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# GENDER INCLUSION IN CHILEAN FREE TRADE AGREEMENTS

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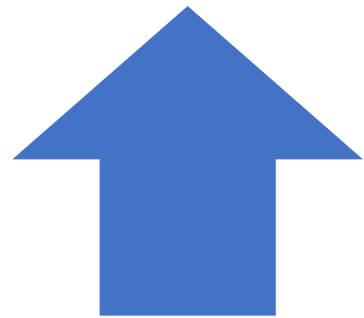
Is trade an instrument to increase women economic participation?

How Chile has incorporated the gender perspective into its agreements?

# Is there a trade and gender relationship?

Trade is not gender neutral, but effects are still ambiguous (Poverty and labor - Brussevich, 2018; Cagatay, 2001), due to different roles, relation in society and unequal access to economic resources.

Policies and institutions which govern trade are still gender blind.



Positive: employment, growth and empowerment.



On the lives of poor and those marginalized by gender.

UNCTAD (2019); Zarelli (2017)

Male and female are imperfect substitutes in two distinct factors on production. Female is capital labor intensive. (Juhn, 2013)

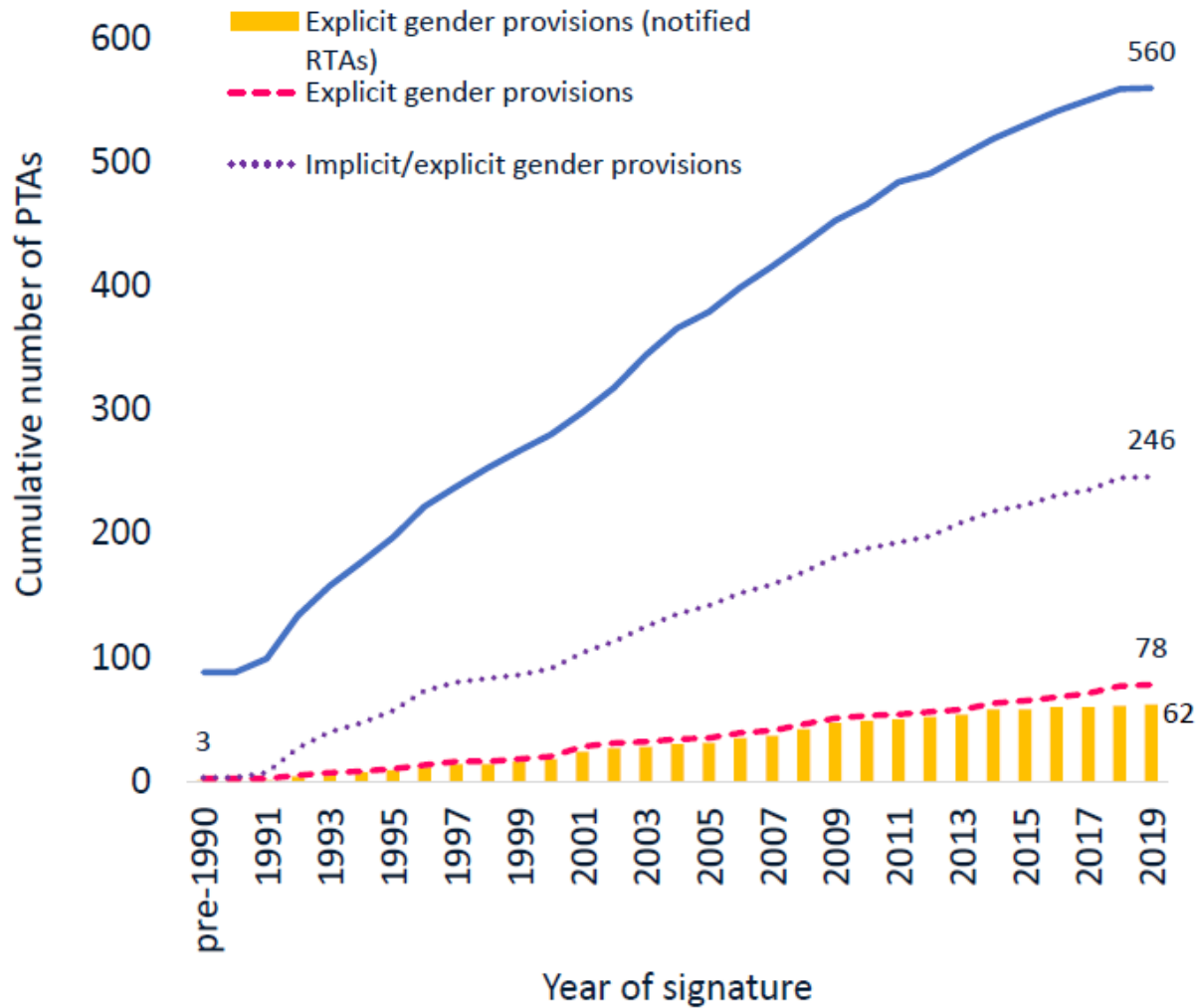
Trade affects in macro, meso and micro levels.

