



Free Trade Agreements in Peru and Colombia: Monitoring Future Impacts from a Gender Perspective

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1. Introduction

This paper discusses the importance of monitoring the actual and potential impacts of free trade agreements from a gender perspective at the regional and bilateral levels. It has been prepared for regional workshops of the “Gender Equity and Canadian Free Trade Agreements (FTAs)” sub-project of the Canada-Americas Trade Related Technical Assistance Program (CATRTA). The paper presents a number of approaches for policy analysts, researchers, private and civil society actors interested in undertaking gender impact assessments of international trade in Peru, Colombia and Canada. It also provides an overview of some of the gender issues arising from trade liberalization in key export sectors in Peru and Colombia. The paper concludes with a set of possible gender sensitive indicators for use by in-country stakeholders in examining trade impacts through a gender perspective.

2. Trade liberalization: why are gender impact assessments important?

Standard economic theory assumes that trade liberalization benefits men and women equally and tends to reduce poverty by introducing more women into the workforce. While trade can indeed help reduce poverty by creating jobs for women (Gibb 2010), research shows that it often affects men and women differently. Why? Trade affects individuals and groups through changes to employment and wages, government revenues and the price of goods (CIDA 2006). In turn, the decisions of governments, firms, and households (governed by the power dynamics of the family) all influence the nature and extent of these changes for women and men (GATE 2009).

Put simply: trade does not occur in a test tube. Trade that advances inclusive development, creates better jobs for women and men, and reduces barriers to women to participate in global chains, can best achieve the benefits that trade agreements seek to achieve. Since this does not always result

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from trade liberalization, however, gender impact assessments can help identify the intended and unintended impacts on communities.

In addition, governments have longstanding international obligations to promote women's economic rights. The ILO's 1979 Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), for example, holds that all countries have obligations to respect and fulfill various economic rights of women and to ensure non-discrimination between men and women.² In 1995, UN members agreed to "seek that trade agreements do not have an adverse impact on women's new and traditional economic activities."³

By regularly integrating gender impact assessments into trade agendas, government, private sector and civil society actors can contribute to attaining common objectives: policy analysts and trade program managers can improve the ways in which policy is formulated and implemented, thereby increasing effectiveness, transparency and accountability to stakeholders; private actors can better assess their business development strategies as well as labour and corporate social responsibility codes; and civil society actors can help identify issues that might be overlooked by government or private actors – providing an important watchdog role.

Ultimately, however, gender assessments of trade agreements are only valuable in so far as they inform policies and programs that reduce the disparities in men's and women's ability to gain from trade and those that mitigate against possible negative impacts.

3. Types of gender impact assessments and categories of impacts?

While a rich literature exists examining the economic and labour market impacts of trade liberalization, comparatively less has been published on the gendered impacts of trade. A number of models for analyzing the gender-differentiated effects resulting from an opening in trade, however, have begun emerging over the past few years. These types of assessments can take place before (ex-ante) or after (ex-post) a change in trade policy - such as a free trade agreement - has taken place.

The watershed 2004 United Nations Conference on Trade and Development (UNCTAD) report on gender and trade recommended that gender analyses begin during the negotiation phase of any new free trade agreement, ultimately integrating gender considerations into FTA texts. This is important, in terms of substance, because the analysis can inform provisions to safeguard and promote gender equality (in the core text of the agreement or in side agreements); it is significant in terms of warning of the possible negative impacts on men and women before an agreement is signed; and it is also important procedurally, because institutional mechanisms such as trade commissions,⁴ can be used as one avenue for assessing the gender-related impacts of the agreement. Notably, Canada's Free Trade Agreements with Colombia and Peru both include gender-related provisions relating to cooperation activities (see Box 2). The United States–Central America Free Trade Agreement and the EU–Mexico Global Agreement also imbed gender-related issues in the FTA sections pertaining to capacity development (IANWGE 2012). Still, gender considerations are rarely included in the text of free trade agreements.

