradation of natural resources are not made while calculating the value added.
- 12** A compulsory education policy and the introduction of free primary education have contributed to this positive outcome in enrolment rates in primary education. The duration of compulsory education is six years in Burundi and Rwanda, seven years in the United Republic of Tanzania and Uganda, and 12 years in Kenya.
- 13** The categories of “employers” and “other” are not presented in the figure because they correspond to a very small share of total employment.
- 14** Informal cross-border trade refers to trade in legitimately produced goods and services that escapes the government regulatory framework, thereby avoiding certain tax and regulatory burdens. Informal cross-border trade can be done either by informal (unregistered) traders operating entirely outside the formal economy or by formal (registered) traders who fully or partially evade trade-related regulations and duties.
- 15** The incidence of landownership measures the share of landowners (including both agricultural and non-agricultural land) in the total adult population by gender.
- 16** Burundi ratified the CEDAW on 8 January 1992, Kenya on 9 March 1984, Rwanda on 2 March 1981, the United Republic of Tanzania on 20 August 1985, and Uganda on 22 July 1985.
- 17** The United Nations General Assembly adopted a 21 article Optional Protocol to the CEDAW on 6 October 1999. Burundi signed the Optional Protocol on 13 November 2001, Rwanda ratified it on 15 December 2008, and the United Republic of

Tanzania ratified it on 12 January 2006.

- 18** The Maputo Protocol was adopted by the Assembly of the African Union in Maputo, Mozambique on 11 July 2003, and has a specific focus on women's reproductive rights and the eradication of female genital mutilation in Africa.
- 19** Those instruments include the Beijing Declaration and Platform for Action, CEDAW, the Protocol to the African Charter on Human and Peoples' Rights on the rights of women in Africa, and the recent United Nations Sustainable Development Goals, especially Goals 1 and 5 (EASSI, 2017).
- 20** Personal law is also recognized as a valid source of law under the constitution in Kenya and Uganda; however, it is invalidated only in Uganda in case of a violation of the constitutional provisions on non-discrimination or equality. Personal law refers to non-customary legal systems that are products of tradition or doctrinal texts, which are sometimes uncodified.
- 21** Burundi has the Ministry of National Solidarity, Human Rights and Gender, Kenya has the Ministry of Gender, Sports, Culture and Social Services, Rwanda has the Ministry of Gender and Family Promotion, the United Republic of Tanzania has the Ministry of Community Development, Gender and Children, and Uganda has the Ministry of Gender, Labour and Social Development.
- 22** It should be noted that the raw gender gap presented in box 2 does not control for differences in worker characteristics, so it includes the gap due both to differences in worker characteristics and to discriminatory practices.
- 23** The Cotonou Agreement between the European Union and the African, Caribbean, and Pacific Group of States (ACP), and the Economic Partnership Agreement between the European Union and the Caribbean Forum of ACP States (CARIFORUM), are two such examples (UNCTAD, 2017c). Even in the case of the European Union, which approaches gender equality as a core area of priority in its treaties, most of the Economic Partnership Agreements have no reference to gender aspects of trade, and a systematic gender analysis is lacking in the Sustainable Impact Assessments (Fontana, 2016).
- 24** Two major studies that analyse the gender employment impact of trade openness in the EAC region are for Kenya (Wanjala and Were, 2009) and the United Republic of Tanzania (Latorre, 2016). However, they examine the period before EAC trade integration.
- 25** Since the data series on services trade started from 2005, the initial period was considered as 2005 for services exports and imports.
- 26** Unclassified products consist of coin (other than gold coin), not being legal tender, and non-monetary gold (excluding gold ores and concentrates).
- 27** The trade-weighted applied tariff rate is the average of applied rates weighted by the product import shares corresponding to each EAC member country. Hence, it shows the rate of trade protection actually realized, not the statutory rates.
- 28** Trade openness is defined as the ratio of the sum of exports and imports to GDP of a country. The model alternatively introduces export and import shares in GDP.
- 29** An increase in the tariff variable indicates a larger tariff reduction and hence more trade liberalization in that sector. Since the timing of Customs Union membership differs across EAC member countries, 2005 was set as a threshold date for Kenya and 2008 for the other countries when calculating the before and after change, as these are the years after which tariffs were dropped down to zero. For non-EAC trading partners, 2008 was chosen as a threshold for two reasons: first, to control for the impact of the tariff change with other trading partners during the process of EAC regional trade integration; and second, to check for the observed pattern after the global economic crisis of 2008–2009, when countries tended to increase tariffs imposed on imported goods from the rest of the world in order to secure tariff revenues and to protect domestic markets.
- 30** A 1 percentile point decrease in a tariff rate refers to a 1 percentile point increase in tariff reduction (measured by the tariff variable in the model), implying an increase in trade liberalization in a given sector. One should also note that percentile point change is different from percentage change. A 1 percentile point increase refers to a change, for example, from 5 to 6 per cent or from 10 to 11 per cent in the tariff rate. In percentage change terms, this would have corresponded to respective increases of 20 per cent and 10 per cent in the tariff rate. Hence, in our estimations we refer to the exact percentile point change in the tariff rate.
- 31** These numbers can be calculated as 0.0209 (which is equal to $-0.0356 + 0.0565$) for Kenya, 0.0247 (which is equal to $-0.0356 + 0.0603$) for the United Republic of Tanzania, and 0.0245 (which is equal to $-0.0356 + 0.0601$) for Uganda.
- 32** For example, childcare services could be provided during such training programmes, and the programmes could be offered during non-peak hours in terms of household responsibilities (Silvander, 2015).
- 33** See EASSI (2017) for an overview of the bill.

-
- 34** See the WEConnect International website at <https://weconnectinternational.org/en/>.
- 35** Uganda introduced gender into its National Export Strategy while the other three incorporated gender into their national trade policies as well.
- 36** There are examples of such efforts. For example, the Society for International Development (SID) and the Eastern African Sub-regional Support Initiative for the Advancement of Women (EASSI) developed a regional monitoring and evaluation mechanism for civil society organizations to track gender equality commitments in the EAC (SID and EASSI, 2013). UNECA also developed the African Gender and Development Index and applied it to the United Republic of Tanzania and Uganda, among EAC members, as well as 10 other countries (UNECA, 2011).
- 37** See <http://eacsof.net/EACSO/2017/05/09/eac-pilot-gender-barometer-report-2017/>.
- 38** Rwanda's Enterprise Survey (2011) does not distinguish between men and women and therefore could not be included in the micro analysis.
- 39** An Engel curve shows how the share of a certain good or service in household expenditure varies with household income.
- 40** The authors introduce additional proxies for bargaining based on particular questions asked in the 1999/2000 and 2005/2006 surveys; create dummy variables for communities where the inheritance rules exclusively favour women or men for 1999/2000; and create dummy variables indicating whether only the household head or only the spouse controls output for 2005/2006.
- 41** The share of beef expenditure is proxied by the aggregate expenditure share on beef and goat meat.
- 42** The share of meat expenditure also includes poultry.
- 43** These barriers include problems with supply capacity, stringent sanitary and phytosanitary rules, low compliance with market standards, inability to meet quality standards, inadequate capacity to exploit preferential trade agreements, limited promotion, low skills, and others.

gender@unctad.org
<http://unctad.org/gender>