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WOMEN’S ECONOMIC EMPOWERMENT AND GENDER EQUALITY IN TRADE FACILITATION

THE ROLE OF CUSTOMS AND BORDER SERVICES

BACKGROUND

Before ever reaching customs, women traders face significant barriers to starting and growing their businesses. They often experience unequal access to financial services; higher costs for goods and services, due to their companies’ smaller size; unequal access to distribution networks; and lack of access to legal, marketing, information technology, and trade information. Disproportionate care burdens—for children as well as for elderly, sick, or disabled family members—also constrain women in ways that male traders are not constrained. Women small-scale traders additionally struggle with low literacy levels and a lack of entrepreneurial expertise. They tend to lack access to capital, social and political influence, and representation and organization. They operate in male-dominated environments where they hold little power relative to male customs and border officials.

Through its efforts to support women’s economic empowerment and gender equality (WEEGE), the United States Agency for International Development (USAID) is committed to enhancing women’s roles in trade. To better understand the context, opportunities and challenges and to explore innovative ways

to integrate, address and strengthen WEEGE in trade, Banyan Global conducted a WEEGE assessment focusing on three questions. 1) To what extent is women’s economic empowerment and gender equality integrated into customs and border agency services, operations, and personnel management, across various functions? 2) How do WEEGE gaps in services affect women participating in trade? 3) What changes may be needed in processes, procedures, infrastructure, and systems, to achieve more equitable access, treatment, and opportunities for women in trade?

WOMEN’S ECONOMIC EMPOWERMENT AND GENDER EQUALITY AT THE BORDER

In their dealings with women traders, customs officers sometimes have high levels of direct contact, where automation does not exist or is limited. In these cases, individual behaviors can make a significant difference in the treatment of women traders—especially, women small-scale cross-border traders. In other places, where customs processes are automated, interaction with women-owned businesses is often minimal and handled primarily through customs brokers and lawyers; here, significant opportunities to empower women involve addressing structural barriers, such as unequal access to information, networks, and capital, or social norms that favor male leadership. In this case, customs officers have an opportunity to empower women traders through targeted outreach efforts.

Customs services operate in a complex environment. They serve dual and competing roles: enforcing the laws of multiple agencies to protect the country’s health, safety and security, while facilitating trade and revenue collection. By empowering women traders, customs services can have a positive impact on expanding trade. Customs services’ policies and rules must support efficient, effective, and gender-sensitive border management. Trade facilitation policies and implementation measures must consider and support the needs of women, including cross-border and other micro traders. Gender-neutral implementation is not sufficient.

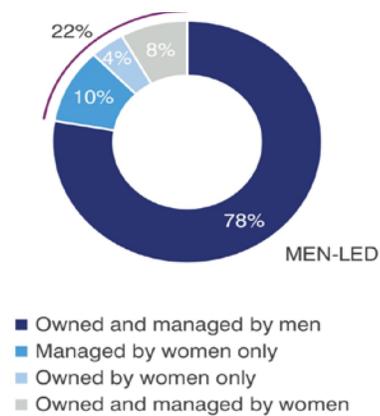
FINDINGS

1. **Neutral implementation of laws results in an unintentional bias against SMEs, and most women owned businesses are SMEs.** Customs services in all economies have regulatory burdens that are costly to traders, and these are generally implemented in a neutral manner. These burdens are magnified by administrative delays—for example, when customs agencies fail to meet statutory deadlines,² and when they provide unclear explanations of the

¹ Through the Women’s Economic Empowerment and Equality Technical Assistance Task Order under the Advancing the Agenda of Gender Equality indefinite delivery, indefinite quantity contract.

² Delays can result from pre-trade requests, clearance, and post-clearance procedures (including issuing advance rulings), seizures, disputes, and protests.

