Mainstreaming Gender in Trade Policy & Negotiations: case of India

Rajan Sudesh Ratna
Professor Centre for WTO Studies
rsratna@nic.in
rsratna@iift.ac.in

ESCAP/UNDP/ARTNeT
Workshop on Trade and Gender Linkages
15-17 September 2010
Bangkok, Thailand

Trade Policy & Gender

- The Trade Policy of most of the countries now are governed by the multilateral trading system, namely WTO.
- Countries take commitments to liberalise their trade and economy.
- Trade Policy is “Gender Neutral”.
  - But the effects of liberalisation is not.
- Commitments:
  - WTO
  - RTAs

India’s Trade Policy

- Foreign Trade Policy
  - Export Promotion Schemes
  - Import restrictions on Non – BoP reasons
- Doha round – market access:
  - Agriculture : Sensitive and Special Products
  - NAMA : Sensitive items
  - Services : Positive list approach
- RTAs – market access:
  - Current commitments
  - Likely to commit

FEMALE EMPLOYMENT IN INDIA

Findings (Average of 2000 – 2005)

- Men workforce comprises 80.67% of directly employed workers, while female employment is 19.32%.
- 40 lakhs men were employed in the organized sector at an all-India level in 2000-01 which fell to 38.63 lakhs by 2004-05. Female employment rose from 8.81 lakhs to 9.87 lakhs in the same period and grew at 2.3% CAGR.
- In terms of absolute number of women workforce in sectors where women employment is more it has been noted that at an aggregate level, women employment increased by 12.07% from 2000-01 to 2004-05.
- In the organized manufacturing sector, it increased by 13.38%.

High employment sectors

- Manufacture of other food products
- Manufacture of wearing apparel, except fur apparel
- Manufacture of tobacco products
- Manufacture of other chemical products
- Spinning, weaving and finishing of textiles
- These constitute 69% of aggregate female employment in the organized sector.
- Except for manufacture of other chemical products, women workforce increased over the years in all these sectors.
- Manufacture of knitted and crocheted fabrics and articles, Manufacture of other products n.e.c and manufacture of other textiles also saw a huge increase in women workforce in this period.
High employment sectors (2)

- In two sectors the female employment was more than male employment:
  - manufacture of tobacco products (66.89%)
  - manufacture of wearing apparel, except fur apparel (60.88%).
- There are several sectors where the women employment is more than 30%:
  - Agricultural and animal husbandry service activities, except veterinary activities (39.53%)
  - Manufacture of footwear (36.8%)
  - Manufacture of other food products (36.18%)
  - Manufacture of watches and clocks (34.13%)
  - Manufacture of knitted and crocheted fabrics and articles (31.56%)
  - Television and radio receivers, sound or video recording or reproducing apparatus and associated goods (31.27%)
  - Other chemical products (30.46%).

Performance

- Sectors that saw high CAGR in percentage of female employment to directly employed workers:
  - Mining and quarrying (31.99%)
  - Manufacture of other electrical equipment (10.42%)
  - Manufacture of optical instruments and photographic equipment (8.34%).
- Sectors that saw negative CAGR in percentage of female employment to directly employed workers:
  - Dressing and dyeing of fur; manufacture of articles of fur (-59.59%)
  - Reproduction of recorded media (-23.31%).

FOREIGN TRADE POLICY

FTP objectives & strategies

- Current FTP 2009-2013
- Objectives:
  - To double India’s percentage share of global merchandise trade within 5 years; and
  - Use trade expansion as an effective instrument of economic growth and employment generation.
- Commerce Minister’s statement (August 2009):
  “We would reassure our exporters and provide them adequate confidence to maintain their market presence even in a period of stress. In this policy we have given a special thrust to the employment oriented sectors which have witnessed job losses in the wake of recession especially in the field of textiles, leather, handicrafts, etc.”

