

## Women in the LDCs

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## ABSTRACT

Women across countries and regions face many obstacles that hamper their capacity to fully benefit from international trade and, more generally, from their participation in the economy. Those shortcomings are also found in the least-developed countries (LDCs), but they are magnified by persistent and acute development challenges that include high levels of poverty, deficient infrastructure, limited productive capacities, and a mostly low-skilled labour force. Trade has been singled out as an effective tool for a fruitful integration of the LDCs into the global economy, and preferential trade regimes have been set up to facilitate the process. However, have LDCs benefited from such regimes and, above all, has trade provided meaningful opportunities for women's economic empowerment? This chapter will try to provide an answer to these questions. First, it will look at underlying factors that play a role in determining women's likelihood to participate in trade and benefit from it, including women's level of education, time availability, agency, and participation in the labour market. Second, it will explore the role women play and the gendered obstacles they face in the female-intensive sectors of agriculture, artisanal and small-scale mining, Export Processing Zones (EPZs), and tourism. The chapter will then suggest measures that would help women benefit more from their participation in these sectors and highlight the overall economic and societal benefits that this would imply. The measures identified as being potentially beneficial to women will be checked against measures that have been put in place by the LDCs through rescue packages. This will allow a preliminary assessment of the matching between what women would need, especially in a post-pandemic environment, and what so far has been provided to them.

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## 5.1 INTRODUCTION

Women across countries and regions face many obstacles that hamper their capacity to benefit fully from international trade and more generally from their participation in the economy. Hurdles include time poverty; discriminatory legal rules and social norms; limited access to productive resources and technology; and inadequate opportunities for education, training, and skill development. These shortcomings are also found in LDCs<sup>1</sup> and are magnified by persistent and acute development challenges that include high levels of poverty, deficient infrastructure, limited productive capacities, and a mostly low-skilled labour force.

This challenging situation has become even more dramatic as a result of the COVID-19 pandemic that has increased women's already heavy burden of domestic and care work,<sup>2</sup> and has escalated the instances of male violence against them.<sup>3</sup> Moreover, the pandemic has had a devastating economic impact on women by severely hitting sectors and occupations in which they are mainly involved.<sup>4</sup>

This chapter unfolds as follows: Section 5.2 provides a brief overview of the LDCs, their position in the global economy and the role of women in the economy of LDCs. Section 5.3 then explores the measures implemented by the LDCs to help people and companies to shoulder the pandemic-induced economic shock. Among the many measures put in place, it singles out those

<sup>1</sup> As of 2022, forty-six countries were designated by the United Nations as least-developed countries (LDCs). They are grouped as the African LDCs and Haiti (Angola, Benin, Burkina Faso, Burundi, Central African Republic, Chad, Democratic Republic of the Congo, Djibouti, Eritrea, Ethiopia, the Gambia, Guinea, Guinea-Bissau, Haiti, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mozambique, Niger, Rwanda, Senegal, Sierra Leone, Somalia, South Sudan, Sudan, Togo, Uganda, United Republic of Tanzania, and Zambia); the Asian LDCs (Afghanistan, Bangladesh, Bhutan, Cambodia, Lao People's Democratic Republic, Myanmar, Nepal, and Yemen); and the Island LDCs (Comoros, Kiribati, Sao Tome and Principe, Solomon Islands, Timor-Leste, and Tuvalu).

<sup>2</sup> UN Women, 'Whose Time to Care: Unpaid Care and Domestic Work during COVID-19' (25 November 2020) <[https://data.unwomen.org/sites/default/files/inline-files/Whose-time-to-care-brief\\_o.pdf](https://data.unwomen.org/sites/default/files/inline-files/Whose-time-to-care-brief_o.pdf)> accessed 8 May 2022.

<sup>3</sup> UN Women, 'Impact of COVID-19 on Violence against Women and Girls and Service Provision: UN Women Rapid Assessment and Findings' (UN Women Brief 2020) <[www.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2020/impact-of-covid-19-on-violence-against-women-and-girls-and-service-provision-en.pdf?la=en&vs=o](http://www.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2020/impact-of-covid-19-on-violence-against-women-and-girls-and-service-provision-en.pdf?la=en&vs=o)> accessed 8 May 2022, link no longer active.

<sup>4</sup> UN, 'The Impact of COVID-19 on Women: UN Secretary-General's Policy Brief' (9 April 2020) <[www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/Library/Publications/2020/Policy-brief-The-impact-of-COVID-19-on-women-en.pdf](http://www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/Library/Publications/2020/Policy-brief-The-impact-of-COVID-19-on-women-en.pdf)> accessed 8 May 2022.

that, directly or indirectly, by design or by coincidence, have the potential to especially benefit women. Section 5.4 then tries to answer the following questions: Is there a good match between women's needs and what so far has been provided to them through the rescue packages? What measures would be necessary to allow women to play a more active role in the economy, including in international trade, beyond the emergency measures? What are the preconditions to avoid going back to 'business as usual'? Section 5.5 concludes.

## 5.2 THE LDCS IN THE GLOBAL ECONOMY AND THE ROLE OF WOMEN

### 5.2.1 *The LDCs in the Global Economy*

LDCs face common development challenges such as persistent poverty, deficient infrastructure, limited productive capacities, low investments, high debt burden, and mostly low-skilled labour force. Structural transformation and fruitful integration into the global economy have not materialized for most LDCs.

LDCs have very high trade-to-Gross Domestic Product (GDP) ratios, since they heavily rely on trade, both imports and exports, and all have trade deficits at present. Many LDCs are dependent on the exports of primary commodities and economic diversification remains a challenge for them.

Most LDCs have been through trade reforms during recent decades, including by acceding to the World Trade Organization (WTO). They benefit from full or nearly full duty-free and quota-free market access in most developed country markets and in an increasing number of developing country markets. Their exports also benefit from less stringent rules of origin in some markets. However, most LDCs have not been able to benefit from these concessions, mainly due to their low productive capacities and the limited role played by trade policy in their development strategies.<sup>5</sup> Moreover, delays at borders, costly and opaque border procedures and high transport costs have contributed to the very limited integration of the LDCs into the global economy. In 2020, LDCs as a group produced only 1.4 per cent of the world's

<sup>5</sup> UNCTAD, 'Making Trade Work for Least Developed Countries: A Handbook on Mainstreaming Trade' (2016) Trade and Poverty Paper Series No. 5 <<https://unctad.org/webflyer/making-trade-work-least-developed-countries-handbook-mainstreaming-trade>> accessed 8 May 2022.

GDP.<sup>6</sup> They accounted for 1 per cent of world exports of goods and services, and their share in world trade in goods and services was 1.2 per cent.<sup>7</sup>

The main shortcomings that women face in other developing countries to become more involved in economic and trade activities and benefit from them are similarly found in the LDCs. However, for LDCs, such instances are amplified by shortcomings in most development dimensions.

