

## POLICY BRIEF No. 98

**MARCH 2022** 

#### KEY POINTS

- Women face gender-based barriers at borders that should be addressed through gender responsive trade facilitation measures
- UNCTAD recommends implementing the World Trade Organization (WTO) Trade Facilitation Agreement (TFA)
  with a gender perspective to maximize benefits for women involved in formal and informal trade
- UNCTAD recommends that national trade facilitation committees (NTFCs) become gender-sensitive bodies that advocate for gender mainstreaming in trade facilitation reforms, and propose measures for women traders

# Integrating a gender perspective into trade facilitation reforms\*

Women cross-border traders face significant challenges, including time constraints, costs of burdensome procedures, discrimination and harassment at borders. Despite multilateral calls to address those issues and to make trade policies gender responsive, notably the Revised Buenos Aires Declaration, Ilmited progress has been made on gender equality in trade.

This policy brief outlines key gender-based barriers for women traders and provides 10+1 policy recommendations to address them.

#### 1. Listen to what women traders have to say

The first step is to listen to what women traders have to say. Some may not be aware of the activities or existence of the national committee. Even when they know about NTFCs, they may feel that their committee is not aware of the challenges they face or that such challenges are simply ignored. NTFCs should undertake awareness-raising efforts to reach out to women traders by informing them about NTFC activities and consult them about their needs and the obstacles they face.

Women traders' associations should be invited to take part in the trade facilitation policymaking process, as full NTFC members, or at

<sup>\*</sup> This document has not been formally edited.

<sup>&</sup>lt;sup>1</sup> UNCTAD, 2022, Gender perspective on trade facilitation reforms, available at https://tfelearning.unctad.org/tfandgender.

<sup>2 12</sup>th WTO Ministerial Conference, 2021, Joint ministerial declaration on the advancement of gender equality and women's economic empowerment within trade, WT/MIN(21)/4/Rev.1 §, available at https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/WT/MIN21/4R1.pdf&Open=True.

UNCTAD POLICY BRIEF MARCH 2022 | No. 98

least as observers. Where those associations do not exist, NTFCs should encourage women traders to organize themselves and appoint representatives. National authorities should encourage women traders and their associations to participate in consultations with border agencies, and to comment on new trade-related regulations. NTFCs may ask businesswomen associations for inputs when preparing workplans, gender-sensitive strategies and position papers on trade facilitation.

#### 2. Make transparency work for all women

To make trade regulations and procedures more predictable, TFA provides for "transparency measures", which should be implemented adopting a gender perspective to make them work for women traders. Understanding of trade facilitation reforms may be limited and women traders can be marginalized without fully benefiting from those initiatives. This is particularly relevant in remote and rural areas where access to education may be limited for women traders.

National authorities may find ways to translate trade regulations and legislation into indigenous languages and make them available for all. Customs authorities can make trade procedures more accessible to women traders by publishing them online and displaying them on screens or posters at border posts. Visual support, such as icons and images, can also illustrate key elements of cross-border regulations.

Governments can establish enquiry points to guide small traders by offering trade intelligence on foreign markets, clarifying cross-border procedures and providing them with documentation on women-dominated sectors, such as agricultural products and clothing manufacturing. Experienced businesswomen can provide coaching to help newcomers navigate cross-border procedures.

UNCTAD offers online tools, such as step-by-step trade information portals, for women entrepreneurs to get full access to trade-related information and documentation.<sup>3</sup>

#### 3. Repeal gender-based discriminatory laws

National legal frameworks significantly impact businesswomen, and legal constraints to doing business may limit women's capacities to complete cross-border procedures or preclude informal traders from formalizing their activities. According to a recent study<sup>4</sup> women have just three quarters of the legal rights afforded to men worldwide, and women cannot run a business in the same way as men because of discriminatory laws limiting women's entrepreneurship in 108 economies.

Countries need to address legal barriers to trade for women entrepreneurs and repeal gender-based discriminatory laws identified by NTFCs together with businesswomen associations. Some legal restrictions can be removed by cabinet or ministerial decisions, but lawmakers may need to take action to change legislation. National authorities need to ensure women can register a business, open a bank account or sign a contract and own land or property and that they have equal access to finance and credit and are free to travel without spousal authorization.<sup>5</sup>

#### 4. Build a gender-sensitive NTFC

UNCTAD research suggests that there has been little progress made in mainstreaming gender into NTFCs over the past years.<sup>6</sup> Committees are not gender-balanced and rarely led or chaired by women. Few have taken decisions or implemented actions towards gender equality.

