

GENDER AND TRADE

ASSESSING THE IMPACT OF TRADE AGREEMENTS ON GENDER EQUALITY:
Canada-EU Comprehensive Economic and Trade Agreement



UNITED NATIONS
UNCTAD



International
Labour
Organization



Funded by the European Union



GENDER AND TRADE

ASSESSING THE IMPACT OF TRADE AGREEMENTS ON GENDER EQUALITY:
Canada-EU Comprehensive Economic and Trade Agreement



WE EMPOWER, EUROPEAN UNION, UN Women and ILO

WE EMPOWER – G7: *The Promoting the Economic Empowerment of Women at Work through Responsible Business Conduct in G7 Countries* (WE EMPOWER – G7) programme is funded by the European Union (EU) and implemented by UN Women and the International Labour Organization. WE EMPOWER – G7 convenes multistakeholder dialogues in G7 countries and the EU to exchange knowledge, experiences, good practices and lessons learned. WE EMPOWER – G7 also encourages firms of all sizes and in all industries to sign the Women's Empowerment Principles and to galvanize their shareholders and stakeholders throughout their supply chains to drive change for gender equality. Signatories are role models for attracting talent, entering new markets and serving their communities, while measurably improving the bottom line. See more at: www.empowerwomen.org/projects.

The **European Union** is the largest trading block in the world. The EU is committed to sustainable development and gender equality. It is working to integrate gender perspective in its trade policy, including through trade agreements such as the CETA with Canada. Work on trade and gender is advancing through a wide range of actions in the following areas: (1) data and analysis, (2) gender provisions in trade agreements, and (3) trade and gender in the WTO.

UN Women is the UN organization dedicated to gender equality and women's empowerment. A global champion for women and girls, UN Women was established to accelerate progress on meeting their needs worldwide. UN Women supports UN Member States as they set global standards for achieving gender equality and it works with governments and civil society to design laws, policies, programmes and services needed to ensure that the standards are effectively implemented and truly benefit women and girls worldwide. It works globally to make the vision of the Sustainable Development Goals a reality for women and girls and stands behind women's equal participation in all aspects of life, focusing on four strategic priorities for women: lead, participate in and benefit equally from governance systems; income security, decent work and economic autonomy; All women and girls live a life free from all forms of violence; Women and girls contribute to and have greater influence in building sustainable peace and resilience, and benefit equally from the prevention of natural disasters and conflicts and humanitarian action. UN Women coordinates and promotes the UN system's work in advancing gender equality.

International Labour Organization - ILO is the only tripartite U.N. agency that since 1919 brings together governments, employers and workers of 187 member States to set labour standards, develop policies and devise programmes promoting decent work for all women and men. The main aims of the ILO are to promote rights at work, encourage decent employment opportunities, enhance social protection and strengthen dialogue on work-related issues. The unique tripartite structure of the ILO gives an equal voice to workers, employers and governments to ensure that the views of the social partners are closely reflected in labour standards and in shaping policies and programmes. The primary goal of the ILO is to promote opportunities for women and men to obtain decent work in conditions of freedom, equity, security and human dignity. Gender equality is a key element in reaching this goal and is a cross-cutting policy driver for all ILO policy outcomes. ILO constituents have adopted a number of key gender equality conventions on equal remuneration, non-discrimination, workers with family responsibilities and maternity protection.

United Nations Conference on Trade and Development - UNCTAD

The United Nations Conference on Trade and Development (UNCTAD) supports developing countries to access the benefits of a globalized economy more fairly and effectively. It helps equip governments to deal with economic integration. To this end, UNCTAD develops statistics, provides analysis, facilitates consensus-building, and offers technical assistance. This helps member states to use trade, investment, finance and technology as vehicles for inclusive and sustainable development.

Acknowledgements

This Policy Brief was developed jointly by the United Nations Conference on Trade and Development (UNCTAD) and the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) under the WE EMPOWER – G7 programme funded by the European Union and jointly implemented with the International Labour Organization and UN Women. The brief was led by Anu Peltola of UNCTAD and Stephanie Dei of UN Women with contributions from Steve MacFeely of UNCTAD and Anna Fälth, Seemin Qayum, Carla Kraft, Camille Beaudoin, Meral Guzel, Diana Rusu and Diana Marie Ranola of UN Women, and Laura Addati of ILO.

This Policy Brief benefited from an extensive peer review process. UN Women and UNCTAD are immensely grateful to the following peer reviewers:

Diversity Institute at Ryerson University and the Women's Entrepreneurship Knowledge Hub (Wendy Cukier); European Commission, Directorate -General for Trade (Liva Andersone); Eurostat, Statistical Office of the European Union (Javier Alcantra and Ulrich Eidmann); Export Development Canada (Jennifer Cooke); Global Affairs Canada – Government of Canada (Georgina Wainwright -Kemdirim); International Labour Organization (Laura Addati and Kieran Walsh); Organization of Women in International Trade (Susan Baka); Statistics Canada – Government of Canada (Pierre Turcotte); Statistics Finland (Marjut Pietiläinen and Henri Luomaranta); UNCTAD (Simonetta Zarrilli); United States International Trade Commission (Tamara Gurevich); Women and Gender Equality – Government of Canada (Saman Muhammad); Women's Enterprise Organizations of Canada (Alison Kirkland); and the World Trade Organization (Takako Ikezuki).

Disclaimer

This publication was produced with the generous financial support of the European Union. The views expressed in this publication are those of the authors and do not necessarily represent the views of the European Union, UN Women, UNCTAD, ILO or the United Nations.



CONTENTS

1. Introduction	5
2. Summary and key recommendations	6
3. Trade policies affect women and men differently	7
4. Barriers to trade experienced by women	8
5. Gender equality considerations in trade agreements	12
6. Better data for better trade policy	17
7. Measuring gender impacts of trade agreements	19
8. Moving forward – measuring the gender impacts of CETA	21





1. INTRODUCTION

The impact of trade and trade policies is shaped by the structure of markets and institutions and the gender inequalities that are embedded within them. Trade policies and agreements influence the opportunities of women and men to access secure and decent employment and to benefit from international trade.

Braunstein (2017) highlights the two-way causality between gender equality and economic growth:¹ Economic growth affects gender equality in many ways, but gender biases also influence macroeconomic outcomes, such as growth, trade, imbalances and inflation. According to Fontana (2014 and 2016), the gendered structure of markets has two main implications for the way gender and trade interact in a country. Firstly, gender inequalities will affect trade strategies for competitiveness, and secondly, inequalities will affect whether trade reforms actually translate into desired economic outcomes.²

Trade policies developed with a gender perspective can help overcome gender inequalities by opening new opportunities for employment and prosperity. Robust measurement of the impacts of trade helps us understand the differing affect it has on women and men. Limited num-

bers of women entrepreneurs trading internationally, fewer opportunities for women to participate in trade-related jobs, and high levels of unemployment can have a serious and detrimental impact on the economy, leading to lower consumption, higher poverty and declining well-being of women, men and their families.