Women play vital roles in the key economic sectors in LDCs, including in agricultural, industry, and services sectors. The following sub-sections provide discussions on their roles in these economic sectors.

### 5.2.2 *The Agricultural Sector*

The agricultural sector corresponds to 24 per cent of total economic activity in the African LDCs, 17 per cent in the Asian LDCs and 22 per cent in the Island LDCs (2019 data). In 2019, it contributed to 13 per cent of all LDCs exports, 15 per cent for the African LDCs, 10 per cent for the Asian LDCs, and 43 per cent for the Island LDCs (see Table 5.1). It remains the main employer for all LDC groups, with 55 per cent of the workforce employed in agriculture in 2019.<sup>8</sup>

Women make up between 41 and 45 per cent of total employment in agriculture in the LDCs.<sup>9</sup> There is, however, a high degree of gender segregation in the crops being grown and in the production roles and responsibilities. Women are typically responsible for subsistence farming due to their traditional role to provide food security for the household. The transition from subsistence farming to commercialization and agricultural exports that has happened in several LDCs has attracted men's interest and in many cases crowded out women. Gender segregation by crop is also due to traditional expectations for women to remain close to the household. From a legal point of view, men and women have equal ownership rights to property in thirty-seven LDCs; however, customary law prevails in most societies, preventing women from owning land and other property.<sup>10</sup> This has a negative impact on access to credit that would enable women to expand production and participate in international trade.

<sup>6</sup> UNCTAD, 'The Least Developed Countries in the Post-COVID World: Learning from 50 Years of Experience', UNCTAD/LDC/2021 (2021).

<sup>7</sup> Calculations by the author based on data from the UNCTAD Stat, accessed 8 July 2022.

<sup>8</sup> UNCTAD, 'Trade and Gender Linkages: An analysis of Least Developed Countries, Teaching Material on Trade and Gender: Module 4E', UNCTAD/DITC/2021/1 (2021).

<sup>9</sup> Ibid.

<sup>10</sup> Ibid.

TABLE 5.1 *Sectoral contribution to LDC GDP and exports (2019)*

Sectoral Contribution to LDC GDP, 2019 (%)				
	LDCs (all)	African LDCs	Asian LDCs	Island LDCs
Agriculture	21	24	17	22
Non-manufacturing industry (incl. mining)	16	20	12	14
Manufacturing	14	10	18	5
Services	49	46	53	59
Sectoral Contribution to LDC exports, 2019 (%)				
	LDCs (all)	African LDCs	Asian LDCs	Island LDCs
Agriculture	13	15	10	43
Non-manufacturing industry (incl. mining)	39	59	12	8
Manufacturing	28	8	55	12
Services	20	18	23	37

*Source:* Calculation by the author based on United Nations Conference on Trade and Development (UNCTAD) statistics.

There are gender gaps in productivity and earnings, mainly driven by the fact that women typically produce staple crops whereas men are more often involved in the production of cash crops.<sup>11</sup> Due to the difference in earning potential between staple and cash crops, women generate substantially less income. Household responsibilities and related time poverty contribute to making women less productive than men.

The difficulties that female farmers face is also the result of long-term problems affecting the agricultural sector in the LDCs, including import competition, especially when imported products benefit from massive subsidies; the shift of Official Development Assistance (ODA) away from agriculture; and governments' underinvestment in agricultural research and development (R&D) and extension services, with a consequent loss in knowledge and capacity. Moreover, because of the lack of dynamism of the sector, men are increasingly migrating to urban areas, leaving women with growing responsibilities for farm activities and for the well-being of the household.<sup>12</sup>

<sup>11</sup> Ibid.

<sup>12</sup> Ibid.

### 5.2.3 *The Industrial Sector*

Between 2011 and 2019, the contribution of manufacturing to GDP remained constant in the LDCs at around 10–14 per cent. In 2019, non-manufacturing industries, including mining, contributed 16 per cent to GDP, with the highest value of 20 per cent in African LDCs (see Table 5.1).

Primary commodities dominate LDC exports, with an overall 39 per cent share of total exports (59 per cent for the African LDCs) (see Table 5.1), though the share of commodities in exports is shrinking. Conversely, exports of manufactures have steadily increased, reaching 28 per cent of total exports in 2019. Manufacturing exports represent 55 per cent of Asian LDC exports, but only 8 per cent of African LDCs (see Table 5.1). Hit by the pandemic, exports of manufactures, however, significantly declined in 2020. Mirroring the low level of technology diffusion and the low skill level of the workforce, most LDC exports are concentrated in low-technology and low-skill goods.<sup>13</sup>

As with other developing countries, in LDCs there is a feminization of labour in low-skilled manufacturing production, especially export-oriented, and a high degree of occupational gender segregation with the concentration of women in low-skilled jobs. EPZs have played an important role in providing wage employment to women. In Cambodia, virtually all production workers are young (aged eighteen to thirty) women.<sup>14</sup> Women constitute around 70 per cent of employees in EPZs in Tanzania.<sup>15</sup>

### 5.2.4 *The Services Sector*

Services dominated the economy in all LDCs in 2019, representing almost 50 per cent of economic activities. Services play a particularly important role in island LDCs, where their contribution to GDP is around 60 per cent (see Table 5.1). Services exports have gained importance during the last two decades, reaching 20 per cent of total exports in 2019. In particular for island LDCs, services represent 37 per cent of their exports (see Table 5.1). Despite

<sup>13</sup> Ibid.

<sup>14</sup> Peter Warr and Jayant Menon, 'Cambodia's Special Economic Zones' (2015) ADB Economics Working Paper Series No. 459 <[www.adb.org/sites/default/files/publication/175236/ewp-459.pdf](http://www.adb.org/sites/default/files/publication/175236/ewp-459.pdf)> accessed 8 May 2022.

<sup>15</sup> Richard Adu-Gyamfi, Simplicio A. Asongu, Tinaye Sonto Mmusi, Herbert Wamalwa, and Madei Mangori, 'A Comparative Study of Export Processing Zones in the Wake of the Sustainable Development Goals: The Cases of Botswana, Kenya, Tanzania, and Zimbabwe' (2020) WIDER Working Paper Series wp-2020-64 <[www.wider.unu.edu/sites/default/files/Publications/Working-paper/PDF/wp2020-64.pdf](http://www.wider.unu.edu/sites/default/files/Publications/Working-paper/PDF/wp2020-64.pdf)> accessed 8 May 2022.

substantially growing, services exports remain concentrated in traditional transport and travel sectors.

