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RESEARCH PAPERS

6

CONSIDERING GENDER AND THE WTO SERVICES NEGOTIATIONS

This research paper was written by

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SOUTH CENTRE

APRIL 2006

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THE SOUTH CENTRE

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ACRONYMS

COMESA	Common Market for Eastern and Southern Africa
CEDAW	Convention on the Elimination of all Forms of Discrimination Against Women
CASE	Consultation, Assessment, Specific Commitments, Evaluation
CTS	Council for Trade in Services
EPAs	Economic partnership agreements
ESM	Emergency safeguard measures
FDI	Foreign direct investment
GATS	General Agreement on Trade in Services
GDP	Gross domestic product
GNP	Gross national product
GTIA	Gender Trade Impact Assessments
LDCs	Least developed countries
MFN	Most-favoured nation
NAFTA	North America Free Trade Agreement
NGOs	Non-governmental organizations
ODA	Overseas development assistance
RMG	Ready-made garments
RTAs	Regional trade agreements
SMEs	Small-medium sized enterprises
SMMEs	Small-medium micro enterprises
VAT	Value added tax

Organizations

GEM	Global Entrepreneurship Monitor
ILO	International Labour Organization
OECD	Organization for Economic Cooperation and Development
UN	United Nations
UNCTAD	United Nations Conference on Trade and Development
UNIFEM	United Nations Development Fund for Women
WIDE	Women in Development Europe
WTO	World Trade Organization

EXECUTIVE SUMMARY & OUTLINE

The objective of this paper is to raise awareness amongst trade negotiators from developing and least developed countries of the inter-relationship between gender and trade in services issues. The context is the negotiations within the General Agreement on Trade in Services (GATS) under the auspices of the World Trade Organization (WTO). Whilst the purpose of this paper is not to provide specific solutions, key issues are highlighted and suggestions made that require further investigation and discussion in approaching the linkages between gender and GATS. Possible routes forward are captured in the recommendations section of the paper.

The analysis of the paper rests on two factors: the critical role of women in economic and human development; and recognition of gender stereotyping as a determinant in the division of labour both in the workplace and in the home. Notions surrounding 'women's work' and 'men's work' continue to contribute to occupational segregation: women form the bulk of employees in call centres and catering; most architects and engineers are male. Household relations entrust responsibility for the collection of water, childcare, the care of the sick and the elderly, predominantly with women and the girl-child.

Gender biases that contribute to the occupational segregation of women and men also result in the clustering of women in lower skilled jobs at lower pay and with lower status than men. Whilst these latter factors can limit women's capacity to respond to macroeconomic change, it enables those responsible for instigating such change - trade negotiators and policy makers - to help manage change. In managing change, policy makers need to be aware of three things: firstly, women work. Overwhelmingly women work as entrepreneurs and employees in services. Secondly, working women rely on services to enable them to work: equitable access to financial services is key for women entrepreneurs; transport and childcare services are critical to all. Thirdly, in the management of change, policy makers, the international financial institutions, United Nations and suppliers of (re)training services, technical assistance and trade-related capacity building programmes must consider the needs of the target audience, including women. This can include issues such as when and where courses take place, the choice of instructor/facilitator and the composition of groups.

Managing the impact of trade liberalisation on women is important if national policy objectives, including those set out in the preamble of the Marrakesh Agreements Establishing the WTO, are to be achieved: "Trade should be conducted with a view to raising standards of living (and) ensuring full employment..." This is reiterated in the WTO Ministerial Declaration adopted in Doha. "We recognise the need for *all* our peoples to benefit from the increased opportunities and welfare gains that the multilateral trading system generates" (emphasis added). This is echoed in the Millennium Development Goals (MDGs), especially goal 3 that specifically aims to promote gender equality and empower women and in concomitant obligations under the Convention on the Elimination of All Forms of Discrimination Against Women.

As a starting point, in order to successfully locate women and men within the services sector, this paper sets out a CASE approach (Consultation, Assessment, Specific commitments, Evaluation) as a toolkit by which trade negotiators can strengthen their negotiating position, through a more comprehensive understanding of the economic and social demographics within the services sectors in their respective countries. Recommendations are provided that could be introduced to assist women who typically comprise 70 per cent of the services workforce to better contribute to and benefit from, economic growth and development.

I. THE ROLE OF GOVERNMENT IN REALIZING THE OBJECTIVES OF TRADE POLICY IN THE CONTEXT OF GENDER, GROWTH AND DEVELOPMENT

Trade officials approach WTO negotiations in the hope that they can be successful in securing an outcome such that the benefits of trade liberalisation will flow to their country. This does not address which groups within the country will benefit from trade liberalisation, and how the benefits of trade are distributed amongst individuals within and between groups. As the crux of the market mechanism is to cut to the core of economic efficiency, it neither differentiates between these groups nor corrects biases within a group.

The role of government, in this context, is to temper the outcome of the market mechanism by influencing, through trade and other policies, which groups within the country benefit from trade liberalisation and how the overall benefits are distributed. In considering the role trade policy should play in fulfilling national development objectives, development must be the starting point in a consideration of approaches to trade liberalisation.

With development ostensibly as the cornerstone of the Doha Declaration, desired outcomes will be measured both in terms of economic development and human development. The relatively recent focus on these dual aspects is enshrined in the Millennium Development Goals. In order to reach the desired economic and social outcomes, negotiating positions must be backed by good information and weighed to consider the potential impact of trade policies on various groups in society. There will be winners and losers.

The position of women warrants particular attention as women and men are not equally represented at the same levels within groups and the market mechanism does not make adjustments to address gender inequalities. With mounting evidence attesting to women's increased contribution to economic growth and key role in the development of current and future generations, governments need to be able to identify which policies will foster the advancement of women in business and trade to ensure that women and their dependents are winners, not losers.

I.1 Trade is not gender neutral

Contrary to conventional trade policy thinking, trade policy is not gender neutral. For example, where export-processing zones have been established to generate a comparative advantage in the global playing field, production-line work can be performed by men or women. However, gender biases resulting in occupational segregation have led to a situation where women workers dominate, throughout the world, in certain sectors and sub-sectors. This means that the trade agreements which impact these sectors impact women and men differently. An estimated 70 per cent of women workers are in the services sector, concentrated, for example, in the business services sector, call centres and tourism. Adjustments to the legal, regulatory and policy framework in the services sector are not gender-neutral. Women are affected more than men.¹

¹ This section builds on Heuchan *et al* (unpublished).

Trade impacts women in the following ways:

- Women's access to essential services such as water, education and health.
- Women's access to employment opportunities in foreign markets.
- Women's access to employment in the domestic market as it impacts the size and focus of activity in both the formal and informal sectors.
- Women's choices on where to live with flow-on effects in terms of demand for schools, childcare, transport and so forth.

I.2 Three reasons for governments to focus on women in growth and development:

1. Women as a link between trade and development;
2. Trade policy alone does not contribute to development; and
3. Policy coherence for economic and human development.

Women as a link between trade and development

The GATS can impact the actual and potential earnings and employment stability of the majority of working women because they work in services.² Policies that impact on women's income can impact development: numerous studies have shown that increases in women's income tend to correlate with greater expenditure on family welfare and children than similar increases in the income of men.³ Given the higher price elasticity of demand for most human development needs of women and girls,⁴ this can lead to a virtuous cycle of development where for example, the increase in income is spent on health, nutrition and education thus reaping rewards for current and future generations.

Trade policy alone does not lead to development

Sen (1996)⁵ argued that "trade liberalisation is not inherently welfare producing; it can produce and reproduce inequality, social disparities and poverty at the same time as it expands wealth." A recent study⁶ has shown that trade openness will not in itself alleviate poverty. This is an important finding

² Ellis (unpublished), cites ILO estimates that the informal economy now comprises half to three quarters of services and industrial sector employment worldwide. In some SubSaharan African countries, almost all of the female non-agricultural labour force is in the informal sector (96 per cent in Mali, 97 per cent in Benin and Chad), and around 90 per cent in India and Indonesia. In Latin America it is close to half.

³ Ellis *ibid* citing Agarwal & Walton, 1996; Avelar & Zabludovsky, 1996; Blumberg, 1991; Dwyer & Bruce, 1988; DFID, 2000; Hoddinott et al, 1998; Murdoch, 1999.

⁴ That is to say, where, for example, competing demands are made on a limited family income and choices have to be made about which children will be educated and to what levels, education of the boy-child is favoured, especially at higher levels of education. Similar sacrifices by girls and women are made with regard to forgoing health care and nutrition in some countries. World Bank, (2001)

⁵ Sen, Gita (1996) "Gender, Markets and State: A selected Review and Research Agenda". World Development, vol. 24, no5 pp. 821-829, cited in WIDE 'A Preliminary Note highlighting the Conceptual and Policy Links Between Gender and Trade' at www.eurosur.org accessed 22 January 06.

⁶ Ravallion (2004). "Based on the data from cross-country comparisons, it (is) hard to maintain the view that trade openness is, in general, a powerful force for poverty reduction in developing countries". p. 23.

given that it calls into question any direct linkage intimated in the second paragraph of the WTO Ministerial Declaration adopted in Doha in 2001 that “International trade can play a major role in the promotion of economic development and the alleviation of poverty.” Automaticity cannot be assumed. The ramifications for women are significant given the fact that women constitute 70 per cent of the world’s poor.

Policy coherence for economic and human development

In order to achieve such aims as increased welfare gains, rising standards of living and full employment that are cited throughout the Marrakesh Agreement Establishing the World Trade Organization⁷ and WTO Ministerial Declarations,⁸ governments need to complement trade policy with ‘flanking policies’ that can help achieve these aims. Decades of intergovernmental meetings have resulted in a set of concomitant obligations that can be synthesised with obligations under WTO law in the formulation of national policy objectives. National policy objectives ensconced in international agreements that incorporate a trade dimension, include:

a) Millennium Development Goal 3

In fact, achieving each of the MDGs depends on access to services infrastructure such as communications and transport services, but more particularly access to essential services such as health and education.

Goal 3. Promote gender equality and empower women.

‘Target 11: eliminate gender disparity in primary and secondary education preferably by 2005 and in all levels of education no later than 2015.’

Indicator 11: Increasing the ‘share of women in wage employment in the non-agricultural sector.’ The movement of women into services and manufacturing is seen as a positive indicator of labour market flexibility. The collection of sex-disaggregated data by sector and sub-sector, is imperative and can be used to otherwise determine the socioeconomic position of women and help bring an element of realism into planning and training.

b) The Beijing Declaration and Platform for Action⁹

“States seek to ensure that national policies related to international and regional trade agreements do not have an adverse impact on women’s new and traditional economic activity.”¹⁰

⁷ For example: “Trade... should be conducted with a view to raising standards of living (and) ensuring full employment...”. Preamble, Marrakesh Agreement Establishing the World Trade Organization.

⁸ For example: “We recognise the need for all our peoples to benefit from the increased opportunities and welfare gains that the multilateral trading system generates.” Paragraph 2, WTO Ministerial Declaration adopted in Doha 2001.

⁹ Adopted at the Fourth World Conference on Women in 1995. Information on the 10 year review that took place in 2005 is available at: <http://www.un.org/womenwatch/daw/Review/english/49sess.htm>

¹⁰ Strategic objective F.1.165

c) Convention on the Elimination of All Forms of Discrimination against Women.