Export Promotion Schemes

- Special Focus Initiatives:
  - Agriculture
  - Handlooms
  - Handicrafts
  - Gems & Jewellery
  - Leather
  - Marine
  - Electronics and IT Hardware
  - Sports goods and toys
- Special Agriculture and Village Industry Scheme
- Focus Product Scheme
- EOU/EPZ/SEZ – large women workforce

FTP and Gender

- Though it may not appear a direct gender sensitive FTP, but the incentives are more focused towards such sectors where there is a strong presence of women workforce.
- Benefits given to promote establishing Common Facility Centres for use by home-based service providers, particularly in areas like engineering & architecture design, multi-media operations, software developers etc. in State and District-level towns to draw in a vast multitude of home based professionals into services exports arena is one such example. It is only this provision, however, that explicitly mentions about facilitating the home-based service providers which is mainly addressed to the female employees.
- Women entrepreneurs – unfortunately no scheme for them.
- Imports – totally liberalised : no gender angle.
WTO NEGOTIATIONS

WTO NEGOTIATIONS

India: Doha Impact on Gender

- Negotiations are yet to conclude.
- Agriculture sector - very sensitive to India, livelihood issue. India will also be beneficiary of autonomous liberalization.
- NAMA – Sensitive sectors are yet to be decided. In all likelihood, items relating to garments, handicrafts, handlooms etc. will be kept under the flexibility.
- Services – not much of concern to India. It is rather facing shortage of nurses, teachers etc. domestically.

GATT OBLIGATIONS (UR)

- Agriculture – high bindings 100, 150 % 300%
- NAMA – Certain items like rubber, garments have high import duties.
- Services: The gender dominated sectors have not been liberalised.
- India is beneficiary of liberalisation of textiles, tea and certain sectors in Services by other WTO Members.

RTAs NEGOTIATIONS

India’s Current Engagement in RTAs

- Asia Pacific Trade Agreement
- SAPTA
- GSTP
- India-Afghanistan
- India - Chiles
- India-Sri Lanka
- India-Nepal
- India-Bhutan
- India-Singapore CECA
- SAFTA
- India ASEAN
- India – Korea CECA

PTA/FTA position

- Items from agriculture sector are generally kept out of tariff liberalisation programme.
- Garments, tea, tobacco, rubber etc. are other sensitive sectors where no tariff concessions are offered.
- Garments – TRQ to Sri Lanka under bilateral FTA and to Bangladesh under SAFTA.
- Tea – TRQ to Sri Lanka.
Engendering Trade Policy

- **Defensive:**
  - Can we keep the gender sensitive products/sectors out of commitments for liberalisation in WTO and RTAs?

- **Offensive:**
  - How to ensure that on those products/sectors India gets market access in other countries?

- FTP – how to engender? Positive discrimination?

- Is it necessary to keep all the gender sensitive sectors out of liberalisation or where we have a comparative advantage we can liberalise?

Classification

- Women Entrepreneurs.

- Units – women employment is high (what percentage to be prescribed?).

- Sectors – that have high percentage of women employment (identified & discussed earlier).

- Should they all be treated at par or should there be different treatment for providing support/incentives?

India – Current Position

- The recognition of linkages of trade & gender has been established.

- Collaboration with Commonwealth Secretariat. Ministry of Commerce has constituted a Steering Committee – policy makers, academia, civil society.

- Studies already commissioned for collating data – Analysis of Gender Profile in Export Oriented Industries in India (GATF); Designing Gender Sensitive Foreign Trade Policy for India (IIFT & CUTS), India – EC FTA – Impact on Gender (CUTS), Identification of gender sensitive products at 6 digit HS (RIS), Engendering India’s FTP (CWS).

- In May 2009 a National Seminar was organised.

- Further research and capacity building is being organised.

Engendering India’s FTP

- How to define an Entrepreneur?
  - Proprietorship – Single women or Joint
  - Partnership – how much percentage share
  - Private Limited Company
  - Public Limited Company
  - Educational qualification

- Are they to be treated at par with such sectors where the women employment is high?

- Can there be a separate category of factory/unit-wise women workforce (percentage basis – say such factories where at least 50% women are employed)?

- What kind of benefits to be given?

Challenges

- Lack of consistent & validated data – industry wise (unit level data) as well as ownership wise – census/sample survey.

- Identification of sectors (current) that are dominated by women employees.

- Identification of the Gender Products (as per HS nomenclature for goods and WTO classification of Services sectors/sub-sectors)
  - Items of defensive interest (Sensitive products)
  - Items of offensive interest (Potential export products)

- Prioritisation

- Consultations

- Make your trade policy accordingly.