

The Engendering of Trade for Development: An Overview

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Background Issues

Trade has loomed so large on the development policy horizon, particularly since the Uruguay Round of Multilateral Trade Negotiations (MTNs), that there has been a general tendency to link every conceivable development issue with it. Gender is the latest to make its debut. As can be expected in these early days of 'engendering trade', sceptics ask whether its proponents are not forcing the connection. A gendered perspective of development is seen as a difficult enough task; but to stretch that to the realm of trade is considered a greater challenge. While not sharing this scepticism, it is to be acknowledged that the trade and gender area is a relative terra incognita, a rich seam of the development and globalization problematique, waiting to be mined.

A number of questions have been raised. Is it possible to relate an issue like gender welfare, which is essentially about social, economic and political relations, as well as cultural ethos in developing countries, to a seemingly exogenous, global and largely market-related phenomenon. How would one disaggregate the cause and effect aspects of the trade and gender equations – as between men and women, between one developing country and another, and between the respective areas and instruments of trade and development policies at national and international levels? Can we convincingly refract our evolving analysis on the trade, growth, poverty and development nexus through the prism of gender? Perhaps, the most elusive goal would be to suggest ways to embed gender positivism into the international trading system as part of the overall efforts towards development positivism.

Trying to find answers to these questions and issues is part of our quest for insights on what we consider to be a central aspect of UNCTAD's *raison d'être* – promoting a holistic vision of trade for development. There is clear, empirical and anecdotal evidence to substantiate the case for a gendered treatment of international trade issues to accelerate economic growth and sustainable development of developing countries. The starting point is to look at women's role in development and how it connects to trade. Their primary responsibility for social reproduction, as caretakers of families and communities, and as purveyors of food and essential services gives them a crucial role in development, and creates its own interface with trade. On the other hand, their growing role in the production of goods and services for the national economy, which is increasingly being sucked into the global economy through trading, is important and makes them active, and not passive, players in the trade and development theatre. The other element that makes trade a live factor in gender equity and development is that the MTNs and regional trade arrangements (RTAs) have gone into "within the border issues" of development policy choices. Hence, every major move in the trading system can have direct or indirect implications for gender welfare, equity and development.

UNCTAD's Mandate and Mission

Ever since the first World Conference on Women (WCW) in Mexico City in 1975, the UN has been in the forefront of mainstreaming gender all across the development continuum. Subsequent WCWs in Nairobi (1985), Copenhagen (1990) and Beijing (1995), and the UN General Assembly Special Session – Beijing +5 and New York (2002) are testimonies to the UN's global commitment to gender. In 2002, UNCTAD was designated as the UN system focal point to lead the Inter-Agency Task Force on Gender and Trade, which was officially launched on July 17, 2003 at its inaugural meeting in Geneva to create stronger inter-agency cooperation to strengthen thinking and action on how to make trade work for gender equity and the well being of women in the context of promoting development.

UNCTAD's mandate to deal with trade and development issues in an integrated manner demands that gender equality, a core development issue and objective in its own right, should inform its work. It is also related to UNCTAD's role in helping the international community achieve Millennium Development Goals (MDGs) and put into practice the principles and values set out in the Millennium Summit Declaration. In particular, the Declaration indicates a resolve “to promote gender equality and the empowerment of women as an effective basis to combat poverty, hunger and disease and to stimulate development that is truly sustainable.” On the other hand, it indicates a commitment to “an open, equitable, rule-based, predictable and non-discriminatory multilateral trading and financial system”. UNCTAD's trade and gender work will seek to illuminate how these two commitments are related and may best be implemented.