Article 2: Abolish existing laws, regulations, customs and practices that discriminate against women.

There is generally a need to enact adequate domestic regulation before moving ahead with liberalisation. In this way laws that are binding on national firms will also be binding on foreign firms. The importance of establishing a robust national framework that supports women in trade includes addressing gender inequalities that can, *inter alia*, impede women's ownership of and access to land and capital.

Women as entrepreneurs and employees make a significant contribution to growing their economy. Their ability to continue to contribute, hinges on the government actively working to create a business and social environment favourable to women's needs as workers and consumers. The General Agreement on Trade in Services is one agreement that impacts this environment because it directly affects decisions on where (and, depending on commitments made, the conditions under which) production will take place. This impacts women as employees/employers and entrepreneurs working in the supply of services. It also impacts women as consumers as it has a major effect on what services are available in what areas, in what quantities and at what price, in the domestic market. An optimum policy mix that yields results for women can be approached by assessing policy options through the lens of obligations under WTO law and other international treaties such as the Convention on the Elimination of all Forms of Discrimination Against Women and the Millennium Development Goals.

II. OVERVIEW OF THE GENERAL AGREEMENT ON TRADE IN SERVICES (GATS)

The GATS aims to increase international services trade through progressive liberalisation of services markets. It essentially establishes a framework for WTO Members' services providers to access services markets in other WTO Member States by setting certain limits on how services provision can be regulated. Once undertaken, GATS rules and commitments are enforceable through the WTO dispute settlement system. The GATS coverage is broad, both in terms of services covered and in what is considered trade in services. Regarding services covered, the GATS applies to trade in all services, including activities as diverse as financial services, telecommunications and health services.

GATS preamble

The **Preamble** of the GATS reflects several broader objectives including the 3 objectives that guide the negotiations on services, namely:

- (i) to establish a multilateral framework or principles and rules with a view to progressively liberalising trade in services as a means to promote global **economic development**;
- (ii) recognising that WTO members, in particular, developing country members still need to regulate the supply of services in line with **national policy objectives**; and
- (iii) the need to assist developing countries to **strengthen their domestic services capacity**, efficiency and competitiveness, such that they may expand their services exports and participation in the multilateral trading system.¹¹

Article IV pertains specifically to increasing participation of developing countries in world trade. It links strengthening of domestic services capacity to *inter alia*, access to technology on a commercial basis; calls for improvement of developing countries' access to distribution channels and information networks; and commits members to the liberalisation of market access in sectors and modes of supply of export interest to developing countries.¹²

II.1 Specific and General Commitments

The GATS general obligations apply to all WTO Members, all of their service sectors and sub-sectors in all four modes of supply (see box).

¹¹ Manduna, Calvin. 2004. 'The WTO Services Negotiations: An Analysis of the GATS and Issues of Interest for Least Developed Countries'. p. 10

¹² The full text of the Agreement is available at: http://www.wto.org/english/docs_e/legal_e/legal_e.htm#services last accessed 29/01/06.

The general obligations in the GATS include most-favoured nation (MFN) treatment and transparency. The specific obligations in the GATS consist of market access and national treatment obligations. The market access provision prohibits Members from implementing quantitative restrictions or domestic ownership requirements on services, aiming to ensure market access for foreign service providers. The national treatment obligation prohibits governments from favouring domestic over foreign services and in effect requires that foreign service providers are treated at least similar to domestic ones.

GATS: 4 Modes of Supply of Services	
Mode 1: Cross Border	For example, a market research report provided by email to a client abroad
Mode 2: Consumption Abroad	For example, services provided in your market by local firms to foreign tourists, foreign executives temporarily visiting your market, or local offices of international organizations
Mode 3: Commercial Presence	For example, services provided to local clients through the local office of a foreign company
Mode 4: Presence of Natural Persons	For example, services provided in your market by visiting staff of foreign companies (“temporary business entry”) or by professionals employed abroad temporarily

Source: International Trade Centre/UNCTAD/WTO.

II.2 Negotiations on Specific Commitments

As specific commitments, market access and national treatment apply only to those sectors, sub-sectors and modes of supply in which Members, on an individual basis, decide to be bound (see above), in theory, this bottom up approach grants flexibility to WTO Member States. Each Member defines its own services trade regime through its specific commitments, set out in its schedule of commitments. This is achieved through a so-called request-offer approach, whereby requests are made to increase the number of sectors open or reduce limitations on market access, or remove, for example, MFN exemptions. Although the process has been bilateral to date, Annex C of the WTO Ministerial Declaration, adopted in Hong Kong in December 2005, focuses efforts on a plurilateral approach in the interests of Members having agreed to “intensify and expedite the request-offer negotiations”.¹³ In

¹³ Annex C, WTO Ministerial Declaration, 2005. Members agreed that results of such negotiations shall be extended on an MFN basis and that these negotiations would be organised in the following manner:

“(a) Any Member or group of Members may present requests or collective requests to other Members in any specific sector or mode of supply, identifying their objectives for the negotiations in that sector or mode of supply.

addition, ‘modal objectives’ were also introduced in order to guide Members to remove certain limitations and bind commitments to a certain level within the modes. Both the plurilateral approach and modal objectives are voluntary and the existing flexibilities for developing countries remain intact.

Offers aim to facilitate (i) the addition of new sectors; (ii) the removal of existing limitations or the binding of commitments which have so far been unbound; (iii) the undertaking of additional commitments under Article XVIII; and finally (iv) the termination of MFN Exemptions. A participant would submit an offer in response to all the requests that it had received, but would not necessarily have to address each and every element contained in those requests in its initial offer.¹⁴ In brief, the aim of negotiations on specific commitments, through the request-offer process, is to expand the application of the GATS specific obligations to more sectors and modes of supply.

However, Article XIX provides some specific guiding principles for the negotiations (for example, progressive liberalisation; specific flexibility for individual developing countries; and giving priority to sectors and modes of interest to developing countries). An adequate balance within the services negotiations, as well as transparent and inclusive processes is crucial for achieving the development objectives of this Round.

II.2.1 Sixth WTO Ministerial Conference: Outcome on rules negotiations and domestic regulation

The outcome of the Sixth WTO Ministerial Conference in Hong Kong in December, 2005 was an agreement by Members to intensify their efforts to conclude the negotiations on rule making with regard to an emergency safeguard measure (ESM), government procurement and subsidies. ESM discussions are to focus on technical and procedural questions relating to the operation and application of any possible emergency safeguard measure in services. In government procurement, the emphasis is on proposals by Members; and in subsidies the focus is also on proposals, as well as expediting and fulfilling information exchange, together with the development of a possible working definition of subsidies in services.

On domestic regulation, Members agreed to develop disciplines with a view to ensuring that measures relating to qualification requirements and procedures, technical standards and licensing requirements do not constitute unnecessary barriers to trade in services. These disciplines will aim to ensure that such requirements are:

- a) based on objective and transparent criteria, such as competence and ability to supply the service;
- b) not more burdensome than necessary to ensure the quality of the service;
- c) in the case of licensing procedures, not in themselves a restriction on the supply of the service. At Hong Kong, Members agreed to complete negotiations on disciplines before the end of the current round of negotiations. This has escalated the urgent need for policy makers and trade negotiators to understand the gender implications of trade liberalisation under the GATS.

(b) Members to whom such requests have been made shall consider such requests in accordance with paragraphs 2 and 4 of Article XIX of the GATS and paragraph 11 of the Guidelines and Procedures for the Negotiations on Trade in Services.

(c) Plurilateral negotiations should be organised with a view to facilitating the participation of all Members, taking into account the limited capacity of developing countries and smaller delegations to participate in such negotiations.”

¹⁴ ‘Technical aspects of the request offer process’. Note prepared by the WTO secretariat, available at: http://www.wto.org/english/tratop_e/serv_e/requests_offers_approach_e.doc. Last accessed 27/01/06

II.3 GATS, services sectors and areas of interest to women

The GATS established a fairly comprehensive legal framework of rules and disciplines across 12 sectors, which cover some 161 sub-sectors or separate service activities. The W/120 list is used by most governments to identify service sectors and sub-sectors in their schedule of commitments. These sectors are each divided into sub-sectors, which themselves contain subgroups. For example, tourism and travel-related services (9) is further divided into sub-sectors for (A) hotels and restaurants, (B) travel agencies and tour operators, (C) tourist guides, and (D) other. In order to gain an initial overview of where and how these sectors may be of interest to women, examples are provided for some sectors together with a suggestion as to where these issues may be able to be addressed.

Services covered by the GATS: Addressing areas of interest to women¹⁵

Service Sector	Examples of interest to women	Domestic policy reform	GATS requests	GATS offers
Business (including professional and computer services)	Temporary business visas to facilitate export of services, for example for software developers and consultants.		x	
Communication services	Access to high-speed, low-cost telephone and internet connections to facilitate home-based business and SMMEs.	x		x
Distribution services	Access to management positions, for example, for shop sales persons and demonstrators.	x		x
Educational services	Universal access including for girls in rural areas.	x		x
Environmental services	No local presence requirement for Mode 1 supply.		x	

¹⁵ Crosses indicate the potential for women to be either positively or negatively impacted. Inspiration for the layout of this table taken from Riddle, D in Tran-Nguyen and Beviglia Zampetti (eds) (2004)

Service Sector	Examples of interest to women	Domestic policy reform	GATS requests	GATS offers
Financial (including banking and insurance) services	Equal access to credit.	x		x
Health-related and social services	Mutual recognition of credentials (facilitating mutual recognition agreements). Need to consider impact on caretakers, especially women. Temporary business visas needed to facilitate export of services.		x	
Tourism and travel-related services	Access to training opportunities for women in low-skilled sub-sectors, such as chambermaids, receptionists and tour guides.	x		x
Recreational, cultural and sporting services	Temporary business visas to facilitate cross-border movement of entertainment providers including dancers		x	
Transport services	Access critical where women command secondary access to private transport options. Safety advantages.	x		x

Whereas some suggestions in the table may be seen to benefit men as well as women, these are ‘areas of interest to women’ as it is women who stand to benefit more by their introduction. For example, in the Middle East and North Africa, rising rates of female education have not resulted in proportionate increases in women’s participation in the paid workforce. Domestic reform of regulations governing universal access to communications technology, coupled with offering market access opportunities in the provision of high-speed, low-cost telephone and internet access could yield a disproportionately positive result for women, as those most likely to take up home-based employment. Similarly, the provision of temporary business visas to those in health-related and social services might also disproportionately benefit women, many of whom work as nurses and care-givers. A significant portion of export earnings is derived from women working in the services sector. The following chapters provide further examples of how the GATS can contribute to opening opportunities to women through a gender-aware scheduling of specific commitments and consideration of requests, including in the areas of transport, and financial services. The role of domestic reform and the need for an adequate and enforceable regulatory framework to be in place prior to the scheduling of commitments, is further underlined.

III. LINKAGES BETWEEN GENDER AND THE GATS

“It has been asserted that the industrialisation of the newly industrialised countries is as much female-led as it is export-led.” Anh Nga Tran-Nguyen, UNCTAD.¹⁶

WTO Members will not be able to achieve economic development, not reach the agreed national policy objectives set out in the MDGs, nor will they be able to strengthen their domestic services capacity, without the engagement of women. *The first step for governments is to recognize that women contribute to economic and human development by their paid and unpaid labour and then to form an understanding of the impact of trade policies on women. An important next step is for governments to know where women are located in the economy.*¹⁷

This chapter shows that working women are concentrated in the services sector and that measures to facilitate access to employment and/or ameliorate issues faced by working women such as childcare, transport and training can be addressed, at least in part, by a gender-aware approach to the GATS.