Female participation is considered to have an important impact on sustainable development and economic growth.

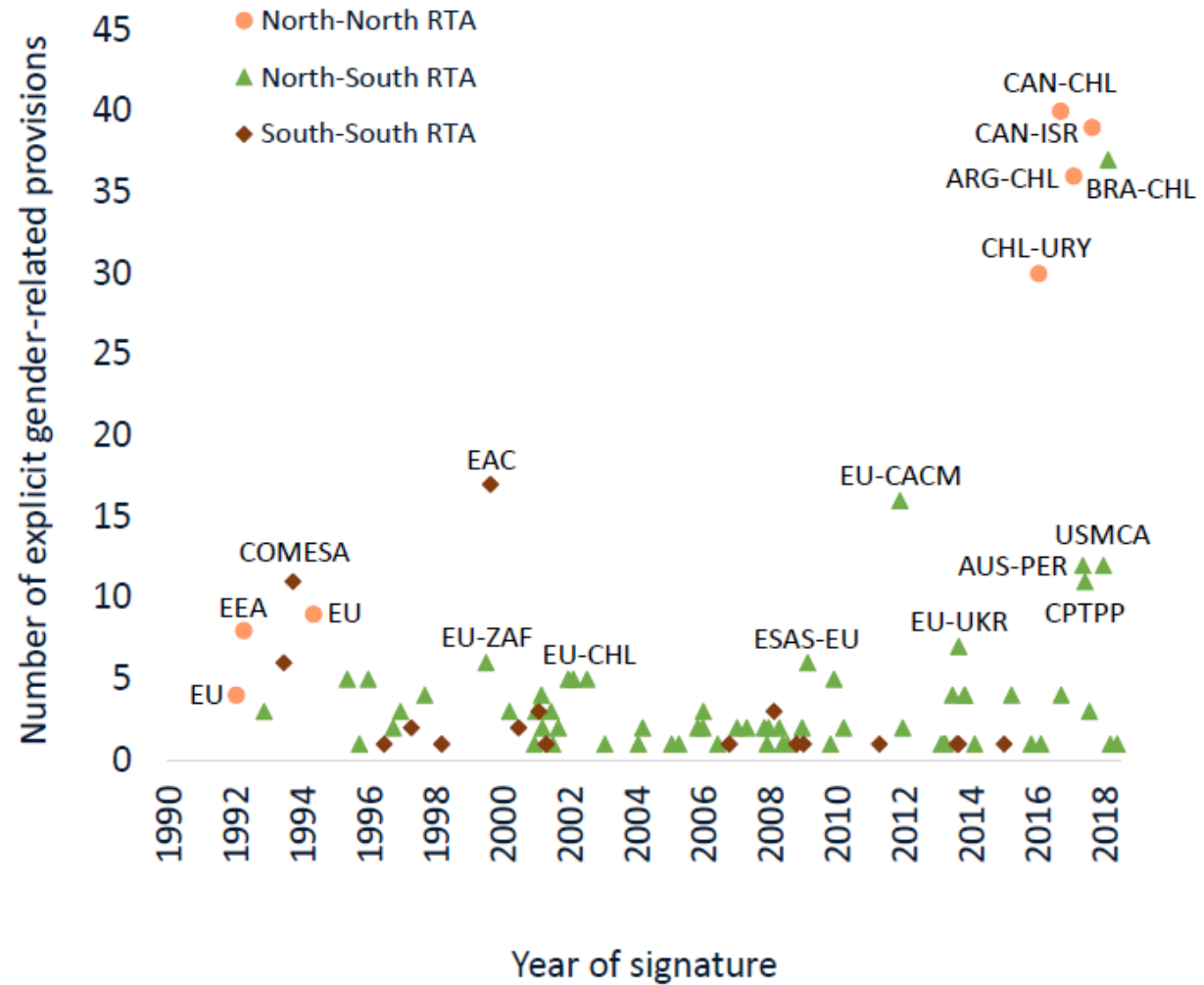
Gender inequality limits growth.

