Gender equality, women’s economic empowerment and sustainable trade

Maize farmers, Mawathawewa, Sri Lanka.
Aid for Trade helps advance women’s economic empowerment

- 96% of developing countries recognize the role it can play to address trade constraints faced by women.

Women’s economic empowerment is being included in Aid for Trade strategies ...

- 92% of developing countries include women’s economic empowerment in development strategies.

... and trade development strategies

- 42% of developing countries include women’s economic empowerment considerations in trade development and export strategies.

Top constraints women face in developing countries:

- difficulties in accessing financial services 87%
- informal employment 75%
- lack of access to digital services 49%

83% of donors financed projects for women’s economic empowerment with a focus on boosting women’s capacity to engage in trade.

75% of donors financed training programmes and support of women entrepreneurs.

92% of developing countries identify services and agriculture sector for future support for women’s economic empowerment and

83% indicate industries.

Data collection remains a challenge...

- 62% of developing countries collect gender-disaggregated data on trade, but not in a systematic way.

Only

- 50% of respondents have a framework to monitor and evaluate the results of Aid for Trade programmes supporting women.
Gender equality has been an integral part of the Aid for Trade Initiative since its inception. The final report of the WTO’s Aid for Trade Task Force, published in 2006, recommended that “Aid for Trade should be rendered in a coherent manner taking full account, inter alia, of the gender perspective and of the overall goal of sustainable development.”

The WTO Secretariat, in charge of conducting the 2022 joint OECD–WTO Aid for Trade monitoring and evaluation (M&E) exercise, has for the first time reformed the data collection survey questionnaire to better capture the effects Aid for Trade has had on gender equality and women’s economic empowerment as well as gather new data absent from previous Aid for Trade M&E exercises.

Overall, the data collected demonstrate how Aid for Trade promotes women’s economic empowerment, how donors and partner countries are aligned in their Aid for Trade objectives and priorities with regards to gender issues (which was previously not the case) and how integrating gender remains a challenge, especially because governments lack sex-disaggregated trade data and collection capacity and because, for the most part, do not assess the impact of their Aid for Trade programmes.

Using the responses given in the questionnaire, this chapter presents an analysis of the new data and information collected through the M&E exercise, examines how gender has been included into Aid for Trade programmes and highlights general trends in the findings and examples based on additional information.

The results of the M&E exercise have been divided into the following sections:

- challenges of integrating gender into Aid for Trade.

This chapter also includes the following case studies:

- Benin: gender evaluation methods in Aid for Trade programmes;
- Colombia: integrating gender issues into policy instruments;
- European Union: EU gender impact assessment – what gets measured gets managed;
- Peru: integrating gender issues in trade and trade-related policies.

Rice field being harvested in Ngazi, Democratic Republic of the Congo.
Both donors and partners countries develop dedicated Aid for Trade programmes focusing on gender. About 92 per cent of the 53 developing country participants consider economic empowerment a priority in their development plans and objectives. For Africa and Asia and the Pacific, the response was 100 per cent.

Similarly, 90 per cent of donors have integrated gender issues in their trade-related development aid. This was mirrored in the responses from regional respondents and south–south partners.

This positive trend continues from the 2019 M&E exercise, which found that women’s economic empowerment was also high on both donor (84 per cent) and participant country (85 per cent) agendas. Indeed, WTO research confirms that this focus on addressing women’s economic empowerment through Aid for Trade has been steadily growing since 2007 (der Boghossian, 2019).

A World Bank study from 2011 also demonstrated that Aid for Trade interventions could help to support women traders and entrepreneurs. It identified key obstacles to trade women face to increasing their access to markets and hence income (Gamberoni and Guilherme, 2011).

In particular, Aid for Trade which supports trade facilitation could help women entrepreneurs to increase their participation in world trade. The World Bank study was published at a time when countries were beginning to integrate gender issues more in Aid for Trade objectives and refocusing programmes towards gender equality (der Boghossian, 2019).

Countries integrate gender issues into a wide range of instruments and policies, starting with their overarching development strategies. They develop dedicated instruments which focus on gender equality and address gender issues within a specific policy scope, focusing on areas such as (see Table 1 for details):

- supporting COVID-19 recovery;
- addressing gender issues relating to climate change, the environment and natural resources;
- promoting e-commerce and digitalization;
- integrating gender issues in the development of the services sector;
- fostering inclusive finance and micro financing for grassroots women;
- supporting informal cross-border traders;
- enhancing industrial development and female entrepreneurship.

Countries such as Guinea-Bissau and Zambia include gender issues in strategies that have an impact at the local level. Many countries actually combine development strategies with a gender equality policy, thus reinforcing both instruments. For example, Colombia combines two or three types of instrument to integrate gender into Aid for Trade strategies and programmes (see case study).

Mauritius, Pakistan and Vanuatu belong to the few countries which directly integrate gender issues into trade policies and export strategies. Integrating gender issues into trade policy, however, remains a challenge for most countries. When it does occur, countries mostly integrate trade and gender issues into entrepreneurship strategies and support for women exporters (Guatemala, Paraguay, Uganda).
### Table 1: Integrating gender policies into development strategies

<table>
<thead>
<tr>
<th>Regions</th>
<th>Responses in questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Africa</strong></td>
<td></td>
</tr>
<tr>
<td>Democratic Republic of the Congo</td>
<td>Gender equality included in the constitution</td>
</tr>
<tr>
<td>Guinea-Bissau</td>
<td>Integrates sex-disaggregated data in trade development strategy</td>
</tr>
<tr>
<td>Zambia</td>
<td>Gender issues in strategies and policies that impact at the local level</td>
</tr>
<tr>
<td><strong>Asia and the Pacific</strong></td>
<td></td>
</tr>
<tr>
<td>Pakistan</td>
<td>Aid for Trade viewed as a variable with immense significance in integrating women within the current market structure, and:</td>
</tr>
<tr>
<td></td>
<td>• can open newer segments of the economy to young women in particular (e.g. e-commerce), where the gains can be more significant and result in better social mobility</td>
</tr>
<tr>
<td></td>
<td>• can substitute technical or knowledge shortfalls a developing country may have in realizing the true economic potential of women</td>
</tr>
<tr>
<td>Saint Lucia</td>
<td>Gender inclusion strategy to support gender perspectives in policy development</td>
</tr>
<tr>
<td></td>
<td>Ministries and departments to pivot towards a transparent and data-driven culture that utilizes gender analysis in planning</td>
</tr>
<tr>
<td></td>
<td>Capacity development to be a means to an end by ensuring that practical opportunities for trade are built into aid to increase the sustainability of training</td>
</tr>
</tbody>
</table>

Smallholder farmers generate more income through increased agriculture products, Thbong Khmum, Cambodia.
Case study

Colombia: Integrating gender issues into policy instruments

National development plan

Colombia integrates gender issues into several policy instruments. The national development plan for 2018-2022 includes a chapter dedicated to women’s economic empowerment.* It guarantees gender equality and non-discrimination through dedicated strategies and across different subject areas (e.g. education, employment).

Colombia also recognizes women in rural areas as agents for structural transformation and supports equitable rural development by providing income generation and better access to finance and by improving conditions for employability and entrepreneurship.

Equipares programme

Together with the United Nations Development Programme (UNDP), Colombia has developed the Equipares programme:

- to eliminate gender-based discrimination in employment and wages;
- to promote gender-equal conditions;
- to prevent, eliminate and penalize all forms of violence against women in micro, small and medium-sized enterprises (MSMEs).

The Equipares programme also promotes flexible working conditions for women (e.g. reduced working hours, voluntary extension of maternity and paternity leave, teleworking).
National public policy on gender equality

In 2012, Colombia adopted its 10-year national public policy on gender equality to guide actions on women's rights in Colombia, including economic empowerment.** Colombia is currently working on a new national policy which will focus on social and productive development issues relating to gender, including:

- eliminating discriminatory practices against women in the labour market;
- encouraging business development and foreign trade;
- promoting female entrepreneurship;
- improving women’s access to finance;
- closing the digital divide.

Gender issues incorporated in other public policies

Other public policies incorporate gender issues, in particular with regard to women's economic empowerment, such as:

- the national entrepreneurship policy***, which proposes a comprehensive technical assistance strategy dedicated to supporting the development of women entrepreneurs;
- the Women Entrepreneurs Fund* aims to finance and strengthen the capacities of women entrepreneurs;
- the policy for the reactivation, revitalization and sustainable and inclusive growth ++ focuses on income generation for rural women, with an emphasis on the sustainability of rural enterprises and the development of training programmes.