- An estimated 70 per cent of women in formal employment work in the services sector.¹⁸
- An estimated 75 per cent of businesses owned by women are in the services sector.¹⁹
- Women spend more on the health and education of their children than men. Improving health and education are universal national policy objectives, fundamental to economic and human development.
- In the formal wage sector the two phenomena that reveal gender discrimination in the labour market around the world are that i) women’s earnings are on average lower than men’s and ii) women and men are on average occupationally segregated.²⁰

III.1 Women Employees in the Services Sector

Women’s employment in the services sector is growing: the average rate of growth for the period 1995-2001 exceeded 7.8 per cent.²¹ This includes startling rates of growth in countries such as Paraguay, where the average rate of growth over this period was 25 per cent.

¹⁶ Tran-Nguyen and Beviglia Zampetti (eds) (2004), p. 482

¹⁷ Establishing a base-line through assessment is discussed in section IV.2.

¹⁸ ‘Trade and Gender: Opportunities and Challenges’ presentation by Tran-Nguyen at the WTO Public Symposium 2004. Available at: www.wto.org

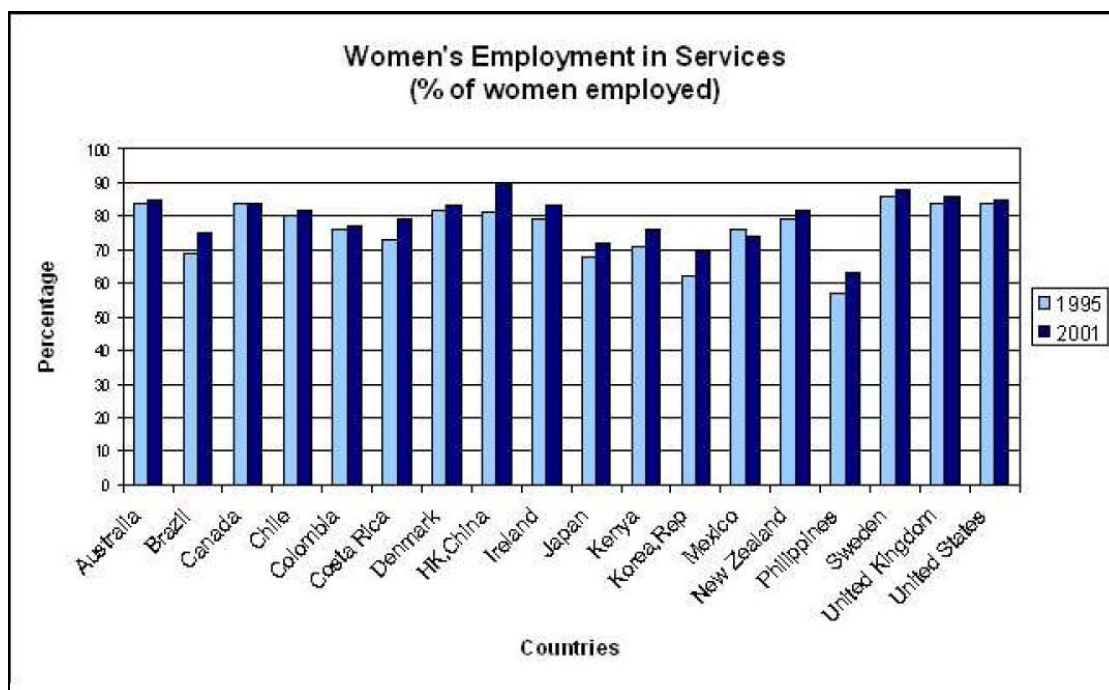
¹⁹ UN (2000) in Ellis *op cit*

²⁰ World Bank (2001) p.86

²¹ Calculated using reporting-country data in World Bank GenderStats database.

Although women have been moving into the services sector both as entrepreneurs and employees, there has not been an even distribution of women across each sub-sector or throughout the different levels of employment: vertical and horizontal occupational segregation persists, including in the provision of export-oriented services.

Figure 1



Source: Derived from data in World Bank GenderStats database

III.1.1 The concentration of women in the provision of export-oriented services

“[A]ll of the ‘digiports’²² in Jamaica are women, and the majority of data entry jobs for airlines, banking and insurance companies in India are filled by women.” The statistics are similar regarding women’s employment in export processing zones (EPZs) that produce both goods and services. Estimates from the mid 90s suggest that perhaps 27 million jobs had been created in these zones, of which about 70 - 80 per cent were for women (ILO 1998).²³

²² Digiports are to the information and communications industries what Export Processing Zones (EPZs) are to manufacturing. They are the base from which data entry for airlines and other service industries is provided. See Chen *et al*, 2004, for a fuller discussion. The example of digiports is introduced here to illustrate gender-bias in employment practices that result in the sector-specific concentration of women. The debate on the benefits or otherwise of digiports or EPZs and the working conditions, etc., in these zones, falls outside the scope of this paper.

²³ Cited in Chen *et al* (2004) p. 93. The author goes on to note that a significant proportion of these jobs were in developing countries, “as the share of manufactured goods in total exports from developing countries rose from 24 per cent in 1970 to 66 per cent by 1999 (World Bank 2001).”

In tourism in Barbados and Jamaica, women are employed in less stable, lower status work such as housekeeping, reception and other services and other jobs that require low skills, are poorly paid and, have the least security of tenure and benefits.

III.2 Women Entrepreneurs Contributing to Development

The Global Entrepreneurship Monitor asserts that increasing the participation of women in entrepreneurship is “critical to long term economic prosperity”, while the OECD notes that “ensuring a good environment for the startup and expansion of women-owned businesses, helping women to overcome barriers to business creation and development are important for national economic growth.”²⁴ The contribution to GDP and employment can be considerable.

The rising rate of women business ownership

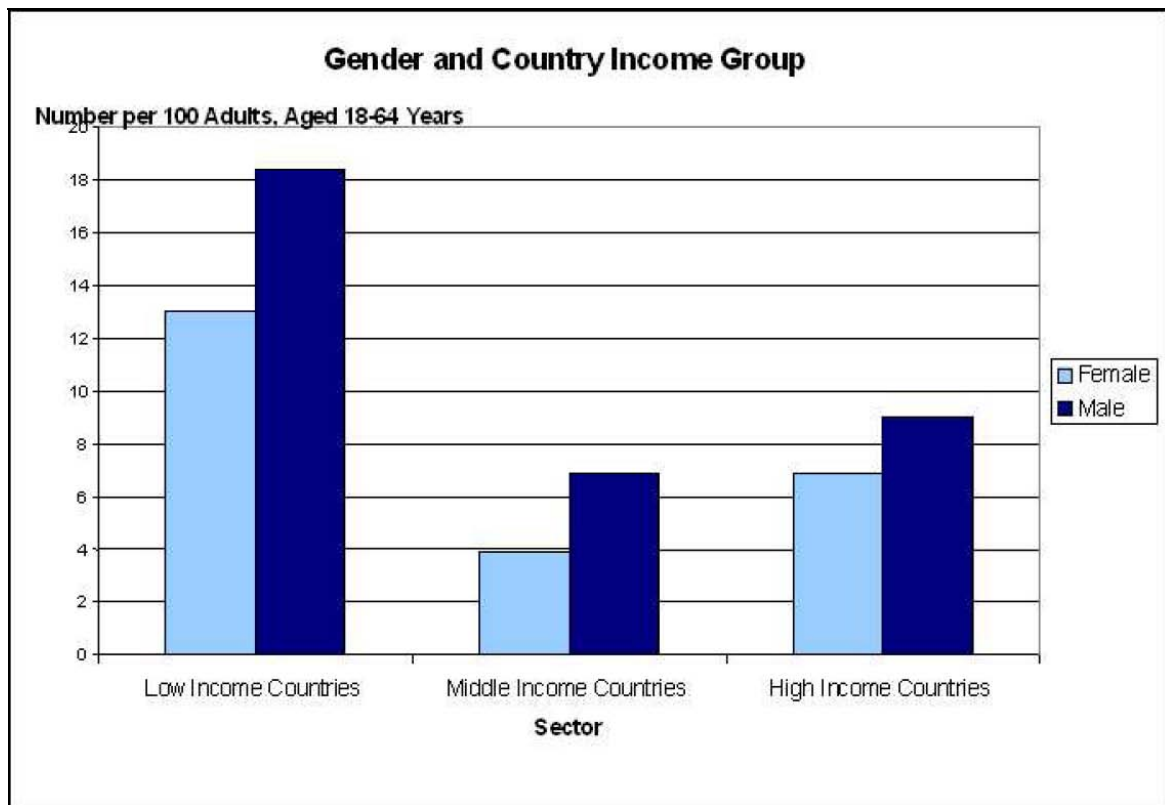
- In China, although private enterprise was virtually nonexistent until the reforms of the 1980s, Chinese entrepreneurs have taken up the new opportunities with vigour. Women have been undertaking business activities in large numbers and by 1986 two thirds of entrepreneurial licenses had been taken out by women. By 1990 a third of all rural businesses were owned and run by women. Within a decade Chinese women in rural areas reached the world average.
- In Vietnam the figure is close to 16 per cent of total enterprises, a figure which could be much higher if the number of household enterprises that are owned by women but registered as jointly owned by men are taken into account.

Women entrepreneurs play a significant role in developing countries. Women entrepreneurs tend to source labour and other factors of production from the local market. Fostering women’s entrepreneurship and building their capacity to sell into the international market can have a multiplier effect in the domestic economy.

The graph below shows that low-income countries have three times the rate of women entrepreneurs than middle-income countries and almost twice that of high-income countries. Whilst this may be a demonstration of innovation and entrepreneurial spirit on the part of women in low-income countries, these figures also capture women who are entrepreneurs ‘by need’ rather than by choice. That is, in the absence of employment opportunities she is engaged in selling the good or service as a means of survival. This increases the importance of governments’ understanding of the impact of trade policy on women, in order to ensure appropriate mechanisms are in place to assist women to navigate through any adverse impacts of policy change.

²⁴ GEM (2000) and OECD (2001) cited in Ellis *op cit*

Figure 2



Source: Global Entrepreneurship Monitor

III.2.1 The GATS: Addressing challenges faced by women entrepreneurs

Challenges faced by women entrepreneurs include:

- Lack of access to capital;
- Lack of adequate infrastructure (roads, broad-band internet access, telephone); and
- Lack of access to childcare.

Each one of these barriers, typically identified by women entrepreneurs, represents a failure in the provision of that service. The final section of this paper looks at some options for scheduling commitments in GATS such that the demand for services might be met by foreign service suppliers whilst delivering on developing country government's national policy objectives. This underscores the need for domestic regulation that scopes commercial activity towards the attainment of national policy objectives. In terms of development, the obligation of governments to ensure equitable access to finance for women and men provides one such example, as illustrated below.

