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T20 Policy Brief

Task Force 04

TRADE AND INVESTMENT FOR SUSTAINABLE AND INCLUSIVE GROWTH

Advancing Women's Participation in Global Trade: An Agenda for the G20

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Abstract

Across G20 economies, women's labour force participation rates continue to remain lower than men's, with significant differences in emerging economies. Moreover, globally, gender gaps in non-traditional, infrastructure-heavy sectors are often higher, and more persistent owing to gender biases, mobility restrictions, as well as legal provisions and social norms restricting women from taking up certain job roles.

In this context, World Bank and the World Trade Organization (WTO) research has shown that trade is a powerful driver of gender equality in developing countries. Firms that are part of global value chains (GVCs) tend to employ more women, and jobs in GVC-integrated sectors are more likely to offer higher pay and benefits than firms not directly engaged in trade. Trade facilitation, i.e. the simplification, modernization, and harmonization of export and import processes disproportionately benefits women's entrepreneurship in trade-related services sectors.

Yet women's involvement in international trade is minimal in many developing economies. In developing nations, women form 33% of the workforce in export firms and lead 15% of businesses in international trade. They are more represented in global value chains and foreign-owned firms, with 36.7% and 37.8% respectively. With G20 countries making up 75% of global trade, the trade and trade-related services sector has significant potential for accelerating women's participation in economies, reducing gender disparities, and promoting inclusive growth.

This brief will examine gender gaps and challenges in trade and trade-related services, using secondary sources, and case studies to examine gender-differentiated impacts of trade facilitation reforms in select G20 countries. The brief will provide policy recommendations to promote gender-responsive trade policies and boost the participation of women in the sector.

Keywords: Gender gaps, Trade challenges, Women's economic participation, Global Value Chains



Diagnosis of the Issue

Women's participation in the trade sector has a rich and varied history. Women participated as consumers, mediators, traders and merchants, and yet, their contributions have been largely invisible. Current research shows that trade creates better jobs for women, as companies that export employ more women, pay them higher wages, and offer better benefits and job security (World Bank 2020).

Recent research from World Bank, the World Trade Organization (WTO), and the International Monetary Fund shows that trade can significantly contribute to promoting gender equality in developing nations as trade creates better jobs and even entrepreneurship opportunities for women. (Box 1).

Box 1: Role of trade in promoting gender equality

- Women represent 33% of employees in exporting firms in developing economies, compared to 24% in non-exporting firms (WTO 2023).
- Businesses in global value chains or with foreign investors employ 11-12% more women (Rocha and Piermartini 2023)
- Firms involved in exports, imports, or global value chains generally employ more women.
- Workers in sectors that trade more are more likely to be employed in formal jobs.
- Nearly 13% of women in highly integrated sectors work informally, compared to 20% in less integrated sectors. For men, it falls from 9.5% to 5.0% (Kochhar et al. 2016).

Yet, the participation of women in international trade remains notably low in many economies. World Bank’s data on the global proportion of workforce employed in the Transport, Storage and Warehousing sector shows that the proportion of men employed is four times more than women (figure 1).

