

Gender equality and trade

Trade liberalisation has a gender-differentiated impact inside and outside Europe. The EU, which is committed to promoting gender equality in all policies, has established specific mechanisms in its trade policy to enforce women's labour and human rights, and monitor the gender impact of its trade preferences. The European Parliament supports this policy and asked for it to be reinforced.

Background – Gender-differentiated impact of trade agreements

Women and men are [impacted](#) differently by trade liberalisation. While liberalisation boosts employment in certain sectors, raising wages and improving working conditions, in other sectors it can create pressures affecting female employment and wages negatively. Particularly in developing countries, the new jobs created for women 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 [available data](#) (United Nations Conference on Trade and Development, 2016) small enterprises or farms, which are often run by women, may be negatively affected by international competition. On the other hand, as consumers, women and their families benefit from cheaper prices resulting from trade liberalisation. In the EU, in 2011, almost [12 million women](#) had jobs thanks to the exports of goods and services to the rest of the world, but their share of jobs created through trade was lower than for men (38 %).

EU policy on gender equality and trade

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](#) (SDGs) 5 and 8, on gender equality, and on decent work and economic growth, respectively. The EU '[Measures for Gender Equality and Women's Empowerment: Transforming the Lives of Girls and Women through EU External Relations \(2016-2020\)](#)' adopted by the Council in 2015 call on the EU to analyse the impacts of international trade on gender equality in the context of trade negotiations, as a way to improve access to decent work for women of all ages.

Gender in EU free trade agreements (FTAs)

EU trade agreements concluded since the 1990s contain a general human rights clause that establishes human rights as the basis of the agreement. One of its practical implications is that the agreement should not have a negative impact on human and implicitly on women's rights. Newer EU bilateral trade agreements include trade and sustainable development (TSD) chapters, which oblige the parties to comply with international standards on labour rights, including some relevant for women, such as the [International Labour Organization \(ILO\) fundamental conventions](#) on equal remuneration and discrimination. TSD provisions provide for dialogue and cooperation between the parties in joint bodies, sometimes with the involvement of civil society. The strength and extent of the parties' commitments enshrined in TSD provisions [varies](#) between agreements. [Enforcement](#) is seen as weaker, since TSD provisions have always been excluded from the general dispute settlement mechanism and no sanctions can be imposed. Taking into account [criticism](#) from various stakeholders, the European Commission launched a [debate](#) in July 2017 on how to improve their implementation, and put forward a set of [recommendations](#), such as facilitating the monitoring role of civil society and working with international organisations, including ILO. Another [proposal](#) being debated refers to the inclusion of a separate chapter on gender in agreements (e.g. [Chile](#)).

The Commission systematically analyses the (potential) impact of trade agreements on women in third countries, in line with its 2015 [guidelines](#) on the analysis of human rights impacts in impact assessments, for example with regard to the impacts on the quantity of employment or on working conditions of men and women (e.g. health and safety at work) and to income inequalities.

The Commission's [sustainability impact assessments](#) (SIA) done for trade negotiations since 2002 have, with some exceptions, looked at gender issues. Many [SIAs](#) have found that the agreement to be concluded

would have an overall positive impact on women, whereas in some cases the impact would be more mitigated or neutral. Of the few [ex-post assessments](#) realised to date, some, but not all, have dealt with the impact of liberalisation on women. The [ex-post evaluation of the implementation of the EU-Mexico Free Trade Agreement](#) concluded that a negative impact on the rights of women was highly unlikely as a result of the EU-Mexico FTA and that, in the long run, trade liberalisation can decrease gender discrimination by promoting more equal practices in industry. The [evaluation of the economic pillar of the EU-Chile Association Agreement](#) found that the EU FTA was beneficial for women's employment in export agriculture.

Gender in EU unilateral trade preferences

The EU's unilateral trade preference also include a gender dimension. The three components of the generalised system of preferences (GSP) all provide for human and labour rights conditionality, namely the Everything But Arms scheme (covering least developed countries), the standard GSP, and GSP+. The first two provide for the withdrawal of preferences in case of serious and systematic violations of core international human rights and labour rights principles (as enshrined in United Nations (UN) core human rights conventions and ILO labour conventions). In practice, this [conditionality](#) has been applied or [considered](#) only for very grave human and labour rights violations, not specifically related to women rights. In addition to this conditionality, GSP+ provides for stricter obligations and monitoring for developing countries in exchange for specific trade arrangements. Participating countries have to ratify and comply with their obligations under several UN and ILO conventions that are relevant for women's rights and gender equality, particularly the [Convention on the Elimination of All Forms of Discrimination against Women](#) (CEDAW), the [International Covenant on Economic, Social and Cultural Rights](#) (ICESCR), and ILO Conventions [100](#) and [111](#) (Equal Remuneration Convention and Anti-discrimination Convention). GSP+ is conceived as an incentive scheme to encourage countries to make gradual progress. The rigorous monitoring undertaken by the European Commission for each individual country systematically covers progress on women's rights and gender equality. GSP+ countries are expected to adjust their legislative and institutional framework and to adopt action plans on women and take other concrete measures. At the practical level, GSP+ impact has been mixed. For example, Pakistan's [garment industry](#) (the country is by far the biggest GSP+ beneficiary, mainly due to its textile exports to the EU) remains widely dominated by men, and working women are exposed to multiple forms of discrimination.

Other gender related trade measures

The 2015 Strategy '[Trade for all: Towards a more responsible trade and investment policy](#)' sets as a main objective of trade policy ensuring that the benefits of openness are shared by all. The updated 2017 [EU Strategy on Aid for Trade](#), which aims to support developing countries in making progress on the SDGs and achieve sustainable prosperity through increased trade and investment, mentions the contribution of Aid for Trade to women's economic empowerment as one of its objectives. It provides for establishing mechanisms to engage with civil society and social partners, which have a key role in this respect. A further [two objectives](#) worth pursuing by the EU are to ensure that women across the world are able to take advantage of liberalisation of trade in services, and that better data, disaggregated by gender, are collected.

European Parliament position

In its June 2015 [resolution](#) on the EU strategy for equality between women and men post-2015, the European Parliament stressed the need to integrate the gender perspective and the fight against gender violence into EU international trade policy, and called on the Commission to work for the recognition of women's rights as human rights and for making their respect mandatory in all EU partnerships and bilateral negotiations. In March 2018, it adopted an own-initiative [resolution](#) on gender equality in trade agreements, on the basis of a [report](#) drafted jointly by the Committees on International Trade (INTA) and on Women's Rights and Gender Equality (FEMM). The resolution 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.

This is an update of an '[at a glance](#)' note from March 2018.

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