



Trade Hot Topics

The African Continental Free Trade Area: An Opportunity for Boosting Women in Trade

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1. Introduction

In recent years, the potential gender impacts of trade liberalisation and the involvement of women in trade, in general, have garnered greater attention in trade negotiations. Provisions on trade and gender are increasingly found in new generation trade agreements. To date, 83 regional trade agreements (RTAs) contain at least one provision explicitly referring to gender or women, and 257 agreements refer implicitly to gender-related issues such as human rights and sustainable development (Monteiro, 2021). At the 11th World Trade Organization (WTO) Ministerial Conference, 118 WTO members and observers, including 31 Commonwealth countries, issued a Joint Declaration on Trade and Women's Economic Empowerment aimed at, among other things, increasing the gender responsiveness of trade and development policies and encouraging the participation of women in trade. The Declaration unequivocally acknowledged that inclusive trade policies promote gender equality, which positively impacts economic development, investment and

poverty reduction. These initiatives to advance women's economic empowerment are in line with the Sustainable Development Goals (SDGs), specifically SDG 5 on gender equality and SDG 8 on decent work and economic growth.

The agreement establishing the African Continental Free Trade Area (AfCFTA) explicitly and implicitly recognises the importance of gender equality. Article 3(e) states that the AfCFTA aims to "promote and attain sustainable and inclusive socio-economic development, gender equality and structural transformation". Similarly, Article 27(d) of the AfCFTA Protocol on Trade in Services explicitly refers to improving the export capacity of formal and informal service suppliers, with particular attention to micro, small and medium-sized operators and "women and youth service suppliers". Given that international trade has a key role in promoting gender equality, the embedding of several gender-related provisions in the agreement establishing the AfCFTA holds significant potential to support the participation of women in trade. Moreover, the impact of the COVID-19 pandemic,

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especially on women, reinforces the need to bring to the forefront policies for building back better that ensure inclusive growth. This issue of *Trade Hot Topics* examines in detail the potential for the AfCFTA to increase the gender responsiveness of trade and enhance trade by African women, especially in Commonwealth countries.

2. The role of women in trade and economic development

Women play a significant role in trade and economic development. Over the years, their activities in export-oriented sectors have typically centred around producing manufactured goods (i.e., textiles and garments), agricultural products and services (i.e., tourism and data processing) in what has been coined the "global feminisation of labour" (Kanji and Menon-Sen, 2001; Mehra and Gammage, 1999).

2.1 Women's shifting employment patterns

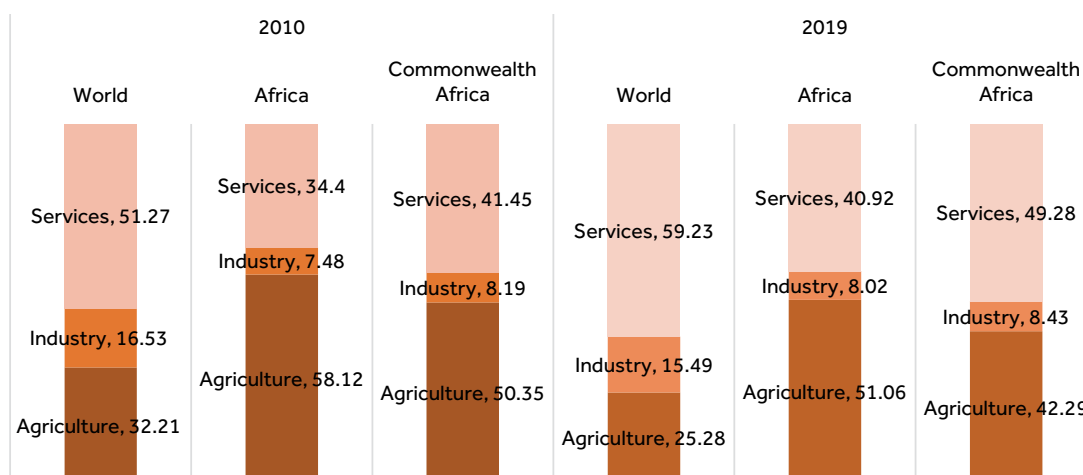
The deregulation of labour markets, fragmentation of production processes, de-industrialisation and new areas of export specialisation have generated increased demand for low-paid, flexible female labour. Over the years, there has been a shift in women's employment from agriculture to the services sector both globally and in Africa (Figure 1). The rising share of women's jobs in wholesale and retail trade, finance, business services and the hospitality field are pertinent examples. Women's employment in the services sector in Commonwealth African countries has historically been larger than in Africa overall, and the countries have experienced a greater shift in women's employment from agriculture to services compared to their African counterparts. Meanwhile, the share of industrial employment has remained almost the same.

The focus on women's employment has meant less attention to the potential of increased participation of women in trade and the need to address several obstacles they face in this regard. For example, women can take advantage of the opportunities arising from the accelerated use of digital technologies in trade, especially trade in services and e-commerce. The evolution of how trade is facilitated using frontier technologies presents women with paths to economic empowerment and poverty alleviation through trading in both goods and services. Tapping the opportunities presented by these technologies require countries to create new trading environments that support women's economic empowerment as these technologies also have the potential to negatively affect the sectors that are dominated by women. Prior to the COVID-19 pandemic, the International Trade Centre (ITC) reported that women owned four out of five small businesses involved in e-commerce compared with just one out of five engaged in offline trade (Al-Saleh, 2020). While this varies across countries and regions, the fact remains that setting up direct business-to-consumer trade offers market access opportunities for small businesses while eliminating costly intermediaries. Globally, the export participation rates for traditional small businesses (those that typically do not sell online) range between 2 per cent and 28 per cent in most countries, whereas 97 per cent of internet-enabled small businesses export (WTO, 2016).