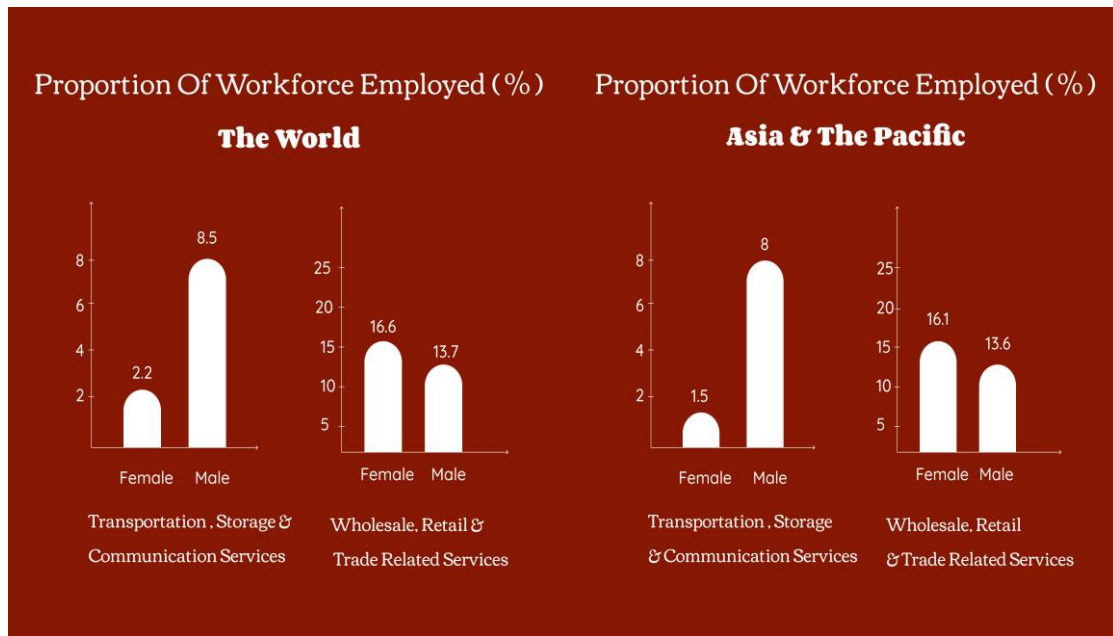


FIGURE 1. Proportion of Workforce Employed in Trade Sub-sectors in Asia Pacific compared to Global Average. *Source:* ILOSTAT Database, World Bank WDI Database, NSSO Data, ILO Brief on Transport sector. *Note:* Statistics shown for latest available year between 2019-2024.

Across OECD countries, 27% of jobs held by women are directly or indirectly dependent on exports while for men it is 37%. Many preferential trade agreements now include gender-specific terms. As of July 2020, 80 such agreements, 69 in force, explicitly mention women and gender issues (OECD 2021).

Even amongst women who participate in trade, surveys by the World Bank across emerging markets and developing economies reveal several gender gaps in trade.

Underrepresented at trade associations and overlooked in government consultations, women are not being heard. Moreover, women are less likely to be aware of documentation and customs clearance processes, especially when they are digital – putting them at a disadvantage owing to the gender digital divide – the gap in access, ownership, and usage of digital tools and devices like smartphones.

Direct participants in trade, such as traders, freight forwarders, customs house agents, transporters, and other service providers operate at border areas that may be isolated, outside city limits, even late at night. They must often travel, meet with exporters (who may also be predominantly male), and work long, unpredictable hours. Taking up such work is especially hard for women, especially from emerging economies, whose families often restrict their movement, even during daytime hours. The lack of safe and inclusive public transport and limited connectivity to ports, warehouses, and other logistics facilities, lack of clean washrooms, and the threat of harassment are also key barriers.

Moreover, enduring social norms that perpetuate women’s role as primary care givers limit time available for paid work, particularly if women aspire to be entrepreneurs in the trade and trade-related service sectors.

Relevance for the G20 agenda/Role of G20 countries

The G20, representing 75% of global trade, is committed to reducing the gender gap in labour force participation and achieving women's full economic participation. However, the inclusion of women in trade has not been explicitly stated in the G20 communiqués. Despite this, 16 of the G20 members¹ are signatories to the WTO's Buenos Aires Declaration on Trade and Women's Economic Empowerment (2017) and are part of the Informal Working Group on Trade and Gender.

Established under the Chinese G20 Presidency in 2016, the Trade and Investment Working Group (TIWG) aims to promote international trade and investment, fostering an open global economy and driving growth. In recent years, successive G20 presidencies have emphasized trade-related issues such as resilient supply chains, digital trade, WTO reform, and supporting MSMEs, acknowledging the need to enhance the benefits of trade for all. However, despite recognizing the importance of inclusive trade, women's participation remains overlooked in G20 communiqués.

