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

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by

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Abstract

This report discusses the importance of monitoring the actual and potential impacts of free trade agreements from a gender perspective at the regional and bilateral levels.

The report presents a number of approaches to gender impact assessments for policy analysts, researchers, private and civil society actors in Peru, Colombia and Canada. It provides an overview of some of the gender issues arising from trade liberalization in key export sectors in Peru and Colombia. It concludes with a set of possible gender sensitive indicators for use by in-country stakeholders in examining trade impacts from a gender perspective.

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A shorter version of this report is available as an NSI policy brief at www.nsi-ins.ca. A report titled “Gender and Free Trade Agreements: Best Practices and Policy Guidance” and an accompanying NSI policy brief can also be found at www.nsi-ins.ca.

Introduction

This report discusses the importance of monitoring the actual and potential impacts of free trade agreements (FTAs) 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)” initiative under the Canada-Americas Trade Related Technical Assistance Program, which is funded by the Canadian International Development Agency and implemented by the Conference Board of Canada. The report presents a number of approaches for policy analysts, researchers, and private sector 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 report concludes with a set of gender-sensitive indicators that can be used by in-country stakeholders to examine trade impacts from a gender perspective.

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 international 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 prices of goods. 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 (Rubin, Manfre, and Barrett 2009).

Trade that advances inclusive development, creates better jobs for women and men, and reduces barriers to participation in global chains for women can best realize the benefits that trade agreements seek to achieve. Since this type of trade does not always result from trade liberalization, however, gender impact assessments are necessary. They can help identify the intended and unintended impacts of trade liberalization on communities.

Governments have longstanding international obligations to promote women’s economic rights. The 1979 United Nations (UN) Convention on the Elimination of All

Forms of Discrimination against Women (CEDAW), for instance, holds that all countries have obligations to respect and fulfill various women's economic rights and to ensure non-discrimination between men and women.¹ In 1995, UN members agreed to “[s]eek to ensure that national policies related to international and regional trade agreements do not have an adverse impact on women’s new and traditional economic activities” (UN 1995, F.1. 165. k.).

By regularly integrating gender impact assessments into trade agendas, government officials and 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 sector actors can better assess their business development strategies as well as labour and corporate social responsibility codes. Civil society actors can provide an important watchdog role by helping to identify issues that might be overlooked by government officials and private sector actors.

Ultimately, gender impact 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 abilities to gain from trade and they mitigate against possible negative impacts.

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 that result from more open trade, however, have begun to emerge over the past few years. These types of assessments can be conducted before (ex-ante) or after (ex-post) a change in trade policy, such as the implementation of a FTA, 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 FTA and gender considerations are ultimately integrated into final FTA texts. This recommendation is important, in terms of substance, because an analysis can inform provisions to safeguard and promote gender equality (in the core text of an agreement or in side agreements). It is significant with regard to warning of

¹. See articles 11, 13, and 14, among others, of the CEDAW: <http://www.un.org/womenwatch/daw/cedaw/text/econvention.htm#article11>.

the possible negative impacts on men and women before an agreement is signed. It is also important procedurally because institutional mechanisms, such as trade commissions,² can be used to assess the gendered impacts of an agreement. Notably, Canada's FTAs with Peru and Colombia include gender-related provisions on cooperation activities (see Box 2). The United States–Central America Free Trade Agreement and the European Union–Mexico Global Agreement also imbed gender-related issues in sections pertaining to capacity development (IANWGE 2011, 14–16). Still, gender considerations are rarely included in the final texts of FTAs.

Sustainability impact assessments (SIAs) are one type of ex-ante assessment which often includes an analysis of gender equality concerns. SIAs are assessments that employ economic modelling 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 instance, the SIA financed by the European Commission in the lead up to the European Union–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, civil society, and academic sectors (DEVELOPMENT Solutions, CEPR, and IDPM 2009, 138). Although SIAs tend to address labour issues and regional inequalities (e.g., rural-urban differences), they may not comprehensively address impacts related to gender equality.