2.2 The participation of African women in tradable goods and services

A recent report by McKinsey (Moodley et al., 2019) tallied up Africa's potential economic gain as approximately US\$316 billion by 2025, or

Figure 1. Shift in women's employment over time, 2010 versus 2019 (by share of employment)



Note: Commonwealth Africa excludes Seychelles due to data unavailability.
Source: Authors' calculations using ILOStat ILO Modelled Estimates.

an additional 10 per cent to its gross domestic product (GDP), if each country makes advances in women's equality. However, to achieve this, the continent's movement towards gender parity needs to be accelerated as some countries still lag behind. As of 2020, Rwanda's gender parity score¹ was ranked the highest in the region at 0.791 out of 1, followed by Namibia (0.784), South Africa (0.780) and Burundi (0.745), while other countries such as the Democratic Republic of Congo, Chad, Côte d'Ivoire and Togo all scored below the region's average (WEF, 2019).

Yet, informal micro, small and medium-sized enterprises (MSMEs), in which women dominate, account for about 80 per cent of businesses in Africa, and more than 70 per cent of cross-border traders, especially informal traders, are women (AfCFTA Secretariat and UNDP, 2020). More African women than men are involved in the agricultural and service industries: 51 per cent are employed in agriculture compared to 47 per cent of men, and 41 per cent in services compared to 36 per cent of men. However, how they participate in these sectors differ. For trade in goods, agricultural trade makes up a significant portion. In the agriculture sector, the majority of women are small-scale farmers producing crops such as maize, cassava, cotton and rice, all of which have a high potential for intra-African exports. A study conducted in Uganda's cotton industry (Baffes and Maratou-Kolias, 2019) found that social network-based training programmes had a greater impact on yields for subsistence farmers, which include mostly female farmers, than the conventional training typically provided to larger and more productive farmers. However, gender-based differences in productivity, access to finance and other non-tariff barriers affect women's contribution to trade. In the cotton sector, women were also found to sell their products for lower prices as they sell them in smaller quantities than men due to their greater requirement for cash to cover immediate needs and their lack of access to storage facilities. As will be discussed below, women traders also face poor cross-border trading conditions.

In terms of services, tradability is low across the continent and for women (Figure 2). The shares of female employment, female ownership and top female managers is highest in accommodation and food services, as well as wholesale and retail

trade, sectors that are generally considered to mostly support low- and mid-skilled occupations compared to sectors such as finance, insurance, real estate and business services (Dihel and Coste, 2019). Across the Commonwealth, services are increasingly traded by digital means; however, African countries lag behind in digitally deliverable services when compared to the global average (Figure 2). The 2021 Commonwealth Trade Review shows more than half (54 per cent) of intra-Commonwealth services trade flows are delivered digitally (Commonwealth Secretariat 2021), and therefore a rise in digitally-delivered services across the continent may create new trading opportunities for women, even in sectors that were traditionally considered 'less' tradable.

3. RTAs promoting trade by women

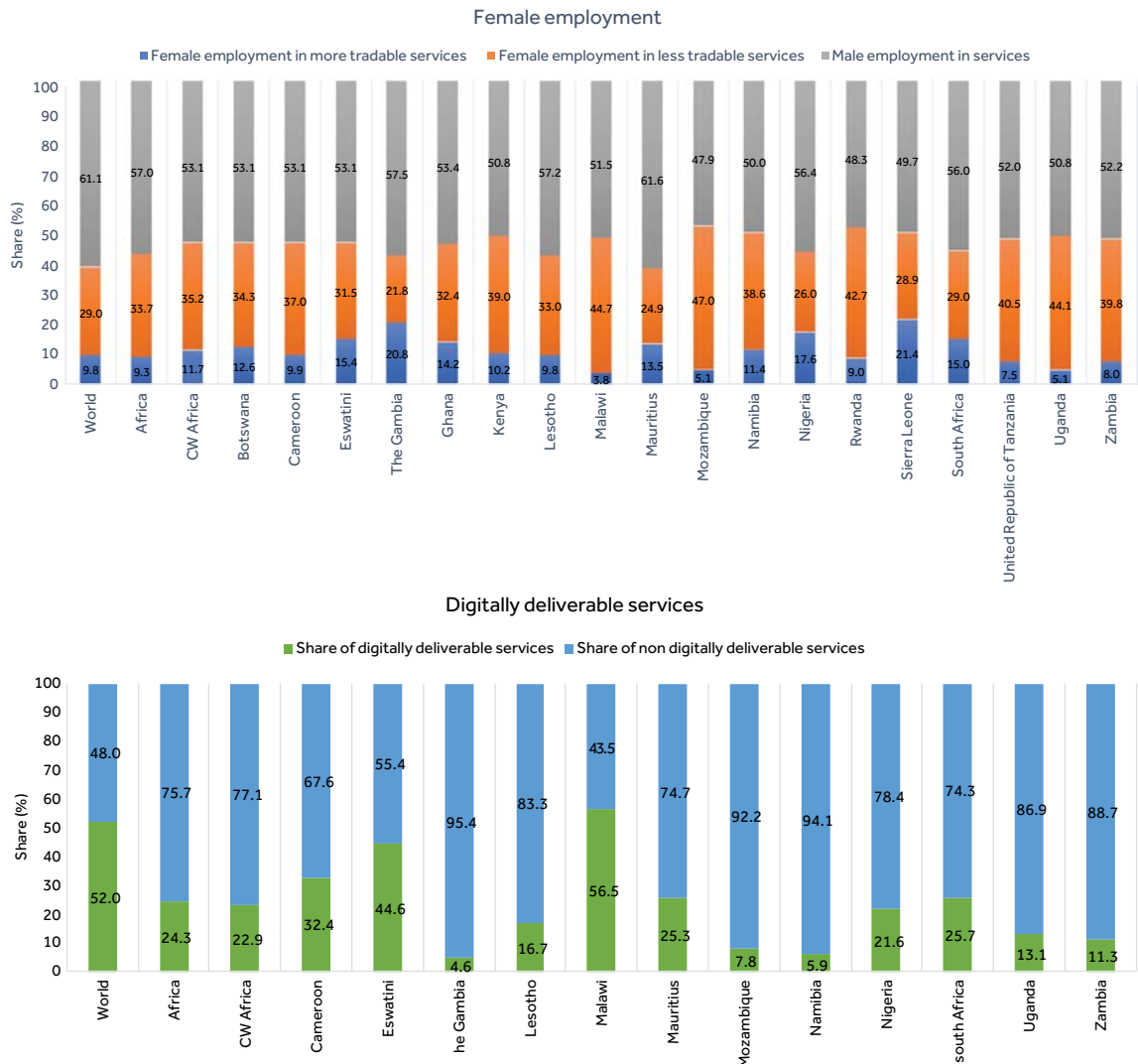
The power of inclusive trade to create better employment and economic opportunities for women has been theoretically and empirically examined (Becker, 1971; Berik, 2011; Elson and Catagay, 2000). The literature confirms that greater inclusion of women in the labour market drives competition and leads to more significant exports and overall increased wages for both women and men.