Although women own 48 per cent of SMEs in Kenya, they hold only one per cent of property titles.²⁵ This low level of collateral effectively excludes women from access to credit from formal

²⁵ Example taken from Ellis *op cit* citing Government of Kenya Economic Recovery Strategy for Wealth and Employment Creation 2003-2007; World Bank Kenya Country Gender Assessment, 2003; Kenya National Micro and Small Enterprise Survey, 1999 (MSE Baseline, 2000).

financial institutions. The focus is on the lack of collateral, not on repayment histories. This is interesting given that 30 per cent of commercial bank loans fail in Kenya, compared to only two per cent of loans from the Kenyan Women's Finance Trust, where the borrowers are women. A lack of access to credit inhibits the growth of small, medium and micro enterprises, an engine for growth and employment, to expand and engage in international trade.

Ramifications for government include for example the fact that whilst the government of Kenya has set a target of creating 2.6 million private sector jobs by 2007 (of which 88 per cent should come from SMEs) given women's lack of access to credit, it may be difficult for current and prospective women entrepreneurs to help meet these targets.

Opportunities under the GATS:

One of the objectives of the GATS is to facilitate the increased participation of developing countries in trade in services. In many countries credit constraints disproportionately affect women, as the example above shows, and this in turn can provide a constraint to women business owners from effectively engaging in international trade in services.

For example, where a commercial presence abroad is a precondition (and these cost money), or where success leads to an increasing demand for services supplied, credit constraints can compromise women's capacity to respond. If trade negotiators are successful in removing the requirement for a commercial presence abroad, this will benefit SMMEs many of which are owned by women.

In terms of access to credit, the issue here is how to take steps to ensure that loan applications are considered on the strength of the individual case, not on the sex of the applicant. Steps to ensure an equitable approach could include conditions on market access in the scheduling of commitments in the financial services sector. It could require, for example, that financial service suppliers provide a written response on demand, for refusing a woman credit. This could make three positive contributions: it would help the government ensure the quality of the service (ensuring no gender-bias);²⁶ enable financial institutions to better review lending practices;²⁷ and enable women to understand the weaknesses in the business plan, as presented to the bank.

The potential for the GATS to remove trade barriers such as the requirement for a commercial presence abroad, and to work towards equitable access to credit to assist women entrepreneurs increase their participation in international trade, requires further attention and consideration.

²⁶ In addition, the 144 Member States of the WTO (out of the 149 as at April, 2006) that have concomitant obligations under the Convention on the Elimination of All forms of Discrimination Against Women (CEDAW) could then, in their periodic reports to the treaty monitoring body, demonstrate that they are working to ensure the same rights for women and men "to bank loans, mortgages and other forms of financial credit" (in line with Article 13 CEDAW).

²⁷ This would also help governments to report on their activities under the Beijing Platform for Action, as previously discussed.

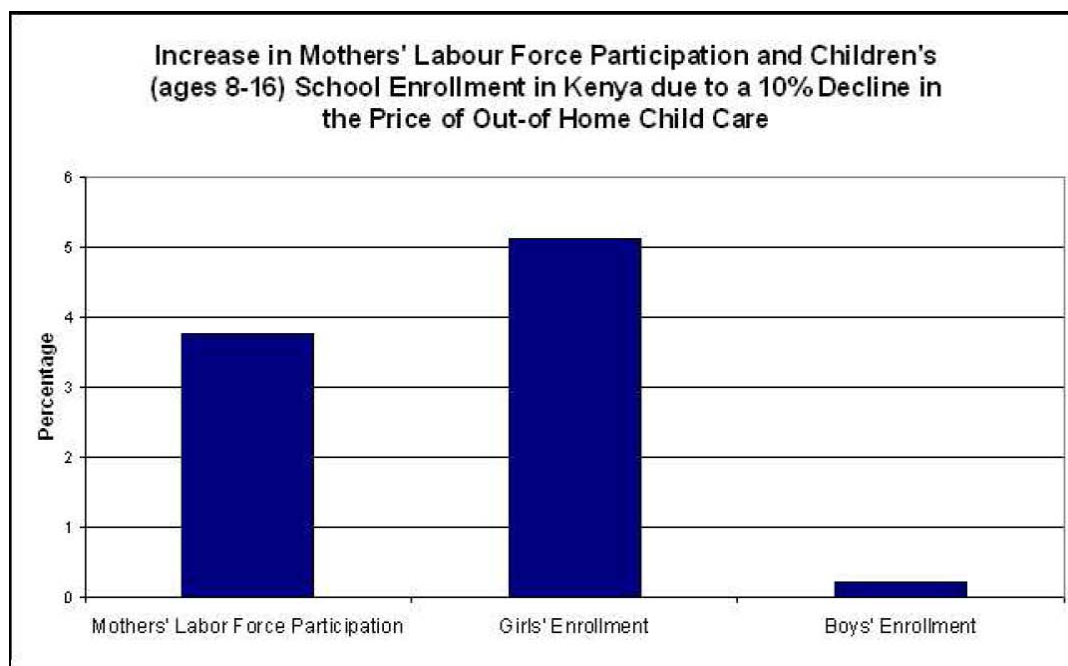
III.3 Women as consumers of services

III.3.1 Childcare

With the booming growth of the services sector, it is possible that the patterns of growth in the numbers of women moving into this sector may continue to increase. This is not without its complications, as an increased demand for female labour can decrease the availability of unpaid labour in the home.

Where childcare is either unavailable or too expensive, the education of girls may suffer more than that of boys, as girls are taken out of school to care for younger siblings, the elderly or the sick. Consider the graph below that shows the relationship between childcare, labour force participation rates amongst women, and girls' education. It shows that a 10 per cent reduction in the cost of out-of-the-home childcare increased women's participation in the workforce and freed-up older children to return to school. The disproportionate rise in girls' attendance in school reveals a bias towards keeping the girl-child at home to care for younger siblings.

Figure 3



Source: Lokshin, Linskaya and Garcia 2000 in Ellis *op cit*.

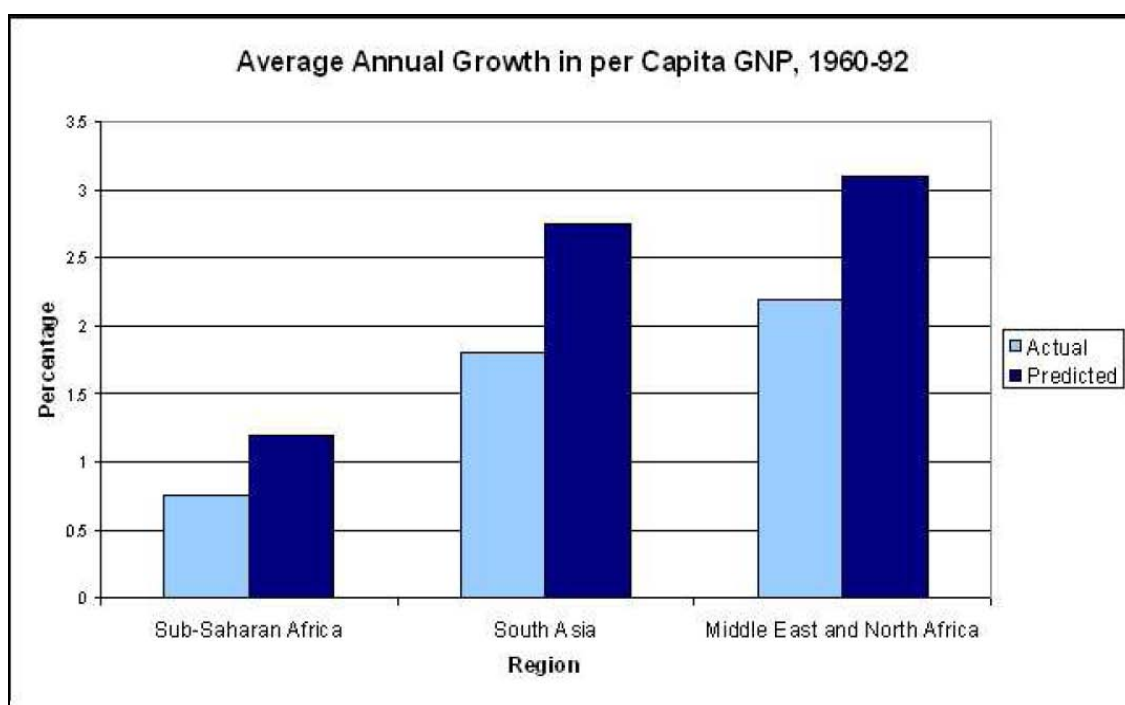
Childcare is a service. It may be possible to address the demand for childcare through GATS negotiations, particularly in the area of mode 4 'cross-border movement of people'. Indeed, the request of the LDCs for their trading partners to take commitments in Mode 4 in three categories of i) professionals, ii) semi-skilled professionals and iii) service providers other than professionals, if given effect, could see the market mechanism operate to supply childcare workers where they are needed.²⁸ This may help

²⁸ In Switzerland, for example, the ability of women to return to work after having a child is constrained by the chronic shortage of childcare places. This contributes to the 'missing middle' that describes women's absence in middle and upper management positions. For example, the building that houses the WTO does not have a crèche. The only crèche within walking distance that takes babies only accepts applications from those living (as opposed to working) in the area. There is a long waiting list. Pressure on the market for care providers could be

women enter the labour market and girls return to their studies. The potential impact this might have on economic development has been calculated. The table above describes the relationship between female education and economic growth, This is one of the more famous findings of a study conducted by Dollar and Gatti.

They found that once countries had achieved a certain level of female education, an increase of one per cent in the share of women with a secondary education implied a 0.3 per cent increase in per capita income.²⁹ The 1998 Status on Africa report concluded that sub-Saharan Africa could have added several percentage points to its annual per capita growth rates if it had increased female education relative to male (0.5 per cent) and increased women's employment in the formal sector (0.3 per cent) to the levels prevailing in East Asia.³⁰

Figure 4



Note: 'Predicted' represents the average predicted GNP growth rate for a region if its gender gap in education had started at East Asia's level in 1960 and had narrowed as fast as East Asia's did from 1960 to 1992.

Source: Simulations based on regression results from Klasen (1999a) in Ellis, *op cit*.

III.3.2 Education

Education is also a service. In some countries, parents have indicated a concern for sending their girl-child to school because of fears this may compromise her safety either on the way to school or at the

reduced if the government of Switzerland were to give favourable consideration to Mode 4 requests from developing country governments.

²⁹ Dollar and Gatti cited in Kabeer (2003) p. 41

³⁰ Cited in Kabeer (2003) p. 40

school itself.³¹ Trade policy can also be a vehicle for addressing these concerns. For example, if a government wants to encourage the establishment of girls' schools, they could make commitments in 'Educational services' in secondary education, specifying the provision of educational services in girls schools. One could focus that further to address certain lacunas in domestic service supply by specifying, for example 'in rural areas'. One could also offer Mode 4 commitments regarding the short-term cross-border movement of qualified women teachers. Other possibilities include specifying 50 per cent local hire of qualified women teachers.³² Specifying 'teacher' rather than within '50 per cent female staff' can prevent a masked disproportionate hiring of women in non-professional services such as cleaning, and other support services.³³

In the interests of policy coherence, an added advantage in utilising trade policy thus would be that it can assist in delivering commitments to achieve economic and human development as set out in the Millennium Development Goals. Variants on the above example could be used to aid in realising MDG 1 Achieve 'universal primary education' and MDG 2 that has eliminating the disparity amongst secondary education of boys and girls, as an indicator.