Gender trade impact assessments (GTIAs), originally proposed by the UN Inter-Agency Network on Women and Gender Equality Task Force on Gender and Trade, is an ex-post assessment that emerged over the past few years. GTIAs put forward a model that analyzes 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” (Tran-Nguyen and Zampetti 2004, 373). Undertaken after a FTA enters into force, the methodology assesses not only the economic changes linked directly to the agreement but also the changes brought about by associated domestic legislation and regulation in subsequent years (Salvador and Pedetti 2010).

In 2003, the Women's Edge Coalition proposed trade impact reviews (TIRs) as a GTIA that considers the impacts on women and men in both countries party to a trade

². Agendas of the annual trilateral North American Free Trade Agreement commission meetings, for example, have regularly included a review of gender issues of concern to the United States, Canada, and Mexico (MacLaren 2007).

agreement. The economic framework behind these reviews assumes that trade between countries will lead to changes in the prices of goods and services, the costs of labour, and the sexual division of labour in particular sectors (White, Salas, and Gammage 2003). TIRs identify different factors that 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. They cover economic and legal impacts and can be undertaken by a variety of actors including negotiators, trade officials, and academics (Gammage et al. 2003). TIRs conducted by the Women's Edge Coalition include a study of the effects of trade liberalization on Jamaica's poor with a focus on the agriculture and services sectors (Wyss and White 2004) and a gender analysis of employment and poverty impacts in the agriculture sector in Mexico (White, Salas, and Gammage 2003).

Building on the TIR framework, the United States Agency for International Development (USAID) initiated the four-year Greater Access to Trade Expansion (GATE) project in 2005 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 (dTS 2009). Gender wage gaps, gender segregation between occupations, and the relatively low profit margins of small and medium-sized enterprises (SMEs) operating in the sector were all important factors found to be restricting the benefits of trade to poor Peruvian women and men (dTS 2009).

To mention another donor-led example, CIDA published the Gender Equality and Trade-Related Capacity Building resource tool in 2003, which provides suggestions on how gender dimensions can be integrated into technical assistance for trade. The resource tool identifies issues, barriers, and needs for development assistance teams to address in projects that support the negotiation and implementation of international trade agreements (CIDA 2003, 7). CIDA's primer on Gender Equality and Aid for Trade 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 (see CIDA 2012).

Focusing on gendered impacts in specific trade areas, the Commonwealth Secretariat and One World Action developed an ex-ante³ Gender-Aware Framework to assess the

³. Although this framework was employed as a speculative tool to determine the likely impacts from a gender perspective, the approach can be applied to other FTAs as an ex-ante or ex-post gender-based evaluation tool (Fontana 2012, 8).

effects of export processing areas (EPAs)⁴ in Jamaica, Tanzania, and Mozambique (Fontana 2009). The framework is based on an analysis of two types of economic changes resulting from EPAs, the import competition effect and the revenue effect (the impact of the loss of government revenue from the reduction of import duties). Country case studies weigh the gendered impacts likely to occur, including those on labour force composition, working conditions, earnings, labour market segmentation, access and control over resources, household time burdens, consumption, and social services (Fontana 2009, 11). A key conclusion for all three countries was that vulnerable women (as producers and consumers) are unlikely to take advantage of the economic opportunities presented by increased trade with the European Union due to EPAs, for a number of reasons. The authors warn that, unless government policies mitigate impacts, increased inequality between more affluent and poorer households may result (Fontana 2009, 6).

In contrast to models which analyze potential impact, ex-post gender impact assessments attempt to gauge the effects of trade liberalization as they play out following the implementation of a trade agreement or a period of liberalization. Various analytical efforts originating within policy, academic, feminist, and civil society circles fall into this category, hence methods vary. As explicit references to gender equality in the texts of FTAs become more common, ex-post gender impact assessments are likely to become more ubiquitous.⁵

The World Trade Organization (WTO) may seem like an appropriate space in which to spearhead efforts to popularize ex-post gender impact assessments, 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 process that identify opportunities and threats to women's well-being related to international trade rules. Trade Policy Reviews, however, do not assess the impact of trade agreements, only country compliance with them (Eldis 2012), which limits their merit for gender advocates.

By comparison, Asia-Pacific Economic Cooperation (APEC) has been advancing gender equality issues within the 21-country regional trade forum with better results. Since 1999, APEC has integrated gender concerns into trade through gender analysis,

⁴. 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 Organisations in Europe (APRODEV) in the early 2000s. See www.aprodev.net.