One way of empowering women economically is to ensure that they benefit from inclusive trade by giving special attention to removing barriers that hinder their meaningful participation. For example, the absence of gender-related provisions in an agreement is likely to affect the participation of MSMEs in international trade as these tend to be the businesses in which women are most active (TechNews Report, 2018). In recent years, attention has been given in trade negotiations to the possible gender impacts of trade liberalisation and to increasing the participation of women in trade. As a result, provisions on trade and gender are increasingly being found in new generation trade agreements (Monteiro, 2021).

Recently, Canada and Chile went further and introduced a standalone trade and gender chapter in their trade agreement, which includes provisions such as establishing a committee to oversee cooperation and reviewing and monitoring how the operations of the chapter affect women (Kyger, 2019). In 2020, Canada, Chile and New Zealand signed the Global Trade and Gender Agreement aimed at promoting mutually supportive trade

1 The gender parity score benchmarks national gender gaps on economic, education, health and political criteria. Countries are scored on a scale of 0–1, with 1 being absolute gender equality.

Figure 2. Women’s employment in tradable service sectors and digitally tradable services, by country, 2019



Note: More tradable services are defined as including wholesale and retail trade, transportation and storage, information and communication, financial and insurance activities, and business and administrative services. No digital trade data are available for Botswana, Ghana, Kenya, Rwanda, Sierra Leone and United Republic of Tanzania.

Source: Authors calculations using International Labour Organization Department of Statistics and UNCTADStat dataset.

and gender policies to open new opportunities for women to increase their participation in trade and ensure that international trade is inclusive and benefits are broadly shared (Government of Canada, 2020). The Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) also incorporated a more substantive section on gender, specifically acknowledging (under its chapter on development) the role of women, including workers and business owners, in economic growth. In addition, the parties agreed in article 23.4 to co-operate to enhance the ability of women to fully access the benefits from the opportunities created under the Agreement (Department of Foreign Affairs and Trade, 2016). Areas for cooperation include, among others, providing training or advice through, for example, the exchange of information or officials that can help women build skills and enhance their access to markets, technology and financing, as

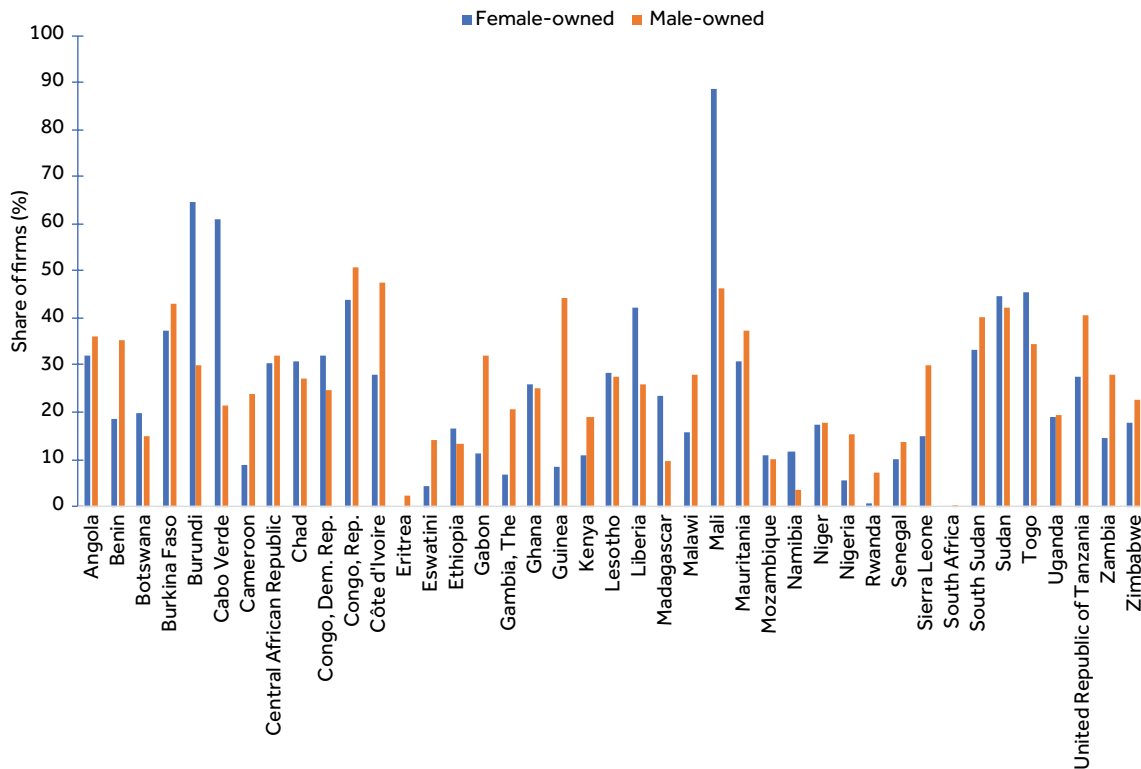
well as developing their leadership networks and identifying best practices.

