

# How can UK trade policy after Brexit promote women's rights?

The case for ensuring trade policies address gender inequality is becoming increasingly recognised by experts and policy makers. The UK's trade and investment agreements with developing countries, if carefully designed, have the potential to support women's social and economic rights, including by helping to create decent work opportunities for women and removing structural barriers preventing women from accessing their full rights. However, poorly designed trade policy can harm women's rights – especially of those from the poorest and most marginalised communities – by leading to:

- **Jobs with low wages and poor working conditions for women**
- **Women's livelihoods being put at risk**
- **The interests of private companies and investors being prioritised over commitments on women's rights**
- **Inadequate provisioning of quality public services and infrastructure, which are vital to redress women's unpaid care work and tackle violence against women and girls.**

As the UK prepares to leave the EU, it has a unique opportunity to demonstrate its commitment to women's rights and gender equality. By going beyond "do no harm" in any new trade and investment deals with developing countries, the UK can lead global efforts to positively contribute towards the fulfilment of women's and girls' human rights.

## Decent jobs and respect for human rights

The liberalisation of trade over the last 30 years has led to a rapid increase in export manufacturing in many developing countries, with numerous major UK companies sourcing goods from the Global South. This has helped to create many jobs for women in export sectors such as garments, electronics, textiles, shoes and agricultural processing. However, working conditions are notoriously poor, characterised by low pay, long hours, dangerous working environments, insecure contracts, lack of social protection, and an absence of union rights. Countless women working in factories, agriculture or in the informal sector also endure violence and harassment. Violence against women and girls (VAWG) is the most extreme manifestation of gender inequality. The ITUC estimates that globally, up to half of all women experience some form of sexual harassment while at work. Women also face threats and violence for engaging in union activities to claim their rights, or when they try to defend their land and livelihoods from large-scale investment projects.

Whilst creating job opportunities for women can support their social and economic empowerment, it is vital that these are decent jobs. This would mean, amongst other things, safe working conditions, a living wage, social protection, and freedom to engage in collective bargaining. A crucial starting point will be ensuring that future trade agreements are grounded in existing international human rights, women's rights and labour rights frameworks.

## Putting livelihoods at risk

As well as creating new jobs for some women, trade deals can also put existing livelihoods at risk. Most women in poor communities work in the informal sector, often making a living by producing and selling local agricultural products. When new trade agreements result in markets being flooded with cheap imports of similar goods, women farmers and traders will find it difficult to compete. Women can also face displacement from their land when governments open it up to large-scale foreign investments, such as agriculture, manufacturing, mining, tourism or infrastructure development.

## Space for governments to pursue gender-just policies

The diversification of economies is widely recognised as key to promoting sustainable, inclusive growth, increased productivity and decent work for all. However, restrictive measures in trade deals can hamper

developing countries' ability to pursue an industrial strategy which could help create more and better jobs for women. Trade deals can prevent governments from protecting specific industries and sectors, hindering efforts by developing countries to move away from production of low value goods and into higher value-added manufacturing sectors. Trade deals can also include clauses for Investor-State Dispute Settlement (ISDS) mechanisms, which allow companies to sue governments in secretive tribunals if they believe a regulation may reduce their profit margins. For example, in 2017 a French company sued the Egyptian government over their new policy to enact a minimum wage. Not only will this be harmful to the rights of the lowest paid workers in Egypt, many of whom will be women, such measures compel cash-strapped developing countries to spend millions, and in some cases billions, of dollars in legal fees and settlements.

## Provision of gender-responsive public services

Trade deals impact upon governments' abilities to provide the public services that women disproportionately rely upon. As well as the costs for settling ISDS disputes brought by investors, trade agreements can require governments to cut trade tariffs and corporate taxes, which reduces the amount of money available for public services and infrastructure. For many developing countries, trade tariffs are a particularly important source of revenue and account for some 25% of government income in sub-Saharan Africa. In addition, trade deals can lead to increased privatisation and deregulation of public services, which often includes the introduction of user fees, and poor quality or even a complete lack of provision to the poorest communities, from which insufficient profits can be drawn.

Unconditional access to quality gender-responsive public services and infrastructure is vital for the fulfilment of women's and girls' rights, especially women from the poorest communities and most marginalised groups. Women's time-burden of care is a major barrier to decent work, education and training opportunities, as well as their political participation. The provision of early childcare and education, healthcare, electricity, water and sanitation and transport are a vital means for reducing women's unpaid care work and redistributing care between households and the state. Developing country governments also urgently need resources to effectively prevent and respond to the endemic levels of violence endured by women and girls. Health services, women's shelters, psychosocial support, improvements in street lighting and public transport, gender-responsive policing and access to justice, are critical to prevent and respond to VAWG, but remain significantly underfunded.

### **The UK Government should commit to ensuring its trade policy after Brexit will not only do no harm but will positively contribute towards women's rights and gender equality. It should:**

- Invest in technical capacity on trade and gender issues for UK government officials, and provide technical and financial support to relevant ministries in developing countries, including but not limited to labour, trade and gender ministries.
- Commission independent gender and social impact assessments before any new trade and investment deals are negotiated entailing the full and meaningful participation of women from affected communities and sectors, and establish mechanisms through which the assessments will inform both trade agreements and broader development policy.
- Ensure trade deals are grounded in existing international frameworks and include binding investor obligations with respect to gender, human rights, labour rights and the environment.
- Support strong, binding, stand-alone chapters on gender, and apply a strong gender-lens to other sections of any trade deal.
- Ensure trade deals do not restrict the ability of governments to: regulate in the public interest; finance gender-responsive public services; or diversify their economies in a way that supports women's access to decent work and protects women's livelihoods and the environment.
- Ensure the development of trade agreements is transparent and democratic, with clear guidelines for public and civil society engagement. Parliamentary oversight should be guaranteed, with all future trade deals subject to parliamentary debate and an affirmative vote.

**For more information contact:** *Sangeetha Navaratnam, Advocacy Adviser, on [sangeetha.navaratnam@actionaid.org](mailto:sangeetha.navaratnam@actionaid.org) or 0203 122 0670*