

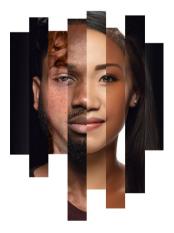
Gender mainstreaming in EU trade agreements

SUMMARY

International trade is not gender-neutral. Both inside and outside Europe, trade liberalisation has gender-differentiated impacts, stemming from women and men's unequal access to resources and their different positions on labour markets, in households and in society. The challenge for EU policy-makers is therefore to ensure that both women and men in the EU and partner countries enjoy gains from trade agreements and are protected from negative impacts and, more broadly, that EU trade policy contributes to promoting gender equality, one of the EU's core values.

The EU has committed to promoting gender equality in all its policies and has established specific mechanisms in its trade policy to enforce women's labour and human rights. Under the current Commission, there has been a shift towards more explicit inclusion of gender in EU trade policy and trade agreements, illustrated in the inclusion in recent agreements of the first dedicated articles and chapter on trade and gender equality. Sustainable impact assessments and ex-post evaluations, with guidelines for taking gendered effects into account, are seen as positive means of informing trade negotiations and assessing impacts of trade agreements. Nonetheless, experts and civil society have identified a number of challenges and potential areas for improvement, not least the need for better data.

The European Parliament has asked for gender mainstreaming in EU trade agreements to be reinforced, calling for gender issues to be taken into account throughout the texts and during negotiations. Parliament is particularly keen for all trade agreements to include dedicated chapters on gender equality and women's empowerment, with binding and enforceable gender provisions and provisions for proper monitoring and compliance. It has also called for comprehensive ex-ante and ex-post gender analysis of potential and actual impacts, and for gender-balanced representation and gender expertise on trade negotiating teams and the bodies established to advise on, monitor and assess the implementation of trade agreements.



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Introduction

International trade is <u>not gender neutral</u>. The substantial <u>body of research</u> built up since the 1980s shows that trade liberalisation can have different impacts on women and men as a result of their different <u>positions</u> in labour markets, households and societies and unequal access to resources. These effects can be diverse and contradictory.

A recent report by the World Bank and World Trade Organization (WTO) finds that international trade has the potential to promote gender equality by creating new jobs, expanding women's role in the formal economy and reducing poverty. Their data show that in developing countries, firms that engage in international trade employ more women than those that remain focused on the domestic market. Closing current gender gaps in labour market participation would also benefit the economy, potentially increasing global GDP by 26%. However, the WTO and World Bank also stress that countries need to take proactive measures to ensure that women can gain from trade. Sectors that open up to female labour often take advantage of a lack of protection for women's labour rights. In developing countries, new jobs created in expanding sectors such as the garment industry are often marked by poor, even <u>hazardous</u>, working conditions, long hours, low pay and instability. As countries develop technologically and diversify their exports, an initial boost in job opportunities for women can peter out, as they may have more limited opportunities than men to develop the skills needed in new sectors. Sectors where women work may also contract as a result of trade liberalisation, pushing some into informal employment. Women entrepreneurs and farmers face specific barriers to participating in international trade since their enterprises are often small, with less access to financial investment, technology and marketing networks. As consumers, women may benefit from cheaper prices for the goods they and their families consume. However, for women caregivers, tariff reductions can lead to a decline in tax revenues, and from there to cuts in public services and a corresponding increase in their unpaid care work.

Gender differences are salient for all countries, regardless of income level. In the European Union (EU), <u>fewer women</u> than men have jobs supported by trade, and this gender gap is closing very slowly. There is <u>some evidence</u> that the gender pay gap is higher in trading sectors and companies than in the economy in general, with women more likely to be in the lower-paid jobs.

The policy challenge for the EU is therefore to ensure that its trade agreements benefit women and men, both in the EU and partner countries, and that its trade policy contributes to gender equality.

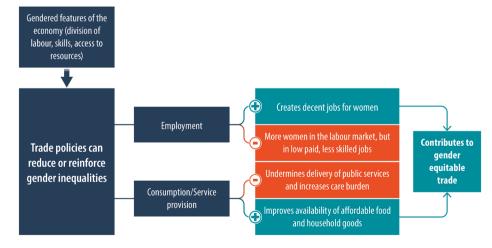


Figure 1 – Channels for gender equitable trade

Source: S. Joekes et al., A primer on gender and trade, 2020.

