



# Improving Potential Gains for Women Through Associations

IN THE CONTEXT OF AFRICAN CONTINENTAL FREE TRADE AREA

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# Introduction

The African Continental Free Trade Area (AfCFTA) is projected to result in a combined GDP of US\$2.5 trillion and a market of over one billion people; the largest such trading area in the world. Specifically, the main objectives of the AfCFTA are to:

- create a single continental market for goods and services, with free movement of business persons and investments
- expand intra-Africa trade across Regional Economic Communities (RECs) and the continent in general and
- enhance competitiveness and support economic transformation.

However, given that current intra-African trade accounts for just 10 percent of total continental trade, there is much to be done to raise the level of intra-African trade to match the regional trade levels enjoyed in other economic blocs e.g. 70% in Europe, 54% in North America and 51 percent in Asia.<sup>1</sup>

The AfCFTA is expected to increase firm competitiveness, increase industrialization and large scale production, create jobs and increase the size of Africa's middle class. Although AfCFTA is designed to benefit the entire African citizenry, there are only two mentions of the term "gender equality," in the agreement and the word "women" is only mentioned once.

Given that the majority of women participating in business and trade in Africa are engaged in low investment or low return activities that are primarily in the informal sector, the absence of particular mention and description on how these businesses will be included and accommodated under the AfCFTA is a cause for concern. Evidence shows that trade regimes and trade facilitation efforts typically favour large manufacturers / players to the exclusion of smaller players and certainly the informal sector.

Despite the above oversights, this situation does present an opportunity for advocates of inclusion and gender equity to take action and ensure that women-dominated sectors are not negatively affected and/or excluded from the optimistic predictions of high AfCFTA economic returns.

Another clear opportunity lies in the harnessing of the latent power held by women's member-based business associations. The associations have large numbers as well as wide-reaching grassroots networks. As an example, at the November 2019 SheTrades AfCFTA Workshop in Addis Ababa, Ethiopia, 44 African women's member-based business associations represented the views of over 1,000,000 women entrepreneurs. Despite their representation of large numbers however, the associations lack the resources, technical know-how, information and platforms to make their voices effectively heard. These challenges can all be addressed with targeted support to the women's member-based associations.

This paper identifies opportunities to strengthen and specify the inclusion of gender equality within the AfCFTA Agreement, through advocacy by women's member based associations. It also addresses the challenges that currently hinder women's member-based associations from effective participation in trade policy formulation and trade negotiations.

The concluding section of the paper provides recommendations on specific actions that should be taken by supporters of women's member-based associations to create sustainable national, regional and continental women-led advocacy infrastructure across the continent. Key among those recommendations is the provision of resources that will motivate women's member-based associations across Africa to unite and work collaboratively towards a common goal.



<sup>1</sup> Opportunities for Women Entrepreneurs in the Context of the African Continental Free Trade Area. UN Women East & Southern Africa. June 2018 accessed on 4 September 2020.



# Opportunities and Challenges

## OPPORTUNITIES

**01 Ongoing national consultations offer room to shape national content supporting the various protocols:** The AfCFTA Agreement is comprised of six protocols that will be implemented in two different phases.

Each of the protocols under Phase One (currently under implementation) includes supporting annexes. While some countries have finalized their national content submissions for the supporting annexes, some have not. The countries that are yet to submit their positions present an opportunity for the voice of women-in-business to be included, especially in influencing national positions on women-dominated sectors e.g. in the national identification of sensitive products and exclusion lists.

PHASE 01	PHASE 02
Protocol on Trade in Goods, Protocol on Trade in Services and Protocol on Rules and Procedures on the Settlement of Disputes.	Protocol on Competition Policy and Protocol on Intellectual Property Rights and Protocol on Investment.

**02 The Action Plan for Boosting Intra African Trade (BIAT) identified enhancing women's participation in advocacy as a priority:** The AfCFTA presents an opportunity to re-energize AU activities that had previously been identified and recognized as important areas of intervention for enhanced intra-African trade. Adopted in 2011, the Action Plan for Boosting Intra Africa Trade (BIAT) was designed to accelerate several ongoing African Union programmes and activities targeting the boosting of intra-African trade. However, there has not been much forward movement in implementing the BIAT Action Plan. The clusters included in the plan were: trade policy, trade facilitation, productive capacity, trade-related infrastructure, trade finance, trade information and factor market integration.