² See articles, 11, 13 and 14, among others, of the CEDAW:

<http://www.un.org/womenwatch/daw/cedaw/text/econvention.htm#article11>

³ See strategic objective F.1 k) of the Beijing Platform for Action (UN Fourth World Conference on Women):

<http://www.un.org/womenwatch/daw/beijing/platform/economy.htm#object1>

⁴ Agendas of the annual trilateral NAFTA commission meetings, for example, regularly included a review of gender issues of concern of the three parties to the agreement (MacLaren, 2007).

Sustainability Impact Assessments (SIAs) are one type of ex-ante assessment which often include an analysis of gender equality concerns. SIAs are assessments that employ economic modeling to draw out hypothetical projections of potential economic, social and environmental impacts directly linked to FTAs. Indicators used to model possible impacts are primarily quantitative, although many SIAs are accompanied by consultations with civil society to identify concerns of a qualitative nature. For example, the SIA financed by the European Commission (EU 2009: 138) in the lead up to the EU-Andean FTA set up a website to encourage questions and feedback from the public and held workshops with 15 Colombian and 28 Peruvian stakeholders from the public, private sector, civil society and academic sectors. Although SIAs tend to address labour issues and regional inequalities (for example, rural-urban differences), SIAs may not comprehensively address impacts relating to gender equality.

Gender trade impact assessments (GTIAs), originally proposed by the UN Inter-Agency Network on Women and Gender Equality Task Force, is another type of ex-ante assessment model to emerge over the past decade. GTIAs put forward a model that analyses both the direct and indirect impacts of trade agreements from a gender perspective and can identify “structural constraints to gender equality and human development, and, as such, inform...policy adjustments that respond to the negative impacts of trade liberalization on the poor” (UNCTAD, 2004: 373). Undertaken after an agreement enters into force, the methodology assesses not only the economic changes linked directly to the FTA but also the changes brought about by associated domestic legislation and regulation in subsequent years (Salvador 2010).

In 2003, Women’s Edge proposed Trade Impact Reviews (TIRs) as a GTIA to consider the impacts on women and men in both countries party to an agreement. The economic framework behind these reviews assumes that trade between nations will lead to changes in the price of goods and services, in the costs of labor, and the sexual division of labour in particular sectors (White 2003). TIRs identify different factors which define the opportunities and constraints facing women and men, including: asymmetric rights and responsibilities, reproduction, gendered social norms, labour market segregation, consumption patterns, and time poverty. Within this analytical framework, TIRs cover two types of impacts - legal and economic - and can be undertaken by a variety of actors including negotiators, trade officials and academics (Gammage 2003). TIRs conducted by Women’s Edge include a study of the effects of trade liberalization on Jamaica’s poor, with a sector focus on agriculture and services (Wyss 2004) and a gender analysis of employment and poverty impacts in agriculture in Mexico (White 2004).

Building on the TIR framework, in 2005 the U.S. Agency for International Development (USAID) initiated a four-year Greater Access to Trade Expansion (GATE) Project in order to assess how to reduce gender-based impediments to growth and, at the same time, increase women’s participation in international trade (Kuhlmann 2006). The project was undertaken in over a dozen countries, including Peru, where a gender and pro-poor value chain analysis of the artichoke sector (a high growth export sector) was funded (USAID 2009). Gender wage gaps, gender segregation between occupations, and the relatively low profit margins of small and medium-sized enterprises operating in the sector were all important factors found to be restricting the benefits of trade to poor Peruvian women and men (USAID 2009).

To mention another donor-led example, the Canadian International Development Agency (CIDA) published the Gender Equality and Trade-Related Capacity Building resource tool, providing suggestions on how gender dimensions can be integrated into technical assistance for trade interventions. The resource tool identifies issues, barriers and needs for development assistance teams to address in projects which support the negotiation and implementation of international

trade agreements (CIDA, 2004: 7). CIDA's primer on Aid for Trade (CIDA 2012) builds on this analytical framework by outlining a step-by-step guide for addressing gender equality in areas such as trade policy and regulation, trade facilitation and regional trade agreements. This series of NSI research papers is supported by CIDA through a Canadian capacity development program for trade-related initiatives which recognizes the importance of gender equality as a mutual goal among trading partners.

