



The G20 and Women in Trade: A Real Commitment or Empty Promise?

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Executive Summary

This policy brief examines the G20's commitment integrating to gender considerations into its trade agenda, highlighting the gap between stated objectives and actual implementation. Despite initiatives like the Empowerment and Women's Working Group, systemic barriers continue to impede women's full participation in international trade. The brief analyses these challenges at macro, meso, and micro levels, emphasising the need for clear, measurable objectives and targeted interventions. Recommendations include establishing unified frameworks for genderresponsive trade policies, enhancing data collection, and addressing socio-cultural and economic obstacles. Implementing these strategies is crucial for promoting inclusive economic growth and maintaining the G20's credibility in global governance.

Where are women and girls in the G20's trade agenda?

The G20 was established in an era where stabilising and steering global trade and finance in the immediate aftermath of the 2008 crisis were its core agendas. This remains the case at the policy level. But, at the same time, the G20 as an organisation or entity operates in an international order that is in flux; in tandem with those wider shifts, it has increasingly seen its focus shift towards geopolitical and national security concerns, potentially overshadowing its foundational goal of promoting inclusive and sustainable economic growth. This has, in turn led to a subtle transformation in its raison d'être from a 'steering committee' to a 'hybrid focal point'. Notably, recent declarations have mentioned "war" nearly three times more frequently than '"women,'" indicating possible realignment priorities. Brazilian of

President Lula has emphasised the necessity for the G20 to concentrate on development-focused forms of economic collaboration rather than ideological disputes or international conflicts.

Women and girls worldwide encounter multifaceted barriers that impede their full participation in international trade. These obstacles are often compounded by factors such as socioeconomic status, education, and cultural norms, which exacerbate disparities. The International gender Labour Organization's (ILO) "2024 Global Youth Employment Trends'" report highlights the critical need for targeted investments to support young women in employment and entrepreneurship, essential for addressing structural inequities and unlocking their potential to contribute to global economic growth.

Women globally face systemic gender inequality, which manifests in stark economic disparities, unpaid care burdens, and limited access to opportunities. According to the Oxfam report *Inequality* Inc. women perform over three-quarters of unpaid care work, subsidising the global economy by \$10.8 trillion annually—an amount three times the size of the global technology industry. Despite this critical contribution, women earn only 51 cents for every dollar earned by men, with the disparity worsening for marginalised Women also tend be groups. to concentrated in low-paying, precarious jobs and own just one-third of businesses

globally, highlighting a systemic lack of equitable access to economic resources and opportunities.

Recognizing the urgency of these issues, the G20 established the Empowerment and Women's Working Group (EWWG) during the 2023 New Delhi Leaders' Summit. This initiative underscores а collective commitment to advancing gender equality and empowering all women and girls. The EWWG aims to implement the Beijing Declaration and Platform for Action, alongside the Sustainable Development Goals (SDGs) central to the 2030 Agenda. Key objectives include promoting women's full and meaningful workforce participation, addressing the unequal distribution of unpaid care work, ensuring equal access to quality education and lifelong learning, bridging the gender digital divide by 2030, enhancing food security and nutrition for women and girls, fostering genderresponsive climate policies with active female participation, and eradicating gender-based violence and harmful stereotypes. Although these initiatives aim to address these issues, evidence suggests that these efforts may lack sufficient implementation and monitoring mechanisms.

Why is the G20 failing to adequately gender trade?

The G20 <u>has acknowledged</u> the importance of gender equality in trade, yet

a significant gap persists between its commitments and actual implementation. While initiatives like the Women Entrepreneurs Finance Initiative (We-Fi) have been launched, the absence of specific. measurable policy targets hampers progress. For instance, the G20's 2014 commitment to reduce the gender gap in labour force participation by 25% by 2025 lacks a corresponding target for women's participation in international trade. This omission is evident in the limited data on women-owned exporting companies; globally, women own only about 20% of such firms, and in Brazil, the figure is approximately 14%. The lack of disaggregated data and clear benchmarks underscores the need for the G20 to establish concrete, time-bound objectives to effectively enhance women's role in global trade.

The implementation of gender equality commitments among G20 member countries exhibits significant disparities. For instance, Germany has actively pursued the G20's gender equality goals, implementing various policies and initiatives to promote women's economic participation. Conversely, other member states have shown less progress, with some lacking comprehensive strategies or facing socio-cultural barriers that impede policy execution. A study on gender budgeting practices within the G20 revealed that while all member countries have enacted gender-focused fiscal

policies, the tools to operationalize these policies are far less established, leading to inconsistent implementation across nations. This inconsistency underscores the need for a unified framework and enhanced cooperation among G20 members to effectively advance gender equality in trade and other sectors.