Services' employment share rose from 21 per cent in 1995 to 32 per cent in 2019. Wholesale and retail trade make up 15–18 per cent of economic activity within services as the largest sub-sector in all the LDC groups. The wholesale and retail trade sector corresponds to high levels of female employment, reaching between 30 and 40 per cent of female share of total employment in Haiti, Liberia, Benin, Sierra Leone, Zambia, Burkina Faso, Mauritania, and Togo (in decreasing order).<sup>16</sup>

Tourism provides women with opportunities for employment, formal and informal, direct and indirect, and for entrepreneurship. In many LDCs, the tourism sector is marked by intense occupational segregation: men are concentrated in high-skill and managerial positions, while women primarily participate in low-skilled tasks such as room cleaning, kitchen work, and waitressing.<sup>17</sup> Employment in the tourism sector is mostly informal and temporary, for both men and women.

### 5.3 THE COVID-19 PANDEMIC, LDCS, AND WOMEN

#### 5.3.1 *The Impact of the Pandemic on the LDCs and on Women*

The COVID-19 pandemic has spared no country; however, it has proved particularly detrimental to some countries and to specific segments of the population. It has magnified existing inequalities across and within countries.<sup>18</sup>

The health effects of the pandemic in the LDCs are still unclear because of the difficulty of detecting and reporting pandemic-related illness and deaths accurately. However, what is clear is that LDCs have had limited access to vaccines and the world is witnessing a global failure of collaboration in making vaccines available to all. Only 2 per cent of the population in the LDCs was vaccinated against an average of over 40 per cent in developed countries as of mid-2021.<sup>19</sup> The fundamental right to health is being denied.

<sup>16</sup> UNCTAD, 'Trade and Gender Linkages' (n 8).

<sup>17</sup> Ibid.

<sup>18</sup> UNCTAD, 'Trade and Development Report 2020 – From Global Pandemic to Prosperity for All: Avoiding Another Lost Decade', UNCTAD/TDR/2020 (2020); Nishant Yonzan, Christoph Lakner, and Daniel Gerszon Mahler, 'Is COVID-19 Increasing Global Inequality?' (World Bank 7 October 2021) <<https://blogs.worldbank.org/opendata/covid-19-increasing-global-inequality>> accessed 8 May 2022.

<sup>19</sup> UNCTAD, 'The Least Developed Countries in the Post-COVID World' (n 6).

Moreover, considering that access to vaccines is a precondition for recovery, the situation is particularly worrisome.

The global economic downturn has had disproportionately adverse economic and social effects on the LDCs. Income losses, low investments, and reduced remittances have worsened extreme poverty in the LDCs, making 2020 the worst year from a growth perspective in about three decades.<sup>20</sup> UNCTAD estimates an increase in the poverty headcount ratio against the USD 1.90 per day poverty line of 3.3 percentage points – from 32.2 to 35.2 per cent in the LDCs overall.<sup>21</sup> This means that compared to the pre-COVID-19 era, 35 million more people will live in extreme poverty in the LDCs in the post-COVID-19 era.<sup>22</sup> Extreme poverty, beyond being a dramatic problem in itself, has negative repercussions for human capital accumulation, knowledge development, and labour productivity, and negatively affects the environment. The COVID-19 crisis is negatively impacting other fundamental rights, such as access to education, security, and protection against violence.

Meagre domestic financial resources and high debt levels are greatly affecting LDCs' capacity to cope with pandemic-related shocks. The lesson learned from other health-related crises is that the health emergency will eventually be overcome, but if countries do not put in place the right policies, the negative economic and social repercussions will affect their development trajectory in the long run. The recovery path for the LDCs is projected to be slow and to constrain their process of structural transformation, which in turn will impact on their ability to meet the United Nations Sustainable Development Goals (SDG) Agenda 2030.

Turning to the specific impact of COVID-19 on women, the pandemic is estimated to result in millions of additional women and girls falling into extreme poverty. This means that the total number of women and girls living in extreme poverty may reach 388 million in 2022, compared to 372 million men and boys, or even increase all the way to 446 million in a 'high-damage' scenario.<sup>23</sup> It is also estimated that 83.7 per cent of the world's extremely poor women and girls would live in Sub-Saharan Africa (62.8 per cent) and Central and Southern Asia (20.9 per cent), where most LDCs are located.<sup>24</sup>

<sup>20</sup> Ibid.

<sup>21</sup> Ibid.

<sup>22</sup> Ibid.

<sup>23</sup> This scenario is based on an overall deterioration of economic and social indicators and assumes that the pandemic will leave long-lasting scars on countries.

<sup>24</sup> UN Women, 'Poverty Deepens for Women and Girls, According to Latest Projections' (UN Women 1 February 2022) <<https://data.unwomen.org/features/poverty-deepens-women-and-girls-according-latest-projections>> accessed 7 September 2022.



Economic downturns such as the present one is typically not gender-neutral. Several critical factors contribute to explain why. First, women are more at risk of losing their jobs than men because they often hold temporary, part-time, and precarious jobs that are the first ones to be cut. Second, women tend to work in the informal sector and rescue packages mainly target workers in the formal sector. Third, female-dominated sectors, such as hospitality and personal services, have been severely disrupted by the effects of the pandemic because of lockdown and social distancing measures, and travel restrictions. Fourth, access to credit is a critical factor for business survival during crises. However, particularly in developing countries, women entrepreneurs are often discriminated against when attempting to access formal lending schemes. Fifth, women have seen their burden of care work increase because of closure of schools and childcare facilities, and the provision of basic health care at home. Finally, lockdown and social isolation policies, coupled with the financial stress that families and individuals are experiencing, have dramatically exacerbated domestic violence.<sup>25</sup>

### 5.3.2 *The Rescue Measures in LDCs*

By and large, all countries have made efforts to provide support to their populations and economies to shoulder the social and economic impacts of the pandemic. According to the COVID-19 Global Gender Response Tracker,<sup>26</sup> a total of 4,968 measures have been put in place so far; 1,605 measures, less than a third of the total, can be regarded as gender-sensitive

<sup>25</sup> UN Women, 'Impact of COVID-19 on Violence against Women and Girls and Service Provision: UN Women Rapid Assessment and Findings' (2020) <[www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/Library/Publications/2020/Impact-of-COVID-19-on-violence-against-women-and-girls-and-service-provision-en.pdf](http://www.unwomen.org/sites/default/files/Headquarters/Attachments/Sections/Library/Publications/2020/Impact-of-COVID-19-on-violence-against-women-and-girls-and-service-provision-en.pdf)> accessed 8 May 2022; Isabelle Durant and Pamela Coke-Hamilton, 'COVID-19 Requires Gender-Equal Responses to Save Economies' (UNCTAD 1 April 2020) <<https://unctad.org/news/covid-19-requires-gender-equal-responses-save-economies>> accessed 8 May 2022.