While all seven clusters are important, trade policy, trade facilitation and trade finance are of particular importance to women because they address key ongoing women's business challenges including but not limited to: enhancing the role of the informal private sector and women in trade policy formulations, reducing the time for goods to move from A to B and creating an enabling environment for financial services companies to supply export credits and guarantees respectively.

Strengthened women's member-based associations will be able to: (a) hold their governments accountable for the above commitments and (b) influence the allocation of resources to the different BIAT programmes all of which will have a positive influence on intra-African trade and thus accelerate AfCFTA implementation.

**03 Absence of accountability mechanisms and measures:** Although the AfCFTA agreement recognizes the importance of gender equality and states the promotion and attainment of sustainable and inclusive trade, gender equality is missing as a general objective. Additionally, in Article 27, on page 52 of the 77-page document, the agreement speaks of improving the export capacity of MSMEs, women and youth. The agreement does not however mention *how* these objectives will be achieved, how participating states will be held accountable for their achievement, or what penalties will be triggered by non-compliance.

As the different protocols within the agreement are negotiated and rolled out, there is an opportunity to incorporate specific operationalization activities, accountability mechanisms and measures as well as repercussions for non-compliance at both national and regional levels, thus ensuring that woman-dominated sectors of each economy are not left behind.

Advocacy led by women's member-based business associations will be essential if these adjustments are to become a reality. Furthermore, visible women's member-based business associations with a strong voice and the requisite technical expertise could be a vehicle through which national governments are held accountable for their AfCFTA commitments to inclusion.

Recent Canadian Free Trade Agreements provide a strong point of reference for the inclusion of specific commitments and accountability measures within a treaty. The agreements name specific committees and describe specific responsibilities to ensure that Canada and its FTA trade partners are held accountable for gender equity and inclusion.<sup>2</sup>

### CANADIAN FREE TRADE AGREEMENTS, GENDER & TRADE

In June 2017, Canada signed its first trade and gender chapter as part of the modernized Canada-Chile FTA. Subsequently, Canada included a dedicated trade and gender chapter in its modernized Canada-Israel FTA and will include trade and gender chapters as a priority in all FTAs going forward. The chapters reaffirm the importance of incorporating a gender perspective in economic and trade issues, reaffirm Canada's commitment to international agreements on gender equality and women's rights, provide a framework for parties to the agreement to undertake cooperation activities on issues related to gender and trade and establish a dedicated trade and gender committee and other institutional provisions. Among other responsibilities, the committee performs functions related to accountability, transparency, advisory, coordination and facilitation.

<sup>2</sup> Trade and Gender in Free Trade Agreements: The Canadian Approach ([https://www.international.gc.ca/trade-commerce/gender\\_equality](https://www.international.gc.ca/trade-commerce/gender_equality))

**Existing regional platforms provide recognized regional presence:** A number of women's member-based regional business platforms already exist, some of which are linked directly to Regional Economic Communities. These provide easy points of entry through which to unify national women's member-based associations in different parts of Africa, around the issues that are relevant in the different regions. **Below are some examples.**



## I

### COMESA FEDERATION OF NATIONAL ASSOCIATIONS OF WOMEN IN BUSINESS (COMFWB)

Established in 1993 with the endorsement of the COMESA Heads of State, COMFWB is a COMESA institution. 19 COMESA countries are represented on the COMFWB Board by the Chairperson of a lead national women member-based business association. COMFWB acts as a forum for the exchange of ideas and experiences among women entrepreneurs; an instrument through which COMESA Women-in-Development Programmes are implemented and a networking forum. COMFWB supports COMESA in its implementation of the African Development Bank (AfDB) funded 50 Million African Women Speak project.

## II

### THE AFRICA WOMEN'S ENTREPRENEURSHIP PROGRAM (AWEP) WEST AFRICA

AWEP West Africa is an umbrella organization for all the National AWEP Chapters in West Africa. It is an outreach, education and engagement initiative that targets African women entrepreneurs to: promote business growth and increase trade both regionally and to United States markets through the African Growth Opportunity Act (AGOA), create better business environments and empower African women entrepreneurs to become voices of change in their communities.