FIGURE I. WOMEN LED EUROPEAN COMPANIES THAT EXPORT GOODS OUTSIDE THE EU



Source: ITC business survey, 2019.

rules, creating uncertainty and higher costs for SMEs. One interviewee reported that her protests and requests “sit forever” with a Customs Service. “Financing [is difficult] to sustain such long delays and administrative costs, so sometimes you just walk away.” These increased costs disproportionately negatively affect (women-owned) SMEs.

2. **Governments often fail to consider women traders’ needs** in formulating trade initiatives.
3. **Women need access to innovative trade facilitation technology**, on the platforms available to them. Although women SMEs have greater access to technology than small-scale traders, they still lack innovative technology and access to platforms that can facilitate their trading success. Most small-scale traders have cellphones but lack smart phones, limiting their access to real-time market information.



The Gambian border
Washington Post

4. **Lack of trade information** is a major barrier for female-owned SMEs and small-scale traders.
5. **Customs officers sometimes lack sufficient knowledge of rules and procedures**, which can disproportionately hinder the success of women traders.
6. **Most advanced economies have enhanced automation and trade facilitation**, which helps to reduce corruption and abuse at the border due to decreased interface with customs officials.
7. **There are barriers at the borders of many emerging economies.**
 - a. **A lack of full automation and trade facilitation** leads to delays as well as to increased interface with customs officials, enabling increased corruption and harassment of women traders at the border. Women traders operate in vulnerable positions and unsafe conditions, with increased costs and barriers to success.

- b. **Small-scale women traders are marginalized, hampered, and unrecognized,** resulting in a loss of dignity, decreased profits, and a more difficult struggle to survive.
- c. **Border infrastructure does not meet the safety and physical needs of women traders,** creating unnecessary physical risk.
- d. **A lack of markets, warehouses, cold storage, and lodging facilities** hampers the success of women traders and imposes additional burdens.

RECOMMENDATIONS

GLOBAL RECOMMENDATIONS

1. Because implementation of rules and procedures in a neutral manner can disproportionately hamper SMEs, customs administrations should (1) adopt sensitive, efficient and effective border management policies and (2) require adhering to statutory deadlines. This should be part of a holistic approach to ensure that trade facilitation policies and implementation measures recognize and support the needs of women, including women cross-border traders.
2. Consider women’s economic empowerment and gender equality when formulating trade initiatives and customs policies.
3. Empower women traders by providing transparent and easy-to-access customs information to reach women where they are—at the border, in towns and places frequented by women traders, and in language and media accessible and familiar to them. Ensure that official websites are user-friendly, with explanatory links to rules and regulations and real time information.
4. Provide updated and ongoing training to customs officials (including those at the border) in rules and procedures and updated systems.
5. Working with Chambers of Commerce and women’s associations, outreach to potential SME traders on topics such as “How to become a trader.”
6. Include topics on e-commerce to enable more women to experience the economic benefits of trade.³



Going from Srinagar (India) to Chhagalnaiya (Bangladesh)
CUTS INTERNATIONAL

³ Research shows that women seize opportunities where they find them; e.g., in the BBIN region, women engage in “suitcase trade” using India’s *de minimis* duty exemption. In Cambodia, women are engaged in the fish trade because men scorn this type of trade.