<sup>26</sup> The Tracker is a joint effort by UNDP and UN Women. Information on countries' measures is collected based on publicly available information, media reports, official documents, and information provided by UNDP and UN Women country offices. Because measures change over time, some reported measures may have expired while new measures may have been introduced since the latest updated of the Tracker carried out in November 2021. Moreover, considering that at times measures included in the Tracker are based on announcements made by government officers or reported by the press, the actual implementation of such measures is not fully certain. See UNDP, 'Gender Tracker' <<https://data.undp.org/gendert tracker/>> accessed 8 May 2022.

since they address unpaid care (226 measures),<sup>27</sup> violence against women (853),<sup>28</sup> and women's economic security (526).<sup>29</sup> Most measures are meant to support women who have been victims of violence, or the establishment of prevention and reporting mechanisms, in line with the view that women's needs are in particular found in the private sphere.

The following section provides an overview of the rescue measures put in place by LDCs as available on the COVID-19 Global Gender Response Tracker. The purpose is to assess whether and to what extent those measures are directly targeting women, are targeting economic sectors and functions where women are particularly active, or are supporting women as heads of households or as those mainly responsible for the well-being of the household. In other words, the objective is to investigate whether the rescue packages deployed by the LDCs are providing, directly or indirectly, by purpose or by coincidence, significant support to women as far as their economic security is concerned.<sup>30</sup>

### 5.3.2.1 Cash Transfers and Emergency Food Distribution

To alleviate pandemic-driven extreme poverty, almost all LDCs have resorted to cash transfers and/or emergency food distribution in favour of the most vulnerable and food-insecure households, on a monthly basis, for a determined period of time, or as a one-off intervention. Since female poverty has become particularly acute during the pandemic and is expected to last for several years to come, it can be assumed that women are benefiting from these measures, especially when, within the household, they are those directly receiving cash or food, as is the case in Sierra Leone and Togo, according to the Tracker.

<sup>27</sup> They include: (a) social protection measures that support women and men with care responsibilities or improve services for populations with care needs and (b) labour market measures that help female and male workers with care responsibilities to cope with the rising demand for unpaid care.

<sup>28</sup> Measures to tackle violence against women are by default gender-sensitive. They are not analysed in this chapter.

<sup>29</sup> They include: (a) social protection measures that target women or prioritize them as the main recipients of benefits, (b) labour market measures aimed at improving women's access to paid work and training, and (c) fiscal and economic measures that channel support to female-dominated sectors of the economy.

<sup>30</sup> This implies that this chapter considers as 'gender-sensitive' measures those that, without specifically targeting women, may benefit them. Therefore, some measures that according to the Tracker are not 'gender-sensitive' are so in our analysis.

In addition to targeting vulnerable and food-insecure households, some LDCs have identified specific categories of workers and sectors as eligible for cash transfers. They include agricultural and day labourers and domestic workers (Bangladesh), workers in the informal sector (Lesotho, Liberia, Nepal, Niger, Rwanda, Sierra Leone, Togo, and Zambia), including informal street vendors (Bangladesh, Burkina Faso, Liberia), and small businesses (Burundi, Malawi, and Mauritania).

Informal employment dominates to a large extent employment for both men and women, and especially for women, in most LDCs. More than 80 per cent of women in the non-agriculture sector work informally in Madagascar, Mali, Myanmar, Uganda, United Republic of Tanzania, and Zambia.

Street vendors, small-scale and informal cross-border traders, daily wagers, and domestic workers, occupations that include a large share of women, have been badly hit by the pandemic since lockdowns, social distancing measures, and border closures have made these activities unfeasible. It is estimated that women represent around 70 per cent of small-scale and informal cross-border traders in sub-Saharan Africa.<sup>31</sup> Domestic workers are among the most vulnerable groups of workers, and they mostly work informally. According to the International Labour Organization (ILO), around 80 per cent of all domestic workers are women.<sup>32</sup> The workers and occupations targeted for cash transfers seem, therefore, to include many women.

### 5.3.2.2 Micro, Small, and Medium-Sized Enterprises

The analysis now turns to measures targeting micro, small, and medium-sized enterprises (MSMEs), including both fiscal measures and cash transfers.

The health crisis has made firms face several challenges at the same time, namely, the suspension, at least during the first phase of the pandemic, of most face-to-face operations due to the need to observe social distancing and mobile restrictions, supply chain disruptions, and falling consumer demand.<sup>33</sup>

Globally, there are around 9.3 million formal small and medium-sized enterprises (SMEs) that are fully or partially owned by women, which

<sup>31</sup> UN Women, 'Unleashing the Potential of Women Informal Cross Border Traders to Transform Intra-African Trade' (2010) <[www.unwomen.org/sites/default/files/Headquarters/Media/Publications/en/factsheetafricanwomentradersen.pdf](http://www.unwomen.org/sites/default/files/Headquarters/Media/Publications/en/factsheetafricanwomentradersen.pdf)> accessed 8 May 2022.

<sup>32</sup> International Labour Organization, 'Who Are Domestic Workers' <[www.ilo.org/global/topics/domestic-workers/who/lang-en/index.htm](http://www.ilo.org/global/topics/domestic-workers/who/lang-en/index.htm)> accessed 8 May 2022.

<sup>33</sup> Jesica Torres, Franklin Maduko, Isis Gaddis, Leonardo Iacovone, and Kathleen Beegle, 'The Impact of the COVID-19 Pandemic on Women-Led Businesses' (2021) World Bank Policy Research Working Paper 9817 <<https://openknowledge.worldbank.org/handle/10986/36435>> accessed 8 May 2022.

corresponds to approximately one-third of all formal SMEs.<sup>34</sup> These firms play a crucial role in the economy worldwide, including in the LDCs, as a source of employment and income generation, and as such they have been targeted in many rescue packages.

According to the LDC MSME Impact Survey, conducted in July–August 2020 across 2,245 firms in all LDCs, firms mainly operate in the sectors of tourism and catering (20 per cent), textiles and crafts (18 per cent), and industrial goods (15.3 per cent).<sup>35</sup> MSMEs have suffered a significant reduction in business capacity and anticipate a notable reduction in their annual revenue due to COVID-19. As much as 88 per cent of respondents indicated that they were operating on less than 75 per cent of business capacity; over 52 per cent anticipated a reduction in revenues; 34 per cent stated that they risked shutting down in the coming three months; and 35 per cent reported having laid off staff. Findings from the same survey show that the pandemic hit female-intensive sectors such as textiles and crafts, and personal and care services more severely than male-intensive sectors, such as finance, professional, and technology services. Moreover, female-led SMEs have reported higher rates of lay-offs and fewer resources to sustain their businesses in the short and medium term compared to male-owned SMEs.<sup>36</sup>

Cash shortages have in particular affected women-led firms. This reflects the barriers women's businesses face in securing adequate finance, a worrying situation experienced already in the pre-pandemic era. Moreover, in the pandemic era, alternative sources of finance, be they personal savings or borrowing from friends and family, have dried up.<sup>37</sup> Without easy and reasonable (in terms of ceilings) repayment and interest conditions, and access to credit, most companies, especially micro and small ones, are unable to shoulder the economic burden.