4. AfCFTA's promotion of trade by women

The AfCFTA is expected to boost intra-African trade by between 33 and 52 per cent, depending on the degree of tariff liberalisation. However, these overall figures mask the distributional impact of trade liberalisation in terms of its effect on women traders and women’s businesses in general. In addition, women are not a homogenous group and are likely to be affected differently (UNCTAD, 2010). Significant data limitations also make it difficult to clearly identify the exact nature of the barriers that women face when trading on the African continent, the impact of these barriers on women traders and the effects of removing the existing barriers.

Like elsewhere in the world, women traders in Africa face impediments to trade (Breton and Gamberoni,

Figure 3. Share of female-owned firms identifying customs and trade regulations as a major constraint, latest year available



Source: Authors' calculations using World Bank Enterprise Data Survey.

2013). According to Van der Nest (2017), firms managed by women in Africa engage less in export activities compared with similar firms elsewhere. Some of the factors that limit the participation of women in trade include poor quality of infrastructure, inefficient customs processes, harassment, inconsistent regional standards and regulations, and non-tariff barriers such as stringent food safety and traceability requirements in different African countries. While some of these constraints affect both women and men, the impact is more severe for women traders than their male counterparts (Warren et al., 2019). For example, although much of this abuse is unreported, studies (Brenton and Isik, 2012; Titeca and Kimanuka, 2012) have shown that most informal women traders crossing the border through official crossing points face varied challenges from harassment to abuse (Figure 3). For instance, women traders in the Great Lakes region feel pressured to bribe customs officials to facilitate the movement of their products across borders (Warren et al., 2019). Some goods might be held up in customs clearance processes, causing costly delays. The outbreak of the COVID-19 pandemic further exacerbated the conditions faced by women as it disrupted the movement of goods, services and people (AfCFTA Secretariat and UNDP, 2020). In particular, women are more

economically vulnerable than men and less resilient in the event of crisis (World Bank and WTO, 2020).

The agreement on the AfCFTA demonstrates an intention by parties to improve trade by African women and promote their economic development in general (Table 1). The preamble of the agreement recognises the importance of gender equality for the development of international trade and economic cooperation, signifying the intention to advance trade cooperation inclusively and enhance trade by women. The Agreement also incorporates several other provisions that refer implicitly to gender issues, such as human rights, democracy, sustainable and inclusive development and improving social welfare. Despite such gender-neutral provisions being heterogeneous,² they affect women and men differently and there is no guarantee that they will improve the situation of women or that women will not be affected disproportionately. The improvement of women's rights can promote more trade (World Bank and WTO, 2020). However, with fewer resources available to women-owned businesses, they are likely to feel the impact of trade liberalisation more significantly (AfCFTA Secretariat and UNDP, 2020).

2 They differ depending on the language, with some provisions reaffirming specific statements and others recommending action.

Table 1. AfCFTA gender-related provisions and initiatives

	Number of provisions	Document	Section	Text
Main text of the AfCFTA	2	Agreement Establishing the African Continental Free Trade Area	Preamble Article 3 (e)	"Recognising the importance of international security, democracy, human rights, gender equality and the rule of law, for the development of international trade and economic cooperation;" "promote and attain sustainable and inclusive socio-economic development, gender equality and structural transformation of the State Parties."
Documents related to the AfCFTA	4	Protocol on Trade in Goods Protocol on Trade in Services Protocol to the Treaty Establishing the African Economic Community Relating to Free Movement of Persons, Right of Residence and Right of Establishment	Preamble Article 3 (b) Article 27 (d) Article 4 (1)	"Confident that a comprehensive Protocol on Trade in Goods will deepen economic efficiency and linkages, improve social welfare , progressively eliminate trade barriers, increase trade and investment with greater opportunities for economies of scale for the businesses of State Parties;" "promote sustainable development in accordance with the Sustainable Development Goals (SDGs) ." "Improving the export capacity of both formal and informal service suppliers, with particular attention to micro, small and medium-size; women and youth service suppliers." State Parties shall not discriminate against nationals of another Member State entering, residing, or established in their territory, on the basis of their nationality, race, ethnic group, colour, sex , language, religion, political or any other opinion...."
Other		AfCFTA non-tariff barriers (NTB) online reporting, monitoring, and eliminating mechanism.		The mechanism aims to remove NTBs. Traders (formal and informal) can report any obstacle encountered when trading goods across borders for the respective government to resolve the issue. The mechanism is open to all African business sectors, including women business operators.

Source: AfCFTA agreement and AfCFTA 2021b.