NTFCs should become gender-sensitive institutions with gender-balanced membership, by establishing a minimum level of representation by women in meetings and monitoring women traders' participation in activities. Membership should include women owned-businesses, women informal traders, women entrepreneurs' organizations and cross-border trade associations. Committees should also address gender-based barriers to trade faced by small and informal traders by proposing appropriate trade facilitation responses. NTFCs may also reduce fees and formalities overwhelmingly impacting women traders, especially in women-dominated sectors.

Establishing a subcommittee or technical working group on gender equality under the auspices of NTFCs, or regional committees, can also help mainstream gender into trade facilitation reforms. Those subcommittees can raise awareness on gender issues, conduct surveys of women traders, carry out gender gap analyses, prepare studies on gender-based barriers to trade and develop position papers on gender-sensitive trade facilitation initiatives. They can also act as focal points for women traders reporting issues at the border.

UNCTAD is ready to provide advice to develop terms of reference for a NTFC subcommittee on gender equality.

- <sup>3</sup> UNCTAD, 2022, Step-by-step information portals, available at https://businessfacilitation.org/information-portals/.
- <sup>4</sup> World Bank Group, 2021, Women, Business and the Law 2021, Washington, D.C.
- These are key gender-based barriers to entrepreneurship. See: MT Alemayehu and K Joseph, 2019, Unleashing the power of women entrepreneurs: Breaking down the legal barriers, World Bank, 11 June, available at https://blogs.worldbank.org/opendata/unleashing-power-women-entrepreneurs-breaking-down-legal-barriers; they are reflected in the OECD SIGI dimension on restricted access to productive and financial resources; see: G Ferrant, L Fuiret and E Zambrano, 2020, The Social Institutions and Gender Index (SIGI) 2019: A revised framework for better advocacy, Working Paper (OECD Development Centre), 18.
- 6 UNCTAD, National trade facilitation committees as coordinators of trade facilitation reforms, Transport and Trade Facilitation Series No. 14 (Geneva: UNCTAD, 2020).

UNCTAD POLICY BRIEF MARCH 2022 | No. 98

#### 5. Stop gender-based discrimination at borders with digital tools

As noted in recent studies, women traders face multiple forms of gender-based discrimination at borders, including economic, verbal and other forms of intimidation by border officials and other traders or private individuals near boundaries. Women traders often experience intimidation, bribery and the arbitrary confiscation of goods.

Border agencies should prevent gender-based discrimination with modern digital tools. ASYCUDA provides customs administrations with trade facilitation solutions, allowing for contactless procedures, including electronic submissions of declarations, acceptance of soft copies and electronic signatures. Dematerializing processes can help to keep women traders from one-on-one in-person interactions that involve the risk of intimidation, abuses of power, bribery and corruption.

Automation and online submissions of documents through electronic single windows can also eliminate potential risks of gender-based discrimination, as the identity of applicants can be made anonymous. Contactless cross-border procedures, such as electronic releases of goods, can also help protect women traders from violence at borders.

Access to digital tools is still not universal. National authorities should use the most widespread technologies, including smartphones, and improve access to digital tools for all, especially for informal women traders.

#### 6. Adopt a client service charter for border agencies

Border agencies, preferably in collaboration with NTFCs, should adopt a client service charter with a code of conduct for public agents, stating the responsibilities and obligations of administrations towards women traders. Such charters should embody awareness and protection of women's rights, contributing to achieving the Sustainable Development Goals and the declaration on gender equality and diversity in customs of the World Customs Organization (WCO), as well as principles of good governance and integrity in customs.

Border agencies should sensitize their staff on duties towards women traders and train staff to act in accordance with standards of ethics in a violence-free environment for women clients. Border agents should become allies in ending discrimination against women.

UNCTAD can provide gender-sensitive technical assistance to accompany border agencies in adopting such standards, with dedicated training and capacity-building.

#### 7. Set up a reporting mechanism on gender-based discrimination

Most discriminatory treatment of women traders remains unreported and unpunished. Without access to information on decision appeals and review mechanisms, they are more vulnerable to discriminatory treatment and less inclined to assert their rights. Women traders may therefore be tempted to pay bribes or to give up crossing borders with their merchandise.