III.3.3 Transport

Putting aside the rare yet often cited example of certain laws prohibiting women from driving, even where women have the legal right, women's access to cars or trucks as a necessary element in getting themselves and their goods to market, is in many developing countries, a luxury. Even where private transport is available to a member of the household, anecdotal evidence suggests that men get first preference and/or women have access but at irregular intervals. This either limits women's access to employment to that which lies within walking distance or puts pressure on existing transport systems. The impact of inadequate transport services in developing countries falls disproportionately on women because of their secondary access to private modes of transport within the home; their lower socio-economic status which impacts their capacity to pay; their role as carers of the sick and of children and the problems posed in accessing health and education services given the mobility issues of those in their charge; cultural issues that see women prefer not to board overcrowded buses.³⁴

Supply constraints in the provision of transport services, especially where increased demand for transport services can be anticipated, can be addressed under the GATS. For example, the establishment of an export-processing zone at a distance from any main town, can be expected to draw labour from the town. How will the employees get to work? The positive example drawn from Bangladesh

³¹ See Kabeer 2003 on South Africa. Transport, as a service that can at least in part address some of the out-of-school concerns, is discussed below.

³² Whilst this may increase demand for local staff, the terms of employment (equal pay for equal work, security of tenure and so forth) for women is unlikely to change unless adequate domestic legislation that is binding on national and foreign firms, is in place and enforced prior to further liberalisation taking place. Some of these areas are controversial for developing country governments.

³³ See for, example, how the information on the predominance of women in lower paid grades on the WTO secretariat is masked: the Annual Report 2005 (page 105) breaks down the 630 staff by sex showing that there are 321 women and 309 men on staff. At a first glance, numerical dominance may seem positive. However, a gender bias in hiring practices is evident in the disproportionate number of women employed in support services; and across the board in lower-paid grades. Consider: only three of the director-level employees at the WTO are women. By contrast, according to sources within the WTO, fewer than five of the more than 100 secretaries are men. A more accurate profile of the status of women and men on the WTO Secretariat would be to include in the annual report, statistics on the number of women and men employed by pay-grade, as well as by occupation.

³⁴ Alternative methods of transport such as motor bikes, tuktuks, bechaks and so forth do relieve some of the pressures. The aim here is to explore scheduling possibilities under the GATS. However, it is important that an *a priori* assessment of the impact of policy options on SMME service suppliers be undertaken prior to a choice being taken. The methodology for such assessments is discussed under 'CASE'.

(below) could fuel thought on a systematic approach to engaging foreign companies in the supply of transport services.³⁵

Service supply in the Dhaka Export Processing Zone (EPZ)

The 'Dhaka EPZ' is actually located 35kms out of Dhaka, the capital of Bangladesh. Although the focus of activity is on the export-oriented production of ready-made garments (RMG) and other goods, this EPZ, like any other production facility, rests on the supply of services. 85% of the workers in the EPZ are women. Many of these women rely on transport, accommodation and childcare services in order to retain their jobs. The companies rely on water, power, telecommunication and delivery services. Employee access to medical services is provided by some companies within the EPZ. Services are at the core of goods production in EPZs. "The majority of employees are women" stated the General Manager of the Dhaka EPZ. "Companies recognise that and are building women-only dormitories and providing bus services for their staff." The managing director of a ready-made garment plant concurred "We located the childcare centre next to the canteen for the convenience of lactating mothers. They can visit their children during their three breaks each day." Whilst the building is owned by the company, the childcare service itself is outsourced to a local NGO. The company covers the costs so that the service is free to the employees.³⁶

The situation where the employer pays a local company to provide transport services for employees, is optimum. Where this solution does not exist or instances where the government is striving to achieve other objectives (for example, to enable people from remote areas to secure transport into bigger cities) well considered openings to foreign service suppliers might help address domestic constraints in the provision of services.³⁷

A final point to note is that transport services facilitate trade and are an integral part of the smooth functioning of almost every other sector, including tourism and travel-related services, recreational, cultural and sporting services and distribution services. Any benefits accruing from trade liberalisation will benefit women and men, yet stand to benefit women more, as key dependents and demanders of transport services.

III.3.4 Training

There is a general trend worldwide toward job creation in services both through the growth of new service industries and the loss of jobs in goods-producing sectors due to industrial restructuring.³⁸ Whilst there is very little data available on the cross-sector movement of women, when restructuring is predicted as a consequence of trade liberalisation (such as the forecast impact on women workers after the winding up of the Agreement on Textiles and Clothing in January 2005) adjustment programmes that target those affected, may be more effective if consideration is given to the breakdown of women and men affected. In ready-made garments, for example, the majority of those who may be displaced

³⁵ The example of an EPZ is introduced here to illustrate gender-bias in employment practices that result in the sector-specific concentration of women. The debate on the benefits or otherwise of EPZs and the working conditions etc., in these zones, falls outside the scope of this paper.

³⁶ Based on field visit in October 2005.

³⁷ This raises three questions: commercial viability, potential issues relating to traffic congestion, and the management of the situation should unforeseen negative impacts be experienced. Each question might be explored in an assessment of the transport services sector.

³⁸ Riddle in Tran-Nguyen and Beviglia Zampetti eds. (2004). The management of female displaced workers is discussed later in the paper.

are women. Retraining programmes, that are held immediately after work on any given number of days per week, may not be the best solution for working mothers who may have to collect children from care or school. The double burden working women carry must be taken into account in choosing the time and place for training.

A sensitivity to the need to transit women from agriculture to the industrial and services sectors is evident in the Millennium Development Goals, where Indicator 11 is the increasing 'share of women in wage employment in the non-agricultural sector'. This movement measures the degree to which labour markets are open to women in manufacturing and service sectors, which not only affects equal employment opportunities for women but also economic efficiency through flexibility of the labour market and therefore the economy's ability to adapt to change. In order to ensure that trade policies will result in or at least not impede, increases in women's wage employment in the manufacturing and services sectors, it would be advisable for governments to collect sex-disaggregated³⁹ data that indicates current levels of employment in these sectors and preferably, in which sub-sectors. Both this and a gender-trade assessment (discussed in the ensuing chapter) could aid in identifying which export-oriented services are winners for women and consider scoping training and incentives accordingly.

As to the question of funding the kind of research that could inform training decisions, MDG 8 aims to 'develop a global partnership for development'. As indicator 41 examines the 'proportion of ODA provided to help build trade capacity', building the capacity of women to move into wage - employment in the non-agricultural sector could help achieve Goal 3. Member States of the WTO might like to request trade-related capacity building and technical assistance from the WTO (as one of the institutions identified under Indicator 41) specifically for women.

³⁹ Methodologies and data collected under Goal 3 might provide a useful starting point for those governments interested in sex-disaggregated data, collected recently, at the national level.

IV. CASE APPROACH: CONSULTATION, ASSESSMENT, SPECIFIC COMMITMENTS, EVALUATION

“(P)ervasive gender discrimination in economic life causes trade policy to have very different effects on women and men. Trade liberalisation has also had mixed results for gender outcomes. It is particularly troublesome from a human development perspective if export growth comes at the expense of exploiting female workers, neglecting care work and increasing inequalities in opportunities and benefits.”⁴⁰

A solution lies in a considered approach to the formulation and implementation of trade policy. A ‘CASE’ approach, involving Consultation, Assessment, Specific commitments and Evaluation, engaging women from the public and private spheres, formal and informal sectors, at all levels, as service suppliers and consumers, is optimum to gauge the actual and potential impact of trade policies on women. In this way it is hoped that the case will be clear: adopt or reform policies, legislation and regulation, in conformity with concomitant trade and other obligations, including the elimination of all forms of discrimination against women.

If achieved, domestic regulation might serve to meet national policy objectives relating to economic growth and development much more rapidly and comprehensively, through the participation of women.

IV.1 Consultation

The terms by which developing countries’ increased participation in world trade is to be facilitated through the negotiation of specific commitments under the GATS is related to a number of factors set out in GATS Article IV. These include: access to technology, improved access to distribution channels and information networks, and the liberalisation of market access in sectors and modes of supply of export interest to developing countries. Whilst the language in Article IV opens the door to increased participation, it can only be fully utilised if and when developing countries know *what* technology they require, *which* distribution and information channels would be useful and *what* service sectors to target when making requests based on domestic supply interest and capacity to expand into foreign markets. Answers to such questions cannot be immediately derived from the regular sources of information on cross-border trade in services, such as balance of payments statistics.⁴¹

One complicating factor is that many service exporters, such as hairdressers or dry cleaners servicing tourists, would not classify themselves as exporters, even if asked. This underlines the need for trade policy makers to seek a solution that complements the collection of sex-disaggregated data with dialogue with service providers to obtain a better understanding of the domestic service industry. Consultations with services providers should also include, consumers, relevant ministries at all levels of

⁴⁰ Cagaty (2001) in Durano (2005)

⁴¹ Balance of payment statistics, for example, provide a historic perspective but do not address obstacles faced by service exporters in accessing information networks through, for example, participation in conferences abroad and any ensuing challenges faced by extended delays in visa processing and so forth.

government, trade negotiators, regulators, legislators, professional associations and civil society. The utility of adopting a participatory, multi-stakeholder approach in the formulation of policies and appropriate regulatory frameworks is that it would ensure particular concerns, including any relating to opening the market to foreign competition, are taken into account.⁴²

Issues that might be raised in a consultation on the liberalisation of trade in services and suggested avenues through which these might be addressed, are set out in Annex A.

Four key questions in a gender-trade consultation are:

- **What** is the pattern of domestic consumption of services both local and imported, by women and men?
- In **which** areas are women and men active as entrepreneurs and employees in the supply of services? Which of these services are currently exported? To where?
- **What** factors constrain women from responding to macroeconomic or sectoral policy changes?
- **Which** policy mix is optimum in terms of being both GATS compliant and trade enhancing for women?

Consultations should take place preferably in areas easy to access for women, during times amenable to women and, if at all possible, with childcare and transport arranged. This will mitigate against an urban bias in sampling leading to results that might encourage liberalisation that does not take into account barriers faced by women and men in rural regions. In some countries women hesitate to speak in front of men. Separate consultations might therefore be considered although this must be weighed against the inherent loss of opportunity for men to hear women's experiences and concerns and vice versa. Having women lead trade-related consultations might also encourage other women to participate more actively in discussions. The proceeds of a series of such consultations is attached in Annex B. A clear cross-regional call for greater involvement of women in economic policy making can be heard. To that end governments might like to consider engaging women's organisations, professional associations, finance institutions such as micro-credit organisations (for example, the 'Susus' in Ghana) and their business women clients. In this way, not only can governments hear the voices of poor women, but also they can learn more about strategies that are being adopted in the market place, in the informal sector and by unpaid women workers in the home.⁴³

⁴² On regulatory reform, particularly in the area of professional services, see the proceedings of the Expert Meeting on Trade and Development aspects of Professional Services and Regulatory Frameworks available as United Nations document TD/B/COM.1/EM.25.3

⁴³ Although the focus of this paper is on national level consultations, the absence of women is perpetuated in regional negotiating forums and in regional trade institutions. One report citing the situation in SADC, ECOWAS and COMESA went on to note that the structure of negotiations with regard to Economic Partnership Agreements (EPAs) makes this issue even more visible and perpetuates the exclusion of women. See *Analytical Report on the Gender Dimension of Economic Partnership Agreements* by APRODEV and AID TRANSPARENCY, Sept 2004 available at www.aprodev.net/

IV.2 Assessment

“(D)eveloping countries consider that the assessment of trade in services as mandated in the GATS, should be conducted in overall terms and on a sectoral basis with reference to the objectives of the Agreement including those set out in paragraph 1 of Article IV in order for them to participate in a commercially meaningful manner in services negotiations.” Communication from Cuba, Dominican Republic, Kenya, Nigeria, Pakistan, Senegal and Zambia to the Council for Trade in Services, 10 June 2002.⁴⁴

IV.2.1 Mandated assessments under the GATS by the Council for Trade in Services

Assessments are at the very heart of services negotiations.⁴⁵ Carrying out an assessment of trade in services in overall terms and on a sectoral basis is mandated under Article XIX.3 of the GATS. The body charged with the discussion of such assessments is the Council for Trade in Services.⁴⁶ Under Article XIX.3, the purpose of initially conducting such an assessment is to then establish negotiating guidelines and procedures for each round. In this way negotiations could commence with at least some common access to and hopefully understanding of, the international trade in services both overall and by sector. However, this has not been the sequence of events. Neither an overall nor any sectoral assessments have as yet been completed by the Council for Trade in Services (CTS).