The gender-related AfCFTA provisions outlined in Table 1 are mostly very general in nature, with few provisions explicitly targeting women's participation in trade. Only Article 27 (d) explicitly mentions the need to give particular attention to improving the

capacity of women services exporters. In addition, the AfCFTA NTB online reporting mechanism provides a useful tool to try and eliminate non-tariff obstacles encountered by women traders and other traders in general (AfCFTA 2021b).

Compared to other RTAs—for example, the Canada/Chile RTA, which introduced a standalone trade and gender chapter, and the CPTPP – the AfCFTA gender provisions seem less ambitious. However, the removal of some of the trade barriers faced by women will enhance their participation in trade.

5. Designing a gender-responsive AfCFTA

As discussed above, the AfCFTA gender provisions are largely limited and general in nature and less ambitious compared to gender provisions in other RTAs. As such, African countries, including those in the Commonwealth, must explore other ways to promote women’s participation in trade and economic development in general. One way of doing this is by incorporating gender perspectives in the design of schedules of concessions.

5.1 Country schedules of concessions promoting trade by women

Export opportunities under the AfCFTA can be a powerful tool for African women to grow their businesses and expand into new markets. Notwithstanding the limited pro-women trade provisions in the Agreement, continued negotiations for schedules of concessions/commitments for both goods and services offer the opportunity to take on board issues of interest to women traders. Opening trade in some goods and services sectors can open up opportunities for women to harness the benefits of trade (World Bank and WTO, 2020). The AfCFTA schedules of goods and services commitments can provide

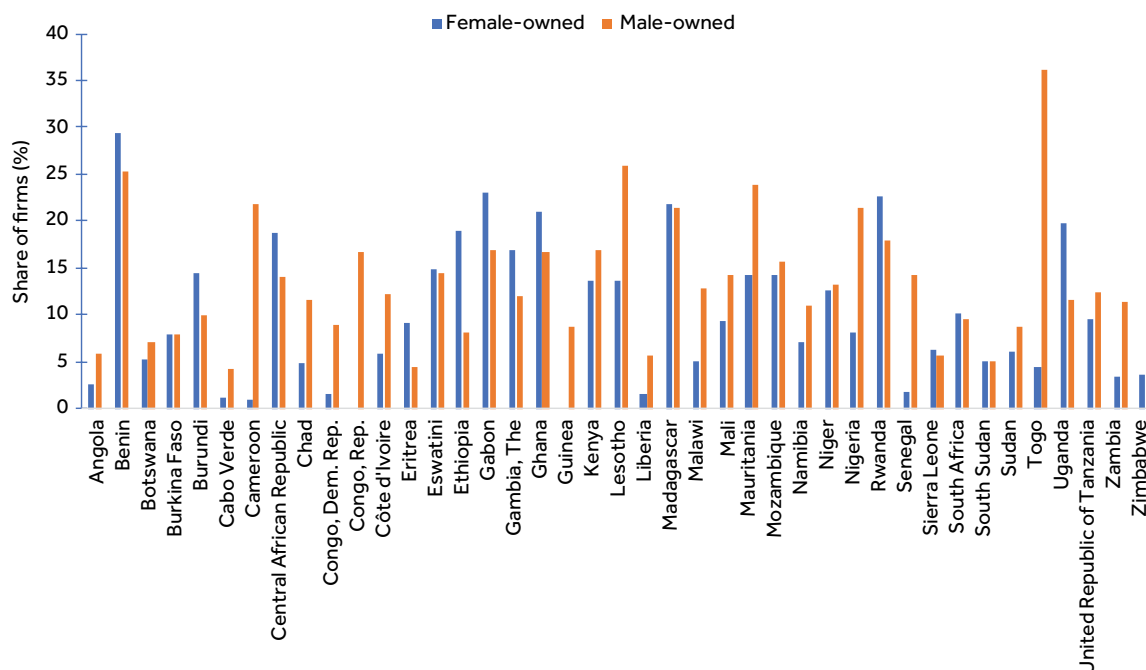
the necessary flexibilities to help enhance the opportunities for African women to participate in export and import activities, including through targeting women-owned and women-led businesses and MSMEs. In this regard, it can be beneficial for Commonwealth African countries to consider incorporating gender perspectives in the design of schedules of concessions.

However, determining the sectors in which countries can make commitments favourable to women is hindered by a lack of information and quantification of trade by women. As such, it is imperative that Commonwealth African countries consult with women-owned businesses, female employees, women organisations and other stakeholders representing women in determining areas of interest that can be captured in their schedules of concessions/commitments. This is important because commitments in some sectors may disproportionately (both positively and negatively) affect women, and the involvement of women in determining the areas of commitment will help identify where attention is required and where gains can be made in an inclusive design of schedules of concessions in goods and services.

5.1.1 Gender promoting tariff schedules

Generally, firms managed by women tend to engage less in export activities compared to those managed by men (Van der Nest, 2017) (Figure 4). Countries can consider crafting schedules of concessions that encourage the participation of

Figure 4. Share of female and male owned firms exporting directly or indirectly, latest year available



Source: Authors' calculations using World Bank Enterprise Data Survey.

women in trade and increase productivity and boost trade. For example, the reduction of tariffs makes it more affordable for women traders, especially in the informal sector, to operate in formal structures that offer more protection (AfCFTA Secretariat and UNDP, 2020).