During the Indian presidency, the W20 India communiqué explicitly highlighted the G20's role in facilitating women's access to national and international trade. Given the G20's influence on global economic governance, prioritizing gender-inclusive trade must become central to its agenda, as emphasized in its communiqué.

Under the Brazilian Presidency, promoting global action to boost women's participation in international trade has been identified as a G20 priority for the first time. Brazil is expected to set guidelines to enhance female participation in international trade,

¹ Except India, Saudi Arabia, South Africa, and the United States of America.

potentially transforming the landscape of women's involvement in trade facilitation across G20 countries.

Policy Recommendations

The advent of green trade solutions, increasing focus on cross-border and regional trade, and greater automation in logistics sector are collectively creating an environment requiring a new workforce in the trade and logistics with a different set of skills. This presents an opportunity for governments across G20 countries to enhance women's representation across trade supply chains. It is recommended that the focus can be on six levers.

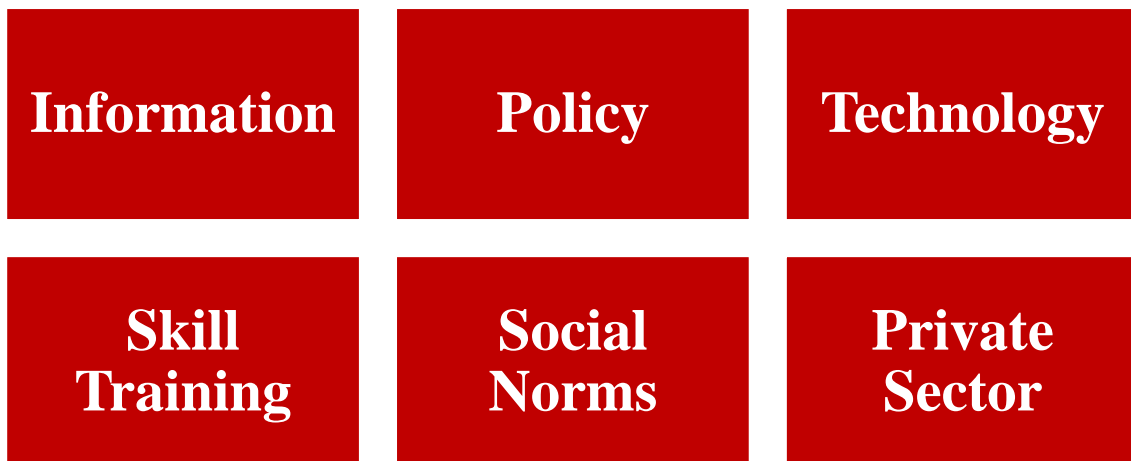


FIGURE 3. Levers for Facilitating Women's Participation in Trade in G20 countries

Lever 1: Information

In emerging economies, there is a need to democratise access to information for women about the economic opportunities associated with the trade sector. Developed countries can engage in knowledge sharing with women traders in emerging economies

through long-term partnerships with trade promotion bodies. For instance, agencies such as USAID (USA) and Austrade (Australia) are developing partnerships with emerging economies by establishing trade forums focused on women's participation. A crucial action that the G20 could undertake is the establishment of a global Gender and Trade database that provides information on Gender Disaggregated sector data on employment, entrepreneurship and gender-disaggregated trade values attributable to different genders. See Case Study 1, Appendix 1.