Focusing on gender impacts in specific trade areas, the Commonwealth Secretariat and One World Action developed an ex-ante⁵ "Gender-Aware Framework" of the effects of Export Processing Areas (EPAs)⁶ in Jamaica, Tanzania and Mozambique (Fontana 2009). The Gender-Aware Framework is based on an analysis of two types of economic changes resulting from EPAs: i) the import competition effect and ii) the revenue effect (impact of the loss of government revenue from the reduction of import duties). Based on these assessments, the country case studies then weighed the gendered impacts likely to occur, including on: labour force composition; working conditions, earning and labour market segmentation; access and control over resources; household time burdens; consumption; and social services (Fontana 2009: 11). A common conclusion in the case of all three countries was that vulnerable women (as producers and consumers) are unlikely to take advantage of the economic opportunities resulting from increased trade with the EU due to EPAs, for a number of factors. The authors also warn that, unless government policies mediate impacts, increasing inequality between more affluent and poorer households may result (Fontana 2009: 6).

By contrast to models which analyse potential impact, ex-post impact assessments of gender-related trade concerns attempt to gauge the effects of trade liberalization as it plays out following the implementation of a trade agreement or liberalization period. There are various analytical efforts that fall into this category, originating within multilateral, academic, feminist and civil society spheres and their methods vary accordingly. As explicit references to gender equality in the core text of trade agreements become more common, ex-post gender impact assessments are likely to become more ubiquitous.⁷

The World Trade Organization may seem like an appropriate space in which to spearhead these efforts, and there has been somewhat of a move in this direction. For instance, the WTO's informal Working Group on Gender and Trade has integrated some analytical tools into the Trade Policy Review Mechanism (TPRM) process that identify opportunities and threats to women's well-being relating to international trade rules. TPRMs are not intended to assess the impact of trade agreements, but rather only country-level compliance with them (Eldis 2012), however, limiting the merit of this approach for gender advocates.

By comparison, The Asia-Pacific Economic Community (APEC) has been advancing gender equality issues within their regional trade community with better results. Since 1999, APEC has pursued three lines of integrating gender concerns into trade: gender analysis, sex-disaggregated data, and involving women in APEC (APEC 1999). APEC has created Gender Focal Point clusters to provide expert gender equality advice to APEC members, including on supporting women entrepreneurs

⁵ Although this framework was employed as a speculative tool to determine the likely impacts from a gender perspective, the author state that the approach can be applied to other FTAs, as an ex-ante or ex-post gender evaluation tool (Fontana 2012: 8).

⁶ This project builds on past efforts to examine the gendered impacts of EPAs, such as those by the Association of World Council of Churches-related Development Organizations in Europe (APRODEV) in the early 2000s. See: www.aprodev.net/

⁷ Specific mentions of gender equality (GE) in FTAs - illustrating increased political commitment to GE from the states parties - may increase the availability of funding for gender-related programmes of technical cooperation. For example, the case of Economic Partnership Agreements (EPAs) between the EU and the ACP (Africa, Asia and the Pacific) group of countries have been accompanied by technical cooperation on gender issues (IANWGE, 2012).

and small and medium sized enterprises. APEC's approach is focused on designing trade interventions that benefit women in member countries, including Peru. In December 2009, for example, APEC hosted an international seminar in Lima, Peru to exchange policy experiences supporting female entrepreneurs between Australia, Canada, Chile and Peru.⁸

In the Latin American region, the Inter-American Development Bank (IDB) has made strides in advancing analytical frameworks for the integration of gender equality in trade agendas. The IDB's Trade and Integration branch has recently undertaken a year-long study of gender and trade in order to advise their country offices and in-country stakeholders on how to integrate gender equality concerns into trade operations in practical, program-oriented ways (Zamora 2012).

Finally, case studies of the gendered effects of trade agreements in the Latin American region abound – in particular relating to NAFTA and changes in female employment in the agricultural and manufacturing sectors (Salazar 2007a,b; Deschamps 2007) – with somewhat positive but mixed conclusions. Efforts to link trade liberalization with poverty reduction and greater gender equality have also been made with reference to Honduras (De Hoyos 2009).