The AfCFTA tariff negotiation modalities give African countries the flexibility to determine the sectors in which they want to undertake commitments and eliminate 'pink tariffs'³ (World Bank and WTO, 2020). The negotiation modalities allow countries to assign products into three categories: (a) non-sensitive products, (b) sensitive products and (c) exclusion list (Table 2). The non-sensitive products have a shorter time frame for implementation: 5 years for non-least developed countries (LDCs) and 10 years for LDCs. The sensitive products have a longer timeframe for implementation: 10 years for non-LDCs and 13 years for LDCs. On the other hand, the exclusion list comprises those products that countries choose not to liberalise and should not exceed 3 per cent of tariff lines. The parties to the agreement may decide to liberalise faster and more deeply than prescribed in the modalities (AfCFTA Secretariat and UNDP, 2020)

The selective approach to scheduling commitments enables African countries to shield their most gender-sensitive sectors from competition while permitting them to open several sectors to enhance competitiveness or attract investment. For example, countries can choose to allocate certain tariff lines in the sensitive category or exclusion list category to shield women exporters from competition until the sectors develop and become competitive. During negotiations, a country can request preferential market access in specific goods, sectors or activities into other AfCFTA countries, which can help solidify the country's

market share for women traders and maintain a competitive edge for its women exporters.

From the above discussions, Commonwealth African countries should consider making commitments that encourage female-owned and female-managed firms to trade. For example, Table 3 shows that Nigeria, South Africa, Uganda and United Republic of Tanzania can consider requesting increased market access into other AfCFTA parties for garments and textile sectors, which have high percentages of majority female ownership and top management as well as large shares of female employees more generally. On the other hand, Kenya might want to consider shielding its textile sectors from competition by placing textiles into a basket with a longer timeframe for implementation and opening some areas of its retail sector to allow women to import cheaper products.

In addition, depending on the commitments undertaken, the textile and clothing industry presents much potential for value addition and job creation by women. It is estimated that up to 600 per cent of value can be created along the cotton value chain alone: from cotton production, spinning and twisting into yarn, to weaving and knitting into fabric, followed by dyeing, printing and designing (Moungar, 2018). This value addition then trickles upward into the textile and apparel value chain, where sourcing from the region can be made cheaper through duty-free access and increased business-to-business sales in intermediary products. The primary role of African women in cotton production currently is planting and picking rather than in downstream manufacturing and trade (ITC, 2011). The same pattern exists when moving up the value chain. Generally, the more labour intensive the activity, the greater the level of participation by women.

Table 2. Modalities for liberalising trade in goods

Treatment	Share of tariff lines	Reduction period
A – Non-sensitive	90%	Non-LDC – 5 years LDCs – 10 years
B - Sensitive	7%	Non-LDC – 10 years LDCs – 13 years
C - Excluded	3%	Reviewed after every five years

Source: AfCFTA Secretariat 2021a.

³ These are higher tariffs on products for women than identical products aimed at men (e.g., clothing).

Table 3. Share of female participation in ownership, majority ownership and top management in manufacturing sectors (%)

Country and year	Manufacturing sectors	% of firms with female participation in ownership	% of firms with majority female ownership	% of firms with a female top manager
Ghana (2013)	Manufacturing (all)	29	15	14
	Food	52	36	33
	Chemicals, plastics and rubber	25	9	12
	Basic metals/fabricated metals/machinery & equip	11	2	2
	Other manufacturing	32	16	13
Kenya (2018)	Manufacturing (all)	56	16	18
	Retail	62	20	30
	Textiles and garments	49	7	8
	Chemicals, plastics and rubber	46	4	8
	Other manufacturing	57	19	16
Nigeria (2018)	Manufacturing (all)	15	13	12
	Food	13	12	11
	Garments	43	39	40
	Printing & publishing	15	14	11
	Non-metallic mineral products	5	2	4
	Fabricated metal products	7	6	1
	Furniture	2	1	2
	Manufacturing panel	19	15	10
	Other manufacturing	7	5	4
South Africa (2020)	Manufacturing (all)	7	4	34
	Food	6	6	34
	Textiles and garments	24	22	40
	Fabricated metal products	0	0	19
	Motor vehicles	3	0	28
	Other manufacturing	5	2	36
Uganda (2013)	Manufacturing (all)	19	9	10
	Food	18	10	17
	Textiles and garments	76	63	63
	Other manufacturing	12	1	1
United Republic of Tanzania (2013)	Manufacturing (all)	21	9	10
	Food	17	5	8
	Textiles and garments	40	19	26
	Furniture	10	3	7
	Other manufacturing	20	4	3

Source: Authors' calculations using World Bank Enterprise Data Survey.

5.1.2 Gender-promoting services schedules

The AfCFTA Protocol on Trade in Services explicitly refers to improving the export capacity of women and youth. Negotiations for services schedules of commitments are still outstanding. Priority sectors for trade in services include business and professional services, communication, financial services, tourism and transport (African Union, 2018). African women do not have the same opportunities as men in gaining access to the full range of services and are primarily involved in craft and trade-related work and professions in managerial and legislative areas (Van der Nest, 2017). AfCFTA parties can consider making commitments on services sectors that benefit women traders, help unlock women's potential in sectors such as business and professional services and tourism, and increase the participation of women in the export of services.

Although parties to the AfCFTA are expected to liberalise services sectors by removing regulatory restrictions, they still have the policy space to adopt regulatory measures if these do not violate their commitments under the Trade in Services Chapter. Countries have the freedom to place limitations on commitments to ensure they can address their gender sensitivities either by undertaking partial commitments in some sectors and modes or not undertaking obligations in specific sectors and modes that would negatively affect women traders. Evidence suggests that trade in services through Modes 1 and 4 can increase women's participation in trade in services (Van der Nest, 2021). African countries can request other AfCFTA parties to consider undertaking commitments in specific services sectors/activities and modes that are of export interest to their women traders, most of which would be in line with the country's areas of existing comparative advantage but some also in new areas to be explored.