This policy brief considers the gender dynamics of trade agreements and how to measure them from an “intersectional lens” – looking at the differing and sometimes multiple injustices often faced by different groups of women. The brief builds on a framework to understand the impact of trade agreements on gender equality and women’s full participation in the economy. It is intended to inform statisticians, trade policymakers, negotiators and academics, among others, about the importance of measuring the impacts of trade agreements on gender equality and women’s economic empowerment.

To set the issues in context, the brief focuses on gender and trade issues relevant to Canada and the European Union, and recommendations are applied specifically to the Canada–European Union Comprehensive Economic and Trade Agreement (CETA).



2. SUMMARY AND KEY RECOMMENDATIONS

Summary

Despite the removal of formal trade barriers (for example tariffs, non-tariffs and quotas) through trade agreements such as CETA, women are often underrepresented in jobs related to international trade and women business owners face many **barriers preventing them from trading internationally**. Issues vary by country and may include: limited access to networks and decision-making, capital and trade promotion initiatives such as trade missions; gender-biased investment practices; and gender and other forms of discrimination including violence and harassment in the world of work.

Recommendations

The Policy Brief makes two key recommendations:

A conceptual framework for measuring gender equality in trade will help countries identify what data are needed, organize statistics in a useful way, and identify gaps. Measuring and analyzing data using an intersectional lens is an important part of understanding and addressing gender inequalities.

Gender statistics and data disaggregated by sex with an intersectional approach are key to analyzing the gender impact of trade policy, and subsequently to strengthening policies so that they advance equal economic empowerment of women and men. When policymakers have the relevant data to determine trends over time, they can use trade agreements to remove barriers and create opportunities for women-owned businesses and women workers. With the right sectoral and gender data, policies could target for example **tariff reductions and non-tariff measures** at products and services typically purchased or produced by women.



3. TRADE POLICIES AFFECT WOMEN AND MEN DIFFERENTLY

Trade flows between Canada and the EU are well documented. **The value of trade in goods between the EU and Canada was € 72.3 billion in 2018.** The EU is Canada's second-biggest trading partner after the United States, accounting for 10 % of its trade in goods with the world in 2018. The top three categories of products which the EU and Canada exported to each other in 2018 were: Machinery, Chemical and Pharmaceutical products and Transport equipment.³

One year after CETA came into effect:

- **Two-way trade of goods and services between Canada and the EU totalled CAN\$155.2 billion, a 7.7 per cent increase over the equivalent pre-CETA period.**
- **Canada exported CAN\$66 billion worth of goods and services to the EU, a 3.9 per cent increase.**
- **The EU exported goods and services to Canada totalling CAN\$89.2 billion, a 10.8 per cent increase.⁴**

How does this growth translate for women in the economy? What is the impact on gender equality?

Trade and trade policy influence women and men in many ways, yet some trade policies still fail to consider prevailing gender inequalities. Gender discrimination compounds other disadvantages including socioeconomic status, geographic location, race, class, ethnicity, sexual orientation and disability. As trade policies interact with the economy, they have potential to entrench and perpetuate gender inequalities in society.

Considering the different impacts on women and men not just in the design of policies, but also in their implementation and evaluation, helps reveal the impact of trade on gender equality. This requires analysis of relevant data and statistics alongside consultations with both women and men to understand the current landscape and to identify and challenge inequalities.

There are multiple channels of interaction between gender and trade, the effects of which are often country-specific and need to be evaluated on a case-by-case basis. As a result of different labour market structures, economic climates, degrees of trade liberalization, current gender inequalities across sectors (such as health or manufacturing), and the degree of women's participation in different parts of society (politics or the economy, for example), a successful strategy or mechanism in one country will not necessarily work in another. It is also important to note that effective trade policy works in tandem with domestic policy to support women's economic empowerment.



4. BARRIERS TO TRADE EXPERIENCED BY WOMEN

Identifying the barriers of trade participation is central to understanding the impacts of trade on gender equality. Current statistics make it clear that women are at a disadvantage when it comes to engaging in international trade:

Globally:

- Women are often overrepresented in informal jobs and non-tradable sectors.
- Only one in five export firms is owned or managed by a woman.⁵

In Canada:

- In 2018, almost 16 per cent of small and medium-sized enterprises (SMEs) were owned by women, while nearly 65 per cent were owned by men.⁶
- Only about 11 per cent of majority women-owned SMEs exported goods or services.⁷ This share has risen from about 5 per cent in 2011.
- Women-owned SMEs make CAN\$68,000 less on average than similar businesses owned by men.⁸

In the European Union (EU):

- In 2017, 38 per cent of jobs dependent on export (to countries outside the EU) were occupied by women, while women's share of total employment was 46 per cent.
- Between 2010 and 2014, 15 per cent of new women entrepreneurs exported goods or services, compared with 19 per cent of new men entrepreneurs.⁹
- A 2019 survey of businesses trading with countries outside the EU showed that only 22 per cent were women-led and that women-led businesses had a much lower turnover than those led by men.¹⁰

Gender-specific barriers and structural differences in the economic participation of women and men in different sectors add to women's under-representation in interna-

tional trade. Removing these barriers would create opportunities for women to fully engage in trade and, in turn, more equal opportunities to contribute to economic growth.



4.1 Gender-differentiated roles in the market

The Addis Ababa Action Agenda (2015) recognizes the critical role of women as producers and traders and notes the importance of enabling “women’s equal and active participation in domestic, regional and international trade.”¹¹ Creating environments where women can thrive as entrepreneurs and in export jobs is essential to supporting women’s role as producers in the economy.

Due to the under-representation of women in some occupations and sectors, jobs created through the export economy are not equally taken up by women and men. In 2017 in the EU, only 38 per cent of jobs dependent on export to countries outside the EU were occupied by women, although women made up 46 per cent of total employment.^{12, 13} Women typically work in human health and social work (79 per cent of those employed in these sectors are women), education (71 per cent), accommodation and restaurants (54 per cent) and wholesale and retail trade (50 per cent).¹⁴

Women are more likely to be employed in informal and seasonal jobs, with 740 million women currently making their living in the informal economy with limited access to social protection and public services.¹⁵ In low-income countries, 92 per cent of employed women are in informal employment compared to 87.5 per cent of men.¹⁶ Women’s over-representation in informal employment and informal trade is a key issue for developing countries, and it can be difficult to design effective policies when jobs and businesses are informal and not effectively regulated by the state.

An OECD analysis of gender equality in global value chains made similar findings: men hold a relatively high proportion of jobs in exporting firms, while women are more often employed by the suppliers (or second tier) of exporting firms.¹⁷ Women are also much more likely to work in the service sector than manufacturing. Yet even as service sector employment expands, women largely remain concentrated in lower-paid, lower-skill segments with greater job insecurity.¹⁹

UNCTAD’s research into trade liberalization has found that as well as providing employment and income for women, trade participation can strengthen their financial independence and agency.²⁰ However, increased international competition can also push wages down, especially for workers in low-skilled jobs without strong bargaining power. Trade policies can have an impact on women as workers, depending on the work they are doing and whether that sector is likely to expand or contract as a result of a free trade agreement.