<u>Gender mainstreaming</u> is a tool used to ensure that policy-making contributes to gender equality. Gender mainstreaming addresses inequalities and ensures that both women's and men's experiences and concerns are built into policy design, implementation, monitoring and evaluation. <u>Mechanisms</u> for mainstreaming gender in trade agreements include:

- conducting gender analysis to understand existing inequalities and potential impacts on diverse groups of women and men;
- including specific gender equality objectives in the text of agreements via 'hard' provisions to prohibit gender discrimination, ensure equal opportunities between women and men and protect domestic gender equality legislation;
- including additional measures to promote genderequality via 'soft' provisions such as cooperation and capacity building; and
- ensuring that representatives of women's interests and gender experts are involved in the process at all stages, including the initial negotiating position, the agreed text, and arrangements for monitoring.

When approached through a gender lens, trade agreements, particularly when <u>used together</u> with trade and gender equality policy and aid for trade programmes, <u>have the potential</u> to maximise the benefits and minimise the negative impact these instruments may otherwise have on women as employees, employers, consumers and carers.

EU commitments to gender mainstreaming in trade policy

Legal basis in the Treaties

Under its core <u>Treaties</u>, the EU has recognised equality between women and men as a fundamental right and common value and <u>committed</u> to promote it across its internal and external policies. The Treaty on the Functioning of the European Union (TFEU) states that the EU will promote equality between men and women 'in all its activities' (<u>Article 8 TFEU</u>). The Treaty on European Union (TEU) states that the EU's action on the international scene is to be guided by the same human rights principles that have guided its own creation and development (<u>Article 21 TEU</u>). In addition, <u>Article 207</u> of the TFEU subjects the EU's common commercial policy to this framework, explicitly stating that it must be conducted under 'the principles and objectives of the Union's external action'. Connecting these three Treaty articles, it is clear that the Union's obligation to promote women's rights and gender equality extends to its trade policy. This is also inherent in its <u>treaty commitment</u> to sustainable development.

EU policy frameworks

EU gender equality policy

The EU's policy framework for advancing gender equality includes commitments to mainstream gender into trade policy. The <u>Gender Equality Strategy 2020-2025</u> identifies women's economic empowerment as a key field of external action. It states that the EU will promote gender equality in and through its trade policy, by gathering sex-disaggregated data to ensure that trade agreements address gender aspects and promoting gender equality through engagement in the World Trade Organization (WTO). The EU's third <u>Action Plan on Gender Equality and Women's Empowermentin External Relations 2020–2025</u> (GAP III)² reaffirms that the EU will use its trade policy to promote gender equality. At the broadest level, GAP III states that EU trade policy should align with the gender equality goals for EU external action, which include:

- women's economic empowerment;
- equal participation and leadership;
- equal access to education and health, including sexual and reproductive health and rights;
- eliminating gender-based violence;

- gender responsive green and digital transitions; and
- integration of the women, peace and security agenda.

EU action will include engaging with the WTO and its work on <u>Aid for Trade</u>. The EU should include strong provisions on gender equality in new trade agreements, with commitments to comply with relevant International Labour Organization (ILO) and United Nations (UN) conventions. It should also ensure that compliance with these conventions remains a requirement under the extended <u>generalised system of preferences</u> (GSP).³ Gender analyses will be used in all ex-ante impact assessments, sustainability impact assessments and policy reviews linked to trade.

EU trade policy

In 2015, the European Commission's 'Trade for All' strategy promoted a sustainable approach to trade, intended to dovetail with the EU's development policies and contribute to the 2030 Agenda for Sustainable Development, including Sustainable Development Goal (SDG) 5 on gender equality and SDG 8 on decent work and economic growth. In 2021, the current Commission adopted a Trade Policy Review, modernising the EU's trade strategy in the light of the Covid-19 pandemic and other global challenges. The review references the EU Gender Equality Strategy and GAP III as a basis for working with partners to promote gender equality and core labour rights. The Commission also committed to develop a better understanding of the gender equality implications of trade policy and to support gender-responsive trade policies, including in the EU Aid for Trade strategy. As part of its engagement in the WTO, the EU should play a leading role in raising awareness of the importance of mainstreaming a gender perspective in trade policy, through initiatives such as the 2017 Buenos Aires Declaration on Trade and Women's Economic Empowerment.⁴

Gender equality in EU trade agreements

Provisions on gender equality

Gender equality has been incorporated to varying degrees in EU trade agreements, predominantly through human rights clauses and trade and sustainable development chapters.

EU trade agreements concluded since the 1990s contain a general human rights clause that establishes human rights as essential elements of the agreement. One of the practical implications is that the agreement should not have a negative impact on human, and implicitly on women's, rights. In addition, since 2009 EU trade agreements have included a trade and sustainable development (TSD) chapter, obliging the parties to comply with international standards on labour rights. These include standards relevant for women's rights, such as the <u>'fundamental' LO</u> conventions on equal remuneration and non-discrimination. ⁵ The human rights and TSD provisions provide for dialogue and cooperation between the parties in joint bodies, sometimes with the involvement of civil society.

