At a glance

Plenary - March 2018



Gender equality and trade

Trade liberalisation has a gender-differentiated impact. The EU, which is committed to the promotion of gender equality in all policies, has established specific mechanisms in its bilateral trade agreements to enforce women's labour rights, and monitor the gender impact of the agreement. Parliament is due to discuss an own-initiative report during its March plenary session asking for those to be reinforced.

Background – Gender-differentiated impact of trade agreements

Women and men are <u>impacted</u> differently by trade liberalisation. While liberalisation boosts employment in certain sectors, raising wages and improving working conditions, in other sectors it can create pressures which may affect female employment and wages negatively. Even in those sectors where new jobs are created for women, these often remain low-skilled, labour intensive and low paid, such as in the textile, garment and agricultural sectors. Such export-oriented sectors use female labour intensively, often taking advantage of a lack of protection for women's labour rights. Moreover, according to <u>available data</u>, women-run small enterprises or farms may be negatively affected by international competition. On the other hand, as consumers, women and their families benefit from cheaper prices as a result of trade liberalisation.

EU policy on the issue

According to its Treaties, the EU shall aim in all its activities to promote equality between men and women. The EU has also committed to fulfil Sustainable Development Goals 5 and 8, on gender equality, and decent work and economic growth, respectively. In line with these obligations, the EU has developed mechanisms to make its trade compliant with women's labour rights, and also to monitor and analyse the impact of its trade policy on women. Newer EU bilateral trade agreements (such as with Korea, Central America, Colombia, Peru, Georgia, and Moldova) include trade and sustainable development (TSD) chapters, which refer to the obligations of the parties to comply with their international commitments on labour rights. Some of these have a clear gender dimension, such as the International Labour Organization (ILO) Conventions on equal remuneration, discrimination, workers with family responsibilities and maternity protection. Various stakeholders have pointed however to shortcomings in implementation of TSD chapters. The European Commission launched a debate in July 2017 on how to improve implementation further, and set out a series of proposals, such as facilitating the monitoring role of civil society. The Commission also analyses the (potential) impact of trade agreements on women in third countries, in line with its guidelines on the analysis of human rights impacts in impact assessments. The sustainability impact assessments realised in the context of trade negotiations since 2002 have included gender issues in the context of trade liberalisation. Of the few ex-post assessments realised to date, some, but not all, have dealt with the impact of liberalisation on women.

European Parliament position

On 24 January 2018, Parliament's Committees on International Trade (INTA) and on Women's Rights and Gender Equality (FEMM), working jointly under Rule 55, adopted an <u>own-initiative report</u> on gender equality in trade agreements. The report stresses that all EU trade agreements must include an enforceable TSD chapter, and calls for the inclusion in such agreements of core labour standards and of other international instruments on women rights. It calls for effective measures to combat the exploitation of women in export-oriented industries. It stresses the need to collect gender-disaggregated data on the impact of trade. It further calls for the reinforcement of corporate social responsibility and due diligence in free trade agreements. The report is due to be debated during the March plenary session.

Own-initiative report: <u>2017/2015(INI)</u>; Committees responsible: INTA, FEMM; Rapporteurs: Malin Björk (GUE/NGL, Sweden), Eleonora Forenza (GUE/NGL, Italy).

EPRS | European Parliamentary Research Service Author: Ionel Zamfir, **Members' Research Service** PE 614.729