Villup (2017)

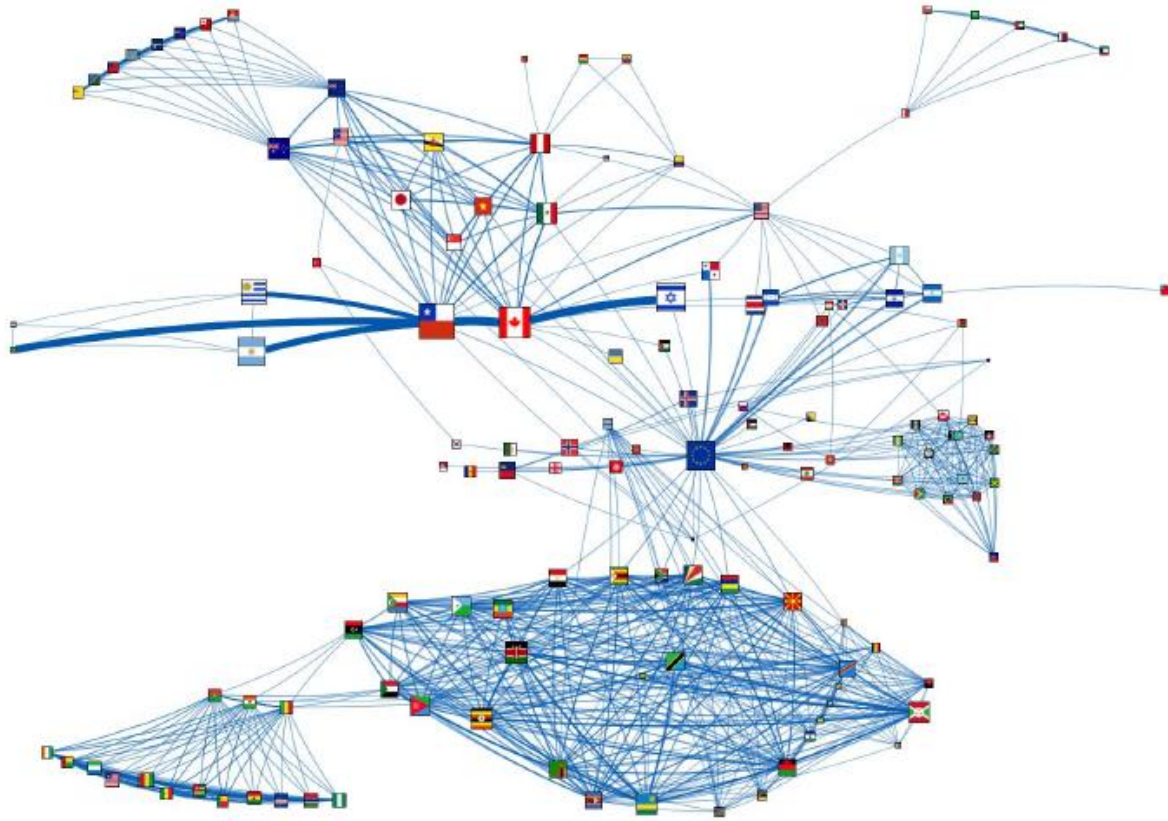
## Inclusion of gender-related provisions is not a recent phenomenon ...



