

**WTO Informal Working Group on Trade and Gender  
Aid for Trade – Supporting the work programme delivery on gender  
16 July 2021**

**Presentation by Australian Gender Equality Ambassador, Julie-Ann Guivarra**

**Opening comments**

- I want to thank the Co-Chairs for the opportunity to present Australia’s efforts on women’s economic empowerment and aid for trade at today’s meeting.
- For context, the Australian Department of Foreign Affairs and Trade mainstreams gender equality throughout all of the Department’s work - Australia’s aid programming, which includes our investments in women’s economic empowerment and aid for trade, and through our foreign policy efforts, trade engagement and corporate practices.
- Why do we do this? Because Australia recognises that gender equality is an important pre-requisite and contributor to stability, prosperity and resilience.
- Evidence has shown that the COVID-19 pandemic has had a disproportionate impact on women and girls
  - according to the World Economic Forum, the time needed to close the global gender gap<sup>1</sup> has increased by a generation from 99.5 years to 135.6 years.
  - McKinsey Global Institute study of July last year entitled “COVID-19 and gender equality – Countering the Regressive Effects” found that not taking actions to address these inequalities could set back global GDP growth by \$1 trillion in 2030.<sup>2</sup>
  - UNDP have undertaken studies which have shown that out of 2,280 fiscal, labour market and social protection measures identified in its COVID-19 Global Gender Response Tracker only about 13 per cent of these measures target or prioritise women.<sup>3</sup>
- Australian Government’s Women’s Budget Statement 2021-22 provides \$3.4 billion in investment towards promoting women’s safety, economic security and health and wellbeing.

**Partnerships for Recovery**

- The Australian Government’s international development response to COVID-19, called “Partnerships for Recovery” identifies gender equality as a cross-cutting objective and seeks to better target the needs of women and girls in the Indo-Pacific.
- Australia has been working closely with our partners in the Indo-Pacific region to focus on women’s economic empowerment, women’s leadership, ending violence against women and girls, and access to sexual and reproductive health and rights through a combination of pivoting existing programs and developing new ones, for example

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<sup>1</sup>: Wikigender – “The Global Gender Gap measure [Index] was introduced by the [World Economic Forum](#) to examine four critical areas of inequality between men and women: (1) Economic participation and opportunity – outcomes on salaries, participation levels and access to high-skilled employment; (2) Educational attainment – outcomes on access to basic and higher level education; (3) Political empowerment – outcomes on representation in decision-making structures; and (4) Health and survival –outcomes on life expectancy and sex ratio”.

<sup>2</sup> [COVID-19 impact on women and gender equality | McKinsey](#)

<sup>3</sup> [COVID-19 and fiscal policy: Applying gender-responsive budgeting in support and recovery | Digital library: Publications | UN Women – Headquarters](#)

- The “Investment in Women” program (\$102 million, 2016-2023) supports women owned SMEs in South East Asia to adapt their businesses, to continue operating and contributing to local economic resilience while managing the impacts of COVID-19
- The Australia’s Foreign Minister and Minister for Women, Marise Payne, recently launched the “Pacific Women Lead” (\$170 million) program, which is shaped and driven by Pacific women.
- Recognising that women’s role in promoting economic growth will be crucial to our economic recovery, Australia has contributed to the practical implementation of the WTO’s Joint Declaration on Trade and Women’s Economic Empowerment of 2017, including through our own recent voluntary reporting on gender and trade issues during our Trade Policy Review (2020)
- Today I would like to outline Australia’s work in the Indo-Pacific with examples of:
  - how we remove barriers to trade for women;
  - how we improve access to finance and support SMEs;
  - how we improve consideration of gender equality in free trade agreements;
  - the opportunities presented by e-commerce and digital trade;
  - and how we monitor our investments to ensure they are high quality and build an evidence base for effective development assistance.

### **Removing Barriers to Women’s Participation in Trade**

- The “South Asia Regional Trade Facilitation Program” (SARTFP) is an Australian funded regional integration program being delivered by the World Bank
  - the SARTFP seeks to integrate women’s economic empowerment and inclusive trade outcomes into trade facilitation policy and measures and transport connectivity across Bhutan, Bangladesh, India and Nepal.
- Highlights from the “South Asia Regional Trade Facilitation Program” (SARTFP) include:
  - support for enhanced Indian-Bangladeshi women cross-border and inland waterway trade;
  - raised public awareness on safety issues for women traders;
  - and development of major transport corridors and logistics initiatives between Bangladesh-India which prioritises engagement and needs of women traders/entrepreneurs based on specific value chains.
  - This trade facilitation program has created a wealth of products and toolkits used by South Asian Governments to promote gender outcomes and has leveraged an increase in the World Bank’s overall gender and trade activities in the region and encouraged other donors to engage in the program.
- Another practical measure, which acknowledges the significant role of women in the services sector is the Better Work Program. In Bangladesh, Cambodia, Indonesia and Vietnam, Australia partners with the ILO to improve the working conditions of women employed in the garment industry – addressing wages, working hours, leave and safety, including from sexual harassment.