A sector approach is commonplace in trade studies looking at the employment effects of export-oriented products. According to a Commonwealth-funded study of gender and trade (Williams, 2003: 42), sector evaluation approaches are useful as they (a) monitor constraints, challenges and opportunities facing men and women in the sector; and (b) monitor changes of state policy and programs; trends in the care economy; access to and ownership of assets; and sectoral market trends. They can also facilitate an analysis of gender-related changes in sensitive sectors under a trade agreement or period of trade liberalization.

On the other hand, a sector approach to gender impact assessments has limitations. Indicators will be biased toward labour market data, such as: female participation levels in the labour force, occupational segregation and the wage gap between men and women. By defining women and men only as workers or employers, the researcher's ability to evaluate impacts on men and women as consumers or the changing relations among husband and wife within the household, is limited. Another limitation to this approach is that the importance of women to the care economy will be marginalized.

Box 1. Steps involved in designing an impact assessment

To undertake a gender impact assessment of trade, it is important to set out clear objectives from the outset, including why the evaluation is being pursued, for whom, and over what period of time.

Questions that might be useful to answer include:

- Why are you interested in assessing the impacts of trade in Colombia/Peru from a gender perspective? i.e. Are you particularly interested in the way in which women and men of a region, population or group may be affected by trade?
- Do you have a hypothesis (on the positive/negative impacts) to test? (What are the anticipated impacts of the trade agreement?) In the case of a trade ministry, for example, the research team may be interested in gauging the impacts of trade on expanding the scope of job opportunities for women and men in a specific sector or region.
- Who is the intended audience of the assessment (i.e. a private firm, a regional population)?

⁸ Former Minister for Foreign Affairs, Alberto Gonzalez and former Minister for Women, Nidia Vilchez, presented at this high level seminar. (For more information, see "Project Policies to Support Women Entrepreneurs in APEC." 2009. MIMDES/ Peru. Lever Enterprises, Canada)

- What is the intended outcome (i.e. an improved trade policy or mitigation program)?
- Who will be participating in the assessment and what can be done to include all relevant stakeholders?

Answering these questions may help a research team focus its approach to gender assessments in ways that are results-oriented. Evidently, if the assessment is government-initiated, it will be more oriented toward monitoring legal obligations or achieving policy goals. If the assessment is academic, the methodology will be based on which discipline is leading the project. Nevertheless, answering the goal-related questions above can help ensure that the assessment approach is the best one to meet intended goals and/or audiences. To do so, researchers involved in the impact assessment may decide to make the process more policy-oriented and interdisciplinary.

Once the objectives and methods of the assessment are validated by all those involved, the research team must identify which available data sources it can draw on, which key categories of analysis it will examine, and which indicators will be selected to monitor changes in those categories. It is best to triangulate quantitative and qualitative data sources, where possible. Civil society groups may want to team up with academic or policy institutions in order to provide guidance with these tasks. Identifying themes and data sources in advance can also help researchers think through which additional actors – such as firms or labour unions – that they may want to involve in the gender impact assessment.

It is also important to give some thought as to the timing of your gender assessment. If linking the analysis to a particular FTA, your research team should:

- 1) Identify the year when the trade agreement entered into force; this will be the year in which your baseline data is collected; and
- 2) Identify “milestone” years when indicators will be monitored over time, (for instance, the years where tariffs are reduced or eliminated in sectors of interest), or a time series period.

If the research team intends to examine laws and regulations that are incorporated into domestic policy to implement the trade agreement, then you may want to look at a longer period of time.

4. Tailoring these models to Peru and Colombia

This CIDA-funded capacity building project identifies two target sectors for further exploration of gender and trade issues in both Peru and Colombia. In Peru, the agro-export and the textile/manufacturing sectors were chosen due to three criteria: an important representation of female workers; the fact that trade concessions were made in that sector under the FTA; and based on consultations undertaken with stakeholders in Lima in May 2012. In Colombia, for the same reasons, the cut flower and textile/manufacturing sectors were chosen.

What is the current status of gender equality in these sectors’ labour markets, as experienced in Latin America, and what have the recent experiences in these sectors been in Peru and Colombia? To complement the analysis in the accompanying NSI paper by Pablo Heidrich, this section will delve into these questions and will conclude by highlighting key sector issues to monitor from a gender perspective.

