

An illustration of a diverse group of women with various hair colors (black, white, pink, brown) and styles, some wearing headscarves. The background features a pattern of overlapping geometric shapes in shades of red, blue, and grey.

ITC SHETRADES AND TWILL BY MAERSK

# Harnessing the Private Sector to foster Gender Equality

# Acknowledgements

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## Section 1. About the ITC SheTrades Initiative

Trade is a key driver of economic growth, driving competition, innovation, transfer of technology and leading to new employment opportunities, higher incomes, and better livelihoods for the world's poorest, particularly women. Substantial evidence confirms that countries that are open to trade grow faster when supported by appropriate macroeconomic and investment policies.

Supporting small and medium-sized enterprises (SMEs) to trade, particularly women-owned SMEs, is a key step for generating economic growth and employment, which contribute to poverty reduction. When women-owned businesses trade, their economic contribution in terms of wages, jobs and productivity is disproportionately higher than that made by businesses owned by men. Globally, 40% of SMEs are owned by women. Currently, there are about 8 to 10 million formal small and medium enterprises (SMEs) with at least one female owner in developing countries, and the numbers keep growing. In fact, the number of women-owned enterprises is increasing faster than that of male-owned ones.

However, women, particularly in developing countries, face wide-ranging and complex challenges in transitioning from domestic economic activity to regional or global trade. These include limited access to skills, networks, property rights, finance, and institutions, among others. According to ITC's Non-Tariff Measures surveys, women own only one in five exporting companies and, by virtue of being on average smaller, tend to be more affected by fixed costs, volatile international prices, and trade-related regulations and obstacles.



## Roots of the ITC SheTrades Initiative – Championing multi-stakeholder partnerships

Since 2015, ITC has had a dedicated programme for women in trade through the SheTrades Initiative. The Initiative adopted a holistic approach to address gender inequality in terms of trade and the economy, interacting with a range of stakeholders including governments, micro, small and medium-sized enterprises, corporations, international organizations, experts, financial institutions, and academics. The Initiative also set itself an ambitious target to connect 3 million women to markets, which was achieved by the end of 2021.

Over the past seven years, ITC, under its SheTrades Initiative, has directly supported over 200,000 women in more than 30 countries, generating over USD 382 million in trade and investment opportunities for women. The SheTrades Initiative also played a central role in fostering an inclusive policy and business environment for women, by leading the efforts on the Buenos Aires Declaration on Women and Trade and establishing tools and methodologies to achieve inclusive policymaking (SheTrades Outlook). In fact, every dollar invested by donor agencies in SheTrades created a return of USD 17 in trade opportunities for women.

Additionally, the Initiative has created a network of over 250 partner organizations across the globe, helping us achieve the following: leveraging expertise and sources to boost scale and scalability, providing tailored services and assistance to women entrepreneurs, and expanding the role of private sector from traditional corporate social responsibility to an active leader of women's economic inclusion. Partnerships have also been instrumental in the accomplishment of the goal of connecting 3 million women to markets by 2021.

As the Initiative celebrated this milestone, this year was also essential to take stock of successes, lessons learnt and to chart next steps. ITC's work presented an opportunity to support gender equality more broadly, for example with young women, small scale traders and workers, and increasing the share of women in business, trade, leadership and promoting the early involvement of women in fast-growing sectors. This also had implications of cultivating new and existing partnerships to be more gender transformative. ITC has therefore developed a Gender Moonshot, which serves as its strategy to expand work on these key pillars and strive to become more inclusive, results-driven, and future-oriented.

## Contributions to the Sustainable Development Goals

SheTrades supports the United Nations Agenda 2030 and its 17 Sustainable Development Goals (SDGs). The Initiative contributes directly to SDG 1 (no poverty), SDG 5 (gender equality), SDG 8 (decent work and economic growth), SDG 12 (ensure sustainable consumption and production patterns) and SDG 17 (partnerships for the goals).

### SDG 1. No Poverty

The 2030 Agenda identifies international trade as ‘an engine for inclusive economic growth, job creation and poverty reduction’. SheTrades supports women’s opportunities to participate in the economy and escape poverty. Beneficiaries have generated more than \$382 million in trade and investment opportunities since 2015, improving their livelihoods and social status in their families and society.

### SDG 5. Gender Equality

SheTrades works to eliminate the inequalities that make it difficult for women to participate in trade. By giving women entrepreneurs the tools, training, expertise and methodologies, SheTrades enables their inclusion in national, regional and global value chains. The goal is to mainstream gender by developing innovative solutions and creating pathways for women to become part of national, regional, and international value chains.

### SDG 8 Decent Work and Economic Growth

Advancing gender equality could add \$28 trillion to global gross domestic product by 2030 compared with the gender-regressive scenario. It also benefits society, as women are more likely than men to use their earnings and greater bargaining power to buy foods and services that improve family welfare — which has the potential to break intergenerational cycles of poverty.