Most recently, the EU has begun to include dedicated trade and gender equality chapters and articles in the TSD section of its agreements, that serve as an umbrella for legally binding and enforceable provisions on gender equality (see **Box 1**).

Box 1 – Dedicated trade and gender equality articles and chapters in EU trade agreements

The EU-New Zealand FTA and EU Kenya Economic Partnership Agreement (EPA) will be the first EU trade agreements to include a dedicated article on trade and gender equality in their TSD chapter. The **EU-Chile agreement** will be the first to include a <u>dedicated chapter</u> on trade and gender equality. All three agreements were signed in December 2023. The articles and the chapter include a commitment to implement relevant UN and ILO conventions that address gender equality or women's rights and a commitment not to weaken protection or derogate from legislation aimed at ensuring gender equality. They also identify priority areas for sharing information and joint initiatives.

Sources: European Commission, the <u>EU-New</u> <u>Zealand</u>, <u>EU-Kenya</u> and <u>EU Chile</u> agreements explained.

The strength and extent of the parties' commitments in TSD chapters <u>varies</u> between agreements. To improve implementation and enforcement of TSD chapters, in June 2022 the European Commission adopted a <u>Communication on trade partnerships</u> that set out a new approach. This <u>includes</u> steps to monitor implementation of TSD commitments, enhance their enforcement and reinforce the role of civil society. It does not refer explicitly to gender mainstreaming, but does include steps to address sustainability in other chapters of trade agreements and tailor implementation to country-specific priorities. The new approach to trade and sustainable development is to be applied to future negotiations, and to ongoing negotiations 'as appropriate'. As <u>announced</u> by the Commission, the EU-New Zealand FTA is the first to integrate the new approach fully and the first to include a dedicated trade and gender equality article. The commitments in the article will be <u>enforceable</u> under the TSD dispute settlement mechanism; this does not provide for sanctions as a last resort. The gender provisions in the Chile and Kenya agreements will be subject to similar dispute settlement mechanisms.

Since 2017, the Commission's <u>Directorate General for Trade</u> has had a gender focal point responsible for monitoring whether gender aspects are taken into account in EU trade agreements and ensuring gender mainstreaming in EU trade policy. The Commission has also established a <u>complaints system</u> for reporting breaches of sustainable development commitments in EU trade agreements.

Tools for measuring gender impacts of trade agreements

As <u>part of its better policy-making agenda</u>, the EU has developed instruments for conducting systematic ex-ante assessments and ex-post evaluations of trade agreements.

In principle, the Commission will not submit a proposal to begin negotiating a trade agreement without first conducting an <u>impact assessment</u>. In addition, EU sustainability impact assessments (SIAs) are conducted during trade negotiations, to 'go deeper into specific topics, examine the impacts of the agreement on specific themes or sectors and provide negotiators with actionable recommendations'. SIAs provide in-depth analysis of potential economic, social, human rights and environmental impacts of ongoing trade negotiations. They also involve a consultation element, giving stakeholders in the EU and in the partner countries an opportunity to share their views with negotiators.

The European Commission's three guidance documents for conducting SIAs refer to the importance of considering gender impacts. The revised SIA handbook (2016) stipulates that consultants should pay particular attention to women's rights and the effect that the agreement under negotiation could have on gender equality. The <u>human rights guidelines</u> (2015) stress that trade agreements are likely to have positive or negative impacts on economic, social and core labour rights and recommend that gender equality be considered a cross-cutting issue. Quantitative and qualitative analysis should address gender gaps and impacts on women's rights and the rights of particular vulnerable groups. 'To the extent possible', stakeholder consultations should pay particular attention to impacts on gender equality and on vulnerable and disadvantaged persons and groups identified in the impact assessment. The revised 'Better Regulation' guidelines (2021) state that significant gender impacts must be transparently assessed and presented in impact assessments and evaluations. The accompanying Better Regulation toolbox includes specific guidance for assessing genderand intersectional aspects, including in third countries, developing countries and international relations. The terms of reference for specific SIAs also mention further guidance on gender analysis and gender mainstreaming, notably from the UN Conference on Trade and <u>Development</u> and the <u>European Institute for Gender Equality</u>.