Agriculture

In the agricultural sector, Latin American experiences have been mixed regarding the gender and labour market effects of trade liberalization.

New markets often open up cash crop opportunities, which tend to increase waged employment. While, today, as many rural women in Latin America work in agriculture as do men, women often have non-remunerated occupations on family farms, such as tending to animals and plants

(Anderson 2011). Small farmers (both men and women) may be unable to take advantage of new trade opportunities at all without relevant capacity-building and extension services (GATE 2009). In situations of competition (where a new trading partner produces the same export crops), job losses for both female and male smallholder farmers and an increase in migration may occur, as was the case of Mexico in the late 1990s (Gibb 2008, Salazar 2007).

For the women that do participate in the agro-export labour market, their comparative advantage vis-à-vis male workers tends to manifest itself in a lower salary scale, less stable work, and lower health and safety standards (Flores Mego 2006; Barrientos 2007). In fact, a gender study by Chile's Ministry of Agriculture (Nagel, 2007: 25) found that there is an inverse relationship between the volume of Chilean agricultural exports and the average female wage in the sector. The same study also concluded that women work in less competitive areas of export production. Temporary contracting of small businesses to large agro-export firms has become the norm for male and female workers in many countries in Latin America, including Peru. Some studies show that women face gender discrimination both at the point of being hired (for example, if they are pregnant) and fired (as women are most likely to be let go in low seasons) (Flores Mego 2006).

In Peru, agricultural exports – including asparagus, grapes, mangos, and coffee – have recently experienced accelerated growth due to the signing of various free trade agreements, including with Canada. According to the export promotion branch of Peru's Ministry of Trade, in 2011 agricultural exports grew by 30% over the previous year, amounting to 2.8 billion (Silva Martinot 2012). Growing demand for agricultural workers has resulted in the creation of new towns around agricultural export businesses in regions like Ica and La Libertad (CLADEM 2011).

This sector is highly labour intensive and a major employer for rural Peruvians. Over the past few years, Peru has seen a significant increase in female employment in crops such as fruit and vegetables. In fact, female employment has risen faster than male employment in the main agricultural regions of the country⁹ (Flores Mego 2006). Women are employed at all stages along the sector's value chain, however employers tend to hire women with low levels of education, including indigenous women; the majority of these occupations have poor health benefits and are temporary in nature (León 2009).

Another concern from a gender perspective lies in the fact that Peru's agro-export industries are dominated by large producers. Large firms in Peru's agro-export sector tend to have low re-investment rates in the local economy, despite high profit margins. While many large agro export businesses provide useful services that benefit both men and women (i.e. roads and infrastructure) and espouse corporate social responsibility codes, critics argue that the Peruvian firms and the government should do more to improve decent work – social security, health insurance, etc. - especially for women (CLADEM 2011).

At the same time, the majority of small agricultural businesses - where Peruvian women workers are overrepresented – produce for local, as opposed to international, markets (i.e. milk products). These businesses tend to be less competitive and dynamic than areas where male workers dominate, marginalizing rural women from greater access to trade benefits (Flores Mego 2006). As a step in the right direction, there is currently debate on reforming Peru's Law on Agricultural Promotion (no. 27360), in order to improve labour regulations and to provide more support to small and medium sized businesses in the sector (León Carrasco 2012, CEPES 2006).

⁹ Agricultural regions in the country include Amazonas, Madre de Dios, Puno, Arequipa, Ayacucho, Ica, Huancavelica, La Libertad, Junín, Lambayeque, Huánuco y San Martín (SICEX 2012).

Textiles

The textiles industry is another important sector employing women in Latin America. Textile and garment exports in Colombia, valued at \$1.1 million in 2011, have experienced sustained growth over the past few years. In 2007, sector exports grew 50% over the previous year; similarly, in 2009, they rose by 42%, and in 2010, 15% (DANE 2012a). In 2010, the sector supported almost ten thousand (8905) firms, mainly in Bogota, Medellin and Cali (DANE 2012b). These firms generate a significant number of permanent and contractual jobs (129,434 in 2007), 60% of which are held by women (DANE 2012b).