Implementing gender-focused trade policies within G20 nations also encounters significant challenges due to cultural and economic factors. Cultural norms often dictate traditional gender roles, limiting women's participation in trade-related activities. For instance, in certain societies, prevailing attitudes may discourage women from engaging in business or international trade. thereby hindering policy effectiveness. Economically, women frequently face barriers such as limited access to financing, markets, and which are essential for technology. successful trade ventures. The Women 20 (W20) Communiqué to the G20 highlights that gender equity could increase global GDP by up to 6%, representing an increase of \$5 trillion to the world economy. However, for this potential to be realised, women need more access to finance and capital. Addressing these cultural and economic obstacles is crucial for the successful implementation of genderinclusive trade policies.

How might these multi-layered challenges be overcome?

At the macro level, global economic inequalities and trade policies structurally exclude women in several ways. Firstly, women are disproportionately represented in low-wage and informal sectors, limiting their access to the benefits of international trade. Secondly, trade liberalisation often leads to job displacement in sectors where women predominate, such as textiles and agriculture, without providing adequate alternatives. Additionally, women face systemic barriers, including limited access to credit, education, and technology, which hinder their ability to engage in highervalue trade activities. These structural challenges perpetuate gender disparities in the global economy, necessitating targeted policies to promote women's equitable participation in trade.

At the meso level, the coordination of gender-focused trade policies among G20 nations reveals significant disparities, particularly between developed developing countries. Developed nations often institutional possess robust frameworks and resources to implement gender-responsive initiatives effectively. In contrast, developing countries may face challenges such as limited financial resources, inadequate infrastructure, and socio-cultural barriers that impede policy execution. For instance, while some G20 countries have enacted gender-focused

fiscal policies, the tools to operationalize these policies are far <u>less established</u>, leading to inconsistent implementation across nations. This inconsistency underscores the need for a unified framework and enhanced cooperation among G20 members to effectively advance gender equality in trade and other sectors.

At the micro level, individual women engaged in trade face daily obstacles that hinder their economic participation and growth. A significant barrier is <u>limited access to credit</u>; many women lack the necessary collateral or face discriminatory lending practices, restricting their ability to finance business ventures. Additionally, women often encounter challenges in establishing market connections due to <u>limited networks and mobility constraints</u>, which impede their ability to expand their businesses and engage in international trade.

These obstacles are further compounded socio-cultural norms that may from discourage women pursuing entrepreneurial activities. Addressing these issues targeted requires interventions, such as providing financial literacy programs, facilitating access to credit, and creating supportive networks to enhance women's participation in trade. Enhancing women's participation in trade is not solely a matter of gender equality; it is pivotal for global economic growth and inclusive development. Studies indicate that increasing women's involvement in trade can significantly boost productivity and innovation, thereby driving economic expansion. For instance, the World Bank reports that in developing countries, women constitute 33% of the workforce in exporting firms, compared to 24% in nonexporting firms, highlighting the potential for trade to improve economic outcomes for women. Moreover, women's active engagement in trade contributes to poverty reduction and elevates living standards within families and communities, fostering broader societal advancement. Therefore, examining the role and impact of women in trade is essential for formulating effective policies that promote sustainable and inclusive global economic development.

The G20's credibility in global governance is closely tied to its ability to fulfil its commitments. particularly regarding gender equality in trade. Failure to implement these pledges undermines trust among member nations and stakeholders, casting doubt on the group's effectiveness and dedication to inclusive economic growth. For instance, despite commitments to reduce the gender gap in labour force participation, disparities persist, indicating a gap between promises and action. This inconsistency not only hampers progress toward gender parity but also diminishes the G20's standing as a leader in promoting equitable global development. To maintain its legitimacy, the G20 must translate its commitments into tangible outcomes,

demonstrating accountability and reinforcing its role in shaping a fair and inclusive global economy.

Policy Recommendations

To enhance women's participation in international trade and ensure the G20's commitments translate into tangible outcomes, the following consolidated recommendations are proposed:

Establish Clear, Measurable Objectives and Monitor Progress

The G20 should set specific, time-bound targets for increasing women's involvement in international trade. This includes defining measurable indicators and implementing comprehensive data collection mechanisms that disaggregate traderelated statistics by gender. Regular monitoring and reporting will facilitate informed policymaking and ensure accountability.