Ex-post evaluations are important for responsive, accountable policy-making and, for <u>gender equality objectives</u>, can provide a means of testing initial predictions and identifying unintended effects. Like SIAs, they can use qualitative and quantitative techniques, bringing together statistical data and evidence from groups likely to be affected. The EU's Better Regulation Agenda <u>reaffirms</u> a commitment to evaluate all EU spending and non-spending activities intended to have an impact on society or the economy 'in a proportionate way'. The Commission's stated aim is for its <u>ex-post</u>

<u>evaluations</u> of trade agreements to take place once commitments have been phased in and sufficient time has passed to gather a robust body of data and evidence to analyse the economic, social, human rights and environmental impacts and see which sectors and groups have benefited or been negatively affected and why. The 'Better Regulation' guidelines state that gender impacts 'must be transparently assessed and presented' in evaluations.

Assessments of EU action

Historically, trade policy has been perceived as one of the areas of EU policy where gender mainstreaming has been least embedded. For example, gendermainstreaming has advanced more quickly and substantially in the EU's development policy than in its trade policy. Studies commissioned by the European Parliament in 2015 and 2016 concluded that EU trade policy had been essentially gender blind. However, expert analyses consider that in recent years, particularly under the current Commission, with the 2020–2025 Gender Equality Strategy and the Gender Action Plan (GAP) III, there has been a shift towards more explicit inclusion of gender in EU trade policy and trade agreements. Several assessments credit the EU's signing of the WTO's declaration on trade and women's economic empowerment and a 2018 European Parliament resolution calling for a stronger gender equality dimension in EU trade policy with catalysing this change. Analyses also identify a number of potential areas for improvement.

Gap between political rhetoric and practice

In 2022, an <u>analysis</u> of the gender responsiveness of EU trade agreements concluded that the EU has adopted a 'consistent approach to mainstreaming gender in its external trade policy' but has so far 'fallen short on its bold ambitions to make its trade agreements gender responsive'. It argues that gender equality is given more recognition in the EU's Aid for Trade strategy than in its trade strategy, showing inconsistencies in the EU's approach to trade and gender. Meanwhile, the <u>2022 Aid for Trade Progress Report</u> states that funding for gender equality and women's empowerment in developing countries grew steadily over the past decade, but in 2020, only 3 % of programmes had gender equality/women's empowerment as their principal objective.

Status, enforcement and location of gender provisions

Over the past five years, Chile, Canada and Israel have been at the forefront of introducing stand-alone gender chapters. The WTO <u>database</u> of provisions on gender equality and women's empowerment in trade agreements shows that around one third of all free trade agreements have at least one explicit provision relating to gender equality. However, there are <u>three main problems</u> with the way that gender equality has been addressed, including in trade agreements concluded by the EU. First, most gender provisions are not binding and do not include specific obligations to support women's economic empowerment or close gender gaps. Second, the main instrument for implementing the provisions is cooperation between the parties, with no clarity on specific outcomes, measures for increasing women's participation in trade or resources for conducting gender impact assessments. Third, the mechanisms for enforcing the gender provisions are flawed. Few are supervised by an institution specialised in trade and gender issues. Only a minority of the existing monitoring bodies are obliged to report on the implementation of gender provisions and these provisions are often excluded from the application of the dispute settlement mechanism.

The EU currently has 42 preferential trade agreements with 72 partners. In her 2020 study on how gender mainstreaming in trade agreements could stimulate inclusive economic recovery after the Covid-19 pandemic, Amrita Bahri found that a 'reassuring' 29 of the 41 free trade agreements then signed by the EU contained gender provisions. However, these varied significantly in scope and depth. Eight agreements simply evoked the relevance of gender equality issues. Twenty-one included commitments by the parties to act on gender equality concerns. However, only sixteen of these provided for a mechanism or means to implement the commitments, and only three framed the commitments as binding legal obligations. Bahri stressed that the EU trade agreements (and

trade agreements in general) rarely consider how gender-related commitments will be implemented, financed or enforced.

The inclusion of dedicated gender equality articles and chapters in some EU trade agreements, together with the steps to strengthen the commitments and enforcement of TSD provisions, goes some way towards addressing these issues. The EU is expected to put forward the new TSD approach in its ongoing FTA negotiations with Indonesia and India. However, the <u>draft agreement with Indonesia</u> does not include substantive gender provisions. The future agreements with Mercosur and Mexico will not include a gender article or chapter.

Looking ahead, there is scope to make EU trade agreements more gender responsive. Gender equality provisions could be enforceable by specific sanctions and/or the dispute settlement mechanism. EU trade agreements could also include gender commitments across other chapters where women's rights are affected but not yet sufficiently taken into account, such as climate change, corporate social responsibility, due diligence and digital trade (see Box 2).

Measuring impacts

The EU's use of sustainable impact assessments (SIAs) and ex-post evaluations is seen as a positive approach to informing trade negotiations and assessing potential and actual impacts of trade agreements.