Angola has provided financial support to maintain minimum levels of activity of MSMEs in the manufacturing sector through funds for the payment

<sup>34</sup> IFC, 'Women-Owned SMEs: A Business Opportunity for Financial Institutions' (2014) <[www.ifc.org/wps/wcm/connect/44b004b2-ed46-48fc-8ade-aaof485069a1/WomenOwnedSMEs+Report-Final.pdf?MOD=AJPERES&CVID=kiZZDZ](http://www.ifc.org/wps/wcm/connect/44b004b2-ed46-48fc-8ade-aaof485069a1/WomenOwnedSMEs+Report-Final.pdf?MOD=AJPERES&CVID=kiZZDZ)> accessed 8 May 2022.

<sup>35</sup> IFC, 'Women-Owned SMEs: A Business Opportunity for Financial Institutions: A Market and Credit Gap Assessment and IFC's Portfolio Gender Baseline' (2014) <[www.ifc.org/wps/wcm/connect/44b004b2-ed46-48fc-8ade-aaof485069a1/WomenOwnedSMEs+Report-Final.pdf?MOD=AJPERES&CVID=kiZZDZ](http://www.ifc.org/wps/wcm/connect/44b004b2-ed46-48fc-8ade-aaof485069a1/WomenOwnedSMEs+Report-Final.pdf?MOD=AJPERES&CVID=kiZZDZ)> accessed 8 May 2022; UNCDF, 'The State of Small Businesses in the LDCs Taking the Pulse of SMEs in the LDC Markets during COVID-19: LDC SME Impact Survey Technical Presentation of Preliminary Findings' (9 September 2020) <<https://infogram.com/1pmm101ryl2nqlagqoew59559im5vrgzvs?live>> accessed 8 May 2022.

<sup>36</sup> IFC, 'Women-Owned SMEs' (n 35).

<sup>37</sup> Torres et al., 'The Impact of the COVID-19 Pandemic on Women-Led Businesses' (n 33).

of social security contributions and the removal of some administrative procedures. It has provided special credit lines to finance family agri-business and supported the capitalization of cooperatives in the agriculture, livestock, and fisheries sector, a sector that employs 56 per cent of women. Bangladesh has enacted a rescue package for SMEs at a concessionary interest rate. More than half of the interest is borne by the government to save firms and safeguard employment. Businesses are also allowed lower interest rates for imported raw materials. Burkina Faso, Chad, and Lao PDR have implemented tax relief measures for formal and informal MSMEs, and in the case of Mauritania for the artisanal fisheries sector. The Gambia enacted deferred tax returns for the wholesale and retail trade activities, which account for 45 per cent of women's employment. Guinea has allowed banks to provide facilitated credit to MSMEs. In Liberia, the government has borne the loans owned by small and informal women traders and helped banks to increase lending to new borrowers. Senegal provides interest-free loans and subsidies to women entrepreneurs in the informal sector who have experienced significant operating losses due to the pandemic. The measures target a total of 1,000 beneficiaries working in areas such as fisheries, hairdressing, sewing, crafts, processing of agricultural products, and petty trade. In Uganda, the government has allocated funds to microfinance institutions to improve access to finance for MSMEs. The Uganda Development Bank offers low-interest financing to manufacturing, agribusiness, and other private sector firms. Malawi has put in place two measures in support of MSMEs. The first – an emergency cash transfer programme – involves small businesses which receive the equivalent of a USD 40 monthly payment, matching the country's minimum wage, through mobile cash transfer. The second measure – increasing loans under the Malawi Enterprise Development Fund – is meant to support MSMEs that have been seriously affected by the pandemic. Mauritania provided financial support for three months to small individual businesses. In consideration of women's role as micro and small entrepreneurs, it can be assumed that they could benefit from the rescue measures targeting MSMEs.

### 5.3.2.3 Tourism

The tourism sector was among the hardest hit by the pandemic. Social distancing measures and travel restrictions have driven the sector to an almost complete halt in 2020.<sup>38</sup> The situation is improving at present with the

<sup>38</sup> The UNWTO reports a fall in arrival of 84 per cent during January to May 2020, as compared to the same period in 2019. In an earlier assessment, the UNWTO estimates that the loss in direct tourism gross domestic product is USD 2 trillion.

relaxation of most measures; as of May 2022, the sector has recovered to almost half of the 2019 pre-pandemic levels, though geopolitical tensions, rising fuel prices, and disruptions at major airports may reverse the recovery trend.<sup>39</sup> Globally, tourism earnings diminished by 40 per cent during the first half of 2020 as compared to the same period in 2019, badly hitting LDCs dependent on tourism revenues, as it is the case for Sao Tome and Principe, Timor-Leste, Samoa, Vanuatu, Comoros, and the Gambia (in decreasing order) for which, in 2018, tourism contributed to more than 40 per cent of export revenues.

Employment in the tourism sector tends to be informal and temporary, for both men and women. In Tanzania, for example, 38 per cent of men and 39 per cent of women in the tourism sector do not have formal written contracts. In Mozambique, 50 per cent of men and 46 per cent of women work in the tourism sector under unclear contractual arrangements.<sup>40</sup>

Beyond wage employment, tourism provides women with opportunities for entrepreneurship, for example as owners of small tourism outlets, producers and sellers of handicrafts, tour guides, and providers of food services.<sup>41</sup> Several LDC governments have therefore put in place measures meant to support the tourism sector. Bangladesh and the Gambia have provided emergency cash transfer to hotel workers. Bhutan supports workers in the sector through cash for work and cash for reskilling. Cambodia provides wage subsidies and training for tourism workers. Guinea allows banks to provide facilitated credit to businesses operating in the hotel, restaurant, and transport sectors. Lesotho has provided a grant covering the tourism and food sectors. Burkina Faso, Cambodia, Cameroon, Madagascar, Mali, Lesotho, and Niger have implemented favourable tax measures to support the tourism sector or specific sub-sectors. Also in this case, we can assume that women have benefited from the rescue measures targeting the tourism sector.

#### 5.3.2.4 Textile and Garments

Another sector badly hit by the pandemic is the textiles and garment sector, which is one of the most female-intensive sectors worldwide, including in the LDCs, and a key economic sector for some LDCs.

<sup>39</sup> World Tourism Organization, 'International Tourism Consolidates Strong Recovery Amidst Growing Challenges' (1 August 2022) <[www.unwto.org/news/international-tourism-consolidates-strong-recovery-amidst-growing-challenges](http://www.unwto.org/news/international-tourism-consolidates-strong-recovery-amidst-growing-challenges)> accessed on 7 September 2022.