Gender equality is also a central objective incorporated in a cross-cutting manner in other sectoral policies such as the programmes carried out by the Office of the Vice-Presidency and the Presidential Advisory Office on Equity for Women, which focus on:

- decent working conditions for employed women;
- the promotion of capacity building for women entrepreneurs and women's participation in non-traditional sectors such as transport and infrastructure, mines and energy, and the green economy.

Colombia has also set gender equity as a central objective in the implementation of the United Nations Sustainable Development Goals (SDGs), defining specific indicators and targets relating to women's employability, income gaps and access to technology.

** See https://colaboracion.dnp.gov.co/cdt/conpes/social/161.pdf.
*** See https://colaboracion.dnp.gov.co/CDT/Conpes/Econ%C3%B3micos/4011.pdf.
* See https://www.apccolombia.gov.co/proyectos/fondo-mujer-emprende.
** See https://colaboracion.dnp.gov.co/CDT/Conpes/Econ%C3%B3micos/4023.pdf.
Case study
Peru: Integrating gender issues in trade and trade-related policies

National gender equality policy

Peru has adopted a set of instruments to better address gender inequalities and to support women’s economic empowerment through trade. For example, the 2019 national gender equality policy addresses structural discrimination against women. One of the priority objectives guarantees the exercise of women’s economic and social rights, including:

- the implementation of the national care system with a gender focus;
- the increase of women’s access to and control over natural and productive resources;
- the increase of women’s formal participation in the labour market;
- measures to ensure women’s social rights.

Technical guidelines to promote the economic autonomy of women

In 2021, Peru developed technical guidelines to promote the economic autonomy of women in their diversity with the main objective to establish provisions that allow public and private institutions to implement strategies that promote women’s economic empowerment and equal rights and opportunities in employment and the social sphere, such as:

- increasing information on women’s economic empowerment
- promoting training programmes for women workers;
- eliminating gender-based discrimination in employment;
- reconciliation of family responsibilities and professional advancement for women;
- promoting female entrepreneurship;
- ensuring women’s equal access to land and resources;
- increasing women’s access to finance.

PROMPERÚ

Aligned with the above instruments, the Commission for the Promotion of Peru for Exports and Tourism (PROMPERÚ) has been implementing the programme Ella Exporta, which is dedicated to women entrepreneurs to build their capacity in business and export management. Since 2017, more than 100 women entrepreneurs have participated in training on export regulations, procedures and costs, access to finance, corporate social responsibility, workplace safety, digital marketing and negotiations. Peru has also been monitoring the integration of participants in trade to assess the effectiveness of the programme, which has shown positive results.

Aid for Trade support

Peru has requested Aid for Trade support to enhance women’s participation in trade. For example, Peru is implementing a programme financed by Australia’s Direct Aid Programme to develop fashion in the Gamarra textile and clothing conglomerate and to strengthen the capacity of women-led businesses in this sector. Through this programme, women entrepreneurs receive training on design and management techniques to enhance their competitiveness in international markets.
The programme Women in Trade for Inclusive and Sustainable Growth, financed by the Trade Facilitation Office of Canada and the Global Alliance for Trade Facilitation, aims at increasing women’s participation in trade through three actions:

- strengthening PROMPERÚ’s capacities on the issue of gender equality and social inclusion;
- strengthening the capacities of 113 businesses in the agricultural sector, of which 86 are women-led;
- inviting 40 of these businesses to international fairs or trade missions in Canada.

With the objective to integrate gender in all Peru’s policies and programmes, the Government, supported by the Inter-American Development Bank (IDB), is currently considering how to apply gender lens to its national export plan to foster women’s access to trade opportunities.

*** See https://institucional.promperu.gob.pe.

Andean farmer shares her knowledge of indigenous tuber crops in Peru.
Spotlight: WTO members’ current work on Aid for Trade and gender

For the last five years, as part of their work in the WTO, members have been examining the gender issues in Aid for Trade within the WTO Informal Working Group on Trade and Gender, which was established on 23 September 2020 and which brings together WTO members and observers seeking to intensify efforts to increase women’s participation in global trade.

The Informal Working Group recognizes the essential role of Aid for Trade in women's economic empowerment and has established it as one of its four work pillars:

- to share best practice on removing barriers to women’s participation in trade;
- to exchange views on how to apply a “gender lens” to the work of the WTO;
- to review gender-related reports produced by the WTO Secretariat;
- to discuss how women may benefit from the Aid for Trade Initiative.

Participation in the Informal Working Group goes beyond collecting best practices and sharing experiences. The joint work of WTO members and observers seeks to integrate gender-related issues into the Aid for Trade Initiative to foster gender equality and women's economic empowerment.

During dedicated discussions held in 2021, WTO members looked at:

- the current increase of some donors of development aid focused on trade;
- areas of Aid for Trade focus pertaining to gender (e.g. programmes targeting agriculture);
- specific target groups of Aid for Trade programmes (e.g. women entrepreneurs);
- M&E processes of gender-related Aid for Trade programmes;
- gender mainstreaming practices in Aid for Trade programmes.

Currently, the Informal Working Group includes 125 WTO members and 7 observer governments.

* For more information, see https://www.wto.org/english/tratop_e/womenandtrade_e/iwg_trade_gender_e.htm.

Real estate construction firm, Addis Ababa, Ethiopia.
Promoting women’s economic empowerment in Aid for Trade

There is wide recognition among countries that Aid for Trade can support and strengthen women’s economic and financial independence, which in turn contributes to economic growth through job creation, increased income, entrepreneurship and economic diversification. Research by the World Bank and the WTO also demonstrates that link and establishes that firms trading globally or involved in global value chains employ more women and pay them better than companies focusing on domestic markets (World Bank/WTO, 2020). Within this, Aid for Trade has its role to play.

Many Aid for Trade programmes focus on the following areas (see Table 2 for details):

- specific areas (e.g. infrastructure development, trade facilitation, preparation of businesses for exporting, access to trade finance, elimination of violence against women, adaptation to climate change, provision of digital platforms);
- economic sectors where the proportion of women workers is high (e.g. apparel and textiles, tourism, agriculture);
- targeted groups of women (e.g. women entrepreneurs, women farmers).

The vast majority of Aid for Trade programmes with a gender component target women entrepreneurs and farmers, in particular support for owners and managers of MSMEs (der Boghossian, 2019).

Among the target beneficiaries highlighted in the M&E exercise were women entrepreneurs, smallholder farmers and processed food producers, as well as female informal cross-border food traders. For example, Germany supports programmes that promote gender-sensitive and sustainable innovations in the agriculture and food sector, which supports women farmers in scaling up their activities and fosters their trading capacity.

This focus on small businesses and the agriculture sector is not surprising. Data from the WTO regional surveys conducted on 800 women entrepreneurs in East Africa, South Asia and Latin America in 2019 and 2020 show that 46 per cent of businesses owned by women are typically micro-enterprises with fewer than 10 employees and that 47 per cent of women entrepreneurs work in agriculture.

Women play a central role in agriculture: in Africa, 53 per cent of women are employed in agriculture; and in South Asia, it is 57 per cent. About 58 million women in the rural areas of Latin America and the Caribbean are responsible for food security and preserving biodiversity.

Moreover, some developing countries have a more innovative approach about future support by involving small-scale businesswomen. In the fishing sector for instance, Madagascar prioritizes the artisanal processing of fishing products; in the mining sector, support in extractive activities should be directed towards small and artisanal mines and MSMEs managed by women should be promoted.

“Aid for Trade can support and strengthen women’s economic and financial independence, which in turn contributes to economic growth.”
Scaling up women’s activities is also a future focus identified by partner countries. For instance, Lesotho said that Aid for Trade should focus more on supporting women in the transition from subsistence agriculture to commercial farming and empower women to become involved in supply chains.

**Capacity building**

While targeting women entrepreneurs and farmers, Aid for Trade programmes focus on capacity building in line with women’s skills development needs (see Box 1).

With the objective of strengthening productivity, the programmes mostly focus on:

- ensuring compliance with product standards;
- increasing product quality;
- improving financial and digital literacy;
- learning business management skills and how to access information about border clearance procedures and licensing requirements.