### **Access to Finance and SMEs**

- Turning now to the issue of the major gender gaps we see in women’s access to finance, and examples of how Australia is working to address this with our partners.

- Women’s businesses are in a more precarious financial position due to pre-existing inequalities in access to finance and business support
- Australia supports Women’s World Banking to roll out innovative financial products and services for poor women
  - and importantly now to ensure women, for example in Indonesia, can access and use government COVID-19 social protection payments to improve their financial capability and resilience
- All DFAT’s blended finance programs apply a gender lens as core to their operations, activities, partnerships and investments – regardless of sectoral focus.
- For example:
  - The Investing in Women program has leveraged over 5 times in additional private capital to support 41 women-owned SMEs in Southeast Asia – and all but one have so far survived the COVID downturn
  - The Emerging Markets Impact Investing Fund’s investments will support women’s SMEs as well as businesses that supply products or services that benefit women, that adopt workplace gender equality practices, or promote gender equality through their supply chains
  - The Australian supported IIX Women’s Livelihood Bond – the world’s first listed gender lens Bond - has now matured, supporting the livelihoods for over 450,000 underserved women and their communities across Southeast Asia and generating 3 times in social value for every \$1 invested by bondholders
  - the recently concluded PacificRISE pilot provides a specific example of where taking a gender lens to adapt traditional finance models expanded opportunities for investment with a positive impact on women and girls
- The Menstrual Health Trade Finance Vehicle (supported by Australia) launched in 2020. This is a unique financing vehicle that brings together multiple menstrual health enterprises in the Pacific to help address financing and supply chain challenges in a sector with smaller and often informal market actors and in countries with geographically dispersed populations:
  - the Trade Finance Vehicle assisted a social enterprise based in the Solomon Island called Kaleko Steifree - a Pacific women led producer of reusable sanitary pads for women and girls
  - Kaleko Steifree addressed production constraints through bulk purchases of raw materials and tailored contracting to enhance the distribution of the pads to small Pacific businesses
  - More jobs for women were created and girls school absenteeism was reduced while also enhancing environmental sustainability. These are the triple win effects you can deliver with targeted Aid for Trade programming.

### **Free Trade Agreements and Gender**

- Gender in Free Trade Agreements are an evolving space. Australia considers the inclusion of specific gender equality provisions in our FTAs on a case -by -case basis on the basis of needs, interests and priorities of our trading partners.
- Australia has done work in the context of some of our FTAs which is advancing knowledge on trade and gender in recognition of the links between gender equality, women’s economic empowerment and trade and economic development.

- For example, we know access to information, technology, markets and financing is not equal for women and men which has ramifications for women’s economic empowerment and economic prosperity for all.
- Analysis by the United Nations Conference on Trade and Development (UNCTAD) on the link between gender equality, women’s economic empowerment, and transparency in trade laws, policies and practices - undertaken in the context of the Pacific Closer Economic Relations Agreement ([PACER Plus](#)) - provides us with important lessons.
- Notably, it highlighted specific barriers to trade information by women traders and identified how they could benefit from implementation of the PACER Plus transparency commitments in export products of interest.
- Identifying these barriers has informed PACER Plus technical training and support, such as establishment of trade portals which incorporated gender aspects into accessing information, the type of information provided, and gender sensitive training of trade contact points.
- This work also led to the first export handbook for women traders in the Pacific to help them navigate non-tariff measures applied in Australia and New Zealand markets for their products– laying the foundation for mainstreaming gender into implementation of PACER Plus going forward.