The expansion of trade between OECD countries and developing economies between 1978 and 1995 led to disproportionate job losses for women in OECD countries because import-competing industries (for example textiles and footwear) mostly employ women.²¹ The same finding was made for agricultural economies, where women are concentrated in import-competing sectors such as food crop production.²² In Africa, tariff reductions on labour-intensive imports resulted in higher job losses for women than for men.

An ILO-Gallup report shows that unfair treatment, which includes abuse, harassment and discrimination, is among the top three challenges facing working women, especially young women between the ages of 15 and 29.²³ Violence and harassment in the world of work has a detrimental impact on women’s participation in employment and on the quality of work. Violence and harassment impact women in every country and sector, public and private, formal and informal.²⁴ They also affect women’s participation in trade.

Women also shoulder most of the unpaid care work and domestic labour in the household and consequently they have much less time and resources than men to take advantage of economic opportunities and new markets for their business.²⁵



Women perform about 76 per cent of the total amount of unpaid care work, triple that of men. They devote up to three hours more each day to housework than men, as much as ten times the amount of time a day to care, and up to four hours less a day to market activities.²⁶

In the EU, 25 per cent of women report care and other personal responsibilities as the reason for not being in the labour force, compared with only three per cent of men.²⁷ In some EU countries, the uneven burden of family responsibilities along with lack of affordable childcare has been noted as a key barrier for women entrepreneurs since it reduces their chances of growing professional networks.²⁸

The impact on women as **consumers** is also important, since changes in the price of imported goods disproportionately affect women because they typically earn less than men – 22 per cent less globally, according to estimates.²⁹ In countries where women rely more heavily on government services, women may be negatively affected if free trade agreements reduce tariffs on imported products and government revenues go down.³⁰ This could

lead to reductions in government-funded services and programmes, particularly in emerging markets where the share of government revenue that comes from tariffs can be larger than in more open economies. As the primary providers of unpaid care and domestic work, women's roles as consumers is at risk if the loss of tariff revenue leads to cuts in social services which in turn leads to less time available for them to do paid work.³¹

4.2 Gender-biased business, finance and investment practices

Estimates suggest that globally, there are seven women entrepreneurs for every 10 men entrepreneurs.³² If women and men participated equally as entrepreneurs, global GDP could rise by as much as \$5 trillion.³³ Yet, corporate procurement from women-owned businesses accounts for only one per cent of the total spent.³⁴ More gender-responsive trade agreements can strengthen women's access to global supply chains and the opportunities that trade offers.³⁵

Data from 2018 broken down by sector show that industries with the greatest share of self-employed women in Canada were health care and social services (70 per cent of those self-employed in the sector were women) and

educational services (66 per cent). In the EU in 2018, the share of self-employed women was high in 'other service activities' including washing, cleaning, hairdressing and beauty treatment; women accounted for 69 per cent of self-employed in physical wellbeing jobs and 66 per cent of health and social workers.³⁶ So, women entrepreneurs are most often found in non-tradable sectors.

Women face discrimination from financial institutions across the world, resulting in smaller loans on less favourable terms. Research from UNCTAD shows that women mainly borrow from friends and family because they do not have access to formal sources of financing.³⁷ This affects women's choices about how and where to start a



business and means they tend to stick to female-dominated sectors such as beauty or cleaning, where the barriers to entry are smaller and minimal outlay is needed. However, businesses in these sectors tend to remain small and less attractive to investors or lenders, creating a vicious cycle. Companies starting with higher levels of capital show better performance in terms of assets, revenue, profitability and survival.

In Canada, financing programmes for innovations have emerged but many equate innovation solely with technological advances. They do not consider innovation more broadly across economic sectors where women may be setting up innovative businesses.³⁸ This narrow definition of innovation limits women who innovate in other fields such as the creative arts from accessing funding opportunities.

Women-led start-ups report receiving less venture capital. Recent research has shown that investment offers often come from pre-existing networks. According to one study, venture firms with at least one female partner are twice as likely to invest in women-led start-ups but in Canada for example, only 15 per cent of partners in venture capital firms are women.

Similar findings from the EU show that women entrepreneurs report more problems than men in accessing finance when starting their business.³⁹ Fourteen per cent of women-led businesses involved in trade outside the EU said they had insufficient access to finance, against 11 per cent of men-led businesses. Only 29 per cent of women-led businesses identified commercial banks as their most important funding source, while 54 per cent of men-led businesses did so.⁴⁰

Women entrepreneurs are less likely than men to participate in formal networks such as chambers of commerce. Many women entrepreneurs report feeling unwelcome or excluded from mainstream networks, incubators and accelerators. These networks offer a variety of tools and resources to increase a business owner's chance of success in international trade.

In the EU, women-led companies seem to also lack access to informal business networks, information and deals. Data gathered from businesswomen show that they consider those informal networks as boys' clubs since they are men-dominated.⁴¹ This is particularly problematic when women are also faced with negative gender stereotypes and discrimination. One survey found that up to 75 per cent of Canadian women entrepreneurs believe gender inequalities and stereotypes affect their ability to engage in international trade, citing a "perceived lack of respect by male business owners, bravado, chauvinism, not being taken seriously, businessmen who refuse to do business with a woman, and verification of decisions through male employees."⁴²

Business networks can offer formal training, information, advice, access to markets, partnerships, policy advocacy, encouragement and support. Exclusion from these networks mean women may only have limited access to information on trade rules, customs procedures and foreign market regulations, creating further barriers to them trading internationally.⁴³



5. GENDER EQUALITY CONSIDERATIONS IN TRADE AGREEMENTS

5.1 Gender equality in trade agreements to date

Gender equality considerations in trade agreements encompass economic, social and political rights, such as the eradication of gender-based violence and discrimination, access to education and health care, and women's economic empowerment.⁴⁴

A detailed analysis of over 500 regional trade agreements shows that although the inclusion of gender provisions is not new, only 74 refer explicitly to gender issues.⁴⁵ Often these gender-related provisions refer to international labour standards on gender-based labour discrimination, such as the International Labour Organization (ILO) Discrimination (Employment and Occupation) Convention, 1958 (No.111) and other international standards on fundamental principles and rights at work concerning the right

to equal pay for work of equal value, freedom of association and collective bargaining.⁴⁶ In addition, provisions on gender-based violence are areas of cooperation in regional trade agreements. To this effect, the newly adopted ILO Violence and Harassment Convention, 2019 (No. 190) is expected to become an important reference in trade agreements. Other international labour standards on gender equality include those on workers with family responsibility and maternity protection. According to the European Parliament, only 20 per cent of current EU trade agreements mentioned women's rights in 2018.⁴⁷ In response, the EU adopted a resolution to give more thought to gender equality in trade agreements and there are now more references to women or gender in the political rather than trade part of the agreements.

Gender equality considerations are becoming more prominent in new trade agreements. Earlier agreements, such as the EU–Mexico agreement (signed in 1997 and extended in 2000), referred to gender equality along with environmental issues and human rights, while others promote gender equality in specific areas (such as fisheries) or refer to the elimination of sex discrimination in employment. As long ago as 2000, the African, Caribbean and Pacific agreement with the EU included numerous references to gender equality and recommended that a systematic account be taken of gender issues.