Sustainability impact assessments

<u>Since 2002</u>, most SIAs have included some gender analysis. Academic research finds that SIAs are now used routinely in EU trade policy design and that they have informed a large number of trade agreements, but that there are variations in the depth and scope of the gender analysis, which is not yet carried out in a systematic way. Some analysts consider the

Box 2 – Towards a gender perspective in digital trade?

<u>Digital trade</u> is becoming a <u>key element</u> of the EU's trade policy, with a dedicated chapter in all modem EU trade agreements. As digital trade expands, the issue of who has access to it, who uses it and who benefits from it is becoming increasingly acute. SDG5 refers to the importance of using digital technologies to foster women's empowerment. The WTO finds that digital technology and new online platforms can create opportunities for women to bypass traditional trade barriers. Yet women's organisations caution that digital trade could be a 'pink herring' drawing attention away from efforts to close the digital gender divide in developing countries. As yet, few provisions on digital trade reference gender equality. As part of its engagement with the WTO working group on trade and gender, the Commission has funded a study examining how trade policy and trade agreements can address the current gender divide in e-commerce and how it could be used to enhance opportunities for women as entrepreneurs, workers, consumers and care providers.

See: International Trade Centre, <u>E-commerce</u> <u>Negotiations at the WTO: A gender lens for action,</u> 2023.

EU's approach not yet as substantive as others, such as Canada's <u>Gender-based Analysis Plus</u> methodology, which applies to each chapter of every FTA that Canada enters into. Women's organisations also <u>raise</u> the question of how far the SIAs are taken into account in decision-making and whether they lead to policy changes. Studies for the European Parliament have <u>recommended</u> that SIAs include a benchmark, such as a <u>'gender equality policy marker</u> of the kind used in the EU's <u>development cooperation</u> initiatives, to allow for gendered impacts to be tracked over time. They also concluded that the gender lens in future SIAs could be <u>strengthened</u> by:

- using sex-disaggregated datathroughout the SIA;
- assessing impacts on women and men for every sector of the economy;
- in-depth gender analysis of potential impacts on consumption and public services;
- assessment of gender impacts in the EU as well as in partner countries;
- inclusive stakeholder consultations; and
- inclusion of gender expertise on the main SIA research team and more transparency about the representation of women's interests.

Comparative analysis of recent SIAs completed under the new guidance (see **Box 3**) shows that several issues raised in the studies remain pertinent.

Box 3 – Case study of three recent SIAs

Three recent SIAs – for the **deepening of the EU-Eastern and Southern Africa EPA** (2022), the **EU-New Zealand** free trade agreement negotiations (2020) and the **EU-Mercosur** Association Agreement (2020) – include gender impact analysis, with a baseline analysis, forward modelling of the impacts of an FTA and recommendations, including on addressing potential negative impacts on women.

However, use of sex-disaggregated data and gender analysis tends to be 'siloed' in a gender equality section, rather than being mainstreamed across the whole SIA. This means that the gendered impacts are not always flagged across the report, for instance in relation to impacts on employment or poverty.

Only the EU New Zealand SIA explicitly covers the potential impacts of the trade agreement on women as workers, entrepreneurs, traders and consumers. Little attention is given to potential impacts on women in their role as carers, or on public social services, although the EU-Eastern and Southern Africa SIA does look at women's empowerment, welfare and gender equality more broadly. Intersectional analysis is limited.

Two of the SIAs (EU-New Zealand and EU-Mercosur) cover gender impacts in the trade partner(s) and in the EU, while the third covers only the five African partner countries as 'limited effects for the EU are expected'.

Measures to prevent or mitigate potential negative gendered impacts of the trade agreements or ensure that women benefit from the agreements are not always detailed. Only one SIA (for EU-Eastern and Southern Africa) made concrete recommendations for strengthening the gender provisions in the draft text of the agreement to take account of specific gender inequalities and potential gendered impacts and ensure better monitoring.

With regard to monitoring, a 'gender marker' is not yet included in the SIAs.

It also remains difficult to ascertain how far the SIAs are taken into account in decision-making and whether they lead to policy changes. One issue is that SIAs have sometimes been issued late in the policy-making process. This was the case, for instance, for the EU-Mercosur agreement, where the final SIA was <u>published</u> in March 2021, after the conclusion of the negotiations in June 2019.