⁵. Specific mentions of gender equality in FTAs—illustrating increased political commitment to gender equality—may increase the availability of funding for gender-related technical cooperation programmes. For example, Economic Partnership Agreements (EPAs) between the European Union and the ACP (Africa, Asia, and the Pacific) group of countries have been accompanied by technical cooperation on gender issues (IANWGE 2011, 14–16).

use of sex-disaggregated data, and involvement of women in APEC (APEC 1999). The forum created the Gender Focal Point Network to provide expert gender equality advice to APEC members, including support for female entrepreneurs and SMEs. APEC's approach is focused on designing trade interventions that benefit women in member countries. In December 2009, for example, APEC hosted a high-level international seminar in Lima, Peru, to exchange policy experiences supporting female entrepreneurs between Australia, Canada, Chile, and Peru (see Ministerio de la Mujer y Desarrollo Social 2009).

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

Finally, case studies of the gendered effects of trade agreements in Latin America abound—particularly studies relating to the North American Free Trade Agreement and changes in female employment in the agricultural and manufacturing sectors (Mujer y Medio Ambiente, A.C. 2007; Salazar 2007; Góngora and Sandolval 2007)—with somewhat positive but mixed conclusions. Efforts to link trade liberalization with poverty reduction and greater gender equality have been made with reference to Honduras (De Hoyos, Bussolo, and Núñez 2009).

A sector approach is commonplace in trade studies looking at the employment effects of export-oriented products. According to a Commonwealth-funded study on gender and trade, sector evaluation approaches are useful because they (1) monitor constraints, challenges and opportunities facing men and women in a sector, and (2) monitor changes of state policy and programs, trends in the care economy, access to and ownership of assets, and sectoral market trends (Williams 2003, 42). They can also facilitate analyses of gender-related changes in sensitive sectors under a trade agreement or during a period of trade liberalization.

A sector approach to gender impact assessments has limitations, however. Indicators are 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 men and women only as workers or employers, a researcher's ability to evaluate impacts on men and women as consumers or the changing relations among

husband and wife within the household is circumscribed. Another limitation of this approach is that the importance of women to the care economy is marginalized.

Box 1. Steps involved in designing a gender impact assessment

To undertake a gender impact assessment of a trade agreement, it is important for a research team 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 a country from a gender perspective? 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 about which 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 (e.g., a private firm, a regional population)?
- What is the intended outcome (e.g., 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. 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 the discipline that 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 satisfy audiences.

Once the objectives and methods of the assessment are validated by all people 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, when possible. Civil society groups may want to team up with policy or academic institutions in order to provide guidance with these tasks. Identifying data sources and categories in advance can help researchers think through which additional actors—such as firms or labour unions—they may want to involve in the assessment.

It is also important to give some thought to the timing of the gender impact assessment. If linking the analysis to a particular FTA, the research team should (1) identify the year when the

trade agreement entered into force (this is the year from which baseline data should be collected) and (2) identify “milestone” years when indicators will be monitored over time (for instance, the years when tariffs were/will be reduced or eliminated in sectors of interest) or a time series period. If the research team intends to examine domestic laws and regulations implementing the trade agreement, then it may want to look at a long period of time.

Tailoring Models to Peru and Colombia

The CIDA-funded Canada-Americas Trade Related Technical Assistance Program identifies two target sectors in both Peru and Colombia for further exploration of gender and trade issues. In Peru, the agro-export and the textiles/manufacturing sectors were chosen due to three criteria: an important representation of female workers, the fact that trade concessions were made in those sectors under the FTA with Canada, and based on consultations undertaken with stakeholders in 2012. In Colombia, for the same reasons, the cut flower and textiles/manufacturing sectors were chosen.

What is the current status of gender equality in the labour markets of the agro-business and textile/manufacturing sectors, as experienced in Latin America? And what have the recent experiences in these sectors been in Peru and Colombia? This section will delve into these questions and will conclude by highlighting key sector issues to monitor from a gender perspective.