The Guidelines and Procedures for the Negotiations on Trade in Services (hereafter ‘the Guidelines’) were adopted in 2001 and contain references to assessment in underscoring:

1. The need for assessments and for these to be ongoing;
2. That technical assistance is to be made available for the purposes of conducting such assessments; and
3. The capacity of developing countries to conduct assessments is to be enhanced.⁴⁷

The rationale for conducting assessments underscores that of conducting consultations. The dearth of statistics on services has created a lacuna, particularly acute in developing and least developed countries, whereby states enter into negotiations with far less than optimal information on their markets. The lack of overall and sector specific information on the domestic services market complicates the negotiating process. If a government is unfamiliar with the domestic situation prior to making commitments it is ill prepared to predict with any certainty what the impact will be. Computer-generated equilibrium models that are used to assess aggregate measures of the impact of trade policy on an entire economy, that typically focus on gross national product and employment, measure ‘efficiency’ in terms of a given policy’s impact on costs of production and price of consumption. A gender-trade impact assessment looks beyond economic outcomes to incorporate national policy objectives that can be promoted through trade. This means economic growth *plus* gender equality *plus* poverty reduction, for example. These three need not be mutually exclusive: indeed, human development requires an in-

⁴⁴ See WTO document TN/S/W/3

⁴⁵ For a thorough examination of assessment see Mashayekhi and Julsaint (2002).

⁴⁶ The Council for Trade in Services operates under the guidance of the General Council and is responsible for overseeing the functioning of the GATS.

⁴⁷ This is also echoed in Part III of the ‘Modalities for the Special Treatment for Least Developed Country Members in the Negotiations on Trade in Services’ adopted by the Special Session of the Council for Trade in Services on 3 September 2003 (see WTO document TN/S/13)

clusive approach to economic growth that factors in distribution of the gains from trade and a strategy for managing negative impacts.

This takes time. Already governments are under pressure to table initial offers or revise previous offers and developing country governments have received an avalanche of requests for market access. Advising governments to delay this process in the interests of conducting assessments, including gender-trade impact assessments, could be expected to be met with resistance from trade ministers in some countries. Yet Durano and UNIFEM have argued that “The benefits of conducting the assessment, particularly at the national level is worth the delay because GTIAs (gender-trade impact assessments) can provide space for women and men and enable them to directly engage in the public policy process thereby enhancing democratic governance of the multilateral trading system. The preferred approach is that these assessments be conducted *ex ante* of policy in order to allow time for policy adjustments in the light of the results of the assessments.”⁴⁸

Lack of assessment and information that could be gleaned through consultations, is one of the main impediments to the more active participation of developing and least developed country governments in the service negotiations. More broadly, however, lack of assessment also prevents the elaboration of sound domestic policies aimed at spurring the services sector’s contribution to the overall development of developing countries. For now, only rough, partial or sector-specific assessment exists. More efforts need to be devoted and more resources allotted to elaborating and testing assessment methodologies that would finally allow developing countries to gain a better understanding of the main characteristics, strengths and shortcomings of services markets. Thus far, assessment has shown that:

- (a) an overall balance of rights and obligations has not been attained under the GATS;
- (b) the increase in developing countries’ world service exports has been small;
- (c) the objectives of Article IV have not been achieved (because of export barriers, supply constraints and lack of commercially meaningful commitments);
- (d) benefits of privatisation and liberalisation are not automatic;
- (e) there is a need for policy flexibility and proper sequencing of liberalisation;
- (f) priority attention is needed to ensure access to essential services; and
- (g) there is need for assistance to nascent service sectors and SMMEs in developing countries.

IV.2.2 Conducting a Gender-Trade impact assessment: Some thoughts on an approach⁴⁹

The table below is an excerpt from a resource tool that can be used to identify gender equality issues, barriers and needs and provides suggestions on how these might be addressed. A small but growing number of non-government organisations (NGOs) have developed and tested gender-trade impact assessments.

The Women’s Edge Coalition, for example, has developed and tested a Trade Impact Review framework that enables trade negotiators, governments and others to forecast the benefits and draw-

⁴⁸ Durano in Tran-Nguyen and Zampetti (eds) (2004) *op cit*.

⁴⁹ *Gender Equality and Trade Related Capacity Building: A Resource tool for Practitioners*. Canadian International Development Agency (CIDA) available in English, French and Spanish at http://www.acdi-cida.gc.ca/cida_ind.nsf/0/860d6fd427dfb4cb85256de2005a8486?OpenDocument.

backs of trade agreements;⁵⁰ Women in Development Europe (WIDE) has developed a set of gender indicators that can be used to understand, measure and monitor the relationship between gender and trade⁵¹; the Association of World Council of Churches related Development Organisations in Europe, APRODEV, has produced a report on the gender dimension of economic partnership agreements (EPAs)⁵² and future trade negotiations with the EU.⁵³

Trade policy and Regulation: effective participation in international trade agreements⁵⁴

TYPES OF TRCB PROGRAMMING	GENDER EQUALITY ISSUES, BARRIERS AND NEEDS	POSSIBLE APPROACHES TO INTEGRATING GENDER EQUALITY CONSIDERATIONS
<p>Services Implementation of the Agreements on GATS. Negotiations on international trade in services; Identification of markets; inventory of issues affecting trade in services.</p>	<p>There is a need to identify and address trade-related issues for male and female workers in the service sector: jobs, wages and working conditions for women and men in service work; gender-based barriers to migration, recruitment practices, access to information on opportunities and processes, labour and human rights protection for overseas workers, cost of remittances, etc.</p>	<p>Impact analyses Analyse differential impacts of GATS on women and men in different service sectors, e.g., relative ability to compete with foreign providers, relative ability to export services, impacts on women's and men's employment, work conditions and wages, and ensure that this analysis is integrated in design of interventions. Analyse impact of trade measures on accessibility and prices of essential services such as water, energy, health care, education, and impact on women's and men's productive, domestic and reproductive roles.</p>

Findings from such gender-trade assessments include those of a study on the impact of Economic Partnership Agreements on poor women in Zimbabwe.⁵⁵ “The study found that women experience poverty precisely because they lack access to and control over the productive resources that would enable them to increase their productivity and compete on equal terms with men in trade.” As a con-

⁵⁰ See www.womensedge.org

⁵¹ See www.eurosur.org/wide/home.htm

⁵² Identified by Durano and UNIFEM in Tran-Nguyen and Zampetti (eds) (2004) *op cit.*

⁵³ See www.aprodev.net

⁵⁴ Extract from: Gender Equality and Trade Related Capacity Building: A Resource tool for Practitioners, *op. cit.*

⁵⁵ Analytical Report on the Gender Dimension of Economic Partnership Agreements by APRODEV and AID TRANSPARENCY, Sept 2004 available at www.aprodev.net/

sequence, "...the majority of women engage in the informal economy because this requires low levels of resources and education." At the same time, the informal sector is "characterised by labour and time intensive economic activities with low wages and precarious jobs." The report notes that this is the most sensitive sector to economic restructuring, that the job losses are highest and yet it is off the policy-making radar screen, lacking state support and regulation. This is significant, considering the findings of another gender-trade impact assessment, conducted in Mexico, where 36 per cent of new jobs created under the NAFTA were in the informal sector. Gender impact assessments, in revealing overall and sector specific areas of economic activity can help governments better integrate the informal sector into policy and regulatory frameworks in the interests of managing the economy and the social dimensions of trade.

Another example of a gender-trade impact review is that conducted on the impact of China's accession to the WTO on the employment of women in agriculture and industrial sectors. Although the assessment, conducted by the United Nations Development Programme (UNDP) and UNIFEM in collaboration with the China International Centre for Economic and Technical Exchange and the National Development Reform Commission, did not assess the impact on women in the services sector, the conclusion could be expected to have resonance for women in services: "The China report emphasises that women may benefit from increased employment opportunities, but that gender inequalities related to income, job security and time use might grow unless adequate socio-economic policies are put in place."⁵⁶

TYPES OF TRCB PROGRAMMING	GENDER EQUALITY ISSUES, BARRIERS AND NEEDS	POSSIBLE APPROACHES TO INTEGRATING GENDER EQUALITY CONSIDERATIONS
	<p>Critical services such as water, energy and health care may all be open to trade, with possible implications for access, availability and costs of services, especially for the poor. These effects may differ for men and women because women shoulder primary responsibilities for household and community management; reduced availability or affordability of services need to be compensated for in household level provision and thus are likely to result in increases in women's paid and unpaid work and overall time burden.</p>	<p>Negotiation processes Ensure female participation and representation of women's priorities and interests in GATS negotiations.</p> <p>Credit markets Ensure that liberalisation of domestic credit market or changes in bank/financial regulations do not further constrain women's access to credit.</p>

A window of opportunity for addressing some of the concerns relating to work-place conditions and opportunities for advancement, can be created in the scheduling of specific commitments under the GATS.

⁵⁶ Durano in Tran-Nguyen and Zampetti (eds) (2004) *op cit*

IV.3 Specific Commitments

In crafting the language of specific commitments, trade policy makers create the landscape for future service supply. Governments can leverage their obligation to progressively liberalise the service sectors, through GATS commitments, to channel foreign service suppliers into one sector or another. If domestic capacity is deemed lacking in one area and supply-side constraints seem set to continue, this might be addressed through encouraging the participation of foreign service suppliers. Article XIX.2 sets out that “The process of liberalisation shall take place with due respect for national policy objectives and the level of development of individual Members, both overall and in individual sectors.”⁵⁷ However, while GATS flexibilities allow countries to refrain from fully implementing market access or national treatment obligations (through scheduling so-called conditions or limitations), given that liberalisation is progressive, one could envisage further pressures to remove such restrictions.

Nevertheless, developing and least developed country governments could consider the pace and sequencing of their GATS commitments, together with the formulation and implementation of adequate domestic regulations and appropriate flanking policies to realise economic growth and development with a human, indeed female, face. Information on what domestic regulatory reforms might be useful, can be found by drawing on three sources: a) looking at the texts of international agreements under which the government has concomitant obligations, such as the Convention on the Elimination of All Forms of Discrimination Against Women, and other international human rights treaties; b) the results of national consultations with stakeholders on services; and c) the results of sectoral and national assessments of services.