Women's organisations working on gender in EU trade policy have proposed ways to improve the methodology and impact of SIAs. The Wide+ Gender and Trade Working Group and WO=MEN conclude that recent SIAs (Indonesia; Mexico; Chile; Mercosur; Australia and New Zealand; Philippines; and Malaysia) have included systematic gender analysis. WIDE+ is calling for the SIA methodology to incorporate solid baseline analysis, with sufficient data and indicators to assess and track gendered and intersectional impacts and for monitoring to be part of the collaboration between the EU and the partner country or countries. They consider that making assessments and monitoring a collaborative exercise between the EU and partner countries could help to counter pushbacks from the so-called 'Global South' against EU conditionalities in trade agreements. ¹⁰

Ex-post evaluations

The Commission has now conducted ten ex-post evaluations of EU trade agreements, including eight under the 'Better Regulation' approach: Mexico (2017); South Korea (2018); CARIFORUM (2021); the six Euro-Med agreements with Algeria, Egypt, Jordan, Lebanon, Morocco and Tunisia (2021); Columbia/Ecuador/Peru (2023); Central America (2023); Georgia (2023) and Moldova (2023). Evaluations of the agreements with the Southern African Development Community and India are ongoing. Comparative analysis of three of the ex-post evaluations conducted under the 'Better Regulation' approach shows that they all include gender analysis, but to differing extents (see **Box 4**). Some, but not all, identify impacts of the agreement on gender equality.

Box 4 – Case study of three recent ex-post evaluations

The **EU-Korea trade agreement** mentions gender briefly in the TSD chapter in relation to multilateral labour standards and cooperation. The <u>sustainability impact assessment</u> found that women's labour force participation in Korea was low and concluded that there was a need for careful monitoring of the trade agreement's impact on the labour market. The <u>ex-post evaluation</u> examines gender-related impacts for both parties, but focuses mainly on Korea. The analysis flags the difficulty of disentangling the specific impact of the FTA from other causal factors. It concludes that the gender wage and employment gaps and the share of women in 'non-regular' employment have all remained relatively unchanged in Korea since the application of the trade agreement in 2011. None of the case studies presented to capture the impact of the EU-Korea FTA on sustainable development and human rights set out any gender analysis. The assessment of the TSD chapter suggests that the commitments under the chapter should be accompanied by a clearly defined implementation process, with a plan outlining concrete steps and a related timeline.

The **six Euro-Med FTAs** were signed between 1995 and 2002 and entered into force between 1998 and 2006. The FTAs themselves do not have specific commitments on social, human rights or environmental issues, and as first-generation FTAs, they do not contain TSD chapters. However, the <u>ex-post evaluation</u> identifies gender equality as an area 'for which an FTA-related impact seems to occur'. A case study on female employment in the agricultural sector finds that female employment decreased in all the partner countries except Morocco and Egypt. However, it was difficult to link trends in the Mediterranean partner countries to changes in agricultural trade with the EU and therefore to draw strong conclusions on FTA-related effects on gender. The case study does show that women face particular challenges (e.g. related to level of education, access to finance or networks) that make it harder for them to benefit from the opportunities offered by the agreement.

The EU-Central America Association Agreement, cited as an example of good practice, includes gender equality as a common goal for political dialogue and as a priority objective and crosscutting issue across all cooperation activities. The gender provisions focus on barriers that women face, such as access to employment, and the need for capacity-building programmes. The provisions also include areas not commonly covered in EU trade agreements, notably violence against women and maternal, sexual and reproductive health. The ex-post evaluation includes gender analysis in the assessment of social impacts and in <u>case study no. 8</u> on the impacts of the trade pillar on women and gender equality. The modelling allowed for detailed analysis of impacts on women in some sectors of the labour market, but not the services sector, which employs 70%-85% of women workers and includes the majority of women-led enterprises in Central America. The case study concludes that the agreement benefited women in the fisheries and medical equipment sectors in certain countries. However, women represented a minority of workers in the agricultural sectors that benefited from tariff reductions. The limited data on women exporters suggested that women-led businesses in Costa Rica and Nicaragua have exported goods such as fruit, vegetables and processed food benefiting from trade preferences to the EU. Women producers have participated in EU-funded projects aimed at building their skills and capacity to export their products. Overall, the ex-post evaluation finds that, by providing opportunities for job creation, business development and exports, the agreement may have led to some progress towards SDG 5. However, further efforts are needed to enable women to benefit as workers, entrepreneurs and traders. The evaluation does not address public health or violence against women. It does not mainstream gender throughout the analysis, meaning that there are missed opportunities to include a gender and intersectional dimension in the evaluation of the impacts of the agreement on informal employment, consumers, welfare and poverty levels, working conditions and human rights. The stakeholder consultation included business organisations supporting women entrepreneurs and women's organisations.

Data challenges

In 2021, <u>research</u> for Chatham House concluded that there is scope for the EU to improve the relationship between ex-ante SIAs and ex-post evaluations. These have so far been treated as separate activities, using methodologies that are not clearly comparable, which means that it will be 'some years' before it will be possible to review the accuracy of the impacts predicted in SIAs in a detailed and systematic way. More broadly, issues with data availability still make it complicated to measure the impacts of trade agreements. This is particularly true for many developing countries.