Some more recent trade agreements include a separate chapter on gender and trade. They seek to promote gender equality as part of inclusive economic growth and sustainable socioeconomic development and list areas of cooperation to promote women's full participation and advancement in society, for example female entrepreneurship and leadership. Only a few trade agreements call for the collection of sex-disaggregated data, use of indicators and analysis of gender statistics.



Several trade agreements are now being renegotiated to reflect the goals of the 2030 Agenda for Sustainable Development and other global compacts, and areas including inclusiveness, gender equality and how progress is monitored are likely to be strengthened.

Ultimately, including gender provisions in trade agreements is an ambitious step in the right direction, but success depends on concrete goals and objectives against which to monitor and measure progress.

5.2 Gender equality and CETA

The Canada–European Union Comprehensive Economic and Trade Agreement was adopted by the EU Council and signed at the EU–Canada Summit in October 2016 after seven years of negotiations. It aimed to liberalize trade in goods and services, investment, government procurement, competition policy and intellectual property and eliminated 98 per cent of tariffs on goods traded between the EU and Canada.

While the agreement did not include gender equality goals, in September 2018 the body responsible for its implementation and application, the CETA Joint Committee, made a series of recommendations for further work, one of which was to increase women’s access to, and benefit from, the opportunities CETA created.

The specific trade and gender recommendation is a joint recognition of gender-based trade barriers and a commitment to overcome such barriers by:

- **Sharing methods and procedures for collecting gender-focused trade statistics and sex-disaggregated data; the use of indicators, monitoring and evaluation methodologies; and the analysis of gender-focused statistics related to trade.**
- **Exchanging experience and best practices related to gender-based analysis of trade policies.**
- **Exploring the implications for the design and implementation of trade agreements, including CETA.**



5.3 Goals of CETA and measuring its impact

CETA goals may have wide-ranging impacts on women, going well beyond simply supporting women's access to export opportunities and jobs. Analyzing the agreement's

goals and outcomes through gender and intersectional lenses demonstrates the many possible channels through which CETA may influence gender equality in trade.

- **Abolish customs duties:** Up to 98 per cent of tariff lines eliminated, supporting exports of food items, drinks, agricultural produce and industrial products.
- **Cut red tape:** Simpler and clearer customs procedures that reduce processing times and make the movement of goods cheaper, faster and more efficient.
- **Reduce barriers to trade:** Certain products can be tested and certified in home country reducing costs and delays. Some products get increased quota or protection.
- **Open markets for services:** Support the market access of service providers, including financial services, telecommunication, energy and maritime transport.
- **Access public contracts:** Expand opportunities for firms to supply goods and services for public procurement at all levels of national, regional and local governments.
- **Increase labour mobility:** Mutual recognition of qualifications for certain professionals to support working abroad temporarily.
- **Encourage investment:** Give more stability and protection for investments, including non-discrimination between domestic and foreign investors, and improved protection of intellectual property.
- **Protect the environment:** Commit to international agreements and managing natural resources sustainably.
- **Enhance labour rights:** Reaffirm ILO declarations on fundamental principles and rights at work and other international labour standards relating to gender equality, health and safety conditions at work, non-discrimination and violence and harassment in the world of work, and exchange information on these.
- **Support SMEs:** Remove red tape, facilitate the use of e-commerce and access to markets.

Assessment of gender impacts must consider the wider economic participation and roles of women and men and the level of gender equality generally in each country party to the agreement. A comprehensive assessment should not be limited to the goals of the agreement but should also consider its possible unintended or adverse impacts

on gender equality. Consideration must be given to the measures taken to achieve each goal, including those that are not gender-specific, because they may have unintended consequences caused by varying structural gender inequalities, sociocultural contexts and other intersecting factors.



Together, the Gender-based Analysis Plus (GBA+) and EU Sustainability Impact Assessments can contribute to a robust analysis of the impact of CETA on gender equality in the national context. EU Sustainability Impact Assessments provide an in-depth analysis of the potential economic, social, human rights and environmental impacts of ongoing trade negotiations and are used to inform negotiations, help to assess the changes that may be caused by a trade agreement, to identify possible trade-offs and contribute to sound, evidence-based and transparent trade negotiations. GBA+ is an analytical process used to assess how diverse groups of women, men and non-binary people may experience policies, programs and initiatives. The “plus” in GBA+ acknowledges that GBA goes beyond biological (sex) and sociocultural (gender) differences.⁴⁸

In 2014-2016, the joint project of UN Women and the United Nations Statistics Division on Evidence and Data for Gender Equality (EDGE) developed and tested a methodology to measure entrepreneurship from a gender perspective. They found gender to be relevant to the determinants, outcomes and impacts of entrepreneurship.⁴⁹ These findings also apply to gender equality in trade, so comprehensive monitoring of the gender impacts of trade agreements should also cover these elements:

- **Determinants for the participation of women and men in trade – motivations, financial and other resources, and constraints;**
- **Outcomes of women’s and men’s participation in trade as producers, consumers, workers, employers, innovators and entrepreneurs; and**
- **Impacts on employment, division of labour, income, empowerment, wellbeing, etc.**