ADVANCED ECONOMIES

1. Maintain updated systems and continue to implement trade facilitation measures.

EMERGING ECONOMIES

1. Implement full automation and trade facilitation measures, which will reduce delays and decrease corruption and harassment of women traders. These include: a single window for customs clearance; publicizing Simplified Trade Regimes (where applicable); single payment window for payments; and mandatory receipts.
2. Develop clear and transparent procedure guides for sector-specific products.
3. Adopt, promote, and widely disseminate a Charter of Rights for traders.⁴
4. Develop programs that facilitate access to the internet and smart phones for women traders; design and implement trade facilitation technology, in partnership with women traders.
5. Establish a Trade Information Desk to assist traders with documentation and compliance for clearance. Establish a gender help desk at the border where women traders can feel comfortable seeking information assistance.
6. Increase the number of female customs officials at the border, including in leadership positions.
7. Study solutions to (1) recognize informal small-scale traders, such as a certification program for demonstrating knowledge of the rules and promising compliance, in return for expedited border crossing; and (2) study the economic impact of increasing the *de minimis* duty exemption, to promote small-scale trade and e-commerce.
8. Build women-friendly and safe infrastructure at the border, including women-friendly waiting rooms; toilets with running water; effective security lighting, fences, and cameras; and dedicated clearance lanes for small-scale traders. Implement steps to keep out loiterers, and require customs officials in border areas to be uniformed, with clearly visible names and badges.
9. Facilitate availability of markets, warehouses, cold storage, and lodging facilities.

WOMEN'S ECONOMIC EMPOWERMENT AND GENDER EQUALITY WITHIN CUSTOMS

Progress to support the needs and experiences of women traders becomes more sustainable when the broader organizational cultures and processes—institutional architectures—are also designed to recognize and advance women's economic empowerment and gender equality. Customs agencies can create work environments that are more diverse, increasing trust and institutional legitimacy by

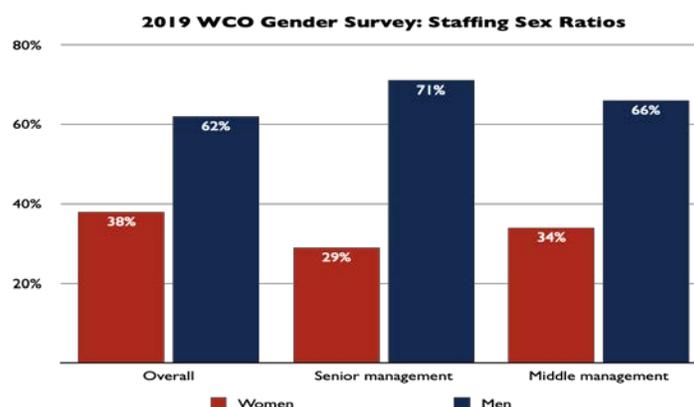
⁴ The World Bank has developed a Charter for the Common Market for Eastern and Southern Africa, available at https://gltfp.comesa.int/wp-content/uploads/2017/09/The-CHARTER_translation.pdf

reflecting the populations they serve, and that offer a more supportive setting for women traders through decreased corruption and sexual harassment.

FINDINGS

1. While progress is being made globally to bring more gender balance to all areas of customs work, **the sector remains broadly male-dominated, especially in leadership and in enforcement positions**, even as sectors such as trade, revenue, and legal affairs have begun to diversify.

FIGURE 2. STAFFING SEX RATIOS (WCO 2019)



2. Many customs agencies continue to use gender-blind recruitment strategies; however, **successful recruitment initiatives use communication tools and channels that meet women where they are**—from rural road shows to university outreach.
3. **Many women find the challenging, diverse, and public service-oriented nature of customs work to be a key factor in their retention**; however, agencies often fail to address these motivations in their efforts to recruit women.
4. **The mentorship and sponsorship of female peers and leaders** is key to both the retention of female officers and their advancement into positions of leadership.
5. **Progress on gender-balanced staffing and work-life balance (among other issues) is often tied to the efforts of individual women champions** and can easily regress when these champions are no longer in place, especially where gender equality legislation or policies have not compelled attention to the issues.
6. **Environments of camaraderie, and sometimes cronyism, created by male-dominated leadership structures can undervalue and exclude female voices and presence**, resulting in non-inclusive decision-making practices and fewer leadership opportunities for women.
7. **Agencies often have difficulty reconciling the needs of their officers with the requirements of certain positions, especially in enforcement and field operations.**

These positions create particularly challenging conditions for pregnant and breastfeeding women, as well as for caregivers with school-aged children.