When it comes to assessing gender impacts, <u>gaps</u> in the available sex-disaggregated and intersectional data present an additional challenge.

Gender balance and representation

Formal mechanisms have been established to give civil society a role in monitoring and advising on the implementation of EU trade agreements. The foremost of these is the <u>Domestic Advisory Groups</u> (DAGs) set up in the EU and the partner country or countries as standard features of EU trade agreements. The DAGs have a remit to advise on the implementation of TSD provisions and, more recently, the entire trade agreement (for example, in the case of the EU-UK trade and cooperation agreement). The EU has established DAGs for 12 of its trade agreements: with Canada, CARIFORUM, Central America, Colombia/Peru/Ecuador, Georgia, Japan, Moldova, Singapore, South Korea, the UK, Ukraine and Vietnam.

The European Economic and Social Committee has collected data on gender balance for the 12 EU DAGs and 9 of their counterparts (see **Table 1**). The composition of many EU DAGs is close to gender parity, ranging from 35% of women in the Georgia DAG to 53% in the Canada DAG. For their counterparts, women make up 57% of the members of the Vietnam DAG, but only 20% of the CARIFORUM DAG and down to 16% for South Korea.

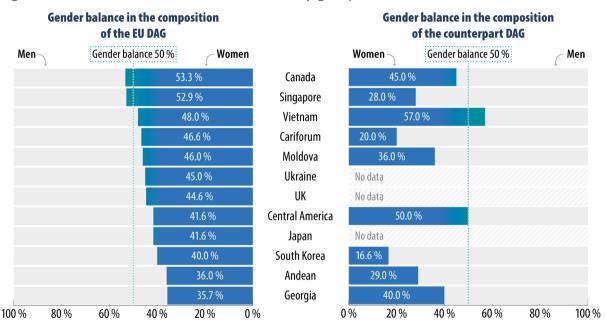


Figure 2 – Gender balance in domestic advisory groups

Source: European Economic and Social Committee, Rex Section (unpublished), October 2023.

The DAGs are intended to have a balanced representation of business organisations, trade unions and environmental/other organisations. There is no specific requirement for women's organisations or gender expertise to be represented. Academics and civil society organisations are calling for better representation of women's organisations and gender experts in the DAGs. WIDE+ and WO=MEN find that women's rights organisations are currently largely absent from the DAGs. ¹¹ On the EU side, some of the civil society organisations participating in the DAGs may bring in gender perspectives, but this is not systematic or structured through, for example, a DAG member with a specific responsibility for gender mainstreaming. In addition, the EU DAGs are restricted by the small number of non-governmental organisations represented and a very limited budget. In the partner countries, the membership does not represent all local civil societies. Some individual women have been able to bring gender perspectives into the discussions in DAGs, but overall, discussion of gender is limited. Reaching women's rights organisations is one of the biggest challenges; selection procedures for the DAGs are another obstacle. WIDE+ has called for targeted efforts to include

women's rights civil society in DAGs, including active outreach to communities to ensure that women in all their diversity and economic roles are included. The organisation also recommends establishing joint gender equality committees for all existing and future EU trade agreements, since these committees would have more extended monitoring powers than the DAGs. ¹²

European Parliament position

The European Parliament has <u>supported</u> the policy of gender mainstreaming in EU trade agreements and has asked for it to be reinforced. Its committees on international trade (INTA) and women's rights and gender equality (FEMM) have spearheaded work in this area. Its committee on development (DEVE) and sub-committee on human rights (DROI) also raise issues connected with gender equality and trade policy.

In March 2018, Parliament adopted an own-initiative <u>resolution</u> on gender equality in trade agreements, based on a joint <u>report</u> by the INTA and FEMM committees. As well as broader recommendations on gender equality in EU trade policy, the resolution makes specific recommendations on gender mainstreaming in the text of trade agreements, during negotiations and in monitoring and enforcement. Among other things, Parliament called for all trade agreements to include binding, enforceable gender provisions that are not limited to the TSD chapter; a specific gender chapter with commitments to gender equality and women's empowerment; and provisions for proper monitoring and compliance. It has also called for comprehensive ex-ante and ex-post gender analysis of potential and actual impacts, supported by high quality disaggregated data and clear indicators, to identify and measure gendered impacts in specific sectors and for particular groups, and provide measures to prevent or compensate for possible negative effects. Parliament also stresses the importance of gender balanced representation and gender expertise on trade negotiating teams, joint committees, expert groups, domestic advisory groups, joint consultative committees and dispute settlement bodies. It has requested that a Joint Committee on Trade and Gender including gender experts and women's organisations be set up for each trade agreement.