Lever 2: Gender-Intentional policies and regulatory frameworks for inclusive trade

There is a need to institute reforms in existing regulatory frameworks with a gender lens to ensure no restrictions on women's participation in the trade sector. Existing trade agreements, regulations around quality control and testing, working hours and mobility barriers to participation in trade are critical to examining the gender-differentiated impact of policies. For instance, recent initiatives such as the African Continental Free Trade Area (AfCFTA) Protocol on Women and Youth in Trade, India's National Trade Facilitation Action Plan, and initiatives by the Brazilian Women and International Business Program are all focussed on creating increased employment and entrepreneurship opportunities for women in trade (UN Women 2023). See Case Study 2,3 and 4 in Appendix 1.

Lever 3: Leveraging Automation as an Opportunity

The rapid automation of the trade sector creates new opportunities for women's involvement, particularly in developed countries where warehouses have embraced automation like automated palletisation. However, in emerging economies, physical labour remains crucial, with concerns from labour unions about potential job loss due to

automation (Díaz Pavez and Martínez-Zarzoso 2023). Additionally, challenges such as longer working hours and inadequate transportation persist, especially at land ports, hindering women's participation (PwC 2023).

Nevertheless, automation eliminates physical strength-based discrimination, enabling companies to hire and train women for machine operation roles. Emerging economies within the G20 must incentivise private logistics sector women's training in new technological skills.

Lever 4: Skill Training and Capacity Building

As digitalization transforms the trade sector, G20 economies must prioritize skilling women to enhance participation. In developed nations, where women are heavily involved in digitalized trade sectors, efforts need to focus more on reskilling and upskilling to adapt to increasing digitisation and automation in logistics operations. In emerging economies, fresher skilling for entry level jobs and entrepreneurship in the trade sector need to be prioritised. For instance, initiatives such as SkillUP under G20 Empower can be expanded to include a focus on the trade sector, and to a wider group of countries.

Lever 5: Tackling Social Norms

Addressing social norms such as mobility challenges and improving access to care infrastructure is vital for enhancing women's participation in the trade sector. Women traders require access to care infrastructure, particularly safe, affordable childcare facilities to participate in trade and logistics (OECD n.d.). While in developed economies childcare facilities may be available in urban centres, and the distance between city centres and ports/logistics facilities may be low, in emerging economies, the remote locations of ports and warehousing facilities necessitate the availability of in-situ

childcare. For instance, India's Land Ports Authority is considering establishing creche facilities at the land border crossings.

Lever 6: Role of Private Sector in Enhancing Women's Participation in Trade

Enhanced representation and contentment of women in the workplace can enhance productivity and decrease employee turnover. To foster gender diversity in the trade sector, companies in emerging economies should implement Diversity, Equity, and Inclusion (DEI) initiatives, along with regular assessments to address employment gaps. Private firms like DHL and UPS exemplify this commitment through innovative programs. DHL's 'DHL GoTrade GBSN Fellowship' supports SMEs in emerging economies with postgraduate business student assistance, while their 'eTrade For Women' initiative, in partnership with UNCTAD, promotes women's empowerment through ICTs.

Scenario of Outcomes

Reducing the gender gap in labour force participation and achieving women’s full economic participation is central to the G20 commitment towards inclusive growth, and reducing poverty and inequality. Trade offers a pathway to drive gender equality and development. Our analysis shows that as countries proceed to implement interventions for each of the recommended levers detailed above, agencies are likely to face several potential challenges, particularly due to political economy factors, especially in emerging economies. Thus, an enumeration of likely scenarios and mitigation actions is detailed below.

TABLE 1. Scenario of Outcomes for Recommended Policy Actions

Policy Recommendation	Potential Challenges	Risk Mitigation
Information	Language barriers can create accessibility challenges for women traders	Multiple languages can be used for knowledge sharing materials, especially local languages.
	Interest groups such as trade unions and local trade monopolies might oppose women traders’ access to information for fear of losing their business.	Identify champions from within these unions/groups to build internal consensus for enhancing women’s participation.
	Pressure groups / local community can oppose women’s employment owing to deeply entrenched social norms.	Target youth in communities to advocate / increase awareness / have dialogues for having women in trade.

