



INTEGRATING GENDER EQUALITY INTO TRADE OPERATIONS

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INTRODUCTION

This Technical Guidance Note (TGN) is part of a series of documents on integrating gender equality into the sector operations of Caribbean Development Bank (CDB). The Notes identify key issues which lead to, and reinforce gender inequality, and propose possible solutions for addressing them.

The TGNs fall within CDB's strategic objectives of supporting inclusive and sustainable growth and development and good governance, both internally and among its Borrowing Member Countries (BMCs).

This specific TGN focuses on Trade Operations. Classical trade theory suggests that countries benefit from trading goods in which they have a "comparative advantage". Today there are both challenges and opportunities posed by trade liberalisation and globalisation. These global policies also have gender implications. The manner and the degree to which women and men are affected by trade liberalisation depends on a number of factors, such as education, profession, location, sector of employment or business. Relevant data is needed to determine the negative effects and how they can be addressed.

This guidance note focuses on how CDB's trade programming can enhance opportunities for Caribbean women and men to compete globally and export goods and services to benefit from trade liberalisation. It also explores what steps can be taken to mitigate the negative impacts of these global policies.



KEY GENDER EQUALITY ISSUES IN TRADE OPERATIONS

1

Women-owned businesses face challenges in responding to the need to expand their operations.

Women who own micro, small and medium-sized enterprises (MSMEs) often play the dual role of business operator and primary caregiver for both their immediate and extended families. This places a disproportionate time burden upon women, which can impede their capacity to expand their businesses and to move into export markets.

2

Women-owned and managed businesses are less innovative than firms managed by men due to multiple reasons.

Recent research indicates that companies managed by women are less innovative than those headed by men. Also, women-led businesses are not as engaged in international trade, either as importers or exporters. Reasons include time burdens due to reconciling productive and reproductive work, risk aversion due to reproductive roles, less access to finance.

3

Trade liberalisation can have a negative impact on female workers and consumers.

While trade liberalisation has had some positive outcomes for poor households and in particular, poor women, it also provides challenges for this very same demographic. Access to cheaper food imports may negatively affect the earning potential of households involved in agriculture and in the agro-processing industry. The introduction of new technologies may allow for women to get involved in new, higher skilled and better paying jobs, but poor unskilled women with no access to training may find themselves with less opportunity for employment.

4

Current policies and regulations under the CARICOM Single Market and Economy (CSME) may constrain some women from benefitting from economic opportunities.

Though research shows that more women than men have acquired CSME Skills Certificates in some Caribbean Community (CARICOM) countries, the data also shows that more men have access to the OECS Skill Certificates. CSME-harmonised export standards benefit larger firms which tend to be owned by men. Conversely, the current standards appear to limit trade opportunities for smaller women-owned firms. Also, anecdotal evidence suggests that women engaged in informal trading activities as hagglers, hucksters and agricultural traffickers are sometimes subjected to harassment at the relevant air or sea ports when they travel to other member states. The CARICOM Contingency Rights Protocol is not yet operational and a lack of access to social services such as education and health care can pose a challenge for individuals and families that relocate to other member states.

SOLUTIONS FOR INTEGRATING GENDER EQUALITY INTO TRADE OPERATIONS

Women-owned businesses face challenges in responding to the need to expand their operations.

BMCs need to initiate policy dialogue to ensure there is gender mainstreaming in national sectoral strategies for developing trade in professional services, agro-processing and creative industries. Government agencies should help to identify specific trade opportunities for women-dominated sectors and provide assistance for women-owned businesses through an export support fund to diversify products for export. The provision of care for dependents (children and the elderly) should be promoted as a business opportunity, which would result in allowing female business owners more time to focus on expanding their operations. There should be greater sharing of lessons learned by female exporters.

Women-owned and managed businesses are less innovative than firms managed by men for multiple reasons.

Regional governments need to link with Caribbean Export and national coalitions of service industries to back women in export sectors through training, mentorships and access to expert advisors. Local female business champions in the export and innovative sectors need to be given a context within which to share lessons and experiences with other women in business. More data on women-owned firms is needed to refine policies and programmes which help women become export-ready. Training in Information and Communications Technology (ICT) should also be provided for women business owners. There should be policy dialogue and collaboration with national and regional organisations, including COMPETE Caribbean, to leverage donor resources to support research and programmes specifically for women-owned companies. In addition, affordable care support for women-owned businesses might free up time that is lacking in expanding businesses.

Trade liberalisation can have a negative impact on female workers and consumers.

BMCs need to ensure their national plans analyse the impact of trade on women and men, especially low-income groups. These national plans should also be gender-responsive in order to attract and develop new industries in growth sectors and to identify the skills required in these areas. In particular, CARICOM markets should be explored for opportunities that would enable businesses owned by women to expand their operations. Skills training and upgrading programmes for low-skilled women need to be provided, especially in growth industries, for example medical tourism, niche tourism, call centres etc.

Current policies and regulations under the CARICOM Single Market and Economy (CSME) may constrain some women from benefitting from economic opportunities.

More studies need to be conducted to help BMCs understand the impact of the movement and economic activity of female traders in the Region on GDP and employment. The research should explore what can be done to support participation of women's businesses in regional trade. Governments also need to research whether free movement is gender-biased against accompanying family members. Policy dialogue is then required with the relevant ministries to develop strategies which support free movement of women traders. In addition, stories about successful initiatives should be documented.

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