What is Aid for Trade Initiative?

Aid for Trade supports developing and least-developed countries in building their trade capacity and in increasing their exports by turning market access opportunities into market presence. It does by addressing trade-related infrastructure and supply-side constraints.

The WTO-led Initiative works with a broad cross-section of stakeholders to: highlight needs (of developing and least developed countries and regional organizations), mobilize resources (including donors, international financial institutions and other international organizations) and monitor impacts and effectiveness (with OECD and other international organizations).

How does Aid for Trade work?

Source: OECD

Key facts on women's economic empowerment from the 2017 Aid for Trade global survey (Monitoring and Evaluation Exercise)

- Aid for Trade contributes to the 2030 Sustainable Development Agenda, gender equality and women's economic empowerment
- Developing services capacity in low income countries has a particular impact on women's economic empowerment
- E-commerce provides economic opportunities for women

The figures and facts have been retrieved from the 2017 Aid for Trade global survey (Monitoring and Evaluation Exercise) that will underpin the Global Review 2017. It was launched in 2016 and a total number of 110 completed responses have been received. In addition, 145 case stories have also been submitted.
Aid for Trade contributes to the 2030 Sustainable Development Agenda, gender equality and women’s economic empowerment

- All surveyed countries and Aid for Trade donors consider that Aid for Trade contributes to the achievement of the 2030 Sustainable Development Agenda.
- 38% of the surveyed developing countries and 50% of Aid for Trade donors consider that Aid for Trade can help achieve SDG 5 on gender equality.
- 87% of Aid for Trade donors integrate women’s economic empowerment into their Aid-for-Trade programmes.

Mexico: “Aid for Trade can undoubtedly contribute to women’s economic empowerment; by providing them with all types of tools such as financial support, electronic media or procedures to facilitate their incorporation in foreign trade, it will help raise productivity, accelerate economic growth and promote their development.”

Paraguay: “The gender dimension of the Aid for Trade Programme is a first step. It is considered that relevant projects should be geared towards removing any obstacles encountered, such as limited access to credit, no guarantee of a respectful environment, the lack of data collection, and the high percentage of women in informal employment.”

Grenada: “Aid for Trade can help by empowering women to establish small businesses to help meet their economic needs.”

Pakistan: “Aid for trade can contribute to technical capacity building and can help in creating enabling business and trade environment that can lead to increased opportunities for women to participate in the economic activities.”

Developing services capacity in low income countries has a particular impact on women’s economic empowerment

Ideally women should be encouraged and supported to participate in all sectors. Owing to the cultural inclinations in societies, however, the selections below would provide early entry points for women into trade in services.

- 92% of the surveyed developing countries consider that the development of services capacity and trade contribute to women’s economic empowerment, in particular in sectors such as financial services (61%), tourism (66%) education services (57%), ICT (47%).

It is interesting to note that while all countries surveyed acknowledge that e-commerce provide economic opportunities for women, only 47% believe that the development of computer and related services would have an impact on women’s economic empowerment. Indeed, this is an area where both donors and the private sector are engaged in programmes to help give women the necessary skills to bridge the "digital gender divide".
95% of Aid for Trade donors believe that the development of services trade can contribute to women's economic empowerment in particular in sectors such as health and social services (81%), education (78%), business and professional services (73%), financial (65%) and tourism (65%).

**United Kingdom:** "Supporting women’s economic empowerment is not sector-specific. All sectors, along with the broader political, regulatory and socio-economic environment, can be engaged to contribute to women’s economic empowerment."

**United Nations Economic Commission for Africa (UNECA):** "Services trade can promote the development of new economic opportunities for women in all services sectors. However, supporting policies will need to be in place to ensure that these opportunities can be captured."

**European Bank for Reconstruction and Development:** "Growth in services trade has correlated with both economic empowerment and disempowerment for women. The development of services trade appears to contribute to women's economic empowerment in countries with a comparative advantage in services and where labour force participation rates are very high for women."

**European Union:** "The EU is particularly interested in supporting women's economic empowerment through better access to financial services, as an enabler for opening up opportunities in other services sectors."

**Guyana:** "Support for export diversification initiatives will be biased towards employment opportunities for women and youth in the MSME sector and service-based industries."

**E-commerce provides economic opportunities for women**

- Using technology, online platforms and e-commerce can be an easy and inexpensive way to enter foreign markets, expand women-owned businesses and promote women entrepreneurship.

- Most responses received from Aid for Trade donors and surveyed developing countries acknowledged that e-commerce provide economic opportunities for women.

- 91% of Aid for Trade donors believe that growth in e-commerce in developing countries contributes to women’s economic empowerment.

- All surveyed developing countries consider that growth in e-commerce contributes to women’s economic empowerment.
Cameroon: "E-commerce can become an instrument of trade development that can be used by women to lift themselves out of poverty and become economically self-sufficient."

Uganda: "E-commerce will enable women especially in rural areas to conduct businesses and transactions online. For instance mobile money transactions."

Canada: "E-commerce and a digital economy increase opportunities to promote inclusive economic growth. By connecting rural to urban economies; providing micro, small and medium-sized enterprises (MSMEs) access to a global consumer base; and facilitating cross-border trade in services previously considered not technically feasible, this by extension can benefit and empower women as they constitute an important proportion of rural businesses and MSMEs employees and owners. Also, e-commerce can help integrating women in the formal economy."

Sweden: "Women’s entrepreneurship remains an underutilized resource for employment creation and economic development. On a general level, many trade barriers impact smaller businesses more than large ones but also women more than men. E-commerce has the potential of mitigating some of these burdens."

More information on Aid for Trade can be found here