It is also important to recall the value and principle of Solidarity in the Millennium Declaration that needs to be integrated into considerations of trade and gender. The principle states that “global challenges must be managed in a way that distributes the costs and burdens fairly in accordance with basic principles of equality and social justice. Those who suffer, or who benefit least, deserve help from those who benefit most.” This further underlies the compelling need for development solidarity across the globe. Developing countries need to show gender solidarity in terms of how they manage trade and development policies nationally. Developed countries have to take into account gender equity issues as part of their own trade and development solidarity policy towards developing and least developed countries. Since trade is a key policy instrument for the attainment of other general goals, such as poverty reduction and sustainable development, clearly the definition of trade policies, the multilateral trade framework and negotiations, and the evolution of the international trading system have implications for the relationship between trade, development and gender equity. This implies that a holistic assessment of their impact on economies and societies must give due weightage to the gender dimension.

The Division of International Trade in Goods and Services and Commodities of UNCTAD, as part of the organization's new challenge of mainstreaming gender in a pro-active way, has undertaken internal sensitisation, and necessary research processes have been initiated to introduce the gender dimension into the different trade and development issues addressed. The Bangkok Plan of Action adopted at the UNCTAD X Conference makes references to the gender dimension of UNCTAD's work. The UNCTAD XI Conference agenda of ensuring coherence between national development

strategies and global economic processes to promote the development of all countries, particularly developing countries, as well as sub-theme III, related to assuring development gains from the international trading system and trade negotiations, could also be the basis for gender mainstreaming.

UNCTAD's role in the follow-up of Global Conferences and implementation of the mandates from the different milestones in the UN system, such as for instance, the World Summit on Sustainable Development (WSSD) or the Monterrey Agreement, integrating the key role of women in the definition of new strategies, policies and programmes is particularly important. Targeting women as the population to empower, when looking for new patterns of sustainable production and consumption might be a way to make more effective the strategies put forward to reach the goals of the Johannesburg Plan of Implementation. Similarly, the effective follow up of the Least Developed Countries (LDC) III Conference in Brussels and implementation of the Brussels Programme of Action will be incomplete without addressing the gender aspects of the poverty reduction strategies and targeting trade-related commitments made by other partners vis-à-vis LDCs.

Trade, Gender, Poverty and Sustainable Development

In keeping with its mandate of bringing out the human, equity and ethical aspects of the trade and development paradigm, the work of UNCTAD on trade and poverty is contributing to resolving fundamental, moral and humanitarian challenges of the century. Since poverty has both a cause and an effect relationship with gender equity, attention to reducing the gender gap will pave the way towards the attainment of the associated MDGs. In more ways than one, the world's fight against poverty has to begin with women, and their growing contribution to productive sectors. Similarly, women as the custodians and daily managers of natural resources have a vital contribution to make towards sustainable development. The way they integrate with their natural environment and use natural resources, as for example, water, fuel and forests, could promote or hinder the harmony of development strategies with environmental sustainability. Women, who are sensitized about the delicate and necessary balance between human beings and their environment, would need to be supported through an appropriate framing of trade issues that would encourage more sustainable patterns of production and consumption. There is therefore a three-way win when we positively address trade and gender issues – a win for poverty reduction, a win for sustainable development, and a win for a more humane, equitable and ethical global economy and society.

Key Issues in Engendering Trade and Development

Women are making a fundamental contribution to the national economy through their involvement in family welfare, household income, wealth creation and employment, and their contribution to education and health - all key economic and social indicators. Gender equity would foster economic development and poverty reduction and be in turn be nurtured by them. The participation of women in different aspects of international trade-related activities and transactions and its outcomes is crucial for determining whether trade is indeed acting as an engine for development. Hence, a gender-sensitive analysis of trade and development issues should be attempted based on the following propositions:

- International trade in commodities, manufactures, services and technologies and the cascading effects of globalization and financial flows do not in theory discriminate on a gender basis. But, in practice, they affect women differentially, because of inherent power relations in the world. Gender differences affect supply responses, resource allocation within households and societies, as well as labour productivity. They determine access to ownership and distribution of productive resources – land, financial resources, information and education, and physical and social infrastructure. The ability to garner an increasing share of the benefits of trade and investment-led globalisation is also affected.
- Gender asymmetry in benefiting from international trade and globalization is largely on account of the asymmetry of gains between developed and developing countries. Often, the marginalisation of many developing and least developed countries, as well as the poor and women, from world prosperity and expanding markets go together. Gender considerations in shaping the operations and shaping of the international trading system should therefore be yoked to better global governance. Only then can gender equity be genuinely addressed.
- Women interact with and are impacted upon by international trade in their capacity as workers - whether rural or urban, as producers and buyers, and as consumers of goods and services. It is possible that some aspects of international trade may be positive for them, as for example as managers of households, but not as entrepreneurs. As managers of households, cheaper imports would imply lower consumer prices but for women entrepreneurs in the domestic or foreign markets, from well-resourced foreign competition could pose a threat. Sometimes, rural women may be hit by some trade-related measures, while their urban sisters may well profit. For example, when imported, sometimes even subsidized, products substitute rural produces in domestic urban markets, it would imply loss of demand, markets and income for rural women while urban women may benefit in terms of more consumer choices, higher quality and /or price.
- International trade could increase women's incomes, productivity, returns and employment opportunities, provide competitively priced goods and a choice of quality foodstuffs, consumer goods and services. It could also present new and exciting avenues for harnessing their talents and entrepreneurial spirit, reducing poverty levels, workload disparities and wage gaps, and improving the adequacy of infrastructure. There could be a plausible positive sum relationship. Anecdotal evidence indicates that in some sectors of production and trade, there has been a positive composition effect - feminisation of labour, as well as a compensation effect – higher wages and incomes, thereby helping raise the economic and social status of women. Higher visibility and better ability to organize opens up new avenues of political empowerment for women involved in production and trading activities.
- On the other hand, there are processes of trade liberalisation and consequent structural adjustment in developing countries, and trade-related policies of other countries at the national and international levels, that may result in production and employment displacement effects. Revenue losses could involve closure of social service schemes targeted at women and the poorer sections of society. They could exacerbate inequalities and poverty, impose hardships, result in loss of income and employment, and lower the purchasing power of women. As usual, under-capitalised entrepreneurs and lower skilled workers, and women

face great difficulties in competing with larger and well-resourced foreign enterprises, and their new technologies and sophisticated products and sectors.

- Given that there are examples of both positive and negative sum impact – direct or indirect – of trade policies on gender, it is important to develop analytical tools, which would stress the identification and deeper understanding of gender-sensitive sectors and transmission mechanisms of international trade. In the areas where there are clear gains to be made in increasing the participation of women in international trade or where there are tangible effects on women's lives, there is a positive gender agenda to be pursued in the international trading system. Trade may, on the other hand, exact a higher cost from women in various ways. Where women's interests and needs have to be protected and addressed in the context of globalisation and trade policy-making, there is a defensive and supportive agenda to be elaborated and implemented.
- The synergies between national and international strategies and rules, between trade, monetary, finance and development policies, and between relevant institutions and actors, both public and private, is an imperative, to ensure a successful trade, development and gender interface. Sometimes, this synergy may benefit women through development gains and poverty reduction. In other cases, these may need to be specifically targeted because gender-neutral approaches could give rise to gender unequal outcomes. A range of policies and measures at macro and micro levels taken nationally and internationally could include specific affirmative actions, compensatory and support mechanisms and relevant flanking measures.
- The welcome trend towards feminisation of many sectors of international production and trade has basically had a favourable economic and social impact. Women working in trade-related industries generally get better terms and working conditions as compared to purely domestic sector activities. Nevertheless, one has to examine this phenomenon carefully in relation to the motivation, and ensure that issues of gender equity do not get compromised. Thus, for example, in many sectors it has been found that women are increasingly hired because of employer preference for women workers, who are seen as more docile, non-unionized, and willing to accept lower wages as compared to men. It is part of a move towards more flexible labour markets, and casualization of labour. There is therefore a need to ensure that feminisation of trade-related productive sectors should not perpetuate existing gender asymmetries, but in fact lead to a net improvement in their conditions and terms of work and gender equity.
- The Special and Differential (S&D) treatment for developing countries is an integral part of the WTO system. It is important that gender considerations and concerns be mainstreamed in whatever treatment is provided to developing countries, including through preferential market access and safeguards for development purposes, exceptions, extensions, exemptions, transition periods, favourable thresholds, as well as by providing comprehensive technical assistance (TA) and capacity-building programmes in developing countries. Since the Doha Ministerial Declaration provides for making the S&D treatment provisions more precise, effective and operational, this exercise should be informed by gender equity considerations.

