

Government of Rwanda Ministry of Finance and Economic Planning



22<sup>nd</sup> Meeting of the Intergovernmental Committee of Experts Sub-regional Office for Eastern Africa (SRO-EA)

## Implementing the African Continental Free Trade Area in Eastern Africa: From Vision to Action

# Concept Note: Harnessing the AfCFTA for Gender Equality

20 - 22 November 2018

**Kigali Convention Centre** 

Rwanda

## I. Background

The signing of the AfCFTA on 21<sup>st</sup> March 2018 in Kigali by 44 countries represented a milestone towards achieving the long-standing goal of creating a unified African market. However, special focus on the nexus between trade and gender dynamics is particularly important, as trade reforms are not gender neutral (UNCTAD, 2016 and TRALAC, 2018). The distributional outcomes of trade vary between women and men and this is largely ascribable to gender biases in education, the distribution of income and resources, as well as unequal access to productive inputs such as credit, land and technology (UNCTAD, 2009). For instance, the AfCFTA will no doubt enhance structural transformation in the region, as a study by UNECA shows that intra-African trade in industrial products is posited to increase by between 25 per cent and 30 per cent, with textile, apparel, leather, wood and paper, vehicle and transport equipment, electronics and metals benefiting the most from the AfCFTA. Nonetheless, though African women are currently more economically active as farmers as they grow most of Africa's food (AfDB, 2015), they may face more hurdles than men in shifting to the highly productive sectors due to, *inter alia*, limited skills and horizontal and vertical gender segregation (ICTSD, 2017).

Economies with better opportunities for women are more competitive and will benefit more from openness than economies that are less 'friendly' to female involvement in the economy (ITC, 2015). Increased female income is likely to be disproportionally spent on the well-being and education of children. As a result, women's income has a direct impact on reducing income inequality and on future growth through its impact on education. Therefore, gender equality is desirable from an efficiency perspective: enhanced opportunities for women lead to improvements in human development outcomes, poverty reduction and accelerated rates of economic growth (Sinha et al., 2007).

Furthermore, while making a case for gender parity, McKinsey (2015) exploring a scenario in which women fully participate in the economy in the same manner as their male counterparts, found out that this change could result in a US\$ 28 trillion or 26 per cent annual global GDP growth by 2025. This is achievable just by bridging the gender gaps, allowing women to play an identical role as men in the labour markets. It further notes that increasing women's labour force participation would account for 54 per cent of potential GDP increase.

Against this backdrop, the Eastern African countries should work with the foresight to guarantee that the AfCFTA is rid of discrimination against women. If the trade policies are designed without taking into account their gender-specific outcomes, these policies risk magnifying existing gender gaps.





## II. Objectives of the Session

Participants will be invited to provide inputs to the discussion and to review the following questions:

- What are some of the constraints that may limit women from fully benefiting from the AfCFTA?
- What can be done to ensure that AfCFTA is gender responsive?

#### III. Provisional Programme

#### Tuesday 20<sup>th</sup> November 2018

**Moderator:** Lerato Mbele Roberts, Presenter, Africa Business Report at BBC World News

#### **Panel Discussion:**

- Clare Akamanzi, CEO, Rwanda Development Board
- Giovanie Biha, Deputy Executive Secretary, ECA
- Frank Matsaert, CEO, TradeMark East Africa

## IV. Participation

The plenary session will gather experts from Eastern African countries, as well as representatives of the private sector, civil society organizations, and other relevant institutions. For further information and clarification, please contact, Ms. Emelang Leteane, <u>leteane.uneca@un.org</u>





## References

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McKinsey Global Institute (2015). The power of parity: how advancing women's equality can add \$12 trillion to global growth. Available at: <u>https://www.mckinsey.com/featured-insights/employment-and-growth/how-advancing-womens-equality-can-add-12-trillion-to-global-growth</u>

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TRALAC (2018). A gender responsive AfCFTA. Available at: <u>https://www.tralac.org/discussions/article/12820-a-gender-responsive-afcfta.html</u>

United Nations Conference on Trade and Development (UNCTAD). (2016). *Implementing gender-aware ex-ante evaluations to maximise the benefits of trade reforms for women.* Available at: <a href="https://unctad.org/en/PublicationsLibrary/presspb2016d7">https://unctad.org/en/PublicationsLibrary/presspb2016d7</a> en.pdf

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