The manufacturing of cottons, fibres, textiles and garments is one of the Colombian government's strategic sectors under the 2004 Domestic Agenda on Competitiveness and Productivity (DNP 2004). This trade promotion policy seeks to strengthen distribution channels, access to new markets and to further integrate global chains (DNP 2007).

A key concern from a gender perspective is that outsourcing has become common (affecting both male and female workers). A study on textile business conglomerates in Bogota found that the vast majority of firms subcontract assembly, pattern-making and sewing processes, which "are labour intensive and imply third-party subcontracting labour savings" (Triviño, 2012:44). Furthermore, 'maquilas,' or small and informal satellite businesses, which depend on contracts from medium and large sized enterprises, have proliferated. These businesses employ a predominantly informal, female labour force, illustrating typical gender inequalities in the sector's labour force and business ownership (Camacho 2008).

Another issue illustrated by case of Colombia's textile sector is the effect trade liberalization has had on small and medium sized enterprises (SMEs), where women are disproportionately employed. Since the country's liberalization began in 1991, 55% of Colombian SMEs disappeared in the first half of the decade. The textiles industry was particularly hard hit by international competition. The liberalization era also instigated an increase in international imports, which dampened growth (Lopez, 2010: 283) impacting women in a number of ways: as workers, they were most affected by the fall in wages, economic insecurity and job precariousness and as small business owners, women were adversely affected by the increase in international competition (Camacho, 2008:69); as consumers, however, women benefited from the lower prices and the larger variety of products on the market.

Cut Flowers

The cut flower industry is another sector illustrating both positive and negative gender impacts of trade in Latin America. Colombia is a case in point.

Colombia's cut flower industry has grown over the past few decades to be solely export-oriented (98% of cut flowers in Colombia are exported) and highly competitive globally (the Colombian product represents 14% of the world market in flowers (Castro Romero 2008:8). Colombia's 169 export firms operating in the sector (ASOCOLFLORES, 2011: 36) have benefited from market access to the European Union, the United States, and, since 2010, the Canadian free trade agreement. The Ministry of Agriculture, (through the Finagro program), provides income protection incentives for Colombian firms in the agro-export industries, including floriculture (ASOCOLFLORES, 2011: 36).

The cut flower industry is significant source of income to urban and rural Colombian women and men – employing more than 180,000 Colombians (ASOCOLFLORES, 2011: 5). Most of these jobs are

located in the la Sabana region near Bogotá and Rio-negro in Antioquía. The industry has demonstrated a preference for female labour over male labour, as women are perceived to be best suited for the delicate nature of many of the industry's occupations, such as pickers, sorters, arrangers and packers (Jaramillo 2006). It is estimated that 65% of workers in the country's flower industry are women (Ghils, 2012: 22).

Academic studies draw mixed lessons from Colombia's experience in promoting this sector. A 2008 study commissioned by the Latin American chapter of the International Network on Gender and Trade (Castro Romero, 2008) cites precarious and casual work, food security, and gender discrimination, among other issues, as key concerns arising with the sector's expansion. While the linkage to international flower markets has, to some extent, increased the level of labour standards to which exporting firms are held accountable, Castro Romero (2008) emphasizes that labour enforcement continues to be a problem, particularly under the practices of small and medium sized firms and subcontractors. Owing to the increasing number of hectares (6544 in 2006) diverted away from domestic food production to flowers (Castro Romero 2008), food security is cited as a gender-related concern in the context of aid programs providing incentives for labour to move into cut flower production. (The U.S. Drug Eradication Program is one pertinent example).

Other studies cite environmental and socio-familial problems relating to the cut flower industries in Colombia (and Ecuador). A trend of female migration to large export-processing regions to seek work has sometimes resulted in changing family structures, such as an increase in women-headed households (Jaramillo 2006). More recent studies (Ghils 2012) cite water contamination near Bogota, lack of adequate occupational health standards and mental health issues as concerns facing workers and communities.

Positive impacts resulting from advocacy on the above-mentioned issues include private sector-driven initiatives to improve the sector's labour and environmental track record. The industry's business association (ASOCOLFLORES), for example, created its own social responsibility code (Flor Verde) in 1996 and has since funded a number of community development programs, including in health and education (Mejia, June 6 interview, 2012).