National authorities should establish an individual complaint mechanism for victims of gender-based discrimination at borders. This mechanism would protect victims from retaliation and help monitor and report issues faced by women traders, including inconsistent documentation requirements, solicitation of bribes and other inappropriate behaviour from border officials.

#### 8. Make border posts a more women-friendly environment

Border areas are not friendly environments for women traders. They may feel intimidated at border posts where almost all staff are men in positions of authority. Worldwide, most border officers, such as police, security forces and customs agents, are men. According to WCO, only 37 per cent of customs officials are women. Border agency authorities should take steps to increase the proportion of women officials within their ranks.

Basic infrastructure can be lacking near border posts. Lack of reliable access to electricity may prevent lighting up border crossings at night, and limited access to a stable telecommunications network can leave women without an Internet connection or the possibility of making calls. Such situations can create a sense of insecurity among women traders. Improper sanitary conditions, such as the absence of separate sanitation facilities for men and women, and the lack of decent overnight accommodation, may expose women traders to greater risks of violence. Women traders travelling with children may also require facilities in which to address their needs. Infrastructure deficits near borders impact men and women differently and can create additional gander-based barriers to trade. Governments should keep in mind that investing in infrastructure can help to keep women safe.

A Larouche-Maltais, 2022, Central African borders: A danger zone for women traders, UNCTAD Transport and Trade Facilitation Newsletter No. 93, 2 March, available at https://unctad.org/news/central-african-borders-danger-zone-women-traders; J Jacobson and S Joekes, 2019, Violence against women traders at border crossings, Department for International Development, available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\_data/file/876256/Query-31-VAW-Traders.pdf.

<sup>8</sup> UNCTAD, 2019, Borderline: Women in Informal Trade in Malawi, the United Republic of Tanzania and Zambia (Geneva), 37.

UNCTAD POLICY BRIEF MARCH 2022 | No. 98

#### 9. Changing mindsets

Businesswomen may also need to overcome cultural barriers. Concerns and negative stereotypes may preclude women from engaging in professional activities, such as networking, travelling far from home or even owning a business. Despite legal progress made in gender equality, repealed gender-discriminatory laws may continue to be enforced by agents in a position of authority as a social norm.

NTFCs should raise awareness of the importance of women's empowerment through trade. Committees can also meet with cultural influencers and faith-based leaders in local communities and advocate for women entrepreneurs. In many regions, traditional leaders continue to play significant roles as influencers and custodians of cultural practices within communities and can contribute to changing mindsets in favour of gender equality.

#### 10. Do not forget informal traders

Informal traders should not be forgotten when implementing reforms. Studies estimate that informal trade makes up 30–40 per cent of total trade in sub-Saharan Africa and that 70 per cent of informal traders are women.<sup>9</sup>

Informal traders may have misperceptions of formalized trade as being costly and reserved for large corporations. These stereotypes spread by word of mouth. NTFCs should organize information sessions to break down preconceptions and provide fact-based insights into cross-border procedures.

Governments should implement incentives for informal traders to transition to formalized trade, such as access to finance and simple procedures for business registration, as well as a favourable tax regime. Training in entrepreneurial skills, including bookkeeping and financial records, and trade rules and procedures, can also facilitate this transition.

Trade facilitation schemes should be available for women remaining in the informal sector. Implementing simplified trade regimes, by waiving certificates of origin and easing requirements for export and/or import permits and sanitary and phytosanitary certifications for essential goods or low value-shipments, can greatly facilitate informal trade.

#### + 1 Request gender sensitive technical assistance

Integrating a gender perspective into trade facilitation reforms is a challenging task. NTFCs may contact development partners to request technical support.

UNCTAD stands ready to provide gender-sensitive technical assistance and capacity-building programmes for NTFCs. 10

UNCTAD/PRESS/PB/2022/6 (No. 98)

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<sup>9</sup> S Zarrilli and M Linoci, 2020, What future for women small-scale and informal cross-border traders when borders close, 8 May, available at https://unctad.org/news/what-future-women-small-scale-and-informal-cross-border-traders-when-borders-close.

UNCTAD has strengthened its gender and trade agenda with research on gender mainstreaming into trade policies and agreements, as well as technical assistance projects for informal women cross-border traders. UNCTAD has provided capacity-building, through eLearning on Trade and Gender, and launched the "Gender Perspective on Trade Facilitation Reforms" online module. UNCTAD is championing the eTrade for Women initiative to advance women's empowerment through information and communications technology.