## ... but the scope of gender-related provisions has expanded only recently

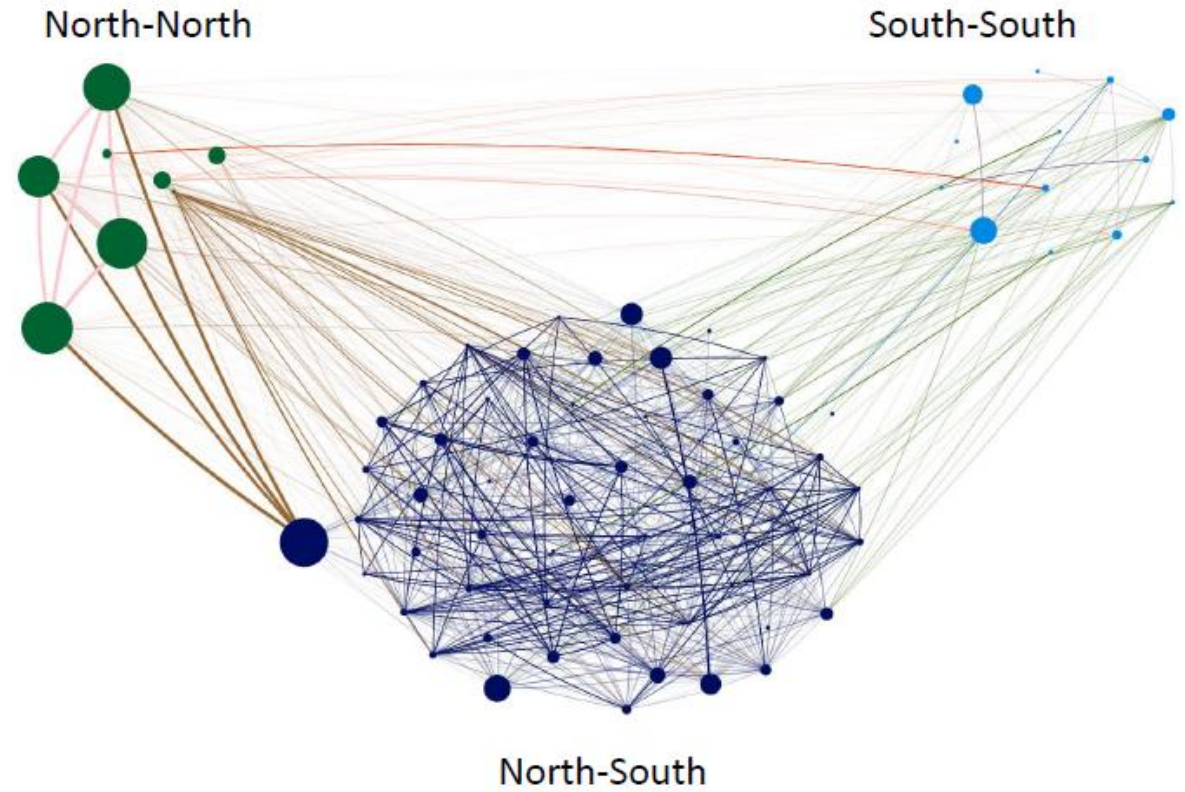


**Gender-related provisions do not follow a