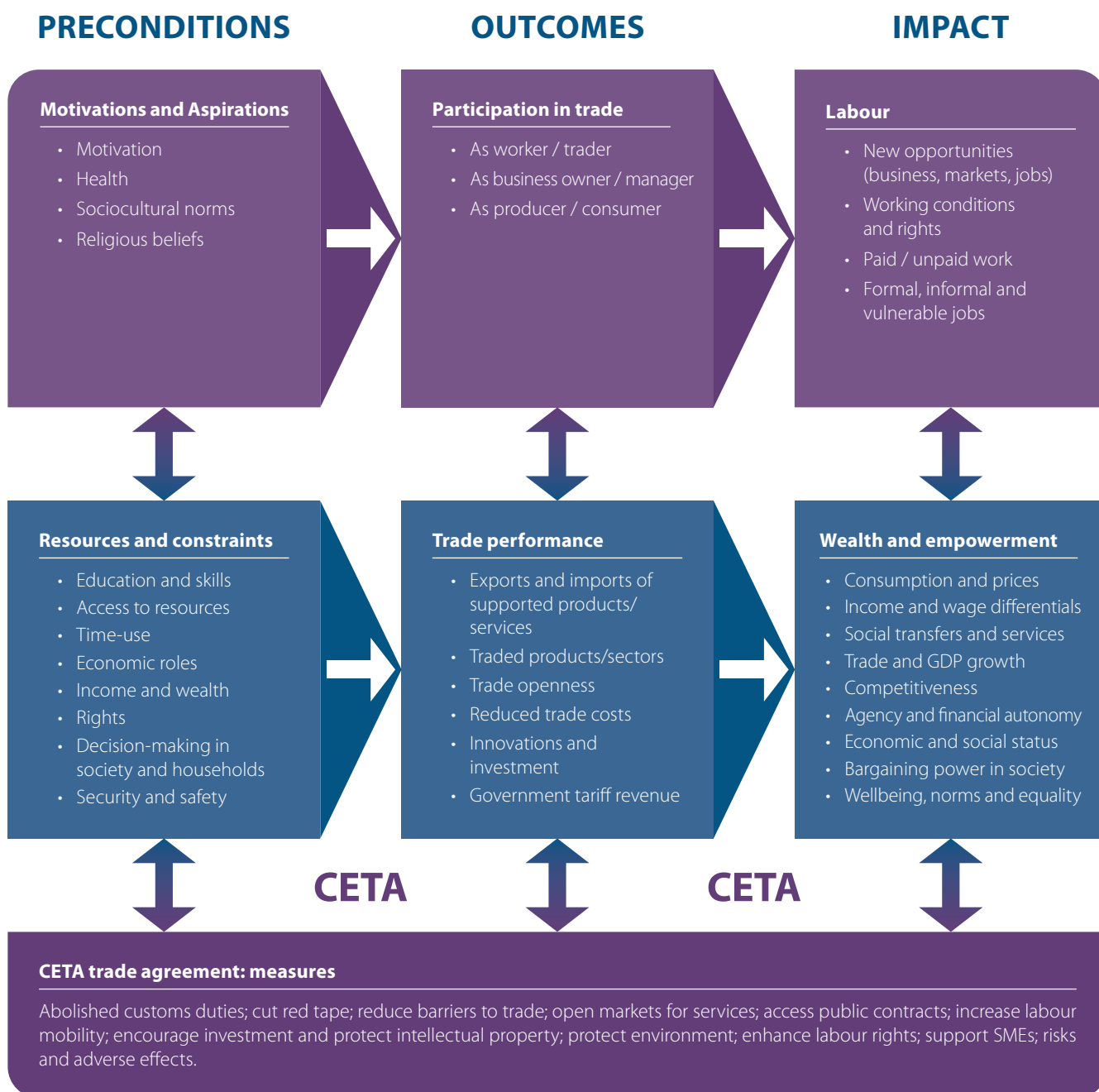
Trade agreements may affect gender equality in various ways, such as through changes in growth and employment opportunities, competitive pressures, access to resources and services, and trading rules. The framework shown in Figure 1 summarizes key issues for analyzing those impacts, particularly in relation to CETA. The aim is to map out issues that are relevant when assessing the impacts of trade

agreements on women and men. It takes account of everything that is known about the barriers to trade that women and men may experience, their economic participation, and their over- or under-representation in various sectors. By combining data on the determinants, outcomes and impacts of a trade agreement on women and men and on gender inequalities, the framework offers a helpful structure to review agreements and consider their goals and possible side effects.

The term entrepreneurship can also exclude other business populations, such as self-employed, social ventures and the creative community. Considerations of terminology and definitions are important in deciding what is measured and tracked among different geographic regions.



FIGURE 1
A conceptual framework for assessing the gender impacts of trade agreements, applied to CETA



Source: Based on UNCTAD conceptual framework for the measurement of gender and trade.



6. BETTER DATA FOR BETTER TRADE POLICY

Many governments are committed to pursuing equal and inclusive trade, as reflected in several trade agreements and their governance. Modern trade agreements are about setting standards and norms in a range of areas like e-commerce, intellectual property, labour and environment. Policy makers can use trade agreements to support opportunities for women, for example by reducing or removing to barriers to trade in areas where women-owned businesses are thriving, but applying an intersectional lens is essential to ensure that they fully support women's economic empowerment.

However, in many countries the complexity of gender inequalities combined with the lack of data and inconsistent definitions are an impediment to developing more

gender-responsive trade policies. Addressing trade barriers requires systematic collection of data that break down the inequalities faced by women as workers, entrepreneurs, consumers or producers. A conceptual framework for measuring the gender impacts of trade policies and agreements would be helpful in identifying data sources, organizing statistics in a useful way with trade partners, and revealing where data gaps exist.

In December 2017, over 120 World Trade Organization member countries signed the Buenos Aires Declaration on Trade and Women's Economic Empowerment. This called for an inventory of information sources, identification of data gaps, sharing of methods and analysis of gender-focused statistics related to trade.

6.1 Microdata

Ideally, gender and trade statistics would be calculated directly from microdata (from individual responses). This would allow statistics to reflect the situation of women and men directly involved in a trading company, for example employees, owners and managers. These data

could be linked to other data held by statistical offices, such as education, age, type of job, earnings and other characteristics, as well as to information on the company including its industry class, productivity, size, types of products produced, exports and imports, and so on.



Statistics Finland has carried out a study on gender and trade that links statistical microdata from various business and social surveys and registers. This study suggests that the benefits from international trade are not distributed equally between women and men in Finland. In 2016, only 18 per cent of entrepreneurs in exporting firms were women, and women accounted for just 27 per cent of the labour input of exporting firms on a full-time equivalent (FTE) basis.⁵⁰

While organizations that either export or import are, on average, more productive and generally pay higher salaries compared with other firms in Finland, they employ fewer women and tend to have a higher gender pay gap. The results also show that female business owners hire more women and more highly skilled women than male business owners. Productivity is higher in male-owned exporting firms, but wages are higher in female-owned exporting firms. This suggests that lower female participation in international trade may also exacerbate the gender pay gap.

Lack of microdata on consumption by gender is among the largest data gaps when considering trade policy. Household members have different consumption patterns and consume varying shares of imported goods, but current household budget surveys only collect data from households and do not offer information on who consumes what within the household.

6.2 Intersectional approach to the gender impacts of trade

Understanding the role of intersectionality is fundamental in developing gender-sensitive trade statistics. Analysis of the degree to which society benefits from trade policy goes beyond the collection of data disaggregated by sex. A holistic or intersectional approach requires analysis of a suite of statistics including time-use constraints, access to resources, labour force participation, trade-related jobs, business owners and managers, and income and wellbeing. This provides a more comprehensive assessment of trade and its impact on women's economic empowerment.⁵¹

Canada is currently employing an intersectional approach, looking for the direct and indirect impacts, intended or otherwise, on women and other diverse population groups of each of the trade chapters in the Canada-Mercosur trade agreement by applying the GBA+.^{52, 53} Canada is also considering how to mitigate or enhance these effects through new trade policy provisions in various chapters of the agreement, and exploring how to further strengthen the new chapters on Trade and Gender, Trade and Indigenous Peoples, and SMEs.⁵⁴ Applying the GBA+ analysis helps to ensure ongoing consideration to the impact of trade agreements for all women.



7. MEASURING GENDER IMPACTS OF TRADE AGREEMENTS

7.1 Data to assess the gender impacts of CETA

Table 1 provides examples of data that can help assess the gender impacts of CETA and other trade agreements, considering their goals in relation to the framework for measuring gender and trade set out in section five. It identifies relevant statistics for assessing the determinants of trade participation such as data on education, time-use, voice and representation, income and access to other resources. Some issues affecting trade participation are challenging to measure, for example those related to household decisions and personal motivations, but time-use statistics are a valuable source to assess this.