Women in Agriculture and Commodities

In a vast majority of the 43 commodity-dependent developing countries (FAO, 2002), the overarching burden for development is borne by the commodity sectors. 70% of the world's poor are women, and there are many female-headed households (Mannan, 2001). Women in developing countries constitute 50% of the agriculture work force, and produce 60-80% of food crops (Obando, 2004). 53% of women are active in economic sectors (Obando, 2004), namely, production, processing, packaging, labelling, marketing and sales of food and other agricultural products and horticulture, floriculture, fisheries, dairy and forestry products, in most developing and least-developed countries.

In the minerals and metals mining sector, women play a significant role in small-scale mining, comprising up to 50% of the work force (Jennings, 1999), and this is in inverse proportion to the scale of the operations. Of the world's 13 million small-scale mine workers, about 4 million are women (ILO, 1999a) and a further 1.5 to 2 million could be involved indirectly (ILO, 1999b). The percentage of women employment in this area varies widely both by country - 5% in Malaysia, 30% in India, 30% in Tanzania and 50% in Zimbabwe; and by region, 10-20% throughout Latin America, 60% or more in much of the African region and less than 10% in Asia (ILO, 1999b). The involvement of women is in the extraction, processing, sorting, packaging, trading and provision of services. Most women are engaged in gold, gems, diamonds, and other types of precious and easily extractable minerals sectors and participate as miners, entrepreneurs, and traders. Interestingly, since this is essentially a rural activity, it enables rural women to have alternate sources of employment and income without having to move to urban areas. However, most of the participation, as in the case of agriculture in most countries, is at subsistence level though small-scale mining accounts for 15-20% of world mineral production.

All the problems of commodity sector development and trade that developing countries, especially commodity-dependent ones and LDCs face, are visited upon women. There is a direct connection, for example, between the lowest ever proportion of farm-gate prices, value retention and value chain participation by developing country producers, and declining terms of trade on the one hand, and the condition of women on the other. So, any improvement of the situation and ameliorative measures, whether market-based or governmental, whether trade-related or aid-related, taken at the international and national levels, would have a beneficial gender impact on commodity producing and exporting developing countries. In the context of trade negotiations, women agriculture producers in many developing countries would benefit from reduction and removal of agricultural subsidies by developed countries, so that they are able to compete fairly in international markets, whilst being able to receive sustainable producer prices. In net-food importing developing countries, there is of course some likelihood of increasing food prices affecting women as consumers in those countries and hence, there is need to have adjustment support mechanism to ensure their food security.

Trade in Manufactures and Gender

It has been estimated that developing country participation in world exports of manufactures stood at 41%, while manufactures represented about 64% of total developing country exports in 2001 (UNCTAD, 2003b). Women play a significant role

in production and trade in manufactures in many developing countries in areas ranging from micro- and small-scale activities to large assembly line operations; from handicrafts, toys and food processing to pharmaceuticals, electronics, telecommunications and computer hardware. But, the textiles and clothing sector is unquestionably one of the most gender sensitive as well as poverty sensitive sectors of production and trade for developing countries.

Cutting across the rural-urban divide, women have been involved in the textiles and clothing sectors of developing country manufactures and exports of textiles. This is also a sector, which continues to be labour intensive, is mostly in the small scale and informal sector, and engages women at all skill levels from upstream to downstream activities. They may, for example, pick cotton, spin yarn, weave fabric, stitch garments, finish and design them, and be involved in marketing and exports. The fashion industry – one of the creative and more lucrative industries – has a pronounced gender accent. Another element, which gives the textile and clothing sector its special gender focus, is the fact that women act as the custodians and preservers of age-old textiles related designs, techniques and a way of life that represents the cultural heritage of different countries and civilizations. Be it khadi or handloom in India, kente in Ghana, traditional cloth in Ethiopia or the axsu of Bolivia, the close linkage between women, textiles and culture is reinforced in the context of their re-emergence as global products.