<sup>40</sup> World Tourism Organization, 'Global Report on Women in Tourism – Second Edition' (2019) <[www.e-unwto.org/doi/book/10.18111/9789284420384](http://www.e-unwto.org/doi/book/10.18111/9789284420384)> accessed 8 May 2022.

<sup>41</sup> World Tourism Organization and ILO, 'Measuring Employment in the Tourism Industries – Guide with Best Practices' (2014) <[www.e-unwto.org/doi/book/10.18111/9789284416158](http://www.e-unwto.org/doi/book/10.18111/9789284416158)> accessed 8 May 2022.

In 2017, 85 per cent of workers in the apparel sector were women in Cambodia,<sup>42</sup> and 90 per cent in Myanmar.<sup>43</sup> In Bangladesh, the number of women employed in the ready-made garment sector is estimated at 3.3 million, corresponding to 80 per cent of all workers in the sector.<sup>44</sup>

The pandemic has led to a collapse in the global demand for clothing. During the first phase of the health crisis, a number of international brands and retailers cancelled orders, including for products already fully or partially manufactured, delayed payments, or demanded discounts. In Myanmar, during 2020, garment factories saw orders fall by 75 per cent due to the pandemic, which prompted many factories to cut their workforce or permanently close.<sup>45</sup> In Bangladesh, half of suppliers that participated in a survey administered in March 2020 had the bulk of their production cancelled, while 80 per cent declared that they were unable to provide severance pay when order cancellation resulted in worker dismissals. By the end of March 2020, at least 1.2 million workers had already been affected by order cancellations.<sup>46</sup>

Bangladesh has set up a special scheme to support export-oriented garment companies. Owners are allowed an interest-free loan from the scheme to keep their factories running. Cambodia provides wage subsidies and training for workers of the garment sector and tax holidays for firms operating in the sector. Cambodia, Haiti, and Lesotho provide subsidies for workers in the textiles industry. Here again it can be concluded that women in principle can benefit from rescue measures targeting the textiles and garment sector.

### 5.3.3 *The Magnitude of the Problem and the Resources Available*

Once it is assessed that some rescue measures have directly targeted women, especially as heads of vulnerable households, and other measures deliberately

<sup>42</sup> ILO and IFC, 'Towards Gender Equality: Better Factories Cambodia' (2018) <<https://betterwork.org/wp-content/uploads/2018/04/Toward-Gender-Equality-2017-18.pdf>> accessed 8 May 2022.

<sup>43</sup> ILO, 'Weaving Gender: Challenges and Opportunities for the Myanmar Garment Industry' (2018) <[www.ilo.org/wcmsp5/groups/public/-asia/-ro-bangkok/-ilo-yangon/documents/publication/wcms\\_672751.pdf](http://www.ilo.org/wcmsp5/groups/public/-asia/-ro-bangkok/-ilo-yangon/documents/publication/wcms_672751.pdf)> accessed 8 May 2022.

<sup>44</sup> ILO, 'Understanding the Gender Composition and Experience of Ready-Made Garment (RMG) Workers in Bangladesh', BGD/16/03/MUL (3 September 2020).

<sup>45</sup> Hannah Abdulla, 'Myanmar Garment Factory Orders Fall by 75 Per Cent' (Just-style 3 September 2020) <[www.just-style.com/news/myanmar-garment-factory-orders-fall-by-75-id139507.aspx](http://www.just-style.com/news/myanmar-garment-factory-orders-fall-by-75-id139507.aspx)> accessed 8 May 2022.

<sup>46</sup> Mark Anner, 'Abandoned? The Impact of Covid-19 on Workers and Businesses at the Bottom of Global Garment Supply Chains' (2020) Pennsylvania State University Center for Global Workers' Rights Research Report <[www.workersrights.org/wp-content/uploads/2020/03/Abandoned-Penn-State-WRC-Report-March-27-2020.pdf](http://www.workersrights.org/wp-content/uploads/2020/03/Abandoned-Penn-State-WRC-Report-March-27-2020.pdf)> accessed 8 May 2022.

or by coincidence have covered sectors and functions that include a large share of women, the next question is how effective these measures can be. Indeed, one-off interventions, transfer of very limited amounts of cash, and support provided during one or two months may be able to alleviate immediate and acute emergencies, but not to provide sufficient 'breathing space' for workers and firms to survive and plan for the future.

LDCs have been able to devote a median USD 18 per inhabitant in terms of additional spending or forgone revenues, which is a tiny fraction of the median USD 1,365 that developed countries were able to dedicate to their inhabitants.<sup>47</sup> Substantially higher amounts are necessary for the rescue packages to be effective and make a difference, especially for those particularly hit by the pandemic, such as women. Moreover, it is necessary to include in the rescue packages not only provisions meant to face the most acute phase of the crisis, but also measures that will allow LDCs to be back on track to meet the SDGs. Indeed, the seventeen SDGs are interlinked. Gender equality and women's and girls' empowerment will be the result not only of fully implementing SDG 5, but also other relevant SDGs. They include SDG 1 on poverty eradication, SDG 2 on ending hunger, SDG 8 on inclusive and sustainable economic growth, SDG 10 on reducing inequality within and among countries, and SDG 17 on strengthening the means of implementation and revitalizing the global partnership for sustainable development.

Domestically, LDCs need to strengthen their fiscal capacity, increase domestic resource mobilization, and improve the effectiveness of public expenditure. From the outside, they need a mix of financial resources, debt alleviation, transfer of technology, capacity-building, and inclusive and equitable trade at the global and regional level. In its 2020 LDCs Report, UNCTAD estimates that the total average expenditure needed to meet selected SDGs varies from USD 875.9 to USD 1,464.9 billion per year for the group of LDCs, once combining the forecast total social and environmental spending with estimated investments.<sup>48</sup>

#### 5.4 THE WAY FORWARD

Going back to 'business as usual' is not a suitable alternative for the LDCs, especially for women living there. This chapter has provided an overview of

<sup>47</sup> UNCTAD, 'The Least Developed Countries Report 2020 – Productive Capacities for the New Decade', UNCTAD/LDC/2020 (2020).

<sup>48</sup> *Ibid.*



the main shortcomings that the LDC were already facing before the pandemic hit them. The situation has dramatically worsened since. If not addressed, these shortcomings will curtail LDCs' prospects for development and for a more beneficial participation in the global economy, which will reverberate for women's prospects.

LDCs have put in place a host of policy measures that aim at attenuating the adverse impact of the pandemic on their populations and economies. As this chapter has shown, several of these measures address concerns and problems faced by women in LDCs, though the funds available undoubtedly fall short of the needs.