Agro-export

In the agro-export 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. As many rural women in Latin America work in agriculture, but women often do non-remunerated work on family farms, such as tending to animals and crops (Burneo 2011). Small farmers (both men and women) may be unable to take advantage of new trade opportunities without relevant capacity-building and extension services (Rubin, Manfre, and Barrett 2009). In situations of competition (where a new trading partner produces the same export crops), job losses for both female and male smallholder farmers in the less competitive country and an increase in migration may occur, as was the case in Mexico in the late 1990s (Gibb 2008; Mujer y Medio Ambiente, A.C. 2007).

For the women who participate in the labour market of the agro-export sector, their comparative advantages *vis-à-vis* male workers tend to be lower wages, less stable work, and lower health and safety standards (Flores Mego 2011; Barrientos 2008). In fact, a gender study by Chile's Ministry of Agriculture found that there is an inverse relationship between the volume of Chilean agricultural exports and the average female wage in the sector (Nagel and Martínez 2007, 25). The same study also concluded that women work in less competitive areas of export production. Temporary contracting of small businesses by 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 (women are most likely to be let go during low seasons) (Flores Mego 2011).

In Peru, agro-exports—including asparagus, grapes, mangos, and coffee—have recently experienced accelerated growth due to the signing of various FTAs, including one with Canada. According to the export promotion branch of Peru's Ministry of Foreign Trade and Tourism, in 2011 agricultural exports grew by 29 per cent over the previous year, amounting to just over US\$2.8 billion (Silva Martinot 2012). Growing demand for agricultural workers has resulted in the creation of new towns around agro-export businesses in regions like Ica and La Libertad (AAV and CLADEM 2011).

The agro-export sector is highly labour-intensive and a major employer of rural Peruvians. Over the past few years, Peru has seen a significant increase in female employment in fruits and vegetables. In fact, female employment has risen faster than male employment in the main agricultural regions of the country (Flores Mego 2011).⁶ 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 jobs have poor health benefits and are temporary in nature (León Castillo 2009).

Another concern from a gender perspective lies in the fact that Peru's agro-export sector is dominated by large producers. These firms tend to have low re-investment rates in local economies, despite high profit margins. While many of these firms provide useful services that benefit both men and women (i.e., roads and infrastructure) and espouse corporate social responsibility codes, critics argue that they, along with the Peruvian government should do more to improve decent work conditions—social security, health insurance, and so on—especially for women (AAV and CLADEM 2011).

⁶. Agricultural regions in the country include Amazonas, Madre de Dios, Puno, Arequipa, Ayacucho, Ica, Huancavelica, La Libertad, Junín, Lambayeque, Huánuco, and San Martín (SIICEX 2012).

At the same time, the majority of small agricultural businesses—where female workers are overrepresented—produce for local, as opposed to international, markets (e.g., milk products). These businesses tend to be less competitive and dynamic than those in which male workers dominate, marginalizing rural women from greater access to trade benefits (Flores Mego 2011). There is currently an ongoing debate about reforming Peru’s Agricultural Promotion Act (Law No. 27360), signed in 2000, in order to improve labour regulations and provide more support to small and medium-sized businesses in the sector (León Carrasco 2012; CEPES 2006). This is a step in the right direction.

Textiles

The textiles sector is another important sector employing women in Latin America. Textile and garment exports in Colombia, valued at US\$1.1 million in 2011, have experienced sustained growth over the past few years. In 2007, sector exports grew 50 per cent over the previous year, in 2009 they rose by 42 per cent, and in 2010 by 15 per cent (DANE 2012a). In 2010, the sector supported 8,905 firms, mainly in Bogotá, Medellín, and Cali (DANE 2012b). These firms generate a significant number of permanent and contractual jobs (129,434 in 2007), 60 per cent of which are held by women (DANE 2012b).

In line with the 2004 Domestic Agenda for Productivity and Competitiveness, the Colombian government promotes the manufacture of cottons, fibres, textiles, and garments (DNP 2004). This trade promotion policy seeks to strengthen distribution channels, access new markets, and further integrate global value chains (DNP 2007).