Box 2. Canada's FTAs with Peru and Colombia: Specific avenues to monitor gender-related issues?

While the Canadian FTAs with Peru and Colombia have various gender-related implications, they lack language demonstrating legal obligations with regard to gender equality. However, both FTAs include provisions on the importance of avoiding gender discrimination in employment in the side agreements on labour (Annex 1). This clause states that "gender issues, including the elimination of discrimination in respect of employment and occupation" are issues around which cooperative activities may be developed by Canada and Peru/ Colombia. This clause raises the importance of ensuring that employers follow international standards on decent work - such as those found in the International Organization for Labour's Convention 111 - in sectors impacted by the FTAs. Its inclusion also implies the need to include "gender issues," broadly defined, as a category of analysis in any FTA monitoring framework.

Currently, the Ministries of Labour in Peru and Colombia would be the responsible government entities for due diligence in exploring this type of cooperative activity. In future, Peru, Colombia and Canada might also consider creating specific avenues - such as inter-departmental teams with other relevant ministries and key stakeholders - to monitor trade-related gender issues and communicate any concerns that arise to the other state party during bilateral meetings.

Source: Author's analysis based on the Canadian free trade agreements and labour side agreements with Colombia and Peru and consultations with public authorities in Lima and Peru.

5. Monitoring gender-sensitive impacts: identify relevant impact areas and indicators

Based on this brief overview of some of the key issues arising from the literature on trade, gender equality and social issues, we can begin to draw out a number of similar concerns regarding the textile, cut flower and agro-export sectors. A major focus of the studies in Peru and Colombia tends to be on labour market impacts, especially on the labour conditions facing female workers. In all three sectors, the lack of amelioration in labour standards - despite trade liberalization and employment generation - is a key concern.

Impact areas in this category include:

- Lack of sufficient domestic labour/social security regulations, or enforcement of existing regulations, especially among subcontractors (affecting men and women);
- Lack of well-remunerated, permanent positions and of career development opportunities (disproportionately affecting women); and
- Discrimination in wage and hiring practices (between men and women, and possibly between groups of different education levels and ethnicity).

To a lesser extent, other impact areas affecting women and men we can observe from the sectoral overview include: food security, health and environmental concerns, as well as migration resulting from fast growth of these export industries. These impacts affect not only workers, but employers and community members as well. Moreover, a few of the studies (in the agro-export and textiles industries) highlighted concerns for business owners, as opposed to workers. The primary concern here was that small and medium-sized enterprises – where women predominate – are not competitive enough to access the full potential of trade opportunities.

A number of questions and indicators corresponding to these impact areas are laid out in the table below (See Annex 1). Annex 1 is intended as a reference for interested researchers within public, private or civil society sectors, and as a starting point for inquiry, which can be adapted for more specific uses. This type of analysis could be complemented by more detailed analyses of trade competitiveness (considering both imports and exports) and domestic trade policy analysis, (for instance, scanning for new trade promotion programs or production incentives), in turn, signaling new areas where monitoring will be useful. For example, the consequences on consumers and households of a surge in imports resulting from trade liberalization hold important gender-related implications (such as that it may increase the purchasing power of poor women and men) worthy of study.

A final note on data

Any gender impact assessment of trade will be restricted by the availability of recent and reliable, sex disaggregated data, therefore multiple sources of data is recommended. Qualitative data – i.e. information describing changes affecting women and men collected by focus groups, interviews (or other means) - is beneficial as it provides an additional level of specificity or description to quantitative data (APEC 2009).

In Peru, government ministries with databases on labour market and export sector information, some of which is disaggregated by gender, are: the National Statistical Institute (INEI) – which undertakes periodic household and labour market surveys (i.e. Encuesta Nacional de Hogares) - the Ministry of Labour, Industry and Manufacturing Industry (PRODUCE). In addition, the Peruvian Exporters Association (ADEX) collects some gender disaggregated information on their member firms.

In Colombia, official sources with similar types of gender-disaggregated data are: the National Administrative Statistical Institute (DANE) – including household surveys (i.e. Gran Encuesta de Hogares EAM, etc.) and other periodic censuses and surveys – and the Gender Forum of the High Presidential Council for Gender Equity (ACPEM's Observatorio de Asuntos de Genero).