The table proposes data to help assess the possible gendered outcomes of the trade agreement. This can be improved by having data on the share of women and men employed by exporting or importing firms or sectors, type of occupation by gender, the share of women and men entrepreneurs, etc. Ideally data showing the roles of women and men as producers, consumers, workers and traders would also be available.

Data on changes in employment, incomes and business activities by gender are needed to assess the overall impacts of the trade agreement. Key economic statistics are helpful here, including data on exports and imports, trade openness and costs, innovation statistics, research and development, foreign direct investment and government tariff revenues. There may also be impacts on working conditions such as job security, health and occupational safety. It may be difficult to get data on the bargaining power of women and men in society, their economic and

social status, wellbeing and economic empowerment and these may need to be surveyed or assessed using partial data.

Populating the complete framework with data would be a challenge. Data from a range of sources need to be brought together and may involve different methodologies, statistical units or frequencies. The framework should be seen as a means to organize relevant information and enable a systematic assessment, but it also serves as a tool for assessing data availability and gaps, as well as discussing priorities in filling these gaps.

Identifying the key goals of the trade agreement assessed against the challenges of a country is useful in determining what needs measuring and analyzing. For example:

- **What are the impacts for women-owned and managed organizations that offer products and services or support exports and imports;**
- **How do women participate as producers and consumers of traded goods and services;**
- **Does the agreement offer women access to new jobs? What impacts can be seen in areas with special measures, such as international engagement of SMEs for women entrepreneurs?**
- **What other key intersectional factors come into play and how does this affect women's economic empowerment?"**

Such analyses require improving data availability and linking of data across statistical domains. Despite significant progress in the availability of gender statistics in general,

statistics linking trade and gender are scarce even in Canada and in EU countries. This is more pronounced when considering intersectional data and analysis.

TABLE 1
Examples of statistical data by sex required to assess CETA goals

CETA goals	Determinants	Outcomes	Impacts
ABOLISH customs duties	Equal rights and access to trade and information, motivations	Tariffs, exports and imports of affected products	Trade and GDP, prices, disposable income, consumption
REDUCE barriers to trade	Economic roles, safety, motivations, norms	Trade barriers, non-tariff measures, exports and imports	Business conditions, business confidence, consumption
OPEN markets for services	Equal rights and access to the services markets	Roles and participation in services, trade in services by category	Employment, production, new start-ups in services
ACCESS public contracts	Access to information and networks, training and skills	Roles and participation in public investment and contracts	Employment and production in affected service industries
CUT red tape	Customs efficiency, trading costs	Roles and participation in trading activities	Business conditions, prices, productivity
INCREASE labour mobility	Education and skills, participation in migration	Migrants by country, education and labour participation	Labour force changes, skills, innovation, R&D by industry
ENCOURAGE investment	Access to resources and finance, land and business ownership	Innovation, R&D statistics	Competitiveness, investment, foreign direct investment
PROTECT the environment	Access to natural resources and ownership rights, legal environment	System of Environmental-Economic Accounting (SEEA), emissions	SEEA, environment, green jobs, energy efficiency
ENHANCE labour rights	Time-use, education and skills, economic roles, wage differentials, equal rights, freedom of association and right to collective bargaining	Informal and vulnerable jobs by industry, working conditions, status in employment workers' representation, women in leadership positions	Status and security in work, income & living conditions, share of vulnerable employment, distribution of unpaid care work
SUPPORT SMEs	Training, access to information and networks, skills, business goals and motivations	Business owners, managers and workers, export and import-orientation by industry and enterprise size	Production, productivity employment and wages paid by enterprise size

Source: Based on UNCTAD desk study on data availability and gaps for measuring gender and trade.



8. MOVING FORWARD

MEASURING THE GENDER IMPACTS OF CETA

The impacts of trade agreements are intertwined with structural gender inequalities. Such inequalities influence the way in which a trade agreement, such as CETA, will affect women and men and potentially perpetuate those inequalities. Assessing the factors that drive women and men to participate in trade and benefit from CETA will help support the development of strong trade policy tools. The following three approaches could be useful in compiling statistics related to trade:

Firstly, a **macrodata** approach using existing sectoral statistics on the rates of participation in export- or import-oriented industries, as producers, consumers, workers and entrepreneurs, and the development of this over time. This approach is the least resource intensive but requires assumptions on the gender impacts of trade because data are at industry level and do not differentiate between those women and men who participate in trade.

Secondly, a **microdata** approach linking detailed statistical data on employees and owners of firms that export or import between Canada and the EU with data disaggregated by factors including sex, age, ethnicity, race, income, employment, and education, along with production, goods and services, profitability, investment, etc. This approach provides the most accurate information as it focuses on people and businesses involved in trade, but it may be time-consuming. These types of calculations could be done as case studies involving advanced statistical offices with data sets that enable linking, for instance in Canada and selected EU countries.

Thirdly, an in-depth approach involving **ad hoc surveys or interviews** of a sample of people participating in Canada–EU trade which collect data that can be disaggregated beyond sex and gender. Most countries carry out a labour force survey that collects information on sector, occupation, working conditions and hours worked, in line with international classifications. One option would be to develop a small number of new questions to add to these surveys to identify links to international trade. This would be particularly useful in the context of developing countries.

It is important to improve the availability, quality and accessibility of data to analyse gender and trade. While the gender and trade connection has been studied extensively, academic research using microdata on individuals and businesses that directly participate in trade remains scarce. Supporting such research with better data and statistics would help establish causal relationships in the gender and trade discussion and in turn design more effective policy options. We do not know, for example, whether women are not able to access financing because they have less capital in the first place, lack technological innovation or are being discriminated against because of their gender. This highlights the importance of improving basic microdata. Longitudinal employee-employer databases, provided by many national statistical offices for academic research purposes, are a potentially good starting point for this type of research.



While completely new surveys would be a burden to respondents and are costly to carry out, they may address issues not otherwise measured by statistics, such as the roles of women and men within enterprises, innovation, access to finance, informal work, wellbeing and individual perceptions. Online survey tools may also provide an effective alternative to filling in data gaps of this type, but the priority should be to reuse existing statistics and improve the linking of microdata to develop more accurate measures. This work could also lead to the identification of a set of key indicators on gender and trade to provide more comparable information on the situation across countries.