Mainstreaming gender into development strategies is a continual process, and policies are frequently updated. Some of the gender strategies or plans cited by respondents have recently expired or are about to end. Thus, the question remains about how the impact of these actions are evaluated and the lessons integrated into future plans and strategies (discussed in final section).

---

**Box 1**

**TradeMark East Africa**

Established in 2010, TradeMark East Africa, a not-for-profit Aid for Trade organization, has developed programmes to promote women’s economic empowerment in East Africa through increased trade.

Out of its total funding of US$ 80 million, the organization has dedicated around US$ 15 million to women entrepreneurs, mainly focusing on technical assistance and capacity-building activities. The objectives of its projects include:

- enhancing digital skills and business management;
- providing greater market access for women entrepreneurs;
- providing information on trade requirements and procedures;
- assisting women traders in obtaining standards certifications;
- advocating trade facilitation measures.
**Specific sectors**

Many Aid for Trade programmes focus on specific sectors where female labour is concentrated, such as apparel and textiles in Peru, shea nuts and shea butter in Mali, honey in Zambia and cashew nuts in Burkina Faso.

Interestingly, programmes focus less in the services sector, where most women work, even if some African countries intend to increase women’s participation in services sectors through Aid for Trade.

Tourism is the exception and is one focus of gender-related Aid for Trade programmes. It is identified by both partner countries and donors as a key sector where Aid for Trade can help women.

The World Tourism Organization reports that 54 per cent of people employed in tourism are women, and in some sectors women comprise a significantly higher proportion (e.g. hotel and restaurant sector; UNWTO, 2019). A World Bank (2017) study finds:

> “In Indonesia, Malaysia, the Philippines, and Thailand, more than half of tourism businesses are run by women. In Latin America, 51% of tourism businesses are managed by women, more than double the proportion in other sectors. In Nicaragua and Panama, more than 70% of business owners [in tourism] are women, compared to just over 20% in other sectors.”

The COVID-19 pandemic has devastated this sector. Actually, the sectors where most of the business closures globally took place because of the COVID-19 pandemic were travel and tourism (54 per cent) and hospitality and event services (47 per cent), which are often linked to tourism (Facebook, 2021).

Women have been disproportionately impacted by the COVID-19 pandemic, as they own businesses or work in sectors that require face-to-face interactions and in sectors where demand fell sharply such as tourism, textiles and domestic work. Women are also more likely to work in informal employment, where remuneration is lower and assistance during the pandemic was less likely to reach them. Aid for Trade can be a powerful tool for advancing women’s economic empowerment and thus, accelerating a post-COVID recovery.

Within this context, some countries are promoting forward-looking, innovative tourism projects. For example, a village tourism project in Saint Lucia seeks to diversify tourism towards rural communities, taking advantage of and enhancing existing natural ecosystems. The project aims to provide livelihoods for women and youth while building their capacity and skills in the services industry.

**Women’s leadership in designing Aid for Trade programmes**

It is not enough to develop programmes with a gender aspect. To maximize gender-related Aid for Trade initiatives, women must be part of the decision-making process in the design, implementation, M&E and impact assessment of the programmes.

The 2022 M&E exercise highlights this point for the first time. Advancing women at leadership positions in the public and private spheres is essential to ensure that gender equality is meaningfully integrated into policy and decision-making. Gender diversity in decision-making bodies enhances the promotion of women’s and children’s interests and generates more public trust (OECD/CAWTAR, 2014). Gender equality and diversity can also provide additional benefits to organizations, helping them improve performance and productivity.

> “To maximize gender-related Aid for Trade initiatives, women must be part of the decision-making process.”
Table 2: Promoting women’s economic empowerment in Aid for Trade

<table>
<thead>
<tr>
<th>Regions and donors</th>
<th>Responses in questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td></td>
</tr>
<tr>
<td>Benin</td>
<td>Aid for Trade can promote women’s economic empowerment through inclusive trade for sustainable development and:</td>
</tr>
<tr>
<td></td>
<td>• the development of adequate infrastructure and logistics</td>
</tr>
<tr>
<td></td>
<td>• the building of production and trade capacity</td>
</tr>
<tr>
<td></td>
<td>• the facilitation of trade and investment</td>
</tr>
<tr>
<td>Lesotho</td>
<td>Aid for Trade should focus more on supporting women in the transition from subsistence agriculture to commercial farming and empowering women to become involved in supply chains</td>
</tr>
<tr>
<td>Madagascar</td>
<td>Support should prioritize artisanal processing of fishing and mining products and promote MSMEs managed by women</td>
</tr>
<tr>
<td>Togo</td>
<td>Women's economic empowerment components included in many programmes (e.g. National Fund for Inclusive Finance)</td>
</tr>
<tr>
<td></td>
<td>Initiatives aim to strengthen the public–private dialogue to support gender-focused initiatives which include an M&amp;E mechanism with specific indicators</td>
</tr>
<tr>
<td>Asia and the Pacific</td>
<td></td>
</tr>
<tr>
<td>Fiji</td>
<td>Aid for Trade can support economic empowerment by creating an enabling environment for women to participate in the economy</td>
</tr>
<tr>
<td>Indonesia</td>
<td>Issues of gender equality and women’s economic empowerment are included in the development strategy</td>
</tr>
<tr>
<td></td>
<td>Presidential Instruction No. 9/2000 on Gender Mainstreaming mandates ministries and local government to implement gender mainstreaming in development strategies</td>
</tr>
<tr>
<td></td>
<td>National strategy of gender mainstreaming being developed and will include gender-responsive planning and budgeting</td>
</tr>
<tr>
<td>Pakistan</td>
<td>Aid for Trade can fill in for the technical or knowledge shortfalls a developing country may have in realizing the true economic potential of women</td>
</tr>
<tr>
<td>Latin America and the Caribbean</td>
<td></td>
</tr>
<tr>
<td>Saint Lucia</td>
<td>Capacity development must be a means to an end by ensuring that practical opportunities for trade are built into the aid to increase the sustainability of training</td>
</tr>
<tr>
<td>Donors</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>Supports programmes that promote gender-sensitive and sustainable innovations in agriculture and food sectors</td>
</tr>
<tr>
<td></td>
<td>Supports women farmers in scaling up their activities through innovation and fosters their trading capacity</td>
</tr>
<tr>
<td>Republic of Korea</td>
<td>Women’s economic empowerment one of the most important and principal agendas for accomplishing gender equality</td>
</tr>
<tr>
<td></td>
<td>Trade one of the most important and practical means to achieve women’s economic empowerment</td>
</tr>
</tbody>
</table>
Aid for Trade programme categories relating to gender

In the 2022 M&E exercise, Aid for Trade programmes are currently divided into two projects categories: those where a gender perspective is included among other objectives and those that focus principally on women’s empowerment. The vast majority of projects fall in the first category.

The United Kingdom’s M&E response summarizes the way developing countries and donors integrate gender into their programme. The United Kingdom outlines that Aid for Trade unquestionably helps to mobilize funds for women’s economic empowerment and points out that all Aid for Trade funds must have at least a gender consideration. This means that even if they are not entirely focused on women’s economic empowerment (which some are), they must at least complement women’s economic empowerment activities.

However, Aid for Trade encompasses a broad range of programmes. Some are undertaken in conjunction with governments, such as many trade-related infrastructure projects; others target groups of women, often women entrepreneurs, such as programmes which support businesses run by women in preparing products for export. Other programmes partner with private-sector firms in donor countries to deliver projects.

A better understanding and categorizing of the types of Aid for Trade programme that focus on women would help countries better target their programmes. Common categories of programme include:

- infrastructure development;
- trade facilitation;
- preparation of businesses for exporting;
- access to trade finance;
- elimination of violence against women;
- adaptation to climate change;
- availability of digital platforms.

In addition to these categories, elements which define Aid for Trade programmes can be found in Table 3.

Infrastructure development

Some partner countries link Aid for Trade and infrastructure development, as it can have a key indirect impact on women’s economic development (see Box 2). Responses to the questionnaire included (see Table 4 for details):

- advancing women’s economic empowerment by providing consistent access to basic utilities, such as water, electricity and sanitation at the workplace (Mali);
- increasing women’s participation in digital business services by building adequate digital infrastructure (Lesotho);
- fostering inclusive trade by developing infrastructure through Aid for Trade (Mexico).