Textiles is one of the most important sectors where, many developing countries enjoy international competitiveness, and the share of textiles in their export baskets, as well as in the global trade in textiles is considerable. This is despite the fact that the sunset textile industry of developed countries has been protected against developing country exports for over 40 years through quota restrictions imposed under Multi Fibres Agreement (MFA) and Agreement on Textiles and Clothing (ATC). As a result, a special pattern of international production and trade has been established. On January 1, 2005 the discriminatory trade regime will come to an end with the expiration of the ATC, and textiles and clothing will be fully integrated into the normal WTO rules and disciplines. Huge income and welfare gains have been estimated from the event, and it will signify greater opportunity and improved prospects for the welfare of women in developing exporting countries. However, at the same time, the transition into the normal trading system from the previously distorted system will pose a set of challenges for them in countries whose exports were previously subjected to quota restrictions, and those that were exempt from quota restrictions under various schemes. There is also concern that because liberalization for 80% of textiles and clothing imports into developed countries had been left to the very end, there might be a tendency to resort even more to anti-dumping and safeguards.

Women in Services Sector Development and Trade

Women have become prominent in the services sectors of developing countries. The trend is towards increasing the share of services in the GDP of these countries (average almost 55%) and in their trade (17% - World Bank, 2004a), as well as their participation in international trade in services (23% of 1.6 trillion dollars of world exports of services, as against 32% of 6.4 trillion in world merchandise trade in 2002 – World Bank, 2004b). There is a noticeable feminisation of the services sectors, including those involved in international trade, such as agricultural, retailing and distribution, professional, ICT, education, tourism, financial, audiovisual, environmental and telecommunication

services (UNCTAD, 2003a). A new and interesting trend is that of more and more services, particularly software, IT enabled and business processing services being outsourced by developed country enterprises to developing countries. The Indian Business Process Outsourcing (BPO) sector success story, for example, boasts of a high percentage of women in its workforce, in some cases between 50 and 60% (UNCTAD, 2003b). Another area where women seem to have a specific competitive advantage is 'caring services' in its wider sense, including health, child and elderly care, hospitality services, domestic services and personal care services. In the context of privatization and liberalization of essential services, such as water and energy, the issue of universal and affordable access to such essential services is an important priority, particularly from a gender perspective.

Developing countries have stressed the importance of implementing GATS Articles IV and XIX related to increasing the participation of developing countries in international trade in services. They have sought an enhanced multilateral market access commitments from developed country partners in services sectors, in modes and sectors of supply of current and potential export interest to developing countries. In this context, Mode 1 (cross-border trade) and Mode 2 (consumption abroad) have been perceived as of interest, and some developing countries have also used Mode 3 (commercial presence) successfully, it is Mode 4 (movement of natural persons) that has been seen to be of maximum benefit. This is because labour at all skill levels is for most developing countries their unique comparative advantage in international trade in services and it is only through the use of Mode 4 that many developing countries are able to participate in a number of labour-intensive sectors of international trade in services. Mode 4 also has a clear gender specificity in certain sectors.

For the majority of women, Mode 4 provides the only opportunity to obtain remunerative employment with temporary movement to provide services abroad. It has been found to have a net positive effect on the economy and poverty reduction in the home country. There are dramatic examples of how remittances from female domestic service suppliers from Sri Lanka, Bangladesh, and Ethiopia, nurses from Philippines, Jamaica and Malawi, nurses and doctors from India and South Africa, agricultural service suppliers from Mexico and Honduras, and personal care providers from Caribbean and Latin American countries, have substantially improved women's status in their home country and augmented their command over resources. An important area of inquiry is how much of the recorded \$93 billion of annual remittances, mostly from temporary workers, received by developing countries is on account of female temporary services providers (World Bank, 2004c). It can, however, be surmised to be quite substantial, and has an overall beneficial gender, poverty reduction and development impact on developing countries. Enhancing the level and quality of multilateral market access commitments in Mode 4, simplifying procedures and requirements for Mode 4 visas, and facilitating recognition of skill qualifications, will give developing countries, including women therein, meaningful opportunities to participate and derive benefits from the liberalisation of international trade in services.