## **SDG 12 Responsible Consumption and Production**

Adopting sustainable consumption and production practices accelerates the shift towards sustainability. Climate resilience and sustainable practices are central to all SheTrades projects.

## **SDG 17 Partnerships for the Goals**

SheTrades works to improve coordination and collaboration along international value chains, as well as policy coordination and the business environment. For instance, partnerships with Maersk, Visa, Sidley Austin, Safaricom etc. have enriched in-country delivery. SheTrades also advocates for women entrepreneurs in the global arena by being an active member of the G20's Women 20 and the World Trade Organization's Trade Impact Group.

## Section 2. Spotlighting the Private Sector

It is often assumed that only governments should work towards the achievement of the Sustainable Development Goals (SDGs). However, the responsibility for advancing inclusive and sustainable growth is also shared by corporations, civil societies and other actors that are essential to economic and development activities.

The private sector is a key engine for economic growth and poverty reduction. It is the world's biggest employer, responsible for nearly 90% of the jobs available worldwide (World Economic Forum, 2021). The private sector also provides goods and services, generates tax revenues to finance essential social and economic infrastructure, develops new and innovative solutions that help tackle development challenges and is a central actor in addressing climate change. It is also critical to fuel gender equality, due to its unique position as a catalyst for innovation and change. Without private-sector engagement, gender equality, which is instrumental to realizing the Sustainable Development Goals, will not be achieved.

The SheTrades Initiative acknowledges the power of partnerships (SDG 17) to harness collective action and revitalize the approach to inclusive growth. The Initiative's partnerships take many different forms to address the complex needs and challenges of women entrepreneurs. This includes fostering gender-responsive procurement practices and policies; leveraging partner expertise and resources to boost technical skills and competitiveness, innovating tailored services and solutions, unlocking gender-lens financing etc. Additionally, SheTrades partners gain access to a global network of more than 2 million women entrepreneurs and explore collaboration with 250 organizations across the globe, including corporations, export and investment promotion agencies, chambers of commerce and financial institutions. Partners also leverage ITC's tools, market intelligence and technical expertise to develop new approaches to support women entrepreneurs.

As the world moves towards Covid-19 recovery and battles an increasingly turbulent political and economic climate, agile and like-minded partnerships with the private sector are vital to respond to the evolving needs of women entrepreneurs.

## Case Study: SheTrades-Twill by Maersk Coaching Programme

A sampling of 4,467 companies across 132 countries through the ITC's COVID-19 Business Impact Survey illustrated that while SMEs tend to be more agile than larger companies, they face severe resource constraints, making them more vulnerable during a crisis such as the COVID-19 pandemic.

The smaller the business, the less likely its ability to withstand the serious disruptions to supply chains triggered by the pandemic. This has huge implications for women-owned businesses, which tend to be smaller and more susceptible to trade obstacles, while being less likely to receive business and financial support.

The ITC SheTrades Initiative, through its diverse network of partners, ramped up its support to women entrepreneurs during the pandemic. It strengthened their inclusion in supply chains, enhanced information access, facilitated equal access and use of digital technologies and tools, provided skills development and capacity building, and launched tailored financial products to support women entrepreneurs.

One such partner is Maersk, the integrated logistics company with the purpose of improving life for all by integrating the world. Since the start of their collaboration in 2018, ITC SheTrades and Maersk have co-delivered technical assistance, online training and special discount rates to support women entrepreneurs to enhance their trade readiness, boost supply chain solutions and unlock market access. With the outbreak of Covid-19, the partnership took a pause to assess the most pertinent approach to support SMEs and women entrepreneurs. Both parties realized that when it came to supporting women entrepreneurs, a one-size fits all approach would not be sufficient. It was therefore crucial to provide tailored and customized assistance and hand-holding support to enable women to re-pivot their businesses, develop an adaptive action plan and reduce risk.



As a result, ITC SheTrades and Twill, Maersk's digital logistics service tailored for small and medium-sized businesses, developed and delivered a customized coaching programme to enhance the business responsiveness and crisis resilience of women entrepreneurs. The coaching programme involved women entrepreneurs receiving one-on-one coaching from Twill employees.

The 4-week pilot programme launched early in 2020 at the peak of the pandemic. Following its success, a subsequent 8-week programme reached close to 30 women entrepreneurs from Nigeria, India, Mexico and Kenya. Each business owner was assigned to a Twill coach, and the pairs worked on predefined COVID-19 related challenges experienced by the business. The challenges covered topics such as logistics, sales, e-commerce, HR, and marketing.

## Results so far

By supporting women-owned SMEs to participate in international trade, the SheTrades Initiative seized an opportunity to mitigate economic shortfalls, limit job losses and set the foundation for building back better.

As a result of the coaching programme, 90% of the women entrepreneurs reported improved business operations to respond to COVID-19-induced challenges. Key improvements reported were the creation of an e-commerce strategy to accelerate digitalization; the ability to embed international payment solutions for global transactions; partnerships with logistics providers to enable supply chain solutions and accelerate exports; better brand strategy and marketing; and enhanced pricing and export strategies.