Trade facilitation

Facilitating trade through streamlined procedures can help women entrepreneurs. If border procedures are clear and predictable, there is less room for discretion on the part of border officials.

Burdensome and non-transparent border procedures affect smaller firms more than larger ones when navigating difficult and opaque regulations. As MSMEs are disproportionately owned and managed by women, they are often at a disadvantage to meet the high cost and time demands of complex trading requirements (Korinek et al., 2021).

Many donors focus their Aid for Trade programmes on trade facilitation. For instance, Germany supports trade facilitation at the Mwami-Mchinji border between Malawi and Zambia with a project that promotes making
Table 3: Categorization of Aid for Trade programmes

<table>
<thead>
<tr>
<th>Category</th>
<th>Examples in existing Aid for Trade programmes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sector of activity</td>
<td>Agriculture</td>
</tr>
<tr>
<td></td>
<td>Apparel and textiles</td>
</tr>
<tr>
<td></td>
<td>Tourism</td>
</tr>
<tr>
<td></td>
<td>Multi-sector</td>
</tr>
<tr>
<td>Area of intervention</td>
<td>Trade and economic infrastructure</td>
</tr>
<tr>
<td></td>
<td>Trade facilitation</td>
</tr>
<tr>
<td></td>
<td>Preparation of firms for export</td>
</tr>
<tr>
<td></td>
<td>Access to finance</td>
</tr>
<tr>
<td></td>
<td>Digital networking platforms</td>
</tr>
<tr>
<td></td>
<td>Violence against women</td>
</tr>
<tr>
<td></td>
<td>Women in leadership</td>
</tr>
<tr>
<td>Target groups</td>
<td>Women entrepreneurs</td>
</tr>
<tr>
<td></td>
<td>Women farmers</td>
</tr>
<tr>
<td></td>
<td>Women and girls</td>
</tr>
<tr>
<td>Timing</td>
<td>Period of Aid for Trade activity</td>
</tr>
<tr>
<td>Donor</td>
<td>Country</td>
</tr>
<tr>
<td></td>
<td>International organization</td>
</tr>
<tr>
<td></td>
<td>Agency</td>
</tr>
<tr>
<td>Partner</td>
<td>Country</td>
</tr>
<tr>
<td></td>
<td>Group of countries</td>
</tr>
<tr>
<td></td>
<td>Subnational entity</td>
</tr>
<tr>
<td>Aid disbursement method</td>
<td>Grant</td>
</tr>
<tr>
<td></td>
<td>Loan</td>
</tr>
<tr>
<td></td>
<td>Technical assistance</td>
</tr>
</tbody>
</table>

Businesswoman in Comoros runs a ylang-ylang distillery, with eco-friendly products such as essential oils, lotions and toners.
Box 2

Markets for Change (M4C) project

M4C is a UN Women project in partnership with the UNDP. Principally funded by Australia, the project expanded to include support from Canada.

The six-year initiative (2014-2020) aimed at ensuring that marketplaces in rural and urban areas in Fiji, the Solomon Islands and Vanuatu are safe, inclusive and non-discriminatory environments, promoting gender equality and women's economic empowerment.

Vendors in these markets were predominantly women, and these marketplaces offer important venues for productive and sustainable work opportunities for women.


border agents aware of gender issues. Some partner countries, such as the Democratic Republic of the Congo, also intend to apply a gender lens by targeting future support for women's economic empowerment in capacity building in trade facilitation.

Preparation of businesses for exporting

Some programmes bridge the knowledge gap for women entrepreneurs by providing access to information about border clearance procedures, licensing requirements and how to take advantage of market access provided through trade agreements. In some cases, this means aligning local products with international standards and aiding businesses to obtain certifications (see Box 3).

Other programmes offer services to promote the exports of women traders abroad through engagement in supply chains and distribution channels. For example, the Asia-Pacific Economic Cooperation has designed a toolkit for export promotion agencies to increase their gender sensitivity.

Access to trade finance

Access to trade finance, such as guarantees and letters of credit, is a barrier faced by women entrepreneurs. Trade finance closes the financing gap between the time of contracting for goods or services and the moment of payment subsequent to delivery.6

Although 100 per cent of women-led firms requesting trade finance have access to formal financial institutions (e.g. bank account), only 18 per cent of them receive sufficient trade finance (ADB, 2016b). The International Finance Corporation (IFC), part of the World Bank Group, estimates the gap between the credit requested by women-owned MSMEs and the financing received to be around US$ 1.7 trillion.7

In fact, Kim et al. (2019) find that:

“Women-owned firms find it even more difficult to access finance. Among women-owned firms surveyed, the average rejection rate of their proposals was 44% compared with 38% for male-owned firms. Once rejected, women-owned firms were less likely to seek out alternative financing — whether formal or informal.”
Aid for Trade can be a significant instrument to mobilize funds in support of women’s economic empowerment by successfully connecting women entrepreneurs and financiers (see Box 4).

Elimination of violence against women

A key development objective for many countries is the elimination of gender-based violence. Violence against women in general, including child marriage and other harmful practices, and particularly during the conduct of trade (e.g. at the border) are being integrated as a key issue in countries’ strategies.

A clear development objective for the Democratic Republic of the Congo is the elimination of violence and sexual abuse women face, especially at the borders. As part of its gender strategy, Madagascar aims to strengthen women’s empowerment and to improve protection of women against gender-based violence.

In Pakistan, legal steps are being taken to ensure non-discrimination at the workplace, and include the formation of the Woman Ombudsman and the Workplace Harassment Act and the Protection of Women Against Violence Act. Tanzania has a text messaging service for women traders to report gender-based harassment (other examples can be found in the Colombia and Peru case studies).

Several donors also reflect this issue in their trade-related programmes and projects. The Netherlands have developed a programme in South Sudan which includes capacity-building activities to increase women’s income from trade and to expand their capacity to participate in trade, while simultaneously promoting their rights and reducing their vulnerability to violence and exploitation.

The Australia Infrastructure Financing Facility for the Pacific links infrastructure development to women’s economic empowerment and requires that projects take actions to identify and address constraints faced by women by seeking, among other objectives, to end all forms of violence against women and girls, especially through jobs and services that are free from sexual harassment.

This focus, which has been newly reported on within the M&E exercise, may be rooted in the increase of violence against women in the last

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**Box 3**

**Market Access Upgrade Programme (MARKUP)**

MARKUP is an Aid for Trade, regional development initiative established and funded by the European Union that provides support to SMEs in the East African Community (EAC). It aims to increase exports of agribusiness and horticultural products and to promote regional integration and access to the European market.

The programme supports SMEs to improve the quality of their products by aligning them with international standards and sanitary and phytosanitary measures. This allows EAC agribusinesses to benefit from greater business opportunities in both East African and European markets. Crucial to the success of MARKUP is the inclusion of women and youth in trade.

Gender equality, women’s economic empowerment and sustainable trade

Box 4

Banking on Women Global Trade Finance Program (BOW–GTFP) initiative

In order to increase trade financing for businesses owned and led by women in developing countries, the IFC Banking on Women (BOW) programme partnered with Goldman Sachs to create the BOW–GTFP initiative.

The programme aims to close gender gaps in trade financing by:

- creating incentives for more than 240 partner banks in more than 80 emerging markets to increase financing to exporting and importing women entrepreneurs;
- encouraging partner banks to better understand and better serve women-owned SMEs*, which has commercial benefits for the financial institutions.

The BOW–GTFP initiative has issued US$ 120 million in loans and loan guarantees since it started in 2019. Banks in emerging markets that lend to SMEs which are owned or led by women** receive a rebate on the funds they borrow for those loans from the IFC of 20 basis points (for loans financed above 100 basis points per annum).

The BOW–GTFP initiative has uncovered a number of challenges to providing trade finance to SMEs owned by women, in particular:

- Banks are not necessarily specialized in trade finance and do not always cater to these shorter-term loans. Banks tend to stick to a traditional set of collateral requirements that may be more appropriate for longer-term loans. Women often cannot produce the collateral necessary for such loans, in some countries due to legal or regulatory barriers such as land or other titles that do not reflect their ownership.
- Many instances of bias against women by some bank employees have been documented, in particular when women’s entrepreneurship challenges traditional societal norms.
- Businesses owned and led by women tend to be smaller, and banks are not always well equipped to provide the lower-value trade finance loans they seek.