A key concern from a gender perspective is that outsourcing, which affects both male and female workers, has become common. Evidence shows that the majority of textile business conglomerates in Bogotá subcontract assembly, pattern-making, and sewing processes. Furthermore, *maquilas*, or small and informal satellite businesses that 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 profile (Camacho Reyes 2008).

Another issue illustrated by the case of Colombia’s textiles sector is the effect that trade liberalization has had on SMEs, by which women are disproportionately employed. Liberalization in the country began in 1991 and by the midpoint of that decade 55 per cent of Colombian SMEs had disappeared. The textiles sector was particularly hard hit by international competition. The liberalization period instigated an increase in imports,

which dampened growth (Lopez 2010, 283). This impacted women in a number of ways: as workers, they were most affected by falls in wages, economic insecurity, and job precariousness; as small business owners, women were adversely affected by the increase in international competition (Camacho Reyes 2008, 69); as consumers, however, women benefited from lower prices and a larger variety of available products.

Cut flowers

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

Colombia's cut flower sector has grown over the past few decades to be almost solely export-oriented (98 per cent of cut flowers are exported) and highly competitive globally (Colombian flowers represent 14 per cent of the world market in flowers) (Castro Romero 2008, 8). One hundred sixty-nine Colombian export firms operating in the sector (ASOCOLFLORES 2012, 36) have benefited from market access to the European Union, the United States, and, since signing a FTA in 2010, Canada. Through FINAGRO (Spanish acronym for Fund for Agricultural Financing), the Ministry of Agriculture and Rural Development provides income protection incentives for Colombian firms in the agro-export sector, including floriculture firms (Asocolflores 2012, 36).

Employing more than 180,000 Colombians, the cut flower sector is a significant source of income for urban and rural women and men (Asocolflores 2011, 5). Most of these jobs are located in the La Sabana region near Bogotá and Rinegro in Antioquía. The sector has demonstrated a preference for female labour over male labour, since women are perceived to be best suited for the delicate nature of many of the sector's occupations, such as pickers, sorters, arrangers, and packers (Jaramillo and Flem 2007). An estimated 65 per cent of workers in the country's cut flower sector 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 Gender and Trade Network cites precarious and casual work, food security, and gender discrimination, among other issues, as key concerns arising with the sector's expansion (Castro Romero 2008). While the link to international flower markets has, to some extent, improved the labour standards to which exporting firms are held accountable, Vivian Castro Romero (2008) emphasizes that labour standards enforcement continues to be a problem, particularly under SMEs and subcontractors. Owing to the increasing

number of hectares diverted away from domestic food production to flowers—6,544 in 2006 (Castro Romero 2008)—food security is cited as a gender-related concern by aid programs that provide incentives for workers to move into cut flower production.⁷

Other studies cite environmental and socio-familial problems related to the cut flower sector 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 and Flem 2007). A recent study cites water contamination near Bogotá, lack of adequate occupational health standards, and mental health issues as concerns facing workers and communities (Ghils 2012).

Positive impacts resulting from advocacy include private sector-driven initiatives to improve the sector's labour and environmental track record. The sector'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 (Katheryn Mejia [director for social development, Asocolflores], in discussion with the author, June 6, 2012, Bogotá).

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 to gender equality. However, both FTAs include provisions on the importance of avoiding gender discrimination in employment in the side agreements on labour (see 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 Labour Organization's Convention No. 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 Ministry of Labour and Employment Promotion in Peru and the Ministry of Health and Social Protection in Colombia would be the responsible government entities for due diligence in exploring this type of cooperative activity. In the 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.

⁷. The US-supported drug crop eradication and alternative development program in Colombia is one pertinent example.

Source: Author's analysis based on the Canadian FTAs and labour side agreements with Peru and Colombia and consultations with public officials in Lima and Bogotá.

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, a number of similar concerns regarding the agro-export, textiles, and cut flower sectors can begin to be drawn out. A major focus of the studies on Peru and Colombia is labour market impacts, especially on the labour conditions facing female workers. In all three sectors, the lack of improvement 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 lack of enforcement of existing regulations, especially among subcontractors (affecting men and women).
- Lack of well-remunerated, permanent positions and career development opportunities (disproportionately affecting women).
- Discrimination in wage and hiring practices (between men and women, and possibly between groups with different education levels and/or ethnicities).