specific and unique template...**



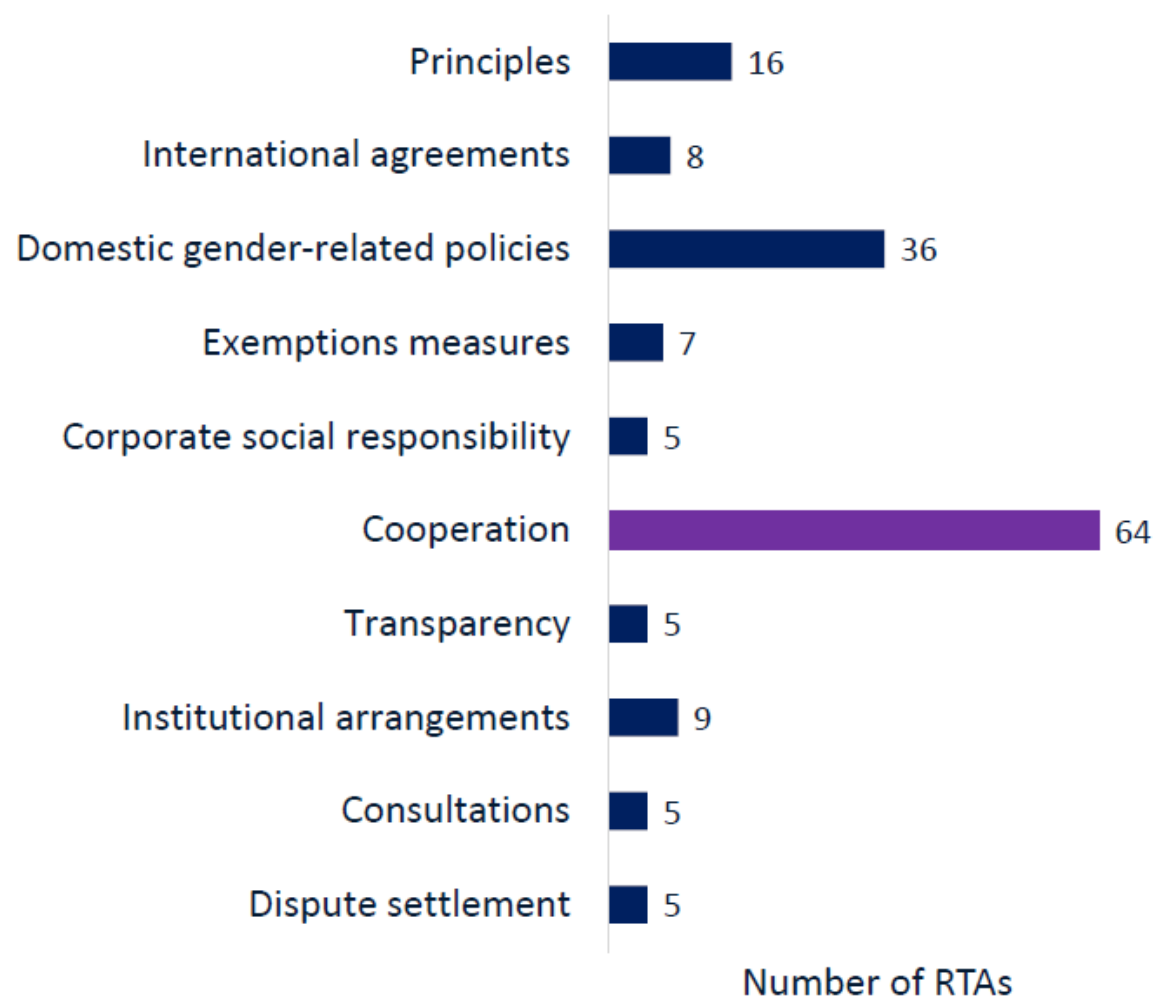
Note: Node size represents the average number of gender-related provisions in RTAs by country