Furthermore, financial institutions are reportedly more risk averse since the onset of the COVID-19 pandemic. The BOW–GTFP initiative has also contributed to research on the magnitude of the gender gap in financing, and on the barriers women face accessing trade finance.***

* Defined by either: the amount of IFC guarantee being up to US$ 2 million; or when the IFC guarantee is greater than US$ 2 million, the women-led small and medium beneficiary/applicant meets two out of three criteria (<300 employees; <US$ 15 million in total assets; <US$ 15 million in annual sales).

** Defined as 51 per cent or more owned by a woman/women or 20 per cent or more owned by a woman/women and with at least one woman as chief executive officer/chief operating officer (president/vice-president), with at least 30 per cent of the board of directors composed of women, where a board exists.

*** See https://www.wto.org/english/tratop_e/womenandtrade_e/think_up_1_e.htm.
two years, during the COVID-19 pandemic and its colossal economic cost.

According to the UNDP COVID-19 Global Gender Response Tracker, 17 per cent of all relief measures taken by governments to mitigate the impact of COVID-19 on women specifically target violence against women. According to UN Women, the cost of violence against women globally amounted to US$ 1.5 trillion, representing about 2 per cent of global GDP. In a study published by the International Monetary Fund focusing on Sub-Saharan Africa, Ouedraogo and Stenzel (2021) find that “an increase in the share of women subject to violence by 1 percentage point can reduce economic activities … by up to 8 percent.”

To address violence against women engaged in trade activities and at borders, the World Customs Organization has developed a training package which includes an e-learning module aimed at customs officers and which focuses on raising general awareness on gender equality and how to integrate the gender perspective into everyday practices.

Adaptation to climate change

Many donors integrate gender issues in renewable energy and climate-change-related programmes. For some partner countries heavily impacted by environmental disturbances, such as Samoa, Aid for Trade can contribute to adapting to climate change through support for women entrepreneurs and smallholder farmers.

Discussion of gender perspectives in a community development programme for farmers in Indonesia.
Availability of digital platforms

The COVID-19 pandemic has highlighted the importance of digital platforms and e-commerce. During the pandemic, SMEs “reporting higher shares of digital sales were also more likely to have reported more robust sales” (Facebook, 2021).

Both formal and informal networks can provide valuable information and the possibility to meet clients and suppliers. Such knowledge is particularly useful when engaging in trade in a foreign environment under different regulatory conditions. However, women entrepreneurs tend to have fewer and shallower business networks. Providing a platform for women entrepreneurs to engage with clients and goods and services providers can bridge some of these gaps.

Some Aid for Trade programmes provide networking and digital platforms where various services are offered beyond linking buyers and suppliers. They also provide courses in digital literacy, an area where gender gaps persist, particularly in developing and emerging markets.

A digital networking platform can in fact be used as a tool and integrated into Aid for Trade programmes or it could be an Aid for Trade project on its own. Since networking is an issue for many women entrepreneurs, providing such digital networks responds to an exporting challenge (see Box 5).

Table 4: Aid for Trade programme categories relating to gender

<table>
<thead>
<tr>
<th>Regions and donors</th>
<th>Responses in questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Africa</strong></td>
<td></td>
</tr>
<tr>
<td>Democratic Republic of the Congo</td>
<td>Objective to eliminate violence and sexual abuse women face, especially at borders</td>
</tr>
<tr>
<td>Lesotho</td>
<td>Digital infrastructure used as a means to enhance women’s economic empowerment, especially by increasing their participation in digital business services</td>
</tr>
<tr>
<td>Madagascar</td>
<td>Gender and development strategy to strengthen women’s economic empowerment and improve women’s protection against gender-based violence</td>
</tr>
<tr>
<td>Mali</td>
<td>Aid for trade can advance women’s economic empowerment by providing consistent access to basic utilities at the workplace (i.e. water, electricity, sanitation), which can enhance women’s production and productivity</td>
</tr>
<tr>
<td><strong>Asia and the Pacific</strong></td>
<td></td>
</tr>
<tr>
<td>Pakistan</td>
<td>Legal steps taken to ensure non-discrimination with respect to conditions of employment or occupation</td>
</tr>
<tr>
<td><strong>Donors</strong></td>
<td></td>
</tr>
<tr>
<td>Asia-Pacific Economic Cooperation</td>
<td>Designed a toolkit for export promotion agencies to increase their gender sensitivity</td>
</tr>
<tr>
<td>Inter-American Development Bank</td>
<td>ConnectAmericas for Women platform allows businesswomen to connect and explore business opportunities and exchange relevant information</td>
</tr>
<tr>
<td>Netherlands</td>
<td>Developed a programme in South Sudan that includes capacity building activities to increase women’s income from trade, their capacity to participate in trade, and to promote their rights, while reducing their vulnerability to violence and exploitation</td>
</tr>
<tr>
<td>TradeMark East Africa</td>
<td>Established a text messaging service for women traders in Tanzania to report gender-based harassment</td>
</tr>
</tbody>
</table>
The online business platform ConnectAmericas was created by the IDB in 2014 to help MSMEs to access international markets and new business opportunities.* Firms from around the world can join ConnectAmericas. However, the platform was created to favour the internationalization of businesses based in Latin America and the Caribbean.

Firms based in Argentina, Brazil, Colombia, Mexico and Peru account for the majority of participants. Services, food and beverages, and textiles, jewellery and accessories are the sectors in which most ConnectAmericas companies operate.

Under this umbrella programme, the IDB has developed the ConnectAmericas Mujeres (ConnectAmericas for Women) platform that focuses on women business owners and leaders and closing gender gaps in accessing international markets. Within the platform, some business communities specifically target sub-groups of women entrepreneurs, such as the Pacific Alliance Women Entrepreneurs with more than 1,200 participants, and Women in Business with more than 650 participants.

The share of businesses owned by women participating in the platform increased from 30 per cent in 2014 to nearly 45 per cent in 2021, with 10 million unique users in over 200 countries. The aim of the platform includes the following:

- provision of capacity-building and production improvements to facilitate women entrepreneurs’ access to foreign trade and value chains;
- use and adoption of information and communication technologies for the transformation and optimization of their business processes;
- improvements to their financial management to facilitate access to funding for their business.

Businesses owned by women are more prevalent online on ConnectAmericas than in relevant offline benchmarks. This echoes similar findings from research in OECD countries on women-led firms that use Facebook/Meta business pages at least as much as men (Korinek et al., 2021).

In addition to providing a business networking platform that connects businesses to potential clients and suppliers, ConnectAmericas for Women provides online training and business resources. Over 100,000 women have been trained through the online resources; 49 per cent of participants in the 12 business matchmaking events organized in 2021 were women.

As part of ConnectAmericas for Women, the IDB has also launched Women Growing Together in the Americas, which provides online training and business development resources, mentoring by private sector partners and industry specialists. It also showcases women entrepreneurs’ stories and successes. This programme was developed during the COVID-19 pandemic:

- to facilitate trade and participation in global value chains;
- to favour the use and adoption of digital technologies to optimize business processes, improve financial management and facilitate access to funding.

The ConnectAmericas for Women platform is also a source of information on women entrepreneurs and the challenges they face, that could be used by or governments to design and implement more effective trade and gender policies.

Aid for Trade constraints and donor–partner alignment

Aid for Trade funding is aligned with developing countries’ priorities and objectives on women’s economic empowerment as adopted in their development strategies and policy instruments (see Table 5 for details).

“Aid for Trade disbursements that include gender as an objective rose from US$ 4 billion to US$ 18 billion between 2011 and 2020.”

Research in preparation for the joint OECD–WTO publication Aid for Trade at a Glance 2022 finds that Aid for Trade disbursements from bilateral donors that include gender as a significant objective rose from US$ 4 billion to US$ 18 billion between 2011 and 2020.

Responses in the questionnaire revealed that the four most commonly acknowledged constraints faced by women and addressed by programmes are:

- access to finance;
- informal employment;
- access to digital services;
- access to information.