Given the above backdrop, Commonwealth African countries should consider making commitments that encourage female-owned and female-managed firms to export. For example, the further liberalisation of the tourism sector by countries such as Kenya, Mozambique and Nigeria is likely to bring significant opportunities for women who run their own businesses, particularly those in the informal sector that involve curios, crocheting and beauty products. Table 4 shows that a sizable percentage of women in these three countries have majority ownership of firms in the hospitality and tourism sector – about 22 per

cent, 32 per cent and 20 per cent, respectively. Compared to men, women are almost twice as likely to be employed in the tourism industry than in other sectors. In most Commonwealth African countries, locally made beauty products are sold first to resorts and spas and then directly to tourists in their home countries over the internet. Tourism, therefore, creates marketing opportunities for women-produced products that would otherwise not reach consumers outside of their countries. In so doing, it creates more jobs for women.

5.2 Gender-promoting investment, competition, intellectual property and e-commerce protocols

The manner in which business and trade is changing, mainly due to accelerated technological advances, makes it critical for African countries to incorporate a gender perspective in the design and crafting of investment, competition, intellectual property (IP) and e-commerce protocols and related annexes and schedules of concessions with a view to ensuring inclusivity. While innovative entrepreneurs are succeeding on the continent, women are being left behind, mainly due to bottlenecks in the African startup ecosystem. Financial support technology startups tend to focus less on women, particularly at the ideas stage, leaving many female entrepreneurs unable to get started (Baguma Ball, 2017). According to the Africa-Europe Innovation Partnership (2021), the finance gap for women-founded tech entrepreneurs is proving challenging to reduce.

The AfCFTA Phase 2 negotiations on investment, competition, IP and e-commerce are expected to finish by December 2021. The envisaged Investment Protocol aims to boost confidence in investment and ensure it has a more significant impact on intra-African trade. Negotiations on the Protocol provide countries with an opportunity to promote and facilitate investment by women traders. In addition, the AfCFTA can consider the scheduling of commitments on investment to be an integral part of the Protocol, which can help countries open investment opportunities for women. Discussions on competition should focus on crafting competition and consumer protection regulations that remove the cross-border effects of anti-competitive and restrictive practices. Negotiations on IP rights should explore ways to eliminate hurdles to creating robust IP systems that can protect the creations of innovators, including informal innovators, and facilitate research efforts, especially by women.

Table 4. Share of female participation in ownership, majority ownership and top management in services sectors, selected countries (%)

Country and year	Services sectors	% of firms with female participation in ownership	% of firms with majority female ownership	% of firms with a female top manager
Kenya (2018)	All services	45.8	12.6	18.1
	Retail	55.6	16.8	15
	Hospitality & tourism	40.5	21.5	33.4
	Other services	38.2	4.8	14
Mozambique (2018)	All services	29.6	18.6	17.3
	Retail	33	24	22.8
	Hospitality & tourism	46.1	31.8	26.5
	Other services	17	6.3	7.5
Nigeria (2014)	All services	16.7	13.2	15.1
	Retail	20.6	19.4	9.1
	Services of motor vehicles	9.7	4.2	21.4
	Wholesale	12.7	9.6	9.1
	Retail panel	31.4	27.4	23.6
	Hotels and restaurant	24.4	19.9	15.5
	Other services panel	33.6	29.2	23.2
	Transport	5.7	3.1	2.8
	Other services	2.8	2.8	5.7
South Africa (2020)	All services	12.1	10.3	40.4
	Construction	2.6	2.6	21.3
	Retail	4.2	3.8	41.4
	Other services	20.1	16.8	47.3
Zambia (2019)	All services	43.1	17.2	14.1
	Retail	43.6	20.5	13.3
	Wholesale of agri inputs & equipment	26.7	16.7	0
	Other services	44.7	15.4	16.3

Source: Authors' calculations using World Bank Enterprise Data Survey.

The COVID-19 pandemic has accelerated the digital transformation of business and international trade. This can exacerbate existing gender digital divides, highlighting the need to accelerate digital engagement by women to realise their full potential in digital trade and the digital economy. For African women to benefit from the AfCFTA in relation to e-commerce and digital trade, there is a need for Phase 3 negotiations on e-commerce to try to address the inequalities in their access to digital tools and technologies. For sub-Saharan Africa, access to the internet remains lower at 25 per cent

than the world average of 51 per cent. Although on average, Commonwealth Africa's access is higher than sub-Saharan Africa overall at 32 per cent, many of the Commonwealth LDCs lag significantly behind. For example, Malawi, Mozambique, Sierra Leone and Zambia are well below 15 per cent in internet usage.

The strategic advancement of women traders for post-COVID trade-driven recovery and support for long-term growth and resilience offers the AfCFTA an opportunity to accelerate the inclusion

of women's digital trade and e-commerce. E-commerce has the potential to create opportunities for MSMEs and women-owned business to access new markets by lowering barriers to entry, lowering transaction costs and linking informal and formal activities across sectors and geographies (Commonwealth Secretariat, 2021). In this regard, AfCFTA negotiations on e-commerce must develop provisions that enable women to succeed in digital trade and access new markets. For example, parties might consider provisions that set up mandatory cybersecurity standards, creating secure e-commerce marketplaces for women. Countries must agree to cooperate to enhance the ability of women to fully access the benefits from the opportunities created under the AfCFTA e-commerce arrangements.