**... but most PTAs share at least one common type of gender-related provisions**

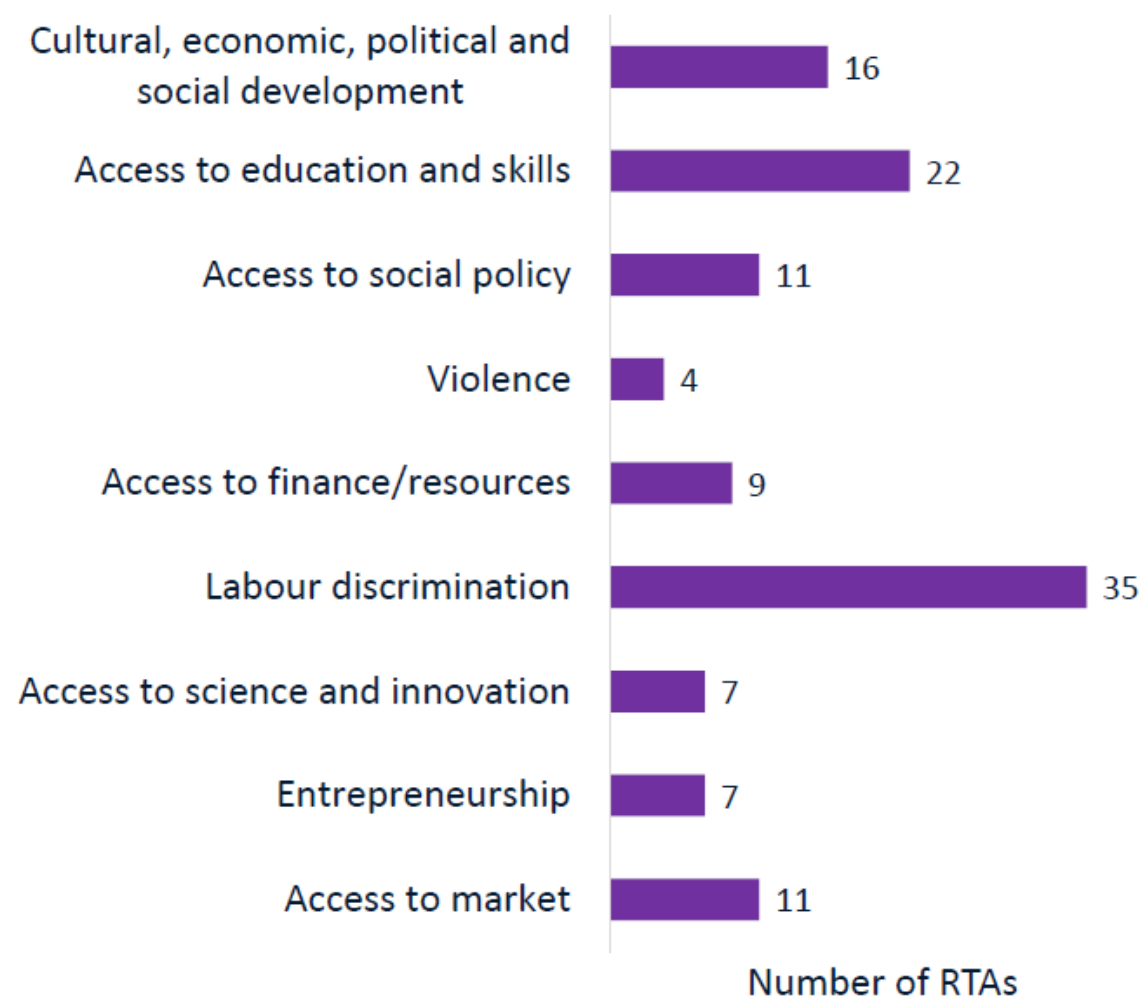


Note: Node size represents the number of gender-related provisions by RTA

## Cooperation provisions are the most common gender-related provisions ...



## ... with gender-based labour discrimination being the most common cooperation area



# Gender, trade and the new free trade agreements

## Why should we consider gender trade

- Female-run firms are less likely to be exporters. (Krenz, 2019)
- Firms that export hire more women (Ederington, 2009)
- Promotion of females enterprises, as they invested more in family, reduce poverty.
- Lack of data
- The female underrepresentation is being tackled in many forums.
  - The Buenos Aires Declaration, WTO.
  - Empowering female engagement in international trade is part of the 2030 agenda.
  - UNCTAD empowering women has a catalytic effect on social and economic development.