Parliament reiterated its calls and issued further recommendations in its 2022 resolutions on the <u>EU Gender Action Plan III</u> and on the <u>outcome</u> of the Commission's review of the 15-point action plan on trade and sustainable development. With regard to specific agreements, in 2024 Parliament <u>asked</u> the Commission to prioritise gender issues in implementing the EU's economic partnership agreement with the EU-Southern African Development Community and to make gender-disaggregated data more available for <u>CETA</u>.

FURTHER READING

Bahri A., <u>Making Trade Agreements Work for Women Empowerment: How Does It Help, What Has Been Done, and What Remains Undone?</u>, Latin American Journal of Trade Policy, Vol. 4, No. 11, 2021.

Gammage C., <u>Chapter 9. Empowering women in trade: How gender responsive are the EU's trade agreements?</u>, in Fahey, E. and Mancini, I. eds., <u>Understanding the EU as a good global actor: ambitions, values and metrics</u>, Edward Elgar Publishing, 2022.

IISD, Mainstreaming Gender in Trade Policy: Practice, evidence, and ways forward, November 2021.

Korinek J., Moïse E. and Tange J., Trade and gender: A Framework of analysis, OECD, March 2021.

Kuhlmann K. and Bahri A., <u>Gender Mainstreaming in Trade Agreements: 'A Potemkin Façade'?</u>, Georgetown University Law Center Research Paper, May 2023.

World Bank, WTO, Women and Trade: The Role of Trade in Promoting Gender Equality, 2020.

ENDNOTES

- The most recent sex-disaggregated data at EU level is from 2019, when women occupied 38 % of the 38 million jobs supported by EU exports to non-EU countries, compared to men's share of 62 %. Women's share of jobs created by trade was almost unchanged from 2010 and compared unfavourably with women's share of total employment (46 %). There were significant differences between EU Member States. See Gender patterns of EU exports: jobs and wage differentials, Chief Economist Note, European Commission, May 2022.
- The joint communication was not endorsed by the Council for lack of unanimity due to disagreements over the use of the term gender (see here for an overview of the procedure). Instead, Presidency Conclusions were adopted: EU Council Presidency, Presidency conclusions on the Gender Action Plan (GAP) III 2021-2025, December 2020.
- A revised GSP regulation was due to enter into force in 2024. However, in the absence of an agreement in trilogue discussions, the current rules on the scheme of generalised tariff preferences have been extended until 31 December 2027. For further information, please see the related EP <u>legislative train carriage</u>.
- ⁴ Through this WTO declaration, endorsed in the margins of the WTO's 11th Ministerial Conference in 2017, a number of WTO member countries and observers (initially 118, currently 127) have agreed to work together to make trade and development policies more gender-responsive. There is also an informal working group on trade and gender.
- ⁵ The EU also monitors how beneficiary countries respect these core international conventions on promoting women's rights and gender equality under the EU's Generalised Scheme of Preferences.
- ⁶ See for example <u>Garcia</u>, 2021; <u>Gammage</u>, 2022 and <u>Velut J.B. et al.</u>, 2022.
- In 2024, the WTO Trade and Gender Office <u>will establish</u> a new database mapping gender-responsive trade policies and research the impact of gender provisions in free trade agreements.
- Some analysts caution that enforcement using dispute settlement can have downsides, since for some parties it may be a disincentive for ratification of a trade agreement or the kind of long-term cooperation between stakeholders needed to effect real improvements in gender equality. See for example <u>Bahri</u>, 2020.
- This despite the fact that the European Commission issues position papers outlining how the findings and recommendations will be taken into account in the negotiations.
- ¹⁰ Communication with Gea Meijers, WIDE+ gender and trade coordinator, October 2023.
- 11 Ibid. After concluding that women's rights organisations have been lacking in DAGs, WIDE+ put in their <u>candidacy</u> in 2023 and will be represented on three DAGs (for the EU Central America, EU-Colombia-Ecuador-Peru and EU Canada trade agreements).
- 12 Ibid, with additional information from the paper 'Inclusion of women's rights civil society in EU trade policy', by Dewi Keppy, Gea Meijers, Paulina Maria Schiefelbein, Ben Vanpeperstraete, Kim Titcombe and Lucia Tapia Pescuera, presented to the World Trade Congress on Gender in December 2022. On the influence of DAGs see: Martens D., Potjomkina D. and Orbie J., Domestic Advisory Groups in EU Trade Agreements: Stuck at the Bottom or Moving up the Ladder?, Friedrich Ebert Stiftung, 2020.

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