Policy	Policy makers may prefer gender neutrality rather than gender intentionality.	Leverage gender disaggregated data to advocate for gender intentionality
Automation	Labour unions are likely to oppose automation due to fear of job losses	Work with labour unions for reskilling of workers, including representation of women.
	Gender digital divide makes it more difficult for women to acquire necessary training on new technologies.	Create more avenues of training for women in operating new technologies.
Skill Training and Capacity Building	Unfamiliarity with the trade and logistics job roles may deter women from applying to skilling courses in the sector.	Prioritise on the job training for women across logistics sector job roles.
Social Norms	Mobility challenges due to distance between city and ports in emerging economies.	Implement policies for safe public transport in line with the World Bank Gender Toolkit.
	Disproportionate burden of unpaid care work borne by women.	Public-private partnerships can facilitate the development of effective care services and transport solutions
Private Firms	Private firms may prioritize business development over implementing pro-women policies.	Women can benefit from participating in programs like DHL's GBSN fellowship for increased job opportunities.
	The scarcity of qualified women employees may deter private companies from hiring.	Emphasize the advantages of employing women in the trade sector to encourage hiring practices.

The trade sector drives gender equality as it creates better jobs for women through integration into global value chains. With the value of global trade at US\$ 32.1 trillion in 2022 and expected to grow further (WTO 2023), increased automation in the trade and logistics sector and the use of AI in jobs such as palletisation present new points of entry into the sector for women as the need for physical labour is eliminated. It will, thus, enable greater access to non-traditional job roles for women.

Women's participation in the trade and logistics sector is hindered by multifaceted challenges, including mobility constraints, inadequate care infrastructure, and the gender digital divide. Labour union resistance to automation in developing economies further compounds these issues, while insufficient skill training and gender-neutral regulations exacerbate the barriers to entry.

The policy recommendations address these impediments through a comprehensive approach. We propose enhancing information access, implementing gender-responsive regulations, and leveraging automation to create opportunities. Additionally, we advocate for targeted skill development, improved care infrastructure and safe transportation, and the adoption of inclusive corporate policies. These strategic interventions aim to foster an environment conducive to women's meaningful engagement in trade and logistics.

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Appendix 1: Case studies

Sl. No.	Case Study	Implementing Agency	Year	Description
1	Women in Export	Australian Trade and Investment Commission (AUSTRADE)	2006	Program to help women realize their export potential, overcome barriers, provide export advisers, networking opportunities, and share success stories.
2	India's National Trade Facilitation Action Plan 2020–2023	Central Board of Indirect Taxes and Customs	2020	Incorporates "gender inclusivity in trade" as a specific action item, launched the "Women in Global Business Program" to provide information, resources, and mentoring to Indian businesswomen.
3	African Continental Free Trade Area	African Union	2024	Dedicated to enhancing the involvement of women and youth within the AfCFTA,



	(AfCFTA) Protocol on Women and Youth in Trade			introduces provisions to eliminate non-tariff barriers, promote education and awareness, facilitate policy participation, and ensure access to financial instruments.
4	Brazil Women and International Business Program	Brazilian Trade and Investment Promotion Agency (ApexBrasil)	2023	Aimed to increase the number of women-led Brazilian companies in exports and global value chains, applied a gender lens to various pillars of action, and provided additional support for women-owned businesses.
5	G20 Alliance for the Empowerment and Progression of Women's Economic Representation (G20	Ministry of Skill Development and Entrepreneurship (MSDE), Government of India	2019 for G20 EMPOWER	G20 EMPOWER focuses on advancing women's leadership and empowerment in the private sector, while G20 Skill Up is part of India's Skill India Mission, aiming to cultivate a highly skilled workforce.

	EMPOWER) and G20 Skill Up			G20 EMPOWER launched the Digital Inclusion Platform, TechEquity Platform, and WEP Mentorship Platform to bridge the gender digital divide.
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