Looking forward, LDCs need to design and implement policies and strategies aimed at their mid- to long-term development prospects in such a way that women's concerns are properly tackled. Addressing and overcoming the longstanding barriers women face in all spheres should be at the top of the new agenda of all countries, including the LDCs.

What would building forward differently mean for the LDCs and especially for women in the LDCs? A number of measures are suggested in the following. While some of them refer to deepening and broadening policy measures adopted in response to the pandemic shock, others are targeted at the long-standing development challenges of LDCs.

#### 5.4.1 *Building Forward Differently*

- Human capital should be upgraded. Improved education for women would facilitate the shift from precarious and low-skill jobs to more stable and formal employment. In particular, enhanced access to education would increase women's openings in sectors that attract better pay and provide opportunity for skills and career development. Shortage of qualified workers is often mentioned as one of the main obstacles for firms to expand in the LDCs.<sup>49</sup> The emergence of advanced technology is making this constraint even more damaging. Improving the quality of education and encouraging women to enrol in STEM disciplines would provide a win-win solution.
- The business environment needs to improve. Three regional groupings in Africa – Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), and Southern African

<sup>49</sup> The 2007 UNCTAD LDC Report documents the issue of brain drain and brain gain. See UNCTAD, *Least Developed Countries Report 2007* (2007).

Development Community (SADC),<sup>50</sup> each of them including several LDCs – have some of the longest processing times and highest costs for imports and exports compared to other regions of the world. To overcome this, a growing number of LDCs are putting in place measures to cut red tape, lower barriers to entry, foster competitiveness, and facilitate trade. Such measures may benefit actual or potential entrepreneurs, including female MSMEs and small-scale cross-border traders. Trade facilitation reforms and human capital improvements should be coordinated to ensure a switch to more productive and technology-intensive sectors, and make entrepreneurship, especially female entrepreneurship, a sustainable and growth-oriented endeavour instead of a survival economic activity. A precondition to boosting female entrepreneurship is to facilitate women's access to credit, not only as an emergency measure, but as a way to overcome a long-standing form of gender discrimination that impedes female-headed enterprises from growing and playing a more positive role in the economy.<sup>51</sup>

- A renewed focus is needed in agriculture and rural development. The sector should be a priority for inclusive and sustainable growth in the LDCs in consideration of its role as the main employer of men and women and its contribution to poverty alleviation and food security. Improved access to inputs and extension services, crop diversification, and agro-processing are all developments that would benefit the LDCs and women in the LDCs, provided that women's specific needs and the gender challenges that these developments can imply are addressed.
- Services are increasingly important in the economy of the LDCs, and their role in manufacturing is growing through 'servicification'.<sup>52</sup> The linkages between the two sectors – manufacturing and services – may contribute to them reinforcing each other and could lead to more sophisticated, technology-intensive, and value-added outcomes. Again, in this case, the distributional effects of these developments should be

<sup>50</sup> Agreement Establishing a Common Market for Eastern and Southern Africa, Kampala, 5 November 1993; Treaty for the Establishment of the East African Community, Tanzania, 30 November 1999; Treaty of the Southern African Development Community, Windhoek, 17 August 1992.

<sup>51</sup> See UNCTAD, *Entrepreneurship Policy Framework and Implementation Guidance* (2012) para. 107 et seq.

<sup>52</sup> See, for instance, UNCTAD, 'The Role of the Services Economy and Trade in Structural Transformation and Inclusive Development, Note by the Secretariat', TD/B/C.I/MEM.4/14 (14 June 2017) para. 14 et seq.

carefully assessed to avoid leaving some segments of the population, including women, behind.

- Now that the emergency is over, most safety nets have been removed'. The ongoing response to the COVID-19 pandemic has provided good examples of measures that may be beneficial in the medium run and not only to face emergencies. Several LDCs have extended their safety nets to informal workers. Such measures should continue once the health emergency is over since they are essential both for social cohesion and to accelerate inclusive economic recovery. Moreover, measures should be put in place to facilitate business formalization.
- Women's participation in decision-making needs to be enhanced. Women are playing a minor role in the task forces set up to design and implement COVID-19 rescue packages. According to the COVID-19 Global Gender Response Tracker, of the 262 task forces for which membership data is available, women make up less than a quarter of members and are not represented at all on 10 per cent of all task forces. The inclusion of explicit gender considerations in the medium- to long-term recovery plans would be greatly facilitated by the participation of women in the discussion and decision-making processes. For this to happen, ministries of gender equality and women's groups should be given adequate resources and an influential role in policymaking.

#### 5.4.2 *Building Forward Differently through Trade*

Trade policy is one of the important tools that can be used to increase LDC inclusion in the world economy and offer new economic opportunities to women. Devising measures that promote women's participation in trade and ensuring that the benefits from trade reach women and men equally can be an effective way for LDCs to step up their efforts towards a more inclusive and gender-equal order after the pandemic.

- It is important to keep markets open. Ensuring a free, fair, non-discriminatory, transparent, predictable, and stable trade environment remains essential to ensure the availability of essential goods and promote a strong economic recovery from which all should benefit.<sup>53</sup>

<sup>53</sup> Echoing the call by the G20, see EU, 'G20 Ministerial Statement on Trade and Digital Economy' <[https://g20-digital.go.jp/asset/pdf/g20\\_2019\\_japan\\_digital\\_statement.pdf](https://g20-digital.go.jp/asset/pdf/g20_2019_japan_digital_statement.pdf)> accessed 8 May 2022.

- Make the trade debate gender-responsive. The WTO Joint Declaration on Trade and Women's Economic Empowerment launched at the margins of the 11th Ministerial Conference of the WTO in 2017 signalled the departure of the trade community from its longstanding position that trade is 'gender-neutral'.<sup>54</sup> Discussions, exchange of experiences, and reviews of research work on trade and gender were held at the WTO following the adoption of the declaration and culminated in the setting up of the informal Working Group on Trade and Gender in September 2020. The Working Group took on board the ambitious task to launch a new declaration at the following Ministerial Conference, MC12. Negotiations resulted in the Draft Joint Ministerial Declaration on the Advancement of Gender Equality and Women's Economic Empowerment within Trade. One of the objectives of the declaration was to explore and analyse a gender perspective and women's economic empowerment issues in the work of the WTO. Though the declaration ultimately was not tabled at MC12, member countries may still be willing to include a gender perspective in WTO work. Such a development could lead to transformative results since the analysis on the nexus between trade and gender will permeate WTO work rather than be clustered in a specific working group or specific meetings where gender issues are on the agenda.<sup>55</sup> The shortcomings that women in LDCs face could then be addressed and solutions discussed in several WTO bodies, those where the link between the issues under discussion and women's economic empowerment is rather straightforward, for example trade facilitation, MSMEs, Technical Barriers to Trade (TBT), and Sanitary and Phytosanitary measures (SPS), or public procurement, but also when discussing agriculture, services, or intellectual property rights, to mention a few. While it may be less evident, there is a close link between discussions and negotiations on these issues and women's enhanced or diminished opportunities in these areas.
- Conduct *ex ante* evaluations of the gender-differentiated impacts of trade. The approach to trade negotiations has long been that the impact of a new trade agreement should be assessed for a country as a whole. Such an approach, however, fails to identify how a trade agreement or a trade

<sup>54</sup> WTO, 'Joint Declaration on Trade and Women's Economic Empowerment on the Occasion of the WTO Ministerial Conference in Buenos Aires in December 2017' (2017) <[www.wto.org/english/thewto\\_e/minist\\_e/mc11\\_e/genderdeclarationmc11\\_e.pdf](http://www.wto.org/english/thewto_e/minist_e/mc11_e/genderdeclarationmc11_e.pdf)> accessed 8 May 2022.