## III

### THE EAST AFRICAN WOMEN IN BUSINESS PLATFORM (EAWIBP)

Established in 2012, EAWiBP draws its mandate from the Treaty for the Establishment of the East African Community. The EAWiBP Board is comprised of representatives from Burundi, Kenya, Rwanda, Tanzania and Uganda. The platform's membership is comprised of national apex bodies, associations and networks for formal and informal women-in-business; professional women associations and civil society organizations working to promote women-in-business and women's socio-economic advancement. EAWiBP seeks to increase: women's participation in the EAC integration process; women's participation in intra-regional trade and the progression of women-owned enterprises in the EAC from informal to formal status. EAWiBP represents over 20,000 women-in-business from the six East African Partner States. Recently, EAWiBP participated in shaping the EAC Gender Policy. EAWiBP also supports the EAC in implementing the AfDB funded 50 Million African Women Speak project.



# 05

**Existing multi-regional service providers provide potential points of collaboration:** Ongoing women-in-business initiatives like 50 Million African Women Speak and SheTrades provide a wide range of services to women-in-business located in many different parts of Africa. If brought alongside as partners, these platforms could provide a means through which women’s member-based associations across Africa could share information, communicate and raise the visibility of their AfCFTA advocacy agenda.

## **50 MILLION AFRICAN WOMEN SPEAK**

Implemented in COMESA, ECOWAS and the EAC, the AfDB-funded 50 Million African Women Speak project will provide a dynamic networking platform for women entrepreneurs for the purposes of peer-to-peer learning, mentoring and the sharing of information and knowledge within communities. The platform will also provide information on access to trade finance and market opportunities between urban and rural areas, across borders and between countries.

## **50 MILLION AFRICAN WOMEN SPEAK (50MAWSP)**



Connected. Networked. Empowered.  
Connectées. Réseautées. Autonomisées.

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## **SHETRADES**

The International Trade Centre’s SheTrades Initiative provides women entrepreneurs around the world with a unique network and platform to connect to markets and each other. Women entrepreneurs are able to share information about their companies, increase visibility, expand networks, connect and internationalize. SheTrades has projects in 30 countries and expects to connect 3,000,000 women entrepreneurs to markets by 2021.

# 06

**Women’s national, member-based business associations provide an excellent inclusion vehicle through which women-in-business can drive advocacy and influence trade negotiations and policy formulation for the following key reasons:**

- Member-based associations have the large numbers of women-in-business whose voice (a) needs to be heard and (b) will be loud enough to require attention and a response, once effectively coordinated.
- Member-based associations have the wide-reaching grass root networks that other organizations or institutes might find difficult to reach. In addition to providing evidence for advocacy initiatives and policy decisions, the membership provides the credibility

and standing required to drive change.

Furthermore, most of the Women’s Member-based Business Associations (WMBAs) list “advocacy” as one of their core activities. Becoming the voice of women in AfCFTA will put women’s member based business associations in a strong bargaining position with their national governments, not only for AfCFTA but for other business-related issues too. It will also increase their national standing and attract new association members.



## CHALLENGES

A 2011 International Trade Centre (ITC) study<sup>3</sup> on the extent to which member-based business associations in Africa effectively participate in trade policy and negotiations identified several impeding challenges. Challenges included: financial resources, technically trained staff, training in advocacy and trade negotiations as well as access to information. These challenges are still prevalent and affect women's member-based business associations to an even greater degree.

- 1. Limited financial resources:** Member-based associations are largely dependent on membership fees and donor funding. Members however, either pay their membership fees late or not at all. Furthermore, donor funding is not guaranteed and is not sustainable. Consequently, member-based associations have limited funds with which to pursue association priorities like meeting overhead costs and keeping the association running. Activities related to trade policy negotiations and design e.g. data collection, the convening of consultative platforms and the building of alliances for advocacy, simply do not make the priority list.
- 2. Lack of technical skills:** Limited financial resources shape the profile of member-based association staff. The associations cannot afford to hire individuals with advocacy skills and / or the specialized skills required to effectively contribute towards trade negotiations and trade policy formulation. Furthermore, the majority of member-based business associations lack the capacity to obtain, simplify and analyse the available information on trade agreements, trade regimes and their implications on a named population. There is also an absence of sex-disaggregated data to quantify the difference in numbers between male and female business owners. Consequently, even when invited to participate in trade policy formulation or negotiation activities, WMBA are highly likely not to make the most of the invitation, in spite of the fact that their membership bases are comprised of the very women whose voices needs to be heard. WMBA have largely not learned how to leverage their membership base for evidence to back advocacy.
- 3. Fragmented national and regional association landscape:** Some countries have a higher number of specialized member-based business associations than others. This leads to unhealthy competition as the different associations seek to increase their membership base by attracting new members who already belong to other associations. The associations also typically look to the same donor base for funding. This divide occurs at both the national and regional levels and is apparent at several levels: (1) among WMBA within a country (2) women's national business associations versus women's national specialized sector associations (3) women's national business associations versus women's regional associations (4) national and regional member-based associations that primarily represent the interests of larger businesses (typically male-owned) versus women's member-based associations.

