

## **Financing for Development Issue #3**

### **TRADE**

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**T**rade liberalisation is proceeding rapidly and comprehensively without serious considerations of the implementation and developmental cost to many developing countries, especially the least developed and small island developing states, or on its impact on gender and social equality. Yet trade liberalisation, initially pushed under the structural adjustment programs (SAPs) of the IMF and the World Bank and now being intensified under the auspices of the World Trade Organization, while it has potential benefits, poses significant challenges and constraints for women and men in developing countries. As evidenced from SAP, trade liberalisation impacts gender differentiated roles, gender-based constraints, men's and women's time and control of and access to resources. It impacts women and men differently in terms of social and reproductive responsibilities, employment, wage level and the nature and process of pauperisation of men and women as well as their overall economic and social well-being.

We are therefore concerned about the ever-widening scope and all embracing agenda of the WTO. The WTO's current scope should be drastically reduced to focus on trade issues and not be expanded to include other areas that are more properly left to the confines of government domestic industrial and social policy such as competition policy, government procurement and investment. Furthermore, we strongly believe that the current WTO discipline extends too far into non-trade areas such as food security, public health and public services. In addition, the TRIPS agreement is neither a trade liberalisation agreement nor does it belong within the purview of the WTO. The TRIPS expansion and deepening of the monopolisation (through patent protection) of plants, microorganisms, biotechnological techniques, food and essential drugs under the new trade regime raise numerous ethical and legal problems for many developing countries. We also have serious concerns and reservations about the inclusion of agreements on agriculture, services and trade related investment measures within the WTO framework.

Our global and regional priorities focus on the Agreement on Agriculture (AOA), the General Agreement on Trade in Services (GATS), the Trade-related Intellectual Property Rights (TRIPS) and the Trade-related Investment Measures (TRIMS). The asymmetries and lack of attention to the developmental needs of countries at different levels of development not only present serious obstacles to the development of the countries of the global south but impose tremendous challenges for women in the area of food security, food production, agricultural livelihood/rural development, health/health care, access to public services, access to genetic resources and technology. Lastly, restrictive investment measures have serious implication for the growth and development of micro and small businesses, where women are concentrated.

Thus our specific priorities in terms of the different agreements are as follows:

**Agreement on agriculture:** food security/protection of women agriculturalists and small farm-holders. The importance of subsidies for encouraging domestic producers. The protection of the rights of small farmers, women peasants and indigenous people to access to land for domestic production.

**General Agreement on Trade in Services:** Public services (such as health and education) should be guaranteed as human rights. Access to affordable and safe essential services such as water and utilities should be ensured.

**Government procurement and the GATS:** presents significant drawbacks for many developing nations, especially small island developing nations. These nations should be able to take special care to offset the potentially negative impacts of foreign dominated service providers on: 1) the balance of payments; 2) foreign exchange reserves; 3) lack of economies of scale on small and medium sized service suppliers. Many small suppliers are likely to be women-owned and operated or provide important services to women and will not be able to compete either in the home market in the foreign market with MNCs. There is also a compelling need for such governments to encourage local development via offset measures such as domestic content laws, licensing, technical and investment requirements as well as to take proactive actions to ensure technological advancement and (the growth of) human resource development.

### **Trade Related Intellectual Property Rights**

Priority TRIPS areas include:

- a. Gender and food security/nutrition and access to essential medicine/public health:—which we see as expanding beyond the focus on HIV-AIDs dimension to include other drugs and medicine that are important for women's health.
- b. Preservation and protection of Biodiversity/access to genetic resources and germ plasm/conservation
- c. Protection of (and measures to promote the advancement of) indigenous and traditional knowledge, access to scientific knowledge/technology.
- d. Impact of the patenting of lifeforms on human and specie evolution.

Items (a)-(c), in turn, influence and determine to large extent: 1) livelihoods; 2) food security; 3) nutrition; 4) technological transfer in terms of the future growth, productivity and competitiveness of the agricultural sector, as a whole, and for vulnerable groups in that sector. At stake in the IPR/TRIPS implementation discussion is the continued viability of rural development, which is the base for income and sustainable livelihood generating activities of small farmers, many of who are women.

**Trade Related-Investment Measures:** The need for flexibility in granting investment incentives to all local industries, especially micro, small and medium sized firms and other firms owned and operated by women and racial and ethnic minorities in order to offset years of systemic exclusion and economic inequality. Governments in developing countries should have the freedom to use subsidies to promote development, employment and the availability of essential services.

### **Recommendations:**

- AOA: the Agreement on agriculture should be removed from the WTO discipline
- GATS: 1) Moratorium on further GATS negotiations 2) a comprehensive gender and social impact assessment of current GATS framework is undertaken; 3) Re-negotiations of the GATS to meet the needs of developing countries.

- TRIMS: The TRIMS provision should be removed from the WTO. Investment decisions should be left at the national level.
- TRIPS: 1) The Trade related Intellectual Property Agreement TRIPS which engenders monopolisation of knowledge and resources around agriculture, medicines and pharmaceuticals should be removed from the WTO. 2) National governments should design development, gender and social equity friendly sui generis systems for the protection of traditional knowledge in terms of recognition of the contribution of men and women farmers, the nature of the benefit sharing and prior consent provisions being required. 3) In addition a development, social and gender impact assessment and corrective measures undertaken of other existing International IPR instruments (including the Union for the Protection of Plant Varieties, UPOV, and the Convention on Biological Diversity (CBD) and the FAO's International undertaking on Plant Genetic Resources and 4) Rejection of the patenting of plants varieties, animal breeds or essentially biological processes.

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Submitted by Mariama Williams, DAWN-Caribbean/Center of Concern, Jamaica, and Maria Riley, Center of Concern on behalf of the International Gender and Trade Network (IGTN) [www.genderandtrade.net](http://www.genderandtrade.net). Based on the discussion/decisions made at the IGTN Steering Committee Meeting Cape Town, South Africa, August 13-19, which was attended by over 40 representatives from Africa, Asia, the Caribbean, Europe, Latin America, the Pacific and the US.



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