<sup>55</sup> For more information and analysis on this, see Mia Mikic, 'Advances in Feminizing the WTO' (Chapter 3 in this book).

reform may impact different segments of the population. Identifying those who will benefit from the new measure and conversely those who may be negatively impacted by it may be the first step to put in place buffer measures, at least in an initial phase of implementing the new measure, or to reconsider the terms of the negotiations to mitigate the foreseen negative effects. Indeed, while a trade reform may overall be beneficial for a country, it may not be so, for example, for the rural population, or for the elderly, or for women and girls. The call to conduct gender assessments prior to negotiating a trade agreement was included in the 1995 Beijing Platform for Action.<sup>56</sup> Governments were advised to seek to ensure that trade agreements do not negatively impact women's new and traditional economic activities, and, more broadly, that macro- and microeconomic policies are assessed through an *ex ante* gender analysis and reformulated if harmful impacts are expected to occur. At present, Canada and the European Union provide the most advanced examples of conducting *ex ante* gender assessments of trade agreements. The Canadian Gender-Based Analysis Plus (GBA+) mandates the integration of GBA+ in all policies, plans, programmes, and initiatives, including trade agreements, to assess their impacts on different groups of people.<sup>57</sup> The GBA+ has been used for the first time with reference to a trade agreement during the Canada–Mercosur Free Trade Agreement (FTA) negotiations. In the case of the EU, Sustainability Impact Assessments (SIAs) analyse the potential economic, social, and environmental impacts of a proposed trade agreement while the negotiations are ongoing. Gender considerations are introduced to SIAs among the social themes under 'equality'. The use of *ex ante* gender assessments will hopefully expand and become a regular feature of trade negotiations. Some outstanding issues related to the scope and feasibility of the assessments remain, including data availability to conduct impact assessments that are not limited to analysing the potential impact of an agreement on women's employment in the formal sector. Moreover, a key point is to ensure that the findings of the impact assessments are duly considered during the negotiations and reflected in the outcomes. An *ex*

<sup>56</sup> Beijing Declaration and Platform for Action, *Beijing +5 Political Declaration and Outcome* (UN 1995, reprinted by UN Women 2015). See also UN Women, 'The Beijing Platform for Action: Inspiration Then and Now' <<https://beijing20.unwomen.org/en/about>> accessed 8 May 2022.

<sup>57</sup> For more information on Canada's impact assessment approach, see Marie-France Paquet and Georgina Wainwright-Kemdirim, 'Crafting Canada's Gender-Responsive Trade Policy' (Chapter 14 in this book).

*ante* gender assessment of the African Continental Free Trade Area (AfCFTA) would be especially useful to support the development of national strategies that countries are currently called upon to develop.<sup>58</sup> While the continental agreement is expected to provide numerous new opportunities, it is crucial to assess whether these opportunities will equally reach men and women. If they do not, measures should be introduced to rectify any foreseen negative effect.

- It is also pertinent to enhance and strengthen the collection of data. A full appreciation of the distributive effects of trade, including on women and men, requires the availability of a wide range of sex-disaggregated statistics. While data on education and health, labour force participation, and political participation are usually available in LDCs, statistics on working conditions, consumption, time use, entrepreneurship, and on policies and laws that influence gender equality, among others, are still difficult to find. This is an area where international organizations could provide support to the statistical offices of the LDCs.
- Ensuring policy coherence is quintessential. Building forward differently implies coordination between policies, both at the domestic level and between domestic policies and regional/multilateral ones. If policy coherence was necessary in the pre-pandemic era, it is even more so at present, when countries face multifaceted challenges from COVID-19.

## 5.5 CONCLUSION

This chapter has briefly presented the position of the LDC in the world economy and in international trade and has focused on women in the LDCs, looking at the role women play in the economy and in trade. It has highlighted the many problems that women face in the LDCs, exacerbated by unresolved development challenges and currently magnified by the pandemic.

The LDCs, as all other countries, implemented rescue measures to shelter their people and economies from the impact of the pandemic. A considerable number of measures appear to have the potential to directly or indirectly, by purpose or by coincidence, benefit women. They include those supporting MSMEs, highly female-intensive sectors such as agriculture, tourism, and the textiles and garment sectors, or informal workers. However, the amount that the LDCs have been able to devote to their inhabitants is extremely low –

<sup>58</sup> Agreement Establishing the African Continental Free Trade Area, Kigali, 21 March 2018.

USD 18 per inhabitant as compared to USD 1,365 in rich countries, with a consequent limited and short-term effect. To make their interventions more impactful and long-term, at the domestic level LDCs need to strengthen their fiscal capacity, increase domestic resource mobilization, and improve the effectiveness of public expenditure, while from the outside they need a mix of financial resources, debt alleviation, transfer of technology, and capacity-building.

The chapter concludes by highlighting some measures that would help the LDCs build forward differently for the benefit of their populations, and especially women. The upgrading of human capital, the overall improvement of the business environment, a renewed interest in the agricultural sector and rural development, special attention to the development and gender implications of further linking the manufacturing and the services sectors, and support for women's participation in decision-making processes, including those related to the rescue packages, were singled out. Moving more specifically to how trade could contribute to improve the prospects for women in the LDCs, the chapter emphasizes that some developments look particularly promising, including conducting on a regular basis *ex ante* gender assessments of trade agreements, strengthening the collection of data that would allow the distributive effects of trade to be grasped fully, making gender considerations a feature of all WTO work and deliberations, and ensuring that the trade environment remains free, fair, non-discriminatory, transparent, predictable, and stable. The chapter calls for policy coherence between domestic, regional, and international policies and initiatives. Coherence is identified as a precondition for countries, including the LDCs, to be able to face the unprecedented human, social, and economic challenges deriving from the pandemic and avoid women bearing a disproportionate brunt of it.