In addition, there are a number of multilateral institutes which compile labour market, trade and export sector data on a country basis, including the International Labour Organization's Key Indicators of the Labour Market database ([KILM](#)), the UN Conference on Trade and Development ([UNCTAD](#))'s Population and Labour Force statistics and the Economic Commission for Latin America and the Caribbean ([ECLAC](#)). Sex-disaggregated data on trade and labour force topics may be available from a number regional research institutes as well, such as:

- [SCielo Peru](#) / [SCielo Colombia](#) (Journals of Economics / Health sciences)
- Economic and Social Research Consortium ([CIES](#))
- Women in Informal Employment ([WIEGO](#)), and
- The Latin American chapter of the International Network on Gender and Trade ([IGTN](#)).

These sources are far from comprehensive for the needs of researchers interested in a broader gender analysis of trade and export promotion. There is a clear need for agencies dealing with trade - not only trade ministries but industry partners as well - to collect a more diverse array of gender-disaggregated data. Surveys capturing information on the number of female-headed businesses, businesses with high levels of female executives, and the success rates of SMEs in establishing new export markets, for example, would be useful in monitoring the gender-distribution of trade benefits.

Annex 1: Gender Impacts Monitoring Matrix, in the context of trade liberalization

Impact Type (Category of analysis)	Key Questions	Impact Indicators (Data sets to collect, over time, since the FTA came into force)
<i>Wages and work conditions</i>	How has the gender composition of the labour force changed?	# male workers in sector # female workers, by occupation
	Have salaries increased/decreased?	Annual salary levels, by occupation and by sex
	Is the percentage of jobs that are subcontracted/ informal increasing/decreasing?	% subcontracted/informal jobs for men/ women, by sex
	Have permanent jobs increased/ decreased? Has this been sustained over time?	% or # formal jobs for men/ women, by year and by sex
<i>Career development</i>	Do employers provide training and incentives to develop workers' skills base?	\$ invested in training/ incentives for men/women, by firm
	Have new job opportunities/categories been created for women and men?	# and type of new jobs for men/women, by firm
	Has gender segregation by occupation increased/decreased? (net, or as compared to other sectors)	# male/female workers, by occupation
<i>Social security</i>	Do gender gaps exist in benefits coverage (social security/ health)?	# male/female workers with benefits coverage, by type
<i>Discrimination</i>	Has the gender wage gap ¹⁰ increased/ decreased?	Salary levels, by occupation and by sex
	Do hiring protocols ban gender discrimination (impacting men or women) on the part of small, medium and large employers in the sector, and are these enforced?*	Primary sources (hiring protocols), and secondary sources
<i>Competitiveness of SMEs</i>	Are trade promotion programs or initiatives targeting small, medium and large firms?	# SMEs and large firms targeted, by sector/ region, by women-led business
	Are SMEs receiving required training and information	# SMEs targeted # women-led businesses targeted

¹⁰ By 'gender wage gap,' the author is referring to a differential in salary between a man and a woman in the same occupation, with equal responsibilities.

	services to be able to access new export opportunities?	Type(s) of training and information.
	Are small businesses facing particular barriers being targeted by trade promotion programs?	# minority/women-led business beneficiaries. # minority/sex-specific initiatives
<i>Access to assets/resources</i>	Are domestic business owners (women and men) able to access sufficient resources and capital to access new export markets?	Levels of start-up capital, by sector and by firm
	Has the distribution of land ownership changed? Has food insecurity become a problem in main regions affected by the sector?	Primary sources (Land ownership policies and regulations) # of child food programs in schools, by region
	Have rural-urban migration flows changed in main regions affected by the sector?	Internal migration trends, by region

*Note: A cooperation area under the Canadian FTAs with Peru and Colombia.

Annex 2: Workshop Questions

1. Which impact areas (and questions) in Annex 1 have workshop participants dealt with in their particular area of work, or could feasibly address in their work in future? How have/would this type of analysis be approached?
2. In Peru/Colombia, have gender impact assessments of trade been conducted? Which key results were found and what response ensued? (If none, discuss similar initiatives. i.e. human rights impact assessments of trade).

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