8. **Sexual harassment and abuse of power, while not pervasive in all agencies, pose a real risk for many women working in customs;** reporting systems are generally seen as insufficient to protect them against retaliation.
9. **Uncontrolled environments, often found in border posts, pose heightened safety and security risks, especially for women.** Militarized customs environments—with attendant cultures of hierarchy, masculinism, and lack of transparency—may increase these risks.
10. In many agencies, basic infrastructure is in place to meet the privacy and security needs of women, such as separate restrooms and changing rooms. However, **infrastructure to meet the specific needs of pregnant and breastfeeding women is rarely available**, especially in field and border locations.
11. **Everyday sexism is common in many agencies**, ranging from dismissible comments and insensitivities to discrimination that can hamper women’s work. Such incidents might be so normalized as to be invisible, even to female officers, but they can have a cumulative impact on women’s stress levels and feelings of belonging.
12. While issues of sexual harassment and abuse of power might be addressed in basic customs trainings, **rarely are officers trained to understand or reflect on their own unconscious gender and other biases, or how these may impact their work and interactions with others**—including their colleagues and women at the border.

RECOMMENDATIONS

1. Use behavioral design learnings to increase the hiring, retention, and promotion of female staff:
 - a. Anonymize job applications by removing identifying information from applications.
 - b. De-bias messages and images by showing images of women from different backgrounds in recruitment materials, highlighting successful female customs and border agents, and using both masculine and feminine language in job advertisements.
 - c. Appeal to both public service motivation and personal benefit in developing recruitment strategies.
 - d. Institute pay transparency.
 - e. Review criteria for promotion.
 - f. Equitably assign non-essential tasks.
 - g. Implement sponsorship initiatives.
2. Build targeted systems of accountability for progress on gender equality:

- a. Accountability for progress on gender equality requires building and tracking a gender action plan or strategy.
- b. Accountability to survivors of sexual harassment and abuse of power requires implementing third-party reporting and auditing systems.
- c. Accountability to women traders requires continuous communications and feedback loops.

3. Regularly provide customs and border officers with tailored trainings on gender bias, equality, and sexual harassment prevention:

- a. Gender 101 training
- b. Gendered issues in customs training
- c. Gender equality and bias reduction training
- d. Sexual harassment prevention and bystander intervention training



Malaysian customs department taking corruption-free pledge (2017)
New Straight Times

4. Invest in a strong and integrated gender architecture:

- a. Develop an organizational gender equality and female empowerment policy or strategy.
- b. Establish a gender equality and diversity office.
- c. Hire a gender equality and diversity staff, including a high-level advisor plus departmental gender focal points.
- d. Establish a monitoring and evaluation system for progress on closing gender gaps and gender-sensitive indicators.
- e. Create a reward process for staff efforts to address gender equality issues.
- f. Develop human resource policies that meet the family and caregiving needs of all staff.
- g. Hold regular, relevant, and tailored gender trainings.
- h. Procure from female-owned and -managed businesses.
- i. Initiate systematic capacity-building dialogue activities with women traders and groups.

LIST OF RESOURCES

AGENCY	RESOURCE
DCAF Geneva Centre for Security Sector Governance	Border Management and Gender Tool
European Parliament	Gender Equality in Trade Agreement Study 2016
Global Alliance for Trade Facilitation	The Trade Facilitation Agreement (TFA) Through a Gender Lens 2020
Harvard Kennedy School	Gender Action Portal
UN International Research and Training Institute for the Advancement of Women	SSR Toolkit: Border Management and Gender 2008
United Nations Conference on Trade and Development	Trade and Gender Toolbox (Effect of partnership between EU and EAC on Kenyan women) 2017
World Customs Organization	Gender Equality Organizational Assessment Tool (GEOAT)
World Trade Organization	Joint Declaration on Trade and Women's Economic Empowerment 2017
World Bank	Women, Business, and the Law 2020
World Bank International Trade Department	Gender Dimensions of Trade Facilitation and Logistics: A Guidance Note 2012