Harvesting a rice field in Cambodia.
Table 5: Aid for Trade constraints and donor–partner alignment

<table>
<thead>
<tr>
<th>Regions and donors</th>
<th>Responses in questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td></td>
</tr>
<tr>
<td>Mali</td>
<td>Combating female poverty, international trade cooperation, promoting female leadership and public–private partnership are the main reasons for mobilizing funds for women’s economic empowerment. Support provided effectively corresponds to the objectives and priorities of women in terms of trade.</td>
</tr>
<tr>
<td>Donors</td>
<td></td>
</tr>
<tr>
<td>European Union</td>
<td>Priorities can only be identified after thorough contextual analysis and interventions targeted according to development effectiveness principles, such as alignment with national priorities and donor coordination.</td>
</tr>
<tr>
<td>Slovenia</td>
<td>In line with development cooperation effectiveness principles, project supports stem from the partner needs and are implemented in close cooperation with local partners, which ensures ownership.</td>
</tr>
</tbody>
</table>

Donors further identify unpaid care work and unpaid employment as obstacles for women. However, partner countries do not place this issue high on their list of obstacles. Similarly, 70 per cent of donors but only 30 per cent of partners believe a gender pay gap to be an obstacle.

Disparities in policy intervention and Aid for Trade programming could weaken an initiative’s effectiveness, given that programmes are demand driven. Benin highlights that Aid for Trade derives from the principles contained in the Paris Declaration on Aid Effectiveness and from the country’s priorities in its development strategy. If disparities are not properly addressed, partner countries could look elsewhere to solve some of the issues they rank as most important – with donors going in another direction.

However, this chapter shows that gender issues are extensively included in Aid for Trade strategies, and the link between Aid for Trade and gender is strongly established for both donors and partners. Most developing countries agree that Aid for Trade can help to remove obstacles they identify. Both donors and partners consider that Aid for Trade can help women’s access to finance and credit, strengthen female entrepreneurship and business development through market linkages, and support women’s access to skills development and capacity building in trade.

However, a few donors have other perspectives. Austria, for example, explains that Aid for Trade has a very limited role to play with regard to women’s economic empowerment, but it could promote better access to capital.

Future perspectives on Aid for Trade and gender are also similar between partner countries and donors. In terms of sectoral support, most countries established that Aid for Trade should focus on agriculture, fisheries, handicraft fashion and apparel as well as e-commerce and digital services. Some also mentioned tourism. Many of these sectors have high levels of female employment.

However, partner countries also identify future priorities of energy supply, communication infrastructure, and trade education and training, which are not listed by donors.
Inclusive programming has been central to the EIF’s Aid for Trade interventions in least-developed countries (LDCs). This emerged from a recognition that the gains from trade are amplified when they generate opportunities for women and youth and enable micro, small and medium-sized enterprises (MSMEs) to integrate into global trade.

The EIF Empower Women, Power Trade (EWPT) initiative, launched in 2019, demonstrates our commitment towards women’s economic empowerment through a set of defined outcomes on policy and productive capacity. A foundation of the EWPT initiative is to build the evidence-base to support gender-sensitive policies.

The OECD–WTO monitoring and evaluation (M&E) exercise has noted that mainstreaming gender into national strategies is a continuous process. This reflects our ongoing work which has been to partner with governments in LDCs to formulate and implement gender-sensitive trade policies and regulations, as well as to improve the collection of gender-disaggregated trade data.

The best policies are evidence-based, but they can be challenging to formulate in contexts where data do not exist. Since 2019, gender analysis was integrated in the EIF’s flagship analytical work, its Diagnostic Trade Integrated Studies, providing the basis for gender-disaggregated trade policies and regulations, as well as to improve the collection of gender-disaggregated trade data.

Building evidence does not only happen through research and analysis; it also comes from sharing experiences. For example, EIF support has been directed to sectors in which women are predominantly engaged, so female-owned businesses can expand and access new regional and global markets. Responses to the M&E exercise indicate a wide recognition that these efforts result in strengthening women’s economic and financial independence.

These data are useful when LDC governments need to formulate trade-related policies and regulatory frameworks. But as highlighted in the exercise, this is a continuous process.

E-commerce has emerged as a particularly critical area for deepening the inclusiveness of trade and has continued to thrive especially over the past two years due to COVID-19. The digital transformation has the potential to have an equally transformative effect on women entrepreneurs. Evidence already points to impressive gains made by women and youth on the e-commerce front these past few years. The EIF and United Nations Economic and Social Commission for Asia and the Pacific training to Southeast Asian women entrepreneurs in e-commerce is one such example. Policy-makers therefore need to pay attention to these results, but researchers and development partners also have a role to play in sharing their evidence and learning.

This M&E exercise spearheaded by the WTO and the OECD is a prime example of the creation of this evidence to help drive Aid for Trade policies but also informs least-developed and developed countries on what has worked, and what has not, in other countries and contexts.

Going forward, continuing to build evidence to mainstream gender in trade policy and regulatory frameworks should remain an area of essential focus for all. On our end, the EIF will continue sharing results and lessons, ensure the collection of gender-disaggregated data serves as a basis for learning, and strengthen the partnerships that ensure trade works for women.
Challenges in integrating gender into Aid for Trade

Paucity of sex-disaggregated trade data

Some donors and partner countries have indicated that the lack of sex-disaggregated trade data is a key challenge in designing Aid for Trade projects focusing on women. Many countries have yet to collect such data. However, it is starting to gain traction. The responses in the questionnaire indicate that overall governments do collect sex-disaggregated data in various areas of policy interventions and from the following sources, among others (see Table 6 for details).

- periodic reports from ministries in charge of women’s issues;
- records from capacity-building activities;
- national surveys on the productivity and competitiveness of MSMEs;
- records on business financing, micro financing, employment and income status; tax records;
- business registries of formal entrepreneurs.

The data collected often focus on women entrepreneurs rather than women workers, and surveys sometimes focus on very localized and specific issues, such as the incomes of women with economic difficulties at the village level.

How data are collected and the frequency are often not systematic. Many countries collect data on an ad-hoc basis when the need arises (e.g. during training workshops) or rely on international organizations such as the OECD or the World Bank.

Even when governments gather sex-disaggregated data, they rarely focus on trade. Notable exceptions, however, include Guinea-Bissau, which integrates sex-disaggregated data in its export development strategy, and Mexico, whose statistics office conducts dedicated surveys on women in trade. To overcome information gaps, the IDB is capturing and analysing sex-disaggregated data in the business community and business profile of women-led enterprises as part of its Integration and Trade Sector Framework.

Aid for Trade initiatives can be an instrument to collect data on women’s participation in trade. TradeMark East Africa uses data-driven needs assessments to develop country and regional programmes in collaboration with donors and governments.

As part of this work, a monitoring system has been set up together with partners to report regularly on the progress and impact of its programmes. However, it is difficult to aggregate information from different countries and different contexts, and to collect data from large informal sectors, in which women often operate.

The data collection systems of some donors often collect information not only for M&E purposes but also to select projects that would benefit from Aid for Trade. The IFC and the IDB have made supporting policy-making a clear objective of data collection.

Effect of data paucity on policy-making

The lack of regular data collection on women in trade has created statistical gaps that impact the effectiveness of trade policies and development strategies. Gaps in data impede research and thus policy-making, as research findings can be used to inform gender-responsive trade policies and to promote women in trade.

This issue has been discussed by WTO members in the Informal Working Group on Trade and Gender, where they have exchanged data collection methods as part of their technical
work on trade and gender.\textsuperscript{12} WTO members also prioritized developing and improving sex-disaggregated data collection, and identified this area of policy intervention as fundamental to advancing gender equality in trade.

This is one of the reasons why the WTO created the WTO Gender Research Hub\textsuperscript{13} in May 2021 to foster further research and data collection efforts through an information-sharing and knowledge-gathering platform where the latest findings of researchers and experts can be shared and disseminated globally.

Research by the WTO Gender Research Hub, confirms the lack of data on women in trade. To address this, the WTO has developed a data collection questionnaire, which members can use as a guide. This questionnaire is one of the gender-responsive policy tools developed by the WTO for policy-makers to integrate gender issues into trade policy, and which are incorporated in the WTO training course on trade and gender.\textsuperscript{14}

The lack of data also impedes research and in turn policy-making, as research findings can be used to inform gender responsive trade policies and promote women in trade.

**Need for impact assessment**

The M&E exercise reveals that Aid for Trade programmes are not systematically evaluated for their gender impact and, few countries embed impact evaluation mechanisms. However, some donors make them mandatory.

Including gender into national strategies is a continual process. Policy frameworks are frequently updated. Some of the gender strategies or plans cited by respondents have expired recently or are about to end. In that regard, the question remains about how the impact of these actions are evaluated and the lessons identified integrated into future strategies.
The assessment of Aid for Trade programmes is a key issue. Understanding why some programmes are more effective than others helps countries to design informed policies and initiatives to support women.