## Why free in free trade agendas?

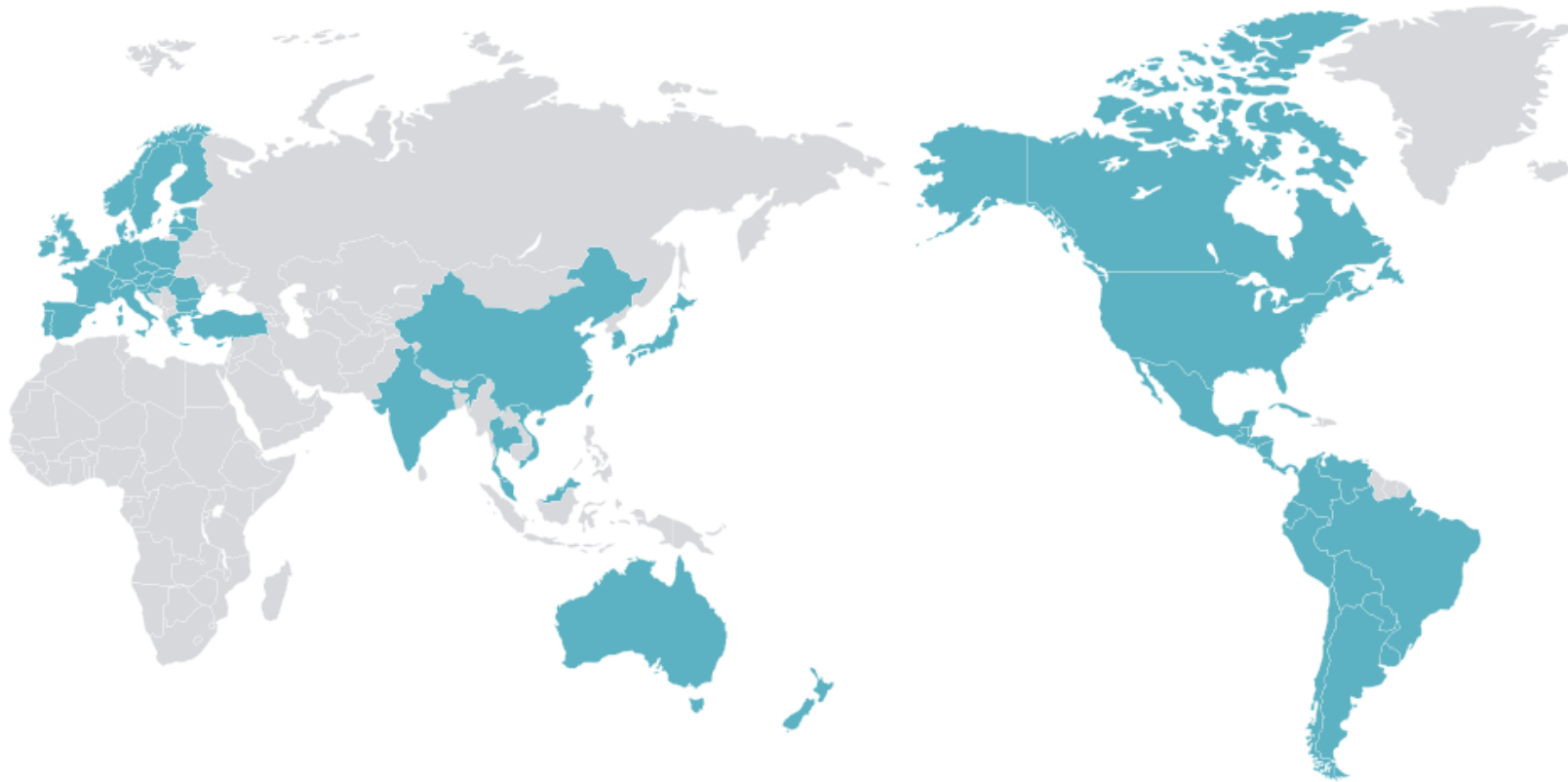
Zarelli (2017)

- More women are part of policymaking than before.
- An increasing number of women are trading.
- Advocacy campaigns highlight the relevance of gender equality issues
- Increase wariness of trade gender dimension
- Belief trade can be instrumental for development only if it is inclusive and the benefits are more equally shared.

# Gender, trade and Chile

- Chile -economic development- market international integration.
- 2018 - only 4.2% of the total export businesses are led by women.
- Chile women are 28% less likely than men to have equal opportunities.
- Gender Gap Index has not improved its score between 2014 and now.