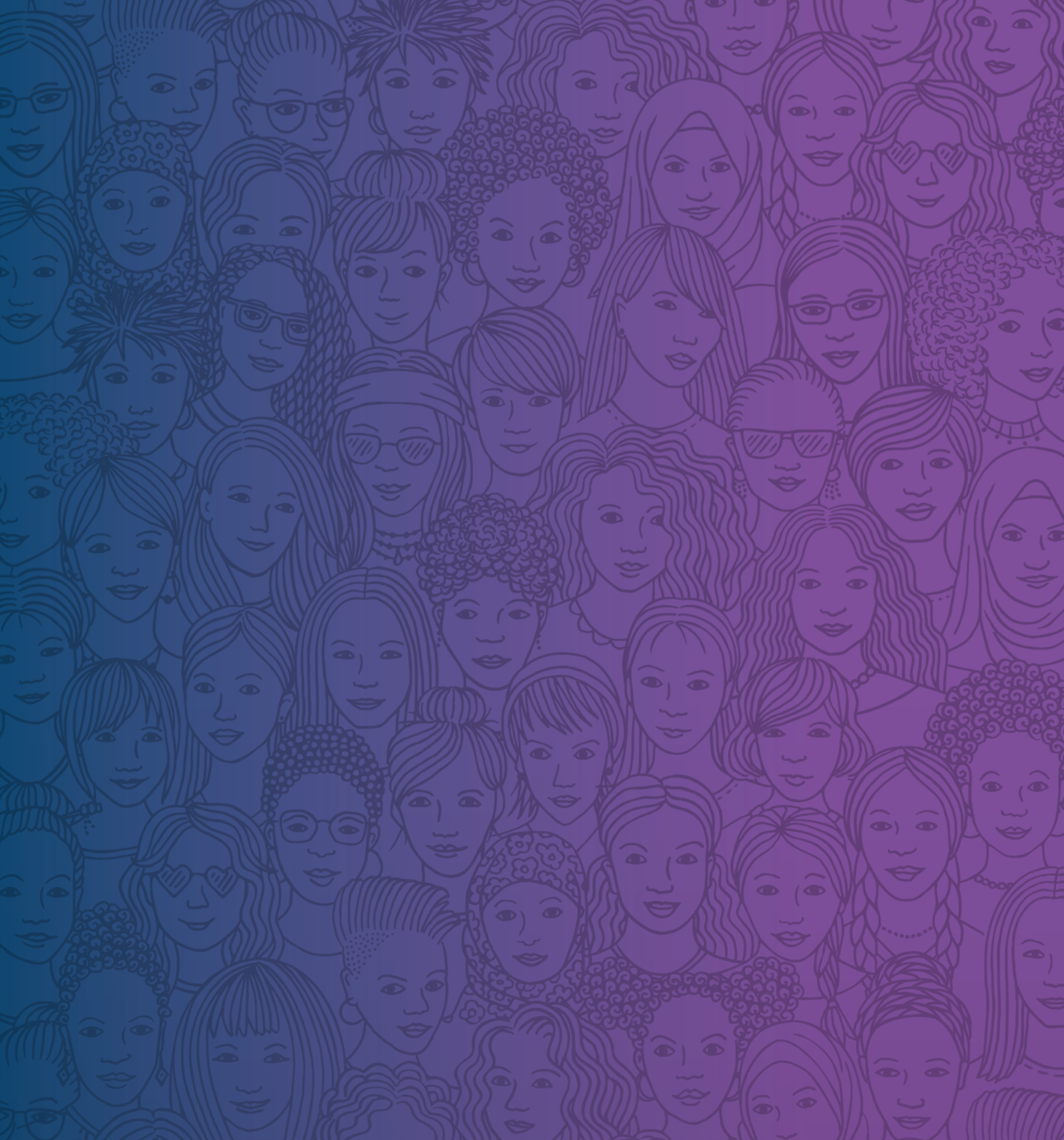
UNCTAD and the WE EMPOWER programme of the European Union, UN Women and the International Labour Organization will continue to advance the measurement of gender and trade, in close collaboration with statisticians and trade policymakers.



ENDNOTES

1. Braunstein, E. (2017). The gender dynamics of inclusion and exclusion: a macro perspective on employment Chapter IV in: UNCTAD, Trade and Development Report 2017, Geneva, UNCTAD.
2. Fontana, M. (2016). Gender Equality in Trade Agreements. Study for the FEMM Committee, Brussels, European Parliament and Fontana, M. (2014). Women's Work: The Impact of Trade on Gender Equality. World Politics Review. Available at: <https://www.worldpoliticsreview.com/insights/13687/womens-work-the-impact-of-trade-on-gender-equality>
3. European Commission, Trade Policy – Canada, Available at: <https://ec.europa.eu/trade/policy/countries-and-regions/countries/canada/>
4. Canada, Government of, CETA benefits already visible a year after its entry into force, 2019. Available at: www.international.gc.ca/gac-amc/campaign-campagne/ceta-aecg/year_one-premiere_annee.aspx?lang=eng
5. International Trade Centre, *Unlocking Markets for Women to Trade* (Geneva, ITC, 2015).
6. Statistics Canada, Women-owned Enterprises in Canada, 2018. Available at: www150.statcan.gc.ca/n1/pub/11-626-x/11-626-x2018083-eng.htm
7. Canada, Government of, Minister Ng announces Women Entrepreneurship Strategy investments. Department of Innovation Science and Economic Development, Aug. 2019. Available at: www.canada.ca/en/innovation-science-economic-development/news/2019/08/minister-ng-announces-women-entrepreneurship-strategy-investments2.html
8. Paypal Canada and Barraza Associates, Women's Entrepreneurship Study, Aug. 2018.
9. OECD and European Commission, Policy Brief on Women's Entrepreneurship (Luxembourg: Publications Office of the European Union, 2017).
10. International Trade Centre, *From Europe to the World: Understanding Challenges for European Businesswomen* (Geneva, ITC, 2019).
11. Financing for Development, Addis Ababa Action Agenda, adopted by 193 countries at the UN Third Conference on Financing for Development in July 2015, para. 90. Available at: www.un.org/esa/ffd/wp-content/uploads/2015/08/AAAA_Outcome.pdf
12. Rueda-Cantuche, Jose Manuel, and Nuno Sousa, *Are EU Exports Gender Blind?* DG TRADE, Chief Economist Note, European Commission, 2017 Available at http://trade.ec.europa.eu/doclib/docs/2017/june/tradoc_155632.pdf; and Rueda-Cantuche, Jose Manuel, Zornitsa Kutlina-Dimitrova and Nuno Sousa, *Female participation in EU exporting activities: jobs and wages*, DG TRADE Chief Economist Note, European Commission, 2019. Available at: https://trade.ec.europa.eu/doclib/docs/2019/september/tradoc_158372.pdf
13. According to Kutlina-Dimitrova, Zornitsa, Jose Manuel Rueda-Cantuche, Antonio Amores and M. Victoria Román, *How important are EU exports for jobs in the EU?*, DG TRADE Chief Economist Note, European Commission, 2018, in the EU export-supported jobs are on average 12 per cent better paid than other jobs.
14. European Commission, Chief Economist Note: Female participation in EU exporting activities: jobs and wages, 2019. Available at: https://trade.ec.europa.eu/doclib/docs/2019/september/tradoc_158372.pdf
15. ILO, *Women and Men in the Informal Economy; A Statistical Picture*, 3rd ed. (Geneva, 2018).
16. ILO (2018). Women and men in the informal economy: A statistical picture. Third edition.
17. OECD, Gender in Global Value Chains. How does trade affect male and female employment? (Fabienne Fortanier and Guannan Miao, Statistics and Data Directorate, 2018), available at: www.oecd.org/sdd/its/Women-in-GVCs.pdf
18. Braunstein, E., "The gender dynamics of inclusion and exclusion: a macro perspective on employment", Chapter IV in: UNCTAD, *Trade and Development Report 2017* (Geneva, UNCTAD, 2017).
19. ILO, *Women at Work: Trends 2016* (Geneva, 2016).
20. UNCTAD. Gender and Trade. Available at: <https://unctad.org/en/Pages/DITC/Gender-and-Trade.aspx>
21. Kucera, D. and W. Millberg, Gender Segregation and Gender Bias in Manufacturing Trade Expansion: Revisiting the "Wood Asymmetry", *World Development*, vol. 28, No. 7 (2000), pp. 1191–1210.
22. Bussolo, M. and De Hoyos, R.E. (2009). *Gender Aspects of the Trade and Poverty Nexus: A Macro-Micro Approach*, Washington, DC, Palgrave Macmillan and the World Bank. <https://openknowledge.worldbank.org/handle/10986/13264>
23. ILO; Gallup, *Towards a better future for women and work: Voices of women and men* (Geneva, ILO, 2017).
24. ILO, *A Quantum Leap for Gender Equality. For a Better Future of Work for All* (Geneva, ILO, 2019).