Responses to the questionnaire indicate that only one-third of developing country partners evaluate their Aid for Trade programmes; however, LDCs are more inclined to use evaluation processes because they have adopted the EIF’s M&E mechanism. In contrast, more than two-thirds of donors have monitoring processes, and impact assessments are mandatory for some.

When evaluating their programmes, most countries include specific gender-related indicators and targets that they evaluate against the programmes’ objectives to examine progress in implementation, and then include them as an integral part of M&E mechanisms. Some countries use the Voluntary National Review of SDGs to assess their Aid for Trade programmes.¹⁵

Assessment processes should be combined with sex-disaggregated data collection mechanisms. Data collected in M&E mechanisms of gender-focused Aid for Trade programmes and the lessons learned from them should be shared and discussed, potentially in such a forum as the Informal Working Group on Trade and Gender at the WTO.

WTO members have been exchanging technical information relating to gender equality in trade within the Informal Working Group. Australia and the United Kingdom highlighted the Group’s work as a catalyst for integrating gender issues in Aid for Trade and in the WTO more broadly.

Table 6: Challenges in integrating gender into Aid for Trade

<table>
<thead>
<tr>
<th>Regions</th>
<th>Responses in questionnaire</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td></td>
</tr>
<tr>
<td>Togo</td>
<td>The National Fund for Inclusive Finance (FNFI) to strengthen public–private dialogue to mobilize more resources to monitor and evaluate specific indicators for gender-focused initiatives</td>
</tr>
<tr>
<td>Asia and the Pacific</td>
<td></td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>Ground-level monitoring activities are carried out through the district and divisional level field officers attached to the ministry for women and children and conducts M&amp;E activities through a monitoring, evaluation, accountability and learning (MEAL) system introduced by the ministry</td>
</tr>
<tr>
<td>Vanuatu</td>
<td>Data collection is still an issue due to capacity constraints and funding issues</td>
</tr>
<tr>
<td>Latin America and the Caribbean</td>
<td></td>
</tr>
<tr>
<td>Mexico</td>
<td>The National Institute of Statistics, Geography and Informatics (INEGI) conducts gender-disaggregated surveys that provide indicators on gender, trade and development</td>
</tr>
<tr>
<td>Peru</td>
<td>The National Institute of Statistics and Informatics (INEI) publishes annual gender gap reports</td>
</tr>
<tr>
<td>Saint Lucia</td>
<td>Ongoing challenges to collect gender-disaggregated data and trade data due to a large informal sector and high percentage of MSMEs</td>
</tr>
<tr>
<td></td>
<td>M&amp;E components to all government projects in line with donor requirements</td>
</tr>
</tbody>
</table>
Gender equality, women’s economic empowerment and sustainable trade

Case study

Benin: Gender evaluation methods in Aid for Trade programmes

Gender issues are integrated at all stages of Aid for Trade programmes, from formulation to monitoring and evaluation, and starting with the appointment of gender focal points in ministries, civil society and the private sector. The Government has adopted a methodological guide* which requires the following:

- gender issues are systematically integrated at the diagnostic level of each programme;
- gender gaps and women’s needs are assessed based on data from the National Institute of Statistics and Economic Analysis (INSAE);
- data are complemented with surveys and interviews on specific issues conducted by the trade ministry;
- objectives must integrate gender issues;
- action plans must also include specific measures to reduce gender inequality and to provide for a monitoring and evaluation framework comprising gender equality indicators;
- gender focal points in each relevant ministry are consulted to ensure that programmes are responsive to women’s needs and fully align with the national policy on the promotion of gender.

The Government is also implementing a gender evaluation methodological guide** which provides a comprehensive framework for assessing the impacts of programmes and policies on women’s economic empowerment and gender equality. This guide includes a set of indicators for conducting an ex-ante and post-ante gender impact assessment.

A mid-term impact assessment is also carried out to allow for a revision of the programmes if the objectives are not met, especially in terms of gender equality. For example, the impact assessment examines the share of programme resources allocated to address women’s needs, the impact on social disparities disaggregated by sex, and the comparison of gender inequalities in specific sectors before and after the programme.

* See https://justice.gouv.bj/documents/politiques-strategies.

Ankouamon women’s group of 40 in Benin produce 5 tonnes of shea butter per month.
Case study
European Union: EU gender impact assessment – what gets measured gets managed

A central part of the European Union’s work on promoting gender equality and women’s economic empowerment is by keeping track of its external interventions on gender equality, including expenditure. According to a report on the EU Gender Action Plan (GAP) II (European Commission, 2020a):

“It is estimated that a budget of EUR 8.7 billion worth of development funding supported gender equality and women’s empowerment in 2019 (or 56.95% of total funding). Funding that specifically targets gender equality and women’s empowerment … amounted to EUR 643 million (4.21% of the total).”

In terms of more directly women’s economic empowerment targeted actions, 1,853 reported actions focused on economic and social empowerment, which contributed to advancing various SDGs.

Building on the EU Gender Equality Strategy 2020-2025, the EU has launched the Gender Action Plan III for 2021-2025, which aims to promote gender equality worldwide and ensure that 85 per cent of new external actions are gender responsive by 2025 (European Commission, 2020b). This target is included into the Neighbourhood, Development and International Cooperation Instrument (NDICI) – Global Europe for 2021-2027 – valued at over €78 billion – which also specifies that “At least 5% of [gender responsive] actions should have gender equality and women’s and girls’ rights and empowerment as a principal objective.”

GAP III introduces stringent rules for applying and monitoring gender mainstreaming across sectors and is binding on all EU external action, including Aid for Trade programmes. Women’s economic empowerment is one of the key thematic priority areas.

Aligned with the EU Aid for Trade strategy**, GAP III calls for systematic gender analysis, sex-disaggregated data and indicators for gender impact assessment. The operational unit for each programme is responsible for regularly monitoring and evaluating the intervention. This implies assessing how the programme is being implemented, identifying potential problem and corrective measures if required to optimize the positive impacts on gender equality and women’s economic empowerment. In this view, the operational units have to systematically collect, analyse and use management information to support effective decision-making.

In addition to supporting partners in monitoring programmes, the EU has also developed a framework for monitoring the results of GAP III through the Objectives and Indicators to Frame the Implementation of the Gender Action Plan III (2021–25) (European Commission, 2020c). An annual report on the implementation of EU instruments for financing external actions provides comprehensive information on gender equality actions and results.***

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* See https://ec.europa.eu/info/sites/default/files/about_the_european_commission/eu_budget/programme_and_performance_-_ndici.pdf.

** See https://ec.europa.eu/international-partnerships/topics/trade_en.

Endnotes


2. About 800 women entrepreneurs were surveyed in Latin America, South Asia and East Africa between 2019 and 2020.

3. See https://data.worldbank.org/indicator/SL.AGR.EMPL.FE.ZS.

4. “Female farmers from Latin America and the Caribbean recount their efforts and fight against inequality on international day of rural women” webinar organized by IICA-Inter American Institute for Cooperation in Agriculture on 18 October 2021.

5. Data from the WTO regional surveys conducted in East Africa, South Asia and Latin America in 2019 and 2020 show that 58 per cent of women entrepreneurs work in services.

6. The majority of trade finance loans are therefore short-term (less than 180 days). However, because international trade carries more perceived risk than sales to domestic clients, the requirements by financial institutions in terms of creditworthiness, due diligence information, collateral and financial statements are typically higher than for access to domestic credit services (World Bank/WTO, 2020).


14. For information about the work of the WTO Secretariat on women and trade, see https://www.wto.org/english/tratop_e/womenandtrade_e/womenandtrade_e.htm.

Conclusion

The results of the 2022 OECD–WTO monitoring and evaluation (M&E) exercise underline the need for more Aid for Trade and for better-targeted financing. They confirm that the COVID-19 pandemic was a significant setback for the integration into world trade of many developing countries and for their development prospects, especially for least-developed countries (LDCs).

The consequences of the pandemic continue to affect the trade prospects of many developing countries, often in unpredictable ways. Many of the lowest-income countries are struggling with debt combined with inflationary pressures that hamper imports of essential supplies. In addition, these pressures have been heightened by the crisis in Ukraine.

