

Mr Valdis Dombrovskis
Executive Vice-President
European Commission
Rue de la Loi/Wetstraat 200
B-1049 Brussels
BELGIUM

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Dear Executive Vice-President,

Thank you for the valuable work the European Commission has done to promote gender equality through trade policies since the launch of the Buenos Aires Declaration on Trade and Women's Economic Empowerment. The Trade for Her conference, for example, successfully drew attention to new research and led to engagement by several stakeholders.

The economic and social effects of the Covid-19 pandemic have hit women in certain sectors and countries disproportionately. Gender-sensitive trade policies are one of the tools to stimulate economic recovery, as these can contribute to creating new opportunities for female entrepreneurs, leaders and employees in competitive sectors.

We believe that further steps are called for, so that the EU can continue to play a leading role to ensure that international trade offers equal opportunities for women and men. We therefore call upon the European Commission to include gender equality and women's economic empowerment in the Trade Policy Review that will lead to a revised EU strategy. Our proposals to this end are enclosed.

Yours sincerely,

Jean Asselborn
Minister of Foreign and European Affairs
of Luxembourg

Jeppe Kofod
Minister for Foreign Affairs of the
Kingdom of Denmark

Anna Hallberg
Minister for Foreign Trade and Nordic
Affairs of Sweden

Luigi Di Maio
Minister of Foreign Affairs and
international Cooperation of Italy

Sigrid A.M. Kaag
Minister for Foreign Trade and
Development Cooperation
of the Kingdom of the Netherlands

M^a Reyes Maroto Illera
Minister for Industry, Trade and Tourism
of the Kingdom of Spain

Franck Riester
Minister Delegate for Foreign Trade and
Economic Attractiveness, attached to the
Minister for Europe and Foreign Affairs of
France

Leo Varadkar TD
An Tánaiste and Minister for Enterprise,
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Ville Skinnari
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Sophie Wilmès
Deputy Prime Minister and Minister of
Foreign Affairs, European Affairs and
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Non-paper promoting gender equality through trade policy

In December 2017, 118 World Trade Organization (WTO) members and observers, including the EU, signed the Buenos Aires Declaration on Trade and Women's Economic Empowerment. The EU is committed to promoting sustainable development in general and to advancing the achievement of Sustainable Development Goal 5 for gender equality and women's empowerment. The EU has been promoting more gender-sensitive trade policies to ensure that trade liberalisation can reach everyone. The EU is one of the WTO members that has pioneered gender-sensitive trade policies. Under the Comprehensive Economic and Trade Agreement (CETA), Canada and the EU have adopted a recommendation on trade and gender and are implementing an action plan. The modernised EU-Chile Association Agreement will contain specific advanced provisions on trade and gender. Furthermore, the EU and its Member States have a long-standing tradition of using Aid for Trade to support women's empowerment and to improve market access for women entrepreneurs. In addition, the EU has a strong partnership with the ILO to ensure decent working conditions for women.

We encourage the European Commission to take advantage of the current momentum on trade and gender. We would like to see the EU take further steps to maximise women's benefits from trade by:

- 1) Ensuring that trade policy provides **opportunities for women leaders and entrepreneurs**;
- 2) Promoting **decent and gender equal working conditions**,
- 3) Increasing **women's influence** in the negotiation and implementation of trade agreements.

Studies show that women struggle to obtain the full benefits of trade. The barriers they face vary depending on the country, the size of the informal economy, the sector in which they work and their level of education. According to the Commission¹, 3 in 10 women in the EU work in education, health and social work (8% of men), which are traditionally non-liberalised sectors in free trade agreements. On the other hand, almost a third of men in the EU are employed in science, technology, engineering and mathematics (7% of women), employments that are associated with liberalised sectors in free trade agreements. As a result, women in the EU in general tend to be underrepresented in competitive sectors that are likely to expand due to the opening of new markets, while in developing countries their employment opportunities may increase, for example in garment sectors. Some crucial challenges that women face in their different roles are access to finance as well as legal and cultural barriers. Many of these issues require domestic action on which countries can cooperate, for instance through international trade policy channels. The EU should continue to be a frontrunner on trade and gender, by enabling and furthering the debate on this theme, removing market access barriers when appropriate, increasing the focus on SMEs and fostering cooperation with our trade partners.

Gender equality is not only key in reaching the SDGs, it is also profitable from an economic perspective. When the barriers that women face are ignored rather than removed, women's potential to contribute to economic growth is underutilised. In the context of bilateral trade agreements, it is important to reach out to involve women

¹ https://ec.europa.eu/info/policies/justice-and-fundamental-rights/gender-equality/women-labour-market-work-life-balance/womens-situation-labour-market_en

entrepreneurs, business leaders and women's rights organisations. Their experience and knowledge need to be taken into account at multilateral level, in bilateral negotiations and during implementation in order to make trade work for women and men alike.

Since more knowledge is needed about the trade and gender nexus, the EU should take immediate, concrete steps to fill in the information gap. The EU should also strive towards making its trade policy more gender-sensitive. To those ends, we propose the following eight measures. The EU should:

1. Reinforce gender in all EU bilateral trade agreements. The EU should aim to:
 - o **Enhance cooperation** with trading partners on policy questions with regard to trade and gender, including data collection, awareness-raising and sharing of best practices.
 - o **Underpin multilateral commitments** that support gender equality and women's rights, such as the relevant ILO Conventions (especially the fundamental Conventions 100 and 111), international treaties on women's rights and SDG5.
 - o **Further systematic research** into the intersectional gender impact of future trade agreements in impact assessments, Sustainability Impact Assessments and ex-post evaluation and ex-ante impact analysis. Assessments of the gender impact of a trade agreement should follow a consistent methodology to ensure that outcomes can be **used in the agreement's monitoring and implementation**.
 - o **Systematically encourage the participation of women's rights organisations and private sector networks** in domestic advisory groups under bilateral trade agreements. This will facilitate discussions on the gender-differentiated impact of trade agreements.
2. In the WTO, promote the inclusion of clauses that contribute to preventing gender discrimination in **plurilateral and multilateral agreements**, for example in the domestic regulation agreement.
3. Promote a reinforced commitment on trade and women's economic empowerment **in a declaration** of the twelfth **WTO Ministerial Conference** to be held in Kazakhstan in 2021.
4. Encourage member states to deliver on the specific needs of women in **promoting trade, SMEs, access to finance and e-commerce**.
5. Strive towards **equal representation of women and men** in trade and investment policymaking and dispute settlement (in particular by ensuring gender balance in the list of arbitrators in FTA dispute settlement mechanisms) e.g. in member states, European institutions and the WTO.

In addition, it is essential that these efforts are underpinned by encouraging:

6. **Enhanced cooperation** on gender equality in national policy areas **beyond trade**, with the aim of addressing legal and other inequalities that women face.
7. **Aid for Trade and other international development programmes** targeted at gender-specific barriers that women face to reaping benefits from trade as entrepreneurs and employees, and monitoring the scope of these efforts by applying OECD/DAC gender policy markers to enable research.
8. **Deepened studies and more cross-cutting analyses** on trade policy and gender with international organisations: the WTO, ITC, UNCTAD and the OECD.