2. Develop a Unified Framework for Gender-Responsive Trade Policies

Member countries should harmonise gender-focused trade policies by sharing best practices and providing technical assistance, particularly to developing nations. This unified approach will promote consistent implementation of gender-responsive initiatives across G20 nations.

3. Implement Targeted Interventions to Overcome Socio-Cultural and Economic Barriers

Addressing obstacles that hinder women's participation in trade requires targeted interventions, such as promoting financial literacy programs, facilitating access to credit, and creating supportive networks to empower women entrepreneurs. Encouraging member countries to integrate gender considerations into trade and policies, including agreements conducting gender impact assessments, will ensure that trade policies do not disproportionately disadvantage women.

4. Enhance Capacity Building and Market Access for Women Entrepreneurs

Providing training and educational opportunities will equip women with the skills necessary to engage in international trade. This includes promoting STEM education and digital literacy to prepare women for participation in emerging trade sectors. Creating platforms that connect women entrepreneurs with international markets and trade networks, such as supporting participation in trade fairs and fostering mentorship programs, will further enhance their market access.

By adopting these recommendations, the G20 can make significant strides toward fulfilling its commitments to gender equality

in trade, thereby enhancing its credibility in global governance and contributing to inclusive economic growth.

Conclusion

Implementing the proposed recommendations can lead to significant positive outcomes for women's participation in trade, thereby enhancing global economic growth and promoting inclusive development. By setting clear, time-bound objectives and integrating gender considerations into trade policies, G20 nations can facilitate greater inclusion of women in international trade. This inclusion is projected to boost productivity and innovation. The World Bank reports that in developing countries, women constitute 33% of the workforce in exporting firms, compared to 24% in nonexporting firms, highlighting the potential for trade to improve economic outcomes for women. Increasing women's participation in trade contributes to poverty reduction and elevates living standards within families and communities. Women's active engagement in trade fosters broader societal advancement, as they reinvest their earnings into their families and communities, leading to improved health, education, and overall well-being. Creating platforms that connect women entrepreneurs with international markets and trade networks can lead to more diversified and resilient global trade systems. This diversification enhances economic stability and fosters innovation,

as a wider array of perspectives and ideas are brought into the global marketplace. Implementing targeted interventions to overcome socio-cultural norms economic obstacles can lead to greater gender equality and social inclusion. Promoting financial literacy programs, facilitating access to credit, and creating supportive networks empower women entrepreneurs, enabling them to participate more fully in the economy. By fulfilling its commitments to gender equality in trade, the G20 can enhance its credibility in global governance. Demonstrating accountability and reinforcing its role in shaping a fair and inclusive global economy strengthens trust among member nations and stakeholders. In summary, the successful implementation of these recommendations can lead to substantial positive outcomes, including enhanced economic growth, poverty reduction, strengthened global trade networks, improved gender equality, and increased credibility of the G20 in global governance.

But, if the G20 fails to implement the proposed recommendations to enhance women's participation in trade, several negative outcomes may ensue, adversely affecting global economic growth and social equity. Neglecting to integrate gender considerations into trade policies can result in the underutilisation of a significant portion of the labour force. Women constitute a substantial segment of the global workforce, and their exclusion

from trade activities limits productivity and innovation. Failure to capitalise on this potential may lead to slower economic growth.

Without targeted interventions to support women in trade, existing gender disparities are likely to persist or even widen. The International Trade Centre notes that women-owned businesses are underrepresented in international trade, limiting their economic opportunities. This perpetuates cycles of poverty inequality, undermining efforts toward inclusive development. Excluding women from trade diminishes the diversity and resilience of global trade networks. Diverse participation fosters innovation adaptability, essential for robust trade systems. The International Trade Centre emphasises that inclusive trade policies can lead to more sustainable and equitable economic outcomes, while a lack of inclusivity may render trade networks more vulnerable to economic shocks and less responsive to emerging opportunities.

The G20's credibility in global governance is closely tied to its ability to fulfil its commitments, particularly regarding gender equality in trade. Failure to implement these pledges <u>undermines trust</u> among member nations and stakeholders, casting doubt on the group's effectiveness and dedication to inclusive economic growth. Inconsistency in implementation between member states not only hampers

progress toward gender parity but also diminishes the G20's standing as a leader in promoting equitable global development.

In summary, the G20's failure to act on enhancing women's participation in trade could lead to stagnated economic growth, persistent poverty and inequality, weakened global trade networks, erosion of its credibility, and potential social unrest. Addressing these issues is crucial for sustainable and inclusive global development.

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