

3.1 Current trends in women's participation in the economy and trade

Women's economic empowerment has gained momentum and become a global trend in recent years. Gender equality sits at the intersection of many international issues, negotiations and policies including climate change, labour, trade and the COVID-19 pandemic. Each of these include a gender perspective, as women are at the centre of countries' economic and social lives.

Economic trends clearly point toward the importance of integrating women into national economies, as the greater women's involvement, the greater the national economic growth. In fact, increasing women's participation in the labour market to the same level as men's would raise countries' GDP to 34 per cent in some cases. Investing in women and integrating them into the economy positively impacts job creation, economic diversification, innovation, entrepreneurship, poverty reduction and development.

In terms of job creation, women entrepreneurs are job-creators for themselves and others. There is a tendency for businesswomen to employ other women. In South Asia, East Africa and Latin America, 57 per cent of workers employed by women-owned micro-companies are female (WTO regional surveys South Asia, East Africa and Latin America 2019-20). A similar story plays out in country-level economic diversification: women tend to be more involved in services sectors, broadly growing these industries and fostering diversification. Certain countries, for example the Kingdom of Saudi Arabia, are beginning to include women's economic empowerment in their economic diversification strategies, recognising women's key role in the economy (Vision 2030).

When trained in new technologies, women entrepreneurs are more likely to integrate these technologies into their businesses than their male

counterparts, fostering innovation. Simultaneously, women entrepreneurs are also using ancestral knowledge on medicine to develop innovative

3.2 The role of trade policies in empowering women

Behind these statistics, trade policy and trade agreements play a key role in fostering such employment for women as well as in addressing working conditions issues. Trade policy can create opportunities for women to enter the workforce. In the last decades, WTO members have designed gender-responsive trade policies that promote women's employment, aimed at supporting economic growth and development or filling workforce

They have now decided to go further and take action with the Declaration on Trade and Gender Equality, which more than 124 WTO members will launch at MC12. This is the first formal joint ministerial declaration fully devoted to supporting gender equality and to be adopted by the WTO. It focuses on four key areas that are fundamental to advancing gender equality:

1. Data collection: Members commit to act on developing and improving gender-disaggregated data collection.
2. Policy making: Using research findings to inform gender-responsive trade policies and promote female leadership in trade
3. Integrating gender issues in the work of the WTO. Members will first explore and analyse options.
4. Mainstreaming gender in Aid for Trade

The Declaration will provide members with a concrete pathway for implementation. To carry out these action points, members will design a concrete work plan. The Declaration will also further institutionalize gender in the WTO through a periodic reporting process to the General Council and WTO Ministers at the 13th Ministerial Conference. Through the Declaration, WTO members have also integrated on-the-ground realities into their work on trade and gender equality. Members will continue reviewing how COVID-19 impacts women to build inclusive recovery and strengthen women's economic resilience. Data collection is identified as a key tool in this respect.

The WTO Secretariat is also playing a role and actively supports members in their work on trade and gender. It has created a specialized unit dedicated to working on trade and gender. It has launched several initiatives, such as the WTO Gender Research Hub, a network of 40 experts aiming to foster research on this topic and to support WTO members' work, as research can be a powerful tool for governments to use when designing gender-responsive trade policies. The WTO Secretariat also supports members by offering a dedicated training programme on trade and gender, collecting data and providing them with a set of eight trade and gender policy tools to help them integrate gender in their programmes and policies. One of these tools is a comprehensive database detailing and categorizing all the gender provisions included in all trade agreements adopted by WTO members. Overall all trade agreements adopted

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of all gender-sensitive measures taken globally to mitigate the impact of COVID-19 on women support their economic security (UNDP COVID-19 Global Gender Response Tracker). Actually, women entrepreneurs were *de facto* excluded from most financial recovery packages, because of requirements that women could not fulfil.

The existing trade policies described above can help women overcome these obstacles but gender mainstreaming in trade policies is not systematic, often because government lack data on where women are in trade. Sex-disaggregated data in general are lacking, but when it comes to trade, data are quasi-inexistent. The lack of trained statisticians or of resources to conduct such extensive data collection explains, among other factors, the data gap. Hence the importance of inter-ministerial and inter-agency collaboration.

In fact, the issue is simply not integrated in the statistics package. Even for countries that do collect sex-disaggregated data, they often do not have data on labour market and entrepreneurship. Statistical analysis of trade as a branch of economic activity in national surveys often does not clearly distinguish between foreign trade and domestic trade, or retail. Moreover, there is a low level of responsiveness from women entrepreneurs when governments organize consultations to collect data and information, out of fear of being additionally taxed or of having their trade secrets revealed. Distrust in government can

also be a strong disincentive. Furthermore, many women work and run their businesses in the informal sector, and data are therefore harder to capture.

This issue has been discussed in the WTO, and members have exchanged data collection methods in the Informal Working Group on Trade and Gender and have committed to improve data collection, as described in the new Declaration on Trade and Gender Equality to be adopted at MC12. Among other policy tools, the WTO has developed a data collection questionnaire for government to use as guidance in this matter and it has incorporated this issue in its trainings on trade and gender for government officials.

Gender inequalities are still rampant, and the COVID-19 pandemic has widened these existing gaps between men and women, to a point that in today's world, women are set backwards economically and socially compared to pre-pandemic. This is why it is crucial to mainstream gender in trade policies. Gender mainstreaming makes them respond more effectively to the roles and needs of women. It seeks to improve the daily condition of women by addressing practical gender issues and needs. It can also lead to positively transforming the social position of women and how they are valued in society. This is crucial as women's economic empowerment is a key driver of economic growth and sustainable development, one of the WTO's objectives.

Endnote

- 1 See <https://docs.wto.org/dol2fe/Pages/SS/directdoc.aspx?filename=q:/INF/TGE/R1.pdf&Open=True>.