The rules covering trade in services differ from those covering trade in goods in a number of key areas including with regard to restrictions on local content requirements on the use of local labour, raw materials or capital. The GATS allows for a range of limitations to be put in place at the time of scheduling commitments in a sub-sector which can give effect to labour market re-engineering and the levels of investment permitted. Market access limitations permitted under Article XVI GATS include:⁵⁸

- the number of service suppliers or operations allowed;
- the total value of service transactions or assets allowed;
- the total quantity of service output allowed;
- the number of persons employed;
- the specific type of legal entities allowed; and
- the percentage of foreign ownership.

Much of the current focus on negotiations is on the increasing liberalisation of services trade by means of entering into broader and deeper market access and national treatment commitments. The GATS negotiations offer both challenges and opportunities for WTO Members who aim to maximise positive gender outcomes. For example, as explained previously, GATS can help by providing women with employment abroad, under the condition that employment (including remuneration etc.) is adequate.

⁵⁷ See South Centre publication *GATS conditions to achieve developing country policy objectives* by Borrero and Raj (2005).

⁵⁸ For a more in depth discussion of limitations, see the ITC/Commonwealth Secretariat’s discussion of market access page 49 in *the Business Guide to the General Agreement on Trade in Services* as well as the discussion of GATS Article XVI of the same text at pp 131-132.

Women tend to be prevalent in sectors such as health, professional, or back-office operations, all of which are of export interest to developing countries, including but not limited through mode 4. In fact, the group of LDCs has identified its export interest in sectors such as business services (specifically data processing services) and health-related and social services (specifically childcare workers, institution-based personal care workers, home-based personal care workers and domestic helpers and cleaners). These requests are to other WTO members to open up their services markets to enable the temporary movement of their service suppliers abroad.

Positive response by WTO members, particularly industrialised countries would generate employment opportunities for women and export opportunities for developing countries. In order for industrialised countries to more easily enter into mode 4 commitments, there is a need to work on domestic flanking policies, particularly to ensure temporariness of stay. From a gender perspective, such policies could be beneficial too, as they would ensure that women as well as men would return to their home countries, which in turn may help foster continuity in their domestic social linkages alleviating pressures of long term absences. Guaranteeing the return home of temporary workers may also help address the brain drain.

Potential for positive GATS contributions may also exist in mode 1, the cross-border movement of services. In that context, GATS can help to create employment opportunities for women in the domestic services sector. Again, women tend to work in sectors such as data entry, bookkeeping, in the analysis of health data and in call centres, all of which can today be provided across borders, through mode 1. Again, liberalisation of services trade in such sectors (and the corresponding) modes of supply to developing countries can assist in tapping large export potentials, thereby facilitating and strengthening women's contribution to domestic economic growth. Compared to the above mode 4 types of services exports, mode 1 could be more beneficial from a gender perspective, because it may encourage parents, both women and men, to provide the service from their home-country base. Lessening the need to travel abroad, even if only temporarily, could in this way have a disproportionately positive impact on women who are typically responsible for sourcing replacement labour (childcare) during either their own absence and/or that of their partner.⁵⁹

In addition to providing export opportunities for developing countries, GATS can also affect gender issues, by inducing developing countries to open their markets to foreign service suppliers. If done properly, such openness can prove beneficial including by increasing the efficiency of domestic services markets, or by attracting foreign direct investment which may result in important positive spill over effects and other benefits to the domestic economy. However, in order to ensure that these benefits materialise, appropriate domestic regulatory frameworks must be put in place prior to liberalising at the national level or entering into liberalisation commitments at the international level. In addition, international commitments must be well crafted with the necessary limitations and conditionalities so as to allow governments to retain and put in place domestic development policies.

The telecom sector provides an example where developing country liberalisation commitments may prove helpful for women. If properly done, telecom liberalisation can result in lower costs and increase the penetration and density of telephone ownership, including to women in rural areas.⁶⁰ Grameen Phone in Bangladesh is an example in point. Grameen Phone is recognised internationally for the employment opportunities it has opened up to women in rural and urban areas. It has also fostered entrepreneurship amongst women, with many women purchasing a telephone in order to sell access to telephone users. Today this system supports approximately 500,000 people, many of whom use the service for business calls.⁶¹

⁵⁹ Further factors to consider in servicing clients abroad from a domestic base, include the state of the telecommunications sector, domestic infrastructure and technology related issues.

⁶⁰ This is an indicator of success in attaining MDG 3, as discussed in chapter 2.

⁶¹ Speech by the Honourable Hilde F. Johnson at the Broadcasters' Conference, Cologne, 19 March, 2005.

In order to ensure such beneficial results, however, developing countries may wish to ensure that their commitments at the international level grant them the necessary policy space to put in place the flanking policies and requirements for companies, to ensure their adequate contribution to domestic economic (as well as human) development. Government management of corporate tax thresholds and conditions that finance public spending plans, provide an illustration. Grameen Phone contributes to the economic development of Bangladesh as an employer, a provider of telecommunications services and also, importantly, as the second largest tax contributor in the country. However, some studies⁶² in other areas have shown that trade taxation was unable to increase enough to compensate for the negative affects of tariff reductions on revenues. Care must be taken by governments to consider the impact of their regulatory and tax regimes on women, as any decline in revenues may impact women more than men. Consider two responses to declining revenues:

- a) Raise indirect taxes such as value-added taxes (VAT): This typically impacts the poor more than the rich, as the poor end up paying as much as the rich for their consumption needs that now constitute a greater part of their expenditure.⁶³ Women constitute 70 per cent of the world's poor and are key decision makers in the management of household budgets for food.⁶⁴
- b) Spending cuts on social services. Women spend more on health and education whereas men spend on consumer items.⁶⁵ Sourcing solutions to cuts in social services can disproportionately affect women in terms of the time and money required to seek and support alternative solutions to publicly provided goods and services.

Roll-out obligations, in terms of providing telecom services throughout the country, including to remote and inaccessible areas, as well as tariff structures which allow consumption of telecom services, including by the poor and marginalised are other examples. The Telecom Reference Paper, to which many WTO Members have subscribed, allows governments under certain conditions to put in place universal services obligations. More specifically, the Reference Paper states that "Any Member has the right to define the kind of universal service obligation it wishes to maintain. Such obligations will not be regarded as anticompetitive *per se*, provided they are administered in a transparent, non-discriminatory and competitively neutral manner and are not more burdensome than necessary for the kind of universal service defined by the Member."⁶⁶ While this language appears at first glance to provide considerable flexibility, the 2004 WTO Telmex case has given rise to fears about an overwhelmingly restrictive interpretation of the Reference Paper.

There are similar sensitivities related to the supply of water services. Allowing foreign service companies access to a domestic developing country water services market has been cited to provide both gains and challenges. Proponents of liberalisation⁶⁷ point to the less than adequate level of quality of water in some countries, the loss due to damaged pipes and the lack of service in rural or marginalised areas; whilst other groups are concerned that the GATS will constrain the very policies necessary to ensure the that water service is provided to the poor.⁶⁸ Points raised in the water debate, include the need for an *a priori* assessment of the potential for liberalisation to impact women as key water fetch-

⁶² Durano citing Rao (1999) in Tran-Nguyen and Zampetti (2004) *op cit*.

⁶³ Durano citing Floro (2001) in Tran-Nguyen and Zampetti (2004) *op cit*.

⁶⁴ Similarly, as key decision makers and managers of the household budget for food, women stand to gain more from cuts in food prices that can result from liberalisation under the Agreement on Agriculture.

⁶⁵ Durano citing Barnett and Gown (2004) in Tran-Nguyen and Zampetti (2004) *op cit*.

⁶⁶ See http://www.wto.org/english/tratop_e/serv_e/telecom_e/tel23_e.htm

⁶⁷ See Cudjoe, F. on the market for the provision of water services in Ghana: www.ghanaweb.com/GhanaHomePage/features/artikel.php?ID=64473

⁶⁸ Türk, E. Ostrovsky, A. and Speed, R. (2003) *GATS and Water: Retaining policy space to serve the poor*. Centre for International Environmental Law, Geneva.

ers in many societies. In order to preserve policy space for flanking policies, WTO Members may wish to consider putting conditions on their GATS commitments. So called public services carve outs are an example of how governments aim to preserve such regulatory flexibility. Several European countries such as Norway, Estonia and Switzerland, have included public services carve-outs. The European Community, for example, specifically allows regulators to use certain tools for services considered as public utilities at a national or local level. In an explanatory footnote it notes that “(p)ublic utilities exist in sectors such as health services, transport services and services auxiliary to all modes of transport.” Health and transport are other sectors where the impact on women needs to be assessed and carve outs considered to ensure that any benefits of liberalisation flow to women as well as men.

Pakistan, for example, in its initial offer complemented its market access commitments for health-related services. The initial offer contained conditional commitments for midwives, paramedical and sanitation services. More specifically, Pakistan’s conditional GATS commitment states that it does not include services provided by public institutions whether owned and operated by federal, provincial, district, Tehsil or municipal Authorities, thereby granting the various regulatory authorities (or public service providers) considerable freedom in terms of devising and implementing domestic development policies in these health-related services sectors. The offer was developed through a consultative process that stretched from December 2004 to April 2005 and included the Pakistan Nursing Council, the Pakistan Pharmacists Association and the Pakistan Medical and Dental Council, to name a few. Obviously, the underlying intention was to ensure adequate domestic regulatory freedom to allow Pakistan to put regulations in place in the domain of health-related services. An adequate regulatory framework can work to ensure that these services will be provided, including to the poor and marginalised, many of whom are women.⁶⁹

Obviously, in sectors such as water, health or education, it is important for governments to utilise the flexibility in the GATS to achieve concomitant human rights obligations. “The human right to water entitles everyone to sufficient, safe, acceptable, physically accessible and affordable water for personal and domestic uses.”⁷⁰ Governments are not obliged to provide the service, but to ensure the provision of the services. Where a government may choose to contract out the provision of the service itself, it must ensure through regulatory, legislative or other binding measures that the obligation regarding the standard of water and economic and geographic accessibility, are met by the service provider.

Foreign direct investment (FDI) is akin to Mode 3 of services provision under GATS. It cannot only help improve domestic service provision, but it can also create additional employment opportunities for women, particularly in sectors such as tourism, health care and business services. However, an aggregate increase in women’s employment figures neither guarantees economic growth nor development *per se*. Rather, sustained increases in long-term labour force participation rates for women, preferably with indications of advancement through the pay scales, complemented by training and capacity building opportunities, are of greater significance. Providing regulatory space for obligations to ensure local content, technology transfer or a certain percentage of domestic management positions, are widespread policy tools. In essence such tools can also be used in order to promote women, for example, by allowing governments to ensure that foreign companies not only provide teaching and training to domestic employees, but that they also offer particularly suited and tailored services to women employees as a tool to ensure employment and facilitate structural change. A requirement to have a certain percentage of management positions held by domestic citizens, could be combined with a specification regarding the number of women appointed. In case such policies are targeted to foreign employees only, governments would need to avoid conflicts with any possible national treatment commitments including by enshrining the necessary conditionalities in their schedules.

⁶⁹ Borrero, E. and Raj, G (2005) *op cit*.