# Chilean Trade Policy Overview



- Applied tariff below 1%
- Extensive preferential agreements network
  - 26 agreements, with 64 economies representing 63% of world population and 86% of global GDP

Pioneer in the inclusion of gender perspective (Uruguay (2016) , Canada and Argentina (2017))

DIRECON (2019)

# Gender and Trade : Chile

- Second term Michelle Bachelet Government (2014 – 2018) explicit progressive agenda with special emphasis on gender equality.
- Ministry of women and gender equity (2016)
- Two main elements:
  - Women's role as supporters of the economy;
  - Lack of information, discussion, proposals and institutional participation.
- General Directorate of International Economic Relations (DIRECON):
  - Gender Department (2016)
    - PMG
  - 2017 Scans of women exporters
  - ProChile: MujerExporta (800 beneficiaries)
  - Inclusion of gender chapters

# Gender Chapters

- Agreements analysis:
  - Uruguay (2016)
  - Canada (2017 – June)
  - Argentina (2017 – November)
- Comparison of chapters' structure and content
- Interviews with key stakeholders

## **Gender and Trade Chapter's structure**

- General Provisions
- International commitments
- Cooperation activities
- Trade and Gender Committee
- Consultations
- Non-application of Dispute Resolution
- Relation to the Agreement on Labor Cooperation
- Definitions

# Context within negotiating Partners

## Uruguay

- Chile first partner not Mercosur
- Both governments coalition had a progressive agenda

## Canada

- Canada's Progressive Trade Agenda (PTA)
- Maturity 1997 Chile-Canada FTA
- Imitation process when negotiating trade agreements

## Argentina

- Change of government free-trade oriented government coalition
- Internal debate on gender policies
- Imitation process, Chilean negotiations template.

Pacific Alliance and APEC

# General Provisions and International Agreements

	Uruguay	Canada	Argentina
General Provisions	Common objective: importance of incorporating gender into the inclusive economic growth and the key role of gender-responsive policies		
	No Goal 5 of SDGs	Goal 5 of SDGs	Goal 5 of SDGs
	Non OECD member	Agreement on Labour Cooperation and the OECD Guidelines for Multinational Enterprises	Non OECD member
<b>International Agreements</b>	Overall commitment towards the effective implementation of international agreements	CEDAW Convention	CEDAW Convention and ILO Conventions (N°100, 111, 156)

# Cooperation Activities and Committee

	<b>Uruguay</b>	<b>Canada</b>	<b>Argentina</b>
<b>Cooperation Activities</b>	Identical provisions: skills enhancement; financial inclusion, agency and leadership; access to science, technology and innovation; entrepreneurship		
	Cooperation activities are subject to governments' will		
<b>Trade and Gender Committee</b>	It should discuss potential cooperation activities, exchange information, discuss joint proposals, and manage administrative future topics		

# Consultations and Labor Cooperation

	<b>Uruguay</b>	<b>Canada</b>	<b>Argentina</b>
<b>Consultations</b>	Parties will solve, through consultations and dialogue, issues that may arise regarding chapter's application and interpretation		
<b>Relation to the Agreement on Labor Cooperation</b>	Not included	If there is any inconsistency between the chapter and the Agreement on Labour Cooperation, the latter will prevail	Not included

# Definitions and Dispute Resolution

	<b>Uruguay</b>	<b>Canada</b>	<b>Argentina</b>
<b>Definitions</b>	Not included	Definitions regarding the Agreements on Labor Cooperation and on Environmental Cooperation	Not included
<b>Non-Application of Dispute Resolution</b>	Parties will solve, through consultations and dialogue, issues that may arise regarding chapter's application and interpretation		

Authors' elaboration

# Chapters' main findings

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Inclusion of the chapter recognizes the relevance of incorporating a gender perspective within trade negotiations.

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The evolution of the chapter's negotiation, allows to identify and precise the relevant elements in the trade and gender relationship (normative evolution).

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Although at this point gender-related chapters are not subject to dispute resolution mechanisms, agreements do evolve.

# Chapters' main findings

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Instead of including specific gender-related standards that could affect trade under the agreements, reference is made to the implementation of gender equality commitments included in global conventions.

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Milestones or specific goals are not included

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Dispute-settlement mechanisms do not apply

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Harmonization of gender-related legislation between the parties is not mandated

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Potential impacts of trade liberalization pursued under the agreements on women's well-being and economic empowerment are not addressed

# Conclusions

- Trade has a relation with gender, more and specific research and data are needed.
- Gender perspective has been included in foreign affairs, specifically trade policies.
- Starting point for engendering trade policies is at the national level.
- FTA gender chapters are stepping-stones towards building international commitments that will allow the achievement of gender equity.



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