Gender, Trade and Environment

Certain trade and environment issues have a clear gender dimension. Women play a key role in the production of certain environmentally friendly goods and services, such as organic agricultural products, medicinal herbs and plants, bio-degradable natural

fibres and certain renewable energy products. International trade provides a market outlet for such products and may at times also result in price premiums. However, tariff and non-tariff measures can create problems. The WTO has a role to play in addressing such problems, for example in the context of the Agreement on Technical Barriers to Trade. In some cases, non-tariff barriers could also be addressed in the context of negotiations on environmental goods and services under paragraph 31(iii) of the Doha Ministerial Declaration. It should be noted, however, that using criteria based on non-product related process and production methods (PPMs), to define environmental goods in the context of the WTO negotiations does not seem to be a good approach.

Women also play a key role in certain environmental services, such as recycling. This should be taken into account when considering the impacts of possible liberalization in environmental services in the context of the services negotiations. Further, it is argued that the relationship between trade measures used in certain Multilateral Environmental Agreements (MEAs) and the rules of the multilateral trading system should not lose sight of the fact that trade measures, when deemed necessary, are normally used as part of a wider package that also includes supportive measures, financial and technical assistance and capacity building with a view to reducing adjustment costs to developing countries. In considering this overall balance, attention needs also to be given to gender issues.

Traditional Knowledge

Genetic resources, traditional and community knowledge and expressions of folklore have gained economic value almost as much as patented inventions based on high technology, research and development. For example, according to the WHO, traditional medicine or complementary/alternative medicine serves the health needs of 80% of the world's population in developing countries (WHO, 2002a, 2002b). At the same time, it is becoming commercially viable and popular in the major developed country markets. Several types of biogenetic resources, which have been used traditionally for therapeutic, cosmetic, health care or herbicide purposes, are being widely marketed under different guises in the developed country markets with or without unauthorized patents. Similarly, there are areas of folklore, dance and music, which have been appropriated and commercially exploited without Disclosure, Prior Informed Consent (PIC) and no sharing of the benefits with the communities that were inventors, owners and keepers of this knowledge.

Women in many developing and least developed countries have a strong presence and role in the creation and preservation of traditional knowledge. Their appropriation by developed country actors, often denies women vital economic and trade opportunities, based on their unique and sometimes only comparative advantage. It is therefore clear that the framework for Intellectual Property Rights (IPRs) in Trade-Related Intellectual Property Rights (TRIPS), designed to meet the needs of inventors engaged in high technology R&D, should be extended to the keepers of genetic resources, traditional and community knowledge and expressions of folklore. Women would benefit considerably, if measures are taken nationally to adopt legislation to preserve, protect and promote traditional knowledge. At the international level, IPR protection specifically tailored for traditional knowledge and ensuring Disclosure, Prior Informed Consent and fair Access

and Benefit Sharing – would be good for gender, biodiversity, cultural diversity, as well as trade and development.

Market Access, Market Entry and Competitiveness Issues

It is true that the successive rounds of market access negotiations in MTNs, as also in RTAs, have focused on reduction and elimination of tariffs and some non-tariff barriers such as quotas. There are also a number of schemes (such as Generalized System of Preferences -GSP, African Growth and Opportunity Act - AGOA, Everything But Arms -EBA, etc.) put in place by developed countries for providing preferential market access to developing countries and regions and least developed countries, which need to be strengthened and may even be given a positive gender dimension. There is a continuing need to remove barriers in various sectors, especially those that are gender sensitive and of export interest to developing countries. Tariff escalation and tariff peaks in developed country markets that tend to inhibit the ability of women entrepreneurs to diversify their exports also need to be removed.