Additionally, 72% of the women entrepreneurs created and/or strengthened their online business presence, in the form of new websites, e-commerce, social media etc. The women also reported enhancing their exports to 8 new international markets, generating over USD 145k in new business operations. The programme was also instrumental in bolstering job creation, with 14 new jobs going into the hands of women.

The Twill employees working as coaches were equally enthusiastic about taking part in the project, with 95% of Twill coaches reporting an increased understanding of SMEs and their bottlenecks, while 86% increased their understanding of developing markets.

## Lessons Learnt

The 'new normal' served as an opportunity for the ITC SheTrades and Twill by Maersk collaboration to re-pivot and introduce new support services for women entrepreneurs. The programme leveraged in-kind resources from both organizations to optimize turnaround time and maximise impact. This is also a testament to the agility and effective communication at both ITC SheTrades and Twill by Maersk.

The coaching programme also leveraged the in-country networks of the SheTrades Initiative, comprising of local partners, women entrepreneurs, and field staff. This was instrumental in expediting outreach, communications, and response from women entrepreneurs.

The programme also deployed a holistic methodology to assess the learning gaps and needs of women entrepreneurs and subsequently pair them with a suitable Twill coach. While this was data and time intensive, it also poses an opportunity to explore digital tools and platforms to automate and scale up the transfer of knowledge and skills.

## Section 3. Championing Gender Equality for Inclusive Recovery & Recommendations

The world is facing monumental challenges, dominated by 4Cs: Covid, climate change, conflict and cost of living. ITC recognizes that women must get a choice and voice in shaping their economic context. This also serves as an opportunity to build forward better and focus on a gender-equal recovery to achieve transformative and sustainable impact.

Under ITC's gender moonshot, the ITC SheTrades Initiative will continue to expand impactful partnerships to foster diversity and inclusivity in global trade. While we will continue to implement tailored capacity building and service offerings on topics such as digitalization, supply chain management, green business practices etc, the following pillars will also complement and enrich our approach. These also serve as recommendations for the private sector to make a difference and achieve lasting change.

### Recommendations

#### **i) Implementation of gender-responsive procurement opportunities to support more women-owned and led businesses in supply chains**

Creating more inclusive value chains is a win-win situation; not only does it foster innovation and cost-savings through increased competition, but also enhances market share and brand reputation. However, women-owned and led businesses often face barriers to accessing corporate tenders. Corporations can incorporate preferential procurement opportunities by doing the following:

- Partnering with organizations such as ITC SheTrades with a wide network of registered women-owned and led businesses
- Collect sex-disaggregated data to assess current portfolio of suppliers
- Simplify application procedures and provide constructive feedback (Women Entrepreneurs: An Action Plan to 'Build Back Better', 2020)
- Issue smaller contracts instead of bundling multiple requirements under large contracts

- Provide prompt payments to suppliers and further consider advance payments for future services (Women Entrepreneurs: An Action Plan to 'Build Back Better', 2020)
- Encourage use of a supply chain financier to cover insurance and reduce financial risk to suppliers (Women Entrepreneurs: An Action Plan to 'Build Back Better', 2020)
- Increase focus on supplier development
- Provide gender-sensitive training and toolkits to procurement officers (Women Entrepreneurs: An Action Plan to 'Build Back Better', 2020)

## **ii) Narrowing the gender gap at the workplace**

- Private sector can also be change-maker from within. By implementing conducive policies such as equal wages, flexible working conditions, childcare support as well as paternal leave, corporations can help dismantle broader gender disparities at the workplace. Corporations must also enforce strong legislations to inhibit sexual harassment at the workplace.
- Corporations can also implement in-house training and mentoring programmes to achieve more women in leadership roles.

## **iii) Supporting women and girls in fast growing, traditionally male-dominated sectors and roles**

- Promoting the training and hiring of women in science, technology, engineering, and mathematics (STEM) and for jobs related to climate change.
- Ensuring gender parity in new hires and promotions under technical and high-paying roles.
- Partnership with organizations such as ITC SheTrades, academia etc. to implement programmes to support young women and girls in fast-growing fields through trainings, mentoring and internship opportunities etc.

## **iv) Empowering women entrepreneurs in the digital economy**

The digital economy is rapidly growing, accelerated by the Covid-19 pandemic. Over 90% of new jobs worldwide currently require digital skills (UNDP, 2022). Hence, bridging the digital-gender divide is critical to building inclusive economies across the globe. This can be achieved through the following:

- Building equitable digital infrastructure and ensuring equal access to mobile ownership, internet and smartphone access
- Enhancing fin-tech to boost women's access to finance through mobile banking, digital wallets etc.

- Digital literacy and skills-building for leveraging economic and employment opportunities including freelance and gig economy
- Improve the access of young women and girls to digital technology and education
- Championing cyber security to make the digital space safe for women and girls
- Harness the e-commerce potential of women entrepreneurs to unlock new market opportunities





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