It is against this sombre background that the Aid for Trade Initiative seeks to address the trade-related constraints faced by developing countries and LDCs and to help them to transition to clean and sustainable energy in a low-carbon economy.

The COVID-19 pandemic has underscored many of the trade and development challenges that developing countries and LDCs face. Promoting export diversification, attaining international competitiveness, building productive capacity and connecting to global value chains (GVCs) all remain high on the agenda of partner countries as Aid for Trade priorities. However, the mixed economic outlook provides a challenging environment in which to achieve these goals, particularly where there is also fiscal pressure on donors’ aid budgets.

In spite of the COVID-19 pandemic, trade remains a development priority for both partner countries and donors, emphasizing the need for more Aid for Trade and for better-targeted financing. Trade is integral to supporting economic recovery from the pandemic and to medium and long-term economic growth and development. Hence, trade facilitation is the most frequently cited Aid for Trade priority by all participants in the 2022 M&E exercise.

However, the nature of trade is changing, as digitalization drives growth in e-commerce. The COVID-19 pandemic has accelerated digital connectivity uptake and e-commerce growth, producing a connectivity boost to developing
countries and LDCs. However, the rapid growth in demand for digital connectivity and services has exposed shortcomings in basic connectivity, coverage, affordability of connection and levels of technical skill. The digital divide remains wide, both between and within countries, with women and businesses owned by women particularly affected, leading to social exclusion and lost trade opportunities.

The 2022 M&E exercise reveals the growing awareness among both partner countries and donors of the risks associated with climate change. The development and trade strategies of developing countries consequently increasingly refer to the environment. However, the transition to environmentally sustainable (green) growth is still at an early stage.

Commitments made by donors and south–south partners to support the transition to a low-carbon economy will further expand Aid for Trade financing to mitigate the effects of climate change and to align official development assistance with the Paris Agreement on climate change. Aid for Trade will increasingly become more important in helping countries grapple with the effects of global warming.

More financing is becoming available, including in the form of public–private partnerships. Nevertheless, there is still considerable scope to expand Aid for Trade financing for digital connectivity and e-commerce, including digitalizing government, services, the economy and industry, and teaching digital skills and literacy.

Aid for Trade is a powerful tool for advancing women’s economic empowerment. Aid for Trade initiatives are improving at how programmes address new challenges and break down traditional obstacles women face. To maximize the efficacy of gender-related Aid for Trade programmes, women must play a part in their design, implementation, monitoring, evaluation and assessment. Advancing women into leadership positions in the public and private spheres is essential to ensure that gender equality is meaningfully integrated in policy and decision-making. Gender equality can also provide additional benefits to organizations, helping them improve performance and productivity.

Aid for Trade can strengthen women’s access to trade opportunities. It is, therefore, crucial to address obstacles faced by women in trade and to tackle new challenges linked to the COVID-19 pandemic and climate change. Gender-related Aid for Trade programmes could also combine impact assessment with sex-disaggregated data to capture the outcomes of these programmes more fully.

Goods for export are loaded on the afternoon ferry, Tanna Island, Vanuatu.
Future Aid for Trade priorities

Based on the analysis of the M&E questionnaire responses, the following areas and issues are priorities for the Aid for Trade Initiative for 2022 and the coming years.

**Trade facilitation**

Facilitating the movement of good across borders is the most frequently cited priority. Aid for Trade which supports trade facilitation, such as digitizing customs procedures, coordinating border management and improving transparency, is crucial in mitigating the COVID-19 pandemic’s impact on trade and economies – an impact that has fallen heavily on MSMEs.

**Women’s economic empowerment**

Aid for Trade is a powerful tool for advancing women’s economic empowerment. While Aid for Trade programmes increasingly address gender issues, more can be done to tackle the obstacles women face in participating in international trade.

**Export diversification**

Aid for Trade programmes which focus on improving export diversification in specific sectors, such as agriculture, are of particular benefit to landlocked developing countries and LDCs. Such programmes will need to become more climate sensitive.

**Sustainable growth**

The 2022 M&E exercise reveals the growing awareness of the risks associated with climate change, with the trade strategies of developing countries increasingly referring to environmental issues. However, the transition to environmentally sustainable (green) growth, including the circular economy, is still at an early stage. The Aid for Trade Initiative can play an important role by helping developing countries and LDCs integrate environmental issues into their trade objectives and pursue the transition to a low-carbon economy.

**Global value chains**

GVCs are an important driver of economic prosperity and poverty reduction, but they were particularly badly affected by the COVID-19 pandemic. Helping developing countries participate in GVCs is a key element of Aid for Trade.

**Low-carbon growth**

Commitments made by donors and south–south partners to support the transition to a low-carbon economy are helping to align official development assistance with the Paris Agreement on climate change. Aid for Trade will need to focus more on mitigating and adapting to the effects of global warming.
E-commerce

Aid for Trade donors are providing increasing levels of funding for digital connectivity and e-commerce programmes. The COVID-19 pandemic has prompted an unprecedented surge in digital connectivity and e-commerce growth. Aid for Trade can help developing countries integrate digital connectivity and e-commerce into their national development strategies.

Micro, small and medium-sized enterprises (MSMEs)

MSMEs account for 95 per cent of all firms. Aid for Trade can play a role in improving economic resilience of MSMEs and in helping them access international markets and new business opportunities.

Public–private sector engagement

Engagement between the public and private sector to help finance the transition to a low-carbon economy is on the rise. This is an area where Aid for Trade can play a catalytic role by helping to mobilize finance for green infrastructure and by helping the private sector seize opportunities in the low-carbon economy. The same trends and conclusion are apparent in the digital economy – an area where e-government also has an important role to play in shaping e-commerce growth.

Development financing

More financing is becoming available, including in the form of public–private partnerships. Nevertheless, there is significant scope for donors and south–south partners to expand financing for public–private partnerships. Climate finance is increasingly intertwined with Aid for Trade financing, notably in the area of renewable energy infrastructure.

Gender-related programmes

Women must be part of the decision-making process in the design, implementation and assessment of gender-related programmes in Aid for Trade.

Trade data broken down by gender

Aid for Trade can strengthen women’s access to opportunities created by trade. It is crucial to address obstacles faced by women in trade, especially new challenges linked to the COVID-19 pandemic. Aid for Trade programmes which provide data broken down by gender can capture more fully the outcomes of targeted financing.
Abbreviations

ADB  Asian Development Bank
AICFTA  African Continental Free Trade Area
AfTIAS  Aid for Trade Initiative for the Arab States
COP26  26th United Nations Climate Change Conference
EIF  Enhanced Integrated Framework
EBRD  European Bank for Reconstruction and Development
GHG  greenhouse gas
GVC  global value chain
IDB  Inter-American Development Bank
ICT  information and communications technology
IFC  International Finance Corporation
IFF  International Finance Forum
IMF  International Monetary Fund
IPCC  Intergovernmental Panel on Climate Change
ITU  International Telecommunication Union
LAC  Latin American and Caribbean
LDC  least-developed country
M&E  monitoring and evaluation
MSME  micro, small and medium-sized enterprise
ODA  official development assistance
OECD  Organisation for Economic Co-operation and Development
OECD DAC  OECD Development Assistance Committee
PACER Plus  Pacific Agreement on Closer Economic Relations Plus
SDG  Sustainable Development Goal
SIDS  small island developing states
TMEA  TradeMark East Africa
UNCTAD  United Nations Conference on Trade and Development
UNDP  United Nations Development Programme
UNEP  United Nations Environment Programme
UNFCCC  United Nations Framework Convention on Climate Change
UNIDO  United Nations Industrial Development Organization
USAID  United States Agency for International Development
WAEMU  West African Economic and Monetary Union


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Aid for Trade seeks to enable developing countries, and in particular least-developed countries (LDCs), to use trade as a means of fostering economic growth, sustainable development and poverty reduction. It promotes the integration of developing countries, especially LDCs, into the multilateral trading system and aims to galvanize support to build supply-side capacity and trade-related infrastructure in these countries to improve trade performance.

This publication draws on the responses provided by participants to the questionnaire of the 2022 OECD–WTO Aid for Trade monitoring and evaluation (M&E) exercise, which underpins the WTO's 2022 Global Review of Aid for Trade.

This publication presents an analysis of the M&E questionnaire responses and describes priority areas and issues for the Aid for Trade Initiative for 2022 and the coming years.