However, the more urgent and pervasive problem that developing country exporters, particularly under resourced women exporters, face is the plethora of market entry conditions, both governmental and voluntary, which they find difficult and costly to meet. These include Technical Barriers to Trade (TBT), Sanitary and Phyto-Sanitary Measures (SPS), and a whole host of product and process standards and regulations, complicated and restrictive rules of origin provisions, as well as concentrated and anti-competitive market structures. These conditions become entry barriers, erode the competitiveness of women intensive exports, and tend to block effective market access for gender sensitive sectors of developing countries, such as agriculture, textiles and electronics.

ITC (2001) estimates that 80 percent of internationally traded goods are subject to measures taken by governments for environmental, safety and human health reasons. Voluntary private sector standards, however, constitute an increasing challenge for women producers and exporters from developing countries. Unless these market entry barriers are dealt with in the context of the negotiations, as well as through specific capacity-building and technical cooperation measures and support, it will be difficult to claim that international markets are genuinely open and liberalized for developing country women exporters. Steps also need to be taken to enable developing countries to deal with anti-competitive practices of foreign enterprises in their own markets, and those practices that confront smaller gender-intensive national enterprises in international markets. Such practices include: abuse of dominance of market power or abuse of buyer power; cartelisation, such as market sharing and collusive tendering; and anti-competitive mergers. Developing countries must needs adopt competition policies that give women run enterprises and women as consumers, a fair deal.

Trade-Related Investment Measures, Incentives and Affirmative Action

Performance requirements are stipulations imposed by host country governments on affiliates of foreign corporations to act in ways, which can enhance the benefits of inward flows of Foreign Direct Investment (FDI). In the context of engendering trade-related investment in developing countries, those performance requirements that are permitted under the Trade-Related Investment Measures (TRIMs) Agreement can be

refined and targeted to include gender-friendly provisions. Performance requirements that are amenable to such targeting are export performance, transfer of technology, and training and employment of local nationals. In addition, the investment incentives that developing countries offer to foreign and local investors could also be adapted to promote, for example, increased hiring of women, and more favourable treatment to sourcing from women run enterprises. It must be recalled that such performance requirements have the effect of counteracting in some way the anti-competitive practices that women entrepreneurs and their small and medium enterprises, in particular, face. For example, export requirements could counter market allocation, especially export prohibition and specific market allocations by the foreign investor, and this in turn could protect the smaller women-owned enterprises from the adverse impact of such restrictions. In all these ways, foreign and domestic trade-related investment can be made to do more for gender equity.

Care should be exercised in granting investment incentives to local micro, small and medium firms, especially those owned and operated by women in order to offset exclusions and inequalities of the past. In the U.S., the Pennsylvania Avenue Development Corporation provides an example of a progressive affirmative action programme that affords disadvantaged groups, including women, a fair and meaningful share in the opportunities generated by the development activities of the corporation as per the Pennsylvania Avenue Development Corporation Act of 1972.

TRIPS, Public Health and Women

One of the trade related areas, which has significant implications for serving social equity, including gender equity, is the TRIPS Agreement of the WTO and the way it is interpreted and applied. A major public interest issue is that of affordable access to medicines by the poor to enable developing and least developed countries to deal with public health problems afflicting them, especially those resulting from HIV AIDS, tuberculosis, malaria and other epidemics. At Doha and later through a decision adopted just before the Fifth WTO Ministerial Session in Cancun in September 2003, an attempt was made to put in place a mechanism that would allow developing countries with insufficient or no manufacturing capacity to import generic medicines from supplying countries, under certain conditions. It is hoped that the spirit and substance of the Doha Declaration on the TRIPS Agreement and Public Health will be implemented through easy to use, legally secure and effective mechanisms placed at the disposal of importing developing countries and their ability to use the flexibilities available in the TRIPS Agreement without challenge.