### **E-Commerce and Digital Trade**

- We have seen throughout this pandemic how the use of technology has been critical to continuing trade and ensuring that commerce more generally in our communities continue.
- We recognise that e-commerce, digital trade and more broadly the digital economy provides enormous and potentially transformative opportunities to facilitate economic recovery from the effects of COVID-19.
- This experience also shows us the importance of the role of technology in helping to promote resilience and inclusive economic development:
  - e-commerce can help women who own small and medium businesses to overcome key physical and economic challenges to their growth and support diversification in goods and services, which is especially important for women in the small Pacific Island States.
  - use of digital technologies and ICT can enable women traders and entrepreneurs to reach customers globally, as well as access government e-services, information, and online training
  - e-commerce infrastructure, with appropriately supportive regulation and policy, can help women traders overcome discriminatory socio-cultural norms, such as mobility constraints.
- Australia’s “E-Commerce Aid for Trade Fund” (\$5.5 million 2019-) aims to build the e-commerce capabilities of developing countries in Southeast Asia and the Pacific
  - through this fund, Australia is working with partner governments, the private sector and other development partners on a range of activities to address deficits in: access to ICT and finance; policy and regulatory frameworks; skills and safe and reliable e-payment platforms; trade facilitation and logistics.

### **Monitoring and Evaluation**

- The final topic I'd like to speak to today is about the importance of measuring success from the beginning of each program, and how we do this.
- We are making progress, but there is still more we can do.
- We continue to monitor whether our investments (including Aid for Trade investments) effectively integrate gender
  - Through our monitoring performance framework in the Australian aid program we continue to monitor our performance on gender equality.
  - For example, of Australia's Aid for Trade investments in the 2019-2020 financial year, 78 per cent effectively addressed gender; performing on par with the entire aid program.
- We also know that our programs are benefiting partners in the Indo-Pacific region
  - for example, each "E-Commerce Aid for Trade Fund" project is underpinned by a monitoring and evaluation framework that includes gender equality and inclusion indicators With this monitoring, we have learned
    - that grant recipients can be motivated to leverage the gender expertise of women organisations and development partners in-country
    - directing capacity building assistance to women pays because it targets the MSME segment
- According to the OECD, the 2019 Global Aid for Trade M&E exercise indicated that donors have increased their focus on gender through aid for trade programs overall and in areas related to agriculture, SMEs, and microfinance.
  - There are still gaps, however, in donor approaches to supporting the economic empowerment of women more broadly and in relation to trade policy and regional trade agreements, as well as in sectors such as energy, business, industry, transport and communications.
- Many of us continue to grapple with getting M&E to go beyond output indicators to better measure outcomes.

## **Closing**

- In terms of a few final comments about what we've learned in Australia through our work in the Indo-Pacific.
- While Aid for Trade has great potential to enhance opportunities for everyone, we need to design our efforts consciously and deliberately to deliver on this potential - because the individual contexts of the partner countries in which we work are very diverse.
- Australia feels it is important that we continue to focus on piloting, demonstrating and learning – seeking to better understand how different groups of women and men will be affected by trade.
- We need well designed and targeted responses underpinned by disaggregated data, intersectional analyses and inclusive stakeholder consultations, as well as robust monitoring and evaluation. The research and data collected and analysed by the WTO and World Bank on Women and Trade 2020 is a prime example of work worth continuing.
- Based on Australia's experiences, we have a number of recommendations for how to integrate gender into aid for trade, including:
  - make women's empowerment a cross cutting priority for all development programming;

- incorporate gender in consultations with partner countries from the very beginning of program design, which includes aligning to partner countries' priorities identified in national development strategies, diagnostic trade integration studies and sector strategies;
  - develop practical tools and guidance on how to promote women's economic empowerment and advance gender equality, ensuring robust M&E to measure the outcomes and build the evidence base;
  - invest in gender and trade expertise to provide the required, in-depth analysis of the constraints, opportunities and risks and to strengthen the capacities of partners to conduct this analysis as well;
  - obtain sex- and gender-disaggregated data to create a baseline and to inform indicators so that progress can be monitored, interventions adapted and outcomes evaluated;
  - conduct inclusive stakeholder consultations that inform innovation, design, implementation and outcomes.
- We must also seek to build on existing efforts, such as the previous Global Aid for Trade Reviews and past WTO aid for trade Work Programs, including through the monitoring and evaluation exercise for the Aid for Trade Global Review in 2022.
  - We welcome this opportunity to share our experiences with other aid-for-trade donors, partner countries and delivery partners so we can all work towards a better evidence base and help further integrate gender equality into the WTO's aid-for-trade Work Program.
  - Ultimately, we want to bring together lessons from all partners to catalyse the role of women in inclusive, equitable and sustainable development, as envisaged by the 2006 WTO Task Force on Aid for Trade and the Buenos Aires Declaration.
  - Australia looks forward to hearing from you on examples that have worked in different contexts and lessons we can share.