5.3 Raising women's awareness of AfCFTA

One of the barriers that women cross-border traders face is a lack of awareness of trade regulations, procedures and documentation needed to clear goods under trade agreements (Ben-Ari, 2014). For example, the United States Agency for International Development (USAID) East Africa Trade and Investment Hub found that women cross-border traders lacked awareness of cross-border regulations and procedures such as those within the Common Market of Eastern and Southern Africa (COMESA) Simplified Trade Regime and the East African Community (EAC) harmonised standards as well as the documentation required to clear goods (The Hub, 2019). In this regard, it is essential for Commonwealth African countries to make women traders aware of the AfCFTA trade regulations, procedures and documentation to strengthen their ability to participate in intra-continental free trade. Training can take place at the national, regional and continental levels to make women cross-border traders aware of the specific trade regulations and their interconnectedness as well as the opportunities for them as provided in the schedules of commitments.

6. Conclusion

The emergence of gender-responsive trade agreements has set out a new approach by incorporating gender issues in trade agreements. For a continent with a significant number of women traders, some of the provisions of the agreement establishing the AfCFTA contribute to crafting continental integration support programmes for women that go beyond

eliminating trade barriers and support women to increase productivity and boost trade. Negotiations on the goods and services schedules offer African countries, including Commonwealth countries, an opportunity to take on board issues of interest to women exporters and liberalise trade in accordance with their requirements. By doing so, the countries will promote trade by women, thereby raising their production capacities, increasing employment creation and expanding the contribution of women to GDP. Supporting women's trade and economic empowerment is key to sustainable development in individual African countries and the continent more generally. The AfCFTA can help foster an enabling environment for African women traders. However, a lot will depend on the practical and effective implementation of the agreement.

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International Trade Policy Section at the Commonwealth Secretariat

This Trade Hot Topic is brought out by the International Trade Policy (ITP) Section of the Trade Division of the Commonwealth Secretariat, which is the main intergovernmental agency of the Commonwealth – an association of 54 independent countries, comprising large and small, developed and developing, landlocked and island economies – facilitating consultation and co-operation among member governments and countries in the common interest of their peoples and in the promotion of international consensus-building.

ITP is entrusted with the responsibilities of undertaking policy-oriented research and advocacy on trade and development issues and providing informed inputs into the related discourses involving Commonwealth members. The ITP approach is to scan the trade and development landscape for areas where orthodox approaches are ineffective or where there are public policy failures or gaps, and to seek heterodox approaches to address those. Its work plan is flexible to enable quick response to emerging issues in the international trading environment that impact particularly on highly vulnerable Commonwealth constituencies – least developed countries (LDCs), small states and sub-Saharan Africa.

Scope of ITP Work

ITP undertakes activities principally in three broad areas:

- It supports Commonwealth developing members in their negotiation of multilateral and regional trade agreements that promote development friendly outcomes, notably their economic growth through expanded trade.
- It conducts policy research, consultations and advocacy to increase understanding of the changing international trading environment and of policy options for successful adaptation.
- It contributes to the processes involving the multilateral and bilateral trade regimes that advance more beneficial participation of Commonwealth developing country members, particularly, small states and LDCs and sub-Saharan Africa.

ITP Recent Activities

ITP's most recent activities focus on assisting member states in their negotiations in the World Trade Organization and various regional trading arrangements, undertaking analytical research on a range of trade policy, emerging trade-related development issues, and supporting workshops/dialogues for facilitating exchange of ideas, disseminating informed inputs, and consensus-building on issues of interest to Commonwealth members.

Selected Recent Meetings/Workshops Supported by ITP

29 July 2021: Revitalising Commonwealth Trade Post-COVID: Leveraging Maritime Trade and Shipping. The webinar discussed the findings of our recent study on the impact of COVID-19 on maritime trade. It explored the maritime trade landscape in the Commonwealth and demonstrated how maritime trade and shipping can help revitalise Commonwealth trade post-COVID.

13 July 2021: Launch of the *Commonwealth Trade Review*. The 2021 Review presents new empirical findings on the impact of the pandemic on Commonwealth trade and outlined practical recommendations to boost trade recovery and build resilience, including harnessing digital technologies, utilising post-Brexit trading opportunities and promoting more sustainable green and blue economies.

21–23 October 2020: Recovery from COVID-19 – Tackling Vulnerabilities and Leveraging Scarce Resources, organised in the framework of the LDC IV Monitor and held virtually on the road to the Fifth UN Conference on Least Developed Countries (LDC5) in collaboration with the OECD Development Centre, UN-OHRLLS and FERDI.

29 January 2020: Looking to LDC V: A Critical Reflection by the LDV IV Monitor (in partnership with the OECD Development Centre and the Centre for Policy Dialogue, Bangladesh) held at Marlborough House, London, United Kingdom.

28 January 2020: Roundtable Discussion on Trade Shocks in the Commonwealth: Natural Disasters and LDC Graduation (in partnership with the Enhanced Integrated Framework) held at Marlborough House, London, United Kingdom.

11 October 2019: Tapping the Tourism Potential of Small Economies: A Transformative and Inclusive Approach (WTO Public Forum) held in Geneva, Switzerland in collaboration with the WTO and the UNWTO.

Previous Ten Issues of the Commonwealth Trade Hot Topics Series

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Trade Hot Topics

ISSN: 2071-8527 (print) ISSN: 2071-9914 (online)

Commonwealth Trade Hot Topics is a peer-reviewed publication which provides concise and informative analyses on trade and related issues, prepared both by Commonwealth Secretariat and international experts.

Series editor: Brendan Vickers

Produced by Trade, Oceans and Natural Resources Directorate of the Commonwealth Secretariat

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