To a lesser extent, other impact areas affecting women and men that can be observed from the sectoral overview include: food security, health and environmental concerns, and pull migration related to fast-growing export sectors. These impacts affect not only workers, but employers and community members as well. Moreover, a few of the studies (on the agro-export and textiles sectors) highlighted concerns for business owners, as opposed to workers. The primary concern for the former is that SMEs—where women predominate—are not competitive enough to benefit fully from trade opportunities.

A number of questions and indicators corresponding to these impact areas are laid out in Annex 1. Annex 1 is intended to be a reference for interested researchers within the public, private, and civil society sectors, and a starting point for inquiry, which can be adapted for more specific uses. An analysis guided by Annex 1 could be complemented by a more detailed analysis of trade competitiveness (considering both imports and exports) and domestic trade policy analysis (for instance, scanning for new trade promotion programs or production incentives), which could, in turn, identify new areas where monitoring will be useful. For example, the consequences for consumers and

households of a surge in imports resulting from trade liberalization hold important gender-related implications (for instance, a surge may increase the purchasing power of poor women and men) that are worthy of study.

A final note on data

Any gender impact assessment of trade will be dependent on the availability of recent and reliable sex-disaggregated data, therefore multiple data sources are recommended. Qualitative data—for example, information describing changes affecting women and men collected by focus groups, interviews, or other means—is beneficial because they provide an additional level of specificity or description and complement quantitative data.

In Peru, government ministries with databases on labour market and export sector information, some of which is disaggregated by gender, include the National Institute of Statistics and Informatics (INEI), which undertakes periodic household and labour market surveys (e.g., Encuesta Nacional de Hogares), and the Ministry of Production. Notably, the Peruvian Exporters Association (ADEX) collects some gender-disaggregated information on its member firms.

In Colombia, official sources with similar types of gender-disaggregated data include the National Administrative Department of Statistics (DANE), which conducts household surveys (e.g., Gran Encuesta Integrada de Hogares) and other periodic surveys and censuses, and the Centre for Gender Affairs of the High Presidential Council for Gender Equity (ACPEM's Observatorio de Asuntos de Genero).

In addition, there are a number of multilateral organizations that compile labour market, trade, and export sector data on a country basis. Of interest are the International Labour Organization's Key Indicators of the Labour Market database ([KILM](#)), the UN Conference on Trade and Development's ([UNCTAD](#)) population and labour force statistics (UnctadStat), and the UN 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 such as:

- [SciELO Peru/SciELO Colombia](#) (scientific electronic libraries that have access to journals of economics and health sciences, among others)
- Economic and Social Research Consortium ([CIES](#)) in Peru
- Women in Informal Employment: Globalizing and Organizing ([WIEGO](#))
- The Latin American chapter of the International Gender and Trade Network ([IGTN](#)).

These sources are far from comprehensive and so many not meet the needs of researchers interested in a broader gender analysis of trade and export promotion. There is a clear need for entities 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 about the number of female-led businesses, businesses with high numbers of female executives, and the success rates of SMEs in accessing 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)
Wages and work conditions	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 gender
	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 gender
Career development	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 compared to other sectors)?	# male/female workers, by occupation
Social security	Do gender gaps exist in benefits coverage (social security/health)?	# male/female workers with benefits coverage, by type
Discrimination	Has the gender wage gap ⁸ increased/decreased?	Salary levels, by occupation and by gender
	Do hiring protocols ban	Primary sources (hiring protocols)

⁸. Gender wage gap refers to a differential in salary between men and women in the same occupation who have the same responsibilities.

	gender discrimination (impacting men or women) on the part of small, medium, and large employers in the sector, and are these enforced? ⁹	and secondary sources
Competitiveness of SMEs	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 the required training and information services to be able to access new export markets?	# SMEs targeted # women-led businesses targeted Type(s) of training and information.
	Are small businesses facing particular barriers being targeted by trade promotion programs?	# minority/women-led business beneficiaries # minority/gender-specific initiatives
Access to assets/resources	Are business owners (women and men) able to access sufficient resources and capital, and in turn 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

⁹ . A cooperation area under the Canadian FTAs with Peru and Colombia.

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