25. Larouche-Maltais, Alexandre, and Barbara MacLaren, *Making Gender-Responsive Free Trade Agreements* (Ottawa, The Conference Board of Canada, 2019, p. 24).
26. ILO, *Care Work and Care Jobs for the Future of Decent Work* (Geneva, ILO, 2018).
27. Eurostat, 2014, as cited in UN Women, *Progress of the World's Women 2015–2016*, Ch. 2 p. 84.
28. European Parliament, *Women's Entrepreneurship: closing the gender gap in access to financial and other services and in social entrepreneurship*, 2015. Available at: [www.europarl.europa.eu/RegData/etudes/STUD/2015/519230/IPOL_STU\(2015\)519230_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2015/519230/IPOL_STU(2015)519230_EN.pdf)
29. ILO, *Care Work and Care Jobs for the Future of Decent Work* (Geneva, ILO, 2018).
30. UNCTAD (2019). *Making Trade Policies Gender-Responsive*, Data requirements, methodological developments and challenges. Available at: https://unctad.org/en/PublicationsLibrary/ditc2019d1_en.pdf
31. Ibid.
32. *Global Entrepreneurship Monitor 2018/2019 Global Report*. Available at: www.gemconsortium.org/report
33. Boston Consulting Group, *Want to Boost the Global Economy by 5 trillion? Support women as entrepreneurs*. July 2019. Available at: www.bcg.com/publications/2019/boost-global-economy-5-trillion-dollar-support-women-entrepreneurs.aspx
34. Elizabeth A. Vazquez & Andrew J. Sherman, *Buying for Impact – How to Buy from Women and Change Our World*. 2013, p. 43. See: weconnectinternational.org/en/media-news/press-releases/weconnect-releases-new-book-titled-buying-for-impact-how-to-buy-from-women-and-change-our-world
35. Anna Falth, *Gender Equality: the missing link in the supply chain*. The Procurement Magazine, number 3/ 2019. August 2019, pp 4-5 Available at: <https://www.theprocurment.it/magazine-the-procurement/donne-e-procurement/>
36. Eurostat, *Self-employment by sex, age and economic activity (from 2008 onwards, NACE Rev. 2) - 1 000*. Available at: http://appsso.eurostat.ec.europa.eu/nui/show.do?dataset=lfsq_esgan2&lang=en
37. See recent UNCTAD studies. Available at: <https://unctad.org/en/Pages/DITC/Gender-and-Trade.aspx>
38. Beckton, Claire, Janice McDonald and Maud Marquis-Bissonnette, *Everywhere, Every Day Innovating*. The Beacon Agency, 2018, p. 5.
39. OECD and European Commission, *Policy Brief on Women's Entrepreneurship* (Luxembourg: Publications Office of the European Union, 2017).
40. International Trade Centre, *From Europe to the World: Understanding Challenges for European Businesswomen* (Geneva, ITC, 2019).
41. International Trade Centre, *From Europe to the World: Understanding Challenges for European Businesswomen* (Geneva, ITC, 2019).
42. International Trade Centre, *Unlocking Markets for Women to Trade* (Geneva, ITC, 2015).
43. UNCTAD, *Borderline: Women in informal cross-border trade in Malawi, the United Republic of Tanzania and Zambia* (Geneva, UN, 2019).
44. Larouche-Maltais, Alexandre, and Barbara MacLaren, *Making Gender-Responsive Free Trade Agreements* (Ottawa, The Conference Board of Canada, 2019, p. 5).
45. José-Antonio Monteiro (2018) *Gender-related provisions in Regional Trade Agreements*. Available here: https://www.wto.org/english/res_e/reser_e/ersd201815_e.htm
46. Ibid.; ILO, *Free Trade Agreements and Labour Rights*. Available at: <https://www.ilo.org/global/standards/information-resources-and-publications/free-trade-agreements-and-labour-rights/lang-en/index.htm>
47. European Parliament, *Motion for a European Parliament Resolution on gender equality in EU trade agreements*, 2018. Available at: www.europarl.europa.eu/doceo/document/A-8-2018-0023_EN.html?redirect
48. What is GBA+?. *Women and Gender Equality – Government of Canada*. Available at: <https://cfc-swc.gc.ca/gba-accs/index-en.html>
49. Evidence and Data for Gender Equality (EDGE), *Methodology: Measuring entrepreneurship from a gender perspective*. Available at <https://unstats.un.org/edge/methodology/entrepreneurship/>
50. Statistics Finland, *Gender equality and income distribution in foreign trade – globalization is a manly thing*, 2019. Available at: www.stat.fi/tietotrendit/artikkelit/2019/gender-equality-and-income-distribution-in-foreign-trade-globalization-is-a-manly-thing/.
51. Larouche-Maltais, Alexandre, and Barbara MacLaren, *Making Gender-Responsive Free Trade Agreements* (Ottawa, The Conference Board of Canada, 2019, p. 18).
52. Canada is exploring a free trade agreement with Mercosur Countries: Argentina, Brazil, Paraguay, Uruguay. More information available here: <https://www.international.gc.ca/trade-commerce/trade-agreements-accords-commerciaux/agr-acc/mercosur/index.aspx?lang=eng>
53. Summary of Initial GBA+ for Canada-Mercosur FTA Negotiations. Global Affairs Canada. Available at : https://www.international.gc.ca/trade-commerce/gender_equality-egalite_genres/gba_plus_summary-accs_plus_resume.aspx?lang=eng
54. *Leading the world on GBA+ of trade policy*. Global Affairs Canada. Available at; https://www.international.gc.ca/gac-amc/publications/blueprint_2020-objectif_2020/leading_world_gba_trade_policy-devenir_chefs_file_acs_politique_commerciale.aspx?lang=eng



Funded by the European Union



 **weempower**

 EmpowerWomen.org

 we.empower@unwomen.org

 [@EmpWomen](https://www.facebook.com/EmpWomen)

 [@Empower_Women](https://twitter.com/Empower_Women)