⁷⁰ Committee on Economic, Social and Cultural Rights, “The right to water: articles 11 and 12 of the International Covenant on Economic, Social and Cultural Rights”, General Comment number 15 /E/C.12/2002/11.

Financial services are also of interest to women. Concerns have been raised that unfettered financial services liberalisation may impede access to micro-credit and rural development, both of which are closely linked to women (as entrepreneurs as well as service providers and consumers). Again, this is an area where governments may wish to ensure that when entering into international liberalisation commitments in the financial services sectors, they also retain the necessary policy flexibility to put in place policies that ensure access to finance, including for women. This could be achieved by drafting schedules in such a way as to allow domestic policies that aim to ensure equitable access to finance.

VI.4 Evaluation

Finally, a government can identify the effect of policies actually implemented by conducting an evaluation of trade liberalising policies and the accompanying flanking policies. Once again, consultations, assessments and the collection of sex-disaggregated data would provide critical inputs for an effective evaluation. With an ever evolving understanding of the skills and demographic trends in the labour market, governments can better scope trade policy and modify flanking policies in an iterative process to achieve economic growth and human development. The proceeds of a gender-sensitive evaluation could be shared during the trade policy review.

V. RECOMMENDATIONS

This paper recognises that women working in the formal and informal economies as well as in the home play a central role in both human development and the growth of the national economy. Governments need to be aware of the location of women within the economy if they are to ensure that the benefits of trade liberalisation and increased cross-border trade in services, also flow to and include women. The following recommendations aim to assist policy makers to consider their policy options so as to maximise the benefits and minimise the costs to women.

Consultation:

- Hold sector-specific and nationwide consultations on services. Invite women service providers, representatives of women's organizations, women's business associations, inter-governmental organisations, NGOs, academics and representatives of different ministries, including ministries related to 'gender', 'women' or 'family'.
- Conduct consultations in a venue easily accessible to women (for example, on a public transport route). Consider the time-constraints of working women with children and preferably organize childcare for the period of the consultation.
- Ensure a gender balance in consultations and other activities such as training and trade-related capacity building programmes, trade fairs, trade missions and on delegations that welcome visiting trade delegations.

Assessment:

- Ensure the collection of sex-disaggregated data to inform decision making and enable the impact of policies on women to be measured.
- Ensure such data clearly sets out not only in what sectors, but at what levels of seniority and pay, women work.
- Include an assessment of activity in the informal as well as formal sector.
- Request technical assistance from the WTO, inter-governmental organizations and non-governmental organisations for training in the use of gender-trade impact assessment tools.

Specific commitments:

- As women predominate in SMMEs or as independent service suppliers, prioritise the removal of barriers to temporary business travel (mode 4) that constrain women's access to clients, as well as conferences and connection to international industry groups and associations. This would be particularly helpful for those skilled in health services, legal services and for those providing domestic help. Developing policies to ensure temporariness of movement, can serve a double purpose: first, making it easier for receiving countries to enter into legally binding market opening commitments; second, facilitating social cohe-

sion in sending countries. Priority needs to be accorded to the negotiation of mutual recognition agreements, recognising that the acceptance of professional credentials and licenses in sectors that predominantly employ women, can expand potential export horizons. Examples include health services, legal services, consultancy and training services.

- Include language that avoids constraints in regulatory prerogatives to ensure access to essential services such as health, education and water.
- Ensure that any services commitments avoid prejudging governments' ability to apply universal service obligations to foreign telecom and other infrastructure. Telecommunications is a particularly important sector for home-based workers, many of whom are women.
- Implement performance requirements for foreign service suppliers seeking to invest that specify quotas in training for women participants, particularly in management training.
- Specify a requirement that firms wishing to invest and intergovernmental organizations establishing offices in-country, contract out part of their work to local women-owned businesses. This can help strengthen local services capacity.

Evaluation:

- Review domestic legislation to ensure that responses to any decrease in tariff revenues (as an outcome of negotiations in other sectors such as agriculture), do not adversely affect women. Monitor the impact of revenue raising policies as they may negatively impact women (for example, increasing value-added taxes that can disproportionately impact the poor, the majority of whom are women) or cuts to public services. Cuts to public services such as transport, education and health can disproportionately impact women in terms of impinging on women's access to transport to markets, increasing the time burden shouldered by women and potentially, in terms of education, reducing employment prospects. Health cuts impact women as 'carer of last resort', limiting employment options to those closer to the home and working longer hours and in addition influencing decisions to withdraw girls from school.
- Evaluate the success of engaging women in trade-related technical assistance and capacity building projects, export promotion activities and trade missions (participation in outgoing and in meeting visiting delegations). In collecting feedback from participants on these activities, include questions on constraints to participation such as the timing of the event, distance travelled and other factors that may discourage women's participation.
- Evaluate the work of the 'Enquiry Point' identified in the GATS and ensure he/she has an up-to-date list of women's business organisations.

VI. CONCLUSION

The aim of this paper has been to draw the attention to trade negotiators from developing and least developed countries, to the relationship between gender and services trade issues. A CASE approach is advocated, that is, utilising consultation, assessment, specific commitments and evaluation, as tools governments can draw on to better understand the dynamics of the services sector, its liberalisation and the socio-economic implications for women and men interacting as service providers and consumers within an economy. With an *a priori* understanding of the impact of the range of policy options at their disposal, in conjunction with the ongoing services negotiations, governments can better navigate outcomes that can maximise the benefits and minimise the costs to women. This can in turn contribute to economic and human development and is in line with the Doha agenda, the preamble of the Marrakesh Agreement establishing the WTO, the preamble of the GATS and the Millennium Development Goals.

ANNEXES

A. Addressing gender issues related to the liberalisation of trade in services⁷¹

Issues	Issues to be addressed through						
	Domestic policy reform	Donor assistance	Ministry of women & families	National planning agency	Trade promotion office	GATS requests	GATS offers
Gender Issues:							
Social & cultural values & expectations	✓	✓	✓				
Able to own assets in own name	✓		✓			✓	
Able to serve on boards of directors	✓		✓			✓	
Able to obtain work permits & visas			✓			✓	
Access to education	✓		✓				
Access to management positions	✓		✓				✓
Gender disaggregated statistics	✓	✓	✓	✓			
Quality-of-life issues:							
Universal access to potable water	✓						✓
Universal access to health care services	✓						✓
Universal access to education	✓						✓
Employment available	✓			✓			✓
Conditions of employment monitored	✓		✓				
Employment & pay equity	✓		✓				✓
Cessation of violence against women	✓		✓				

⁷¹ From Riddle, D in Tran-Nguyen and Beviglia Zampetti (eds) (2004)

Issues	Issues to be addressed through						
	Domestic policy reform	Donor assistance	Ministry of women & families	National planning agency	Trade promotion office	GATS requests	GATS offers
Women's businesses as small service suppliers:							
No local presence for Mode 1						✓	
Access to financing	✓		✓	✓			
No competition from government	✓	✓		✓			
No competition from donor-funded services		✓					
No direct competition from investors	✓						
Create global credibility					✓		
Access to services-specific trade support					✓		
Services as a part of export development plans	✓	✓		✓	✓		
High speed, low-cost phone & internet	✓			✓			✓
Able to supply foreign investors (local content)	✓	✓		✓	✓		✓
Women's businesses as service suppliers:							
Mutual recognition of credentials	✓	✓		✓		✓	
Temporary business entry to export markets						✓	
Same incentives as manufacturers	✓			✓			
Women's business associations and networks			✓		✓		

B. Consultation - the voices of women⁷²

In the last few years, the World Bank and other organisations have consulted women entrepreneurs and women business associations in regions across the world. The following sub-sections outline what they had to say and, provides an insight into the kinds of issues that are likely to be put on the agenda by fostering greater female involvement in policy dialogues.

B.1 Women's voices from Africa⁷³

- Women working in the informal sector are not protected by labour laws and their work is not recognised by policymakers.
- Governments need to review urgently all discriminatory laws, regulations and policies with the aim of promoting gender equity in business.
- There are problems associated with the clash of statutory and custom law, for example preventing women from owning land which they can use as collateral for business loans.
- Cultural and traditional practices can inhibit women's inability to own or inherit land, require the consent of a husband or father for work or business, and create difficulties for widows by allowing the husband's family to seize land and assets on his death.
- Access to finance is both inadequate and discriminatory: for instance, lenders require the backing of the husband. There is a need for gender-sensitive financial services.
- Trade and investment promotion bodies need to think through the gender dimension of their policies more carefully.
- Business women need more input into economic policy making, such as through national business women's associations in all African countries. Women's voices should be valued.
- Gender-responsive budgets with monitoring and accounting systems should be adopted to ensure women and girls are adequately targeted for education, training and health.
- There is a need for women-friendly infrastructure. Many government departments and businesses assume their workers will be men and do not provide female conveniences.
- Women need quality and affordable childcare.
- Diversity on corporate boards should be encouraged.
- Export promotion zones are often not subject to national labour policies, and given the large numbers of women employed, the effect on women's well being needs analysis.

B.2 Women's voices from the Caribbean⁷⁴

- The legal and regulatory framework should be non-discriminatory to women owned enterprises.
- There is an urgent need for representative women's organisations at both national and regional levels to advocate, promote and sustain the economic and social needs of women.
- Sex-disaggregated data is required for good policy making.
- Financial institutions and lending agencies should provide equitable treatment and access to finance.

⁷² Appendix B is from Ellis, *op cit.* .

⁷³ UNCTAD, African Development Bank, *Doing Business* consultations, 2003, in Ellis *ibid.*

⁷⁴ ILO (2003) in Ellis, *ibid.* .

B.3 Women's voices from the Middle East⁷⁵

- Laws should be abolished that impede women's employment, eg. right to work, right to travel, right to enter certain professions, restrictions on hours of work.
- It is important to ensure that women can participate in economic policy making.
- There is a critical need for business women's organisations to provide a voice to Government on economic policy issues, to allow businesswomen to connect with and support each other and to access external expertise.
- Banks need to provide better access to credit to women; the need is particularly acute in rural areas.
- Under Islamic law women are able to own property, but banks often demand more security from women including guarantees from male relatives, even if this is not technically required.
- Women have relatively little business experience in the Middle East, so education and technical training are desperately needed.
- There is a need for "best practice" examples to help persuade policy makers that engendered investment climate and business legislation will facilitate private sector development.
- Business training and mentoring are needed, including in local languages.
- Hiring practices should be transparent, both in theory and practice.

B.4 Women's voices from the transition economies⁷⁶

- Gender perspective is not integrated into transition strategies.
- There is a lack of access to guarantee funds and adequate credit schemes.
- Access to new information technologies is inadequate.
- Education and training facilities are poorly developed, especially in the field of entrepreneurship.
- Social infrastructure support and technical advisory services are insufficient and underdeveloped, both of which are needed to sustain women's activities.
- Governments should promote collection, processing, analysis and dissemination of gender-sensitive national statistics and studies on entrepreneurship and SMEs.
- Governments should encourage the formation and development of associations of women entrepreneurs to improve training and know-how, diffuse technology and enable networking that can facilitate access to markets.
- Governments should develop a transnational exchange of experiences and best practices on women's entrepreneurship

⁷⁵ Doing Business consultations (2003) in Ellis *ibid.*


















⁷⁶ CEI (2001) in Ellis *ibid.*

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