The humanitarian and gender imperatives of striking a TRIPS-public health balance is illustrated by the case of AIDS, especially in Africa. Worldwide, AIDS is killing over 8,200 persons each day in 2003 (UNAIDS, 2003), and there are human consequences for access-to-medicines decisions in Doha, which are of special significance to women as they are two to four times more vulnerable than men to HIV infections. In Africa, the HIV prevalence rate in 2003 was 7.5 to 8.5% (UNAIDS, 2003). Some 58% of adult infections were among women in sub-Saharan Africa; and women accounted for 67% for young persons living with HIV/AIDS in the region as compared to 33% of infected young men between the ages 15 to 24 (UNFPA, 2003). Some 52% of AIDS deaths globally were among women. Women in developing countries suffering from AIDS require anti-retroviral therapy (ARV) that extends the lives of the AIDS-affected and

reduces precious human capital losses; while AZT is needed to stop mother-to-child transmission of the disease; which both of these treatments are essential for women and children in affected countries (WHO, 2000). Given the low capacity of women to purchase patented drugs, which are expensive despite downward revisions of prices, the ability of governments to meet public health emergencies must be supported through compulsory licensing or import of low cost generic medicines that will make all the difference in the fight against AIDS in developing countries.

Incorporating Gender into Development Benchmarks

UNCTAD has identified a number of development benchmarks, which could be used to assess the positive development impact and implications of the international trading system and trade negotiations. These, inter alia, include openness and liberalization, harvesting development gains for developing countries, providing equitable treatment for unequal partners, ensuring policy coherence, serving public interest, and addressing the commodities problematique satisfactorily. In all of these benchmarks, it would be important to insert the gender dimension. For example, while assessing openness of the trading system, gender intensive sectors of developing country export could be given particular attention in terms of calibrating own liberalization by them and enhanced and predictable market access and market entry efforts of developed countries. Similarly, gains from each area of trade negotiations – agriculture or Non-agricultural Market Access (NAMA) could home in on gender gains too. In looking at policy space and S&D treatment, defensive and affirmative measures and policies, highlighting the gender angle need to be identified and implemented, and policy coherence would involve dealing with other policies like financial, fiscal, social security, transfer of technology, small and medium enterprise (SMEs), industrial agriculture and services related policies and measures in the context of national, regional and international development strategies, in a gender-friendly way. An important coherence area relates to assessing levels and costs of obligations that trade agreement impose on women in developing countries, national capacity to meet them, and the adequacy of resources made available by the international community. In the case of the public interest benchmark, the suggestion is that the trading system should be guided by considerations of those public interest issues such as poverty eradication, fighting infection diseases and provision of universal access to essential goods and services which are particularly relevant for women.

Technical assistance and capacity building is of course crucial for operational sing gender welfare concerns of trade policies. Programmes and projects for Technical Cooperation and Capacity-Building will need to be pacifistically targeted according to trade-related areas that they are dealing with, for example helping women producers and exporters understand and equip themselves to cope and comply with SPS measures and TBT requirements in their exports markets.

The issue of engendering trade is in many ways a sensitive one because of its ramifications in terms of development in general, but more specifically human rights, labour standards, distributional issues as between men and women and regions, within countries and between countries, cultural and religious beliefs and values. It is therefore important to put the gendered treatment of trade solidly in the development context rather than risk derailment by bringing in other approaches. Questions have also been raised whether or not the gender issue should be brought into the formal negotiating

processes in the WTO and in regional trade agreements and elsewhere. Our case is that this would not be feasible and desirable, and maybe counterproductive in that it could well be used as conditionality to serve protectionist purposes, with negative impacts both in terms of trade and gender. The approach rather should be to use the insights that we gain on the trade and gender connections in the different areas to strengthen the development rationale and denominator in the international trading system and trade negotiations, both for purposes of enhanced market access for developing countries as well as retention of policy space by them to deal with gender and development concerns. Moreover, promotional tools for gender advancement should be crafted as part of dedicated governmental, corporate and NGO schemes.

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