Consequently, the different associations often view one another as competitors, not allies. This is a complicated situation that makes it challenging (but not impossible) for the competing associations to pool resources and collaborate to pursue a common cause e.g. advocacy, trade negotiations or trade policy formulation.



<sup>3</sup> Business Association Profiles – East Africa Region, Advocacy for Trade Policy

## Way Forward & Recommendations

WMBAs are particularly well positioned to play an important role in making the voices of their members heard in the negotiations, shaping and implementation of the AfCFTA at the national, regional and continental levels.

It is therefore imperative that a sustainable WMBA advocacy infrastructure is developed at the national, regional and continental levels. Fortunately as already mentioned, networks and structures already exist at these levels. The challenges as indicated above lie in encouraging collaboration in the fragmented WMBA landscape, equipping the WMBAs with the requisite technical skills for effective advocacy, trade policy formulation and AfCFTA monitoring and evaluation, as well as raising financial resources. These obstacles however, are surmountable.

Addressing the challenges and equipping these associations to sustainably conduct advocacy will be a source of value for association membership, provide an incentive for current members to pay their subscription fees and attract new members at the same time. It will also accelerate the implementation of a gender-inclusive AfCFTA, shaped by the voices of women.

### BOX 1 RECOMMENDATIONS

OPPORTUNITY / CHALLENGE	RECOMMENDATION	IMPLICATIONS
<b>On-going national consultations provide room for inclusion</b>	Include a WMBA representative in all national consultative meetings.	Women represented in national consultations.
<b>Women's participation in trade policy formulation already identified as an AU priority (BIAT)</b>	Accelerate harmonization of standards at the regional and continental levels in order to facilitate market access (ARSO)	Make harmonized standards available to users for their application
<b>Absence of accountability mechanisms &amp; measures</b>	National and regional WMBAs advocate for the development and addition of accountability mechanisms and measures for gender equality and inclusion in the AfCFTA agreement.	Accountability measures, mechanisms and penalties for gender equality and inclusion introduced into the AfCFTA agreement.
	Equip WMBAs to effectively participate in the monitoring and evaluation of inclusive trade indicators.	Facilitate the understanding and application of standards for women's businesses through the development of simple and adapted manuals (in local languages)
<b>Existing regional platforms provide recognized regional presence:</b>	Strengthen and financially support national, regional and continental mechanisms through which WMBAs can share information and best practices amongst themselves, hold public/private dialogues and raise the visibility of their advocacy issues.	Existing regional platforms equipped and leveraged for effective advocacy.
<b>Existing multi-regional service providers provide potential points of collaboration:</b>	Create partnerships with existing multi-regional service providers to facilitate the cohesive and smooth implementation of national, regional and continental WMBA advocacy initiatives.	Effective use of scarce resources. Cohesive and smoothly implemented national, regional and continental advocacy initiatives.
<b>WMBAs provide an excellent inclusion vehicle</b>	Equip WMBAs to use their large numbers to effectively conduct evidence based research and drive advocacy agendas.	WMBAs are institutionally strengthened while delivering their advocacy mandate.
<b>Limited WMBA financial resources</b>	Ensure sufficient funding is available for national, regional and continental WMBAs to effectively undertake trade policy formulation / influencing and advocacy activities.	Finances are available to fund women's member-based association trade policy formulation / influencing and advocacy activities.
<b>WMBAs lack technical skills</b>	Equip national, regional and continental WMBAs to design and implement effective national, regional and continental trade advocacy campaigns and to influence the formulation of trade policy.	National, regional and continental WMBAs equipped to design and implement effective trade advocacy campaigns and to influence trade policy formulation.
<b>Fragmented national association landscapes</b>	Provide resources to motivate WMBAs at all levels to leverage existing platforms and networks to create a unified and collaborative continental AfCFTA advocacy vehicle.	WMBAs unite to achieve their AfCFTA national, regional and continental advocacy objectives.



# #SheTrades

Women's economic empowerment is not a matter for government policy, the private sector, or social change alone. All have critical roles to play. This is why the International Trade Centre (ITC) launched the SheTrades Initiative, which seeks to connect three million women entrepreneurs to market by 2021.



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For more information on SheTrades, visit our [website](#)