

Unleashing the Potential of Women Informal Cross Border Traders to Transform Intra-African Trade



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A market woman displays smoked fish at a market currently patrolled by the UN Operation in San Pedro, Côte d'Ivoire.

KEY MESSAGES:

“Women informal cross border traders keep African markets going!”

“Governments, Regional Economic Communities and development partners should enhance their opportunities to benefit from regional trading agreements”

“Empowering women informal cross border traders will have a multiplier effect on poverty reduction, employment creation, intra-African trade and regional integration”

Facts and Figures

Women's trading activities contribute to poverty reduction, employment and wealth creation in Africa.

Of the 2000 women informal cross border traders surveyed by UNIFEM (now UN Women) in 2007-2009 in Cameroon, Liberia, Mali, Swaziland, Tanzania, Zimbabwe, a great majority stated that: the proceeds from their trading activities is the main source of income for the family; women traders use their income to buy food and other items for the household, pay for school fees, health care services and rent, save in susu clubs and banks and reinvest in their businesses.

In Sub-Saharan Africa, informal cross border trade features prominently among women's individual strategies for self employment, poverty reduction and wealth creation.

- A 2004 ILO study showed that trade is the most important source of employment among self-employed women of Sub-Saharan Africa providing 60% of non-agricultural self-employment.
- Official sources report an average value of informal cross border trade in the SADC Region of US\$ 17.6 billion per year . Informal Cross Border Trade contributes for 30-40% to intra-SADC Trade. Seventy percents of informal cross border traders are women. The main foodstuffs traded in 2006/7 are maize (97,000 MT), rice (6,500 MT) and beans (10,000 MT).
- In West and Central Africa, women informal cross border traders “employ 1.2 people in their home businesses; support on average 3.2 children as well as 3.1 dependants who were not children or spouses.” (Oculi n.d.: 8).

Women informal cross border traders make an important contribution to economic growth and government revenues.

- The contribution of women informal traders to national GDP amounts to 64% of value added in trade in Benin; 46% in Mali and 41% in Chad (Charmes 2000, cited in ILO 2004).
- In Zimbabwe, 84% of the traders interviewed in the UNIFEM (now UN Women) studies (89% of men and 78% of women) said that they paid the required duties for the goods they imported into the country.

Women's informal cross border trading activities have cushioned the effects of the financial crisis and the food crisis on African countries.

- A 'Rapid Impact Assessment of the Global Economic Crisis on Uganda' conducted by ILO in 2009 has shown a dramatic increase in informal exports from Uganda to neighboring countries (DRC, Kenya and Sudan) while official exports declined from US\$ 854 million to US\$ 714 million between the first half of 2008 and the first half of 2009, a reduction of 16%. The report notes that informal exports of industrial products rose from US\$ 475 million to US\$ 963 million between the first half of 2008 and the first half of 2009, and that agricultural exports including beans, maize, sugar, and other grains also expanded across the board.

Women informal cross border traders address vital issues of livelihoods such as food and income security, yet they are neglected by mainstream trade policies and institutions, thus undermining the profitability and visibility of their activities.



A woman cooks snacks to be sold at a roadside market place in San Pedro, Côte d'Ivoire.

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Promising Practices

- In Rwanda, the Peace Basket Initiative provided women with skills for high quality production and linked women basket producers at local level to global markets. The baskets are now being sold in Macys, one of the biggest department stores in New York.
- In Liberia, the Sirleaf Market Women's Fund has rebuilt women's markets destroyed during the conflict and provided literacy training to women traders.
- In Cameroon, the Government has prioritised support to women informal cross border traders, providing them with information and services in support of their activities.

Gaps

Women informal cross border traders still suffer from invisibility, stigmatisation, violence, harassment, poor working conditions and lack of recognition of their economic contribution. By ignoring women's informal trading activities, African countries are neglecting a significant proportion of their trade. There is need to address the issue of informality in mainstream trade policy making and to strengthen the notion that women informal traders are also an important client of Ministries of trade and regional economic communities.

Data related challenges compound the adequate reflection of women's trading activities in national accounting systems and statistical databases of the Regional Economic Communities (REC). All the economic transactions taking place at the borders are not systematically documented in terms of data and statistics, making it difficult to capture and understand the different dynamics at play to inform trade policies and processes.

Trade-related institutions, services and resources in support of women's trading activities remain weak as evidenced by the limited access of women traders to credit facilities, foreign currency exchange, transport services, information on market opportunities and trade rules and Protocols, child care facilities in cross border markets, and lack of infrastructure for storage of agricultural commodities in cross border markets. The Southern Africa report underlines that the problems facing WICBTs in access to credit in Swaziland is largely due a deficient legal system which considers women married in community of property to be minors who cannot enter into any contractual agreement without their husband's consent or approval.

The deficient implementation of regional trading agreements and protocols, with potential conflicts between national and regional trading policies are observed: for instance the case of Guinea's policy on restricted agricultural food trade for national food security purposes hinders the free flow of agricultural food products from Guinea Conakry to neighbouring countries such as Liberia.

Illiteracy is also a critical issue facing women cross border traders in some countries: In Liberia, 70% of male respondents to the UNIFEM (now UN Women) baseline study but only 43% of female traders could read and write. In addition, 38% of women and 28% of men could not speak French, an important skill for trade purposes. Females were thus clearly disadvantaged in terms of education. In Cameroon, in contrast, 67% of male traders and 71% of female could read and write, while in Tanzania 100% of the women but 93% of the men were literate.



Anna Igbinovia sells tomatoes at the central market in Benin City, Nigeria.

What does UN Women do for women informal cross border traders?

UN Women has been working on women in informal cross border trade since 2005, starting with comprehensive baseline studies in each sub-region to inform its programming. Based on the findings and a thorough scan of the policy environment for cross border trade in Africa, UN Women's key areas of focus are as follows:

Support to coalitions and organizations of women informal cross border traders to amplify their collective voice into national, subregional and regional trade foras and strengthen their advocacy platforms for:

- Recognition of the huge economic contribution of their trading activities;
- Promotion of a favorable tax regime;
- Graduation in the formal sector for better access to market opportunities such as trade fairs, skills building, and trade related services;
- Provision of entrepreneurial, negotiation and advocacy skills;
- Service delivery such as: credit, health care, transport, water and sanitation, foreign currency exchange, infrastructure for storage of goods and refrigeration of agricultural commodities in cross border markets and transport facilities;
- Access to social safety nets such as health insurance;
- Inclusion of their priorities in national poverty reduction strategies, national development plans, national budgets and mainstream trade processes;
- Fulfillment of their 'Right to information' on regional trade agreements and protocols on movement of persons, goods and services;
- Building solidarity networks in support of their issues, involving eminent African leaders, women lawyers' organizations, civil society organizations working on trade and regional integration, and the women's movement.

Partnership with Regional Economic Communities (REC), Government institutions, the African Union and the United Nations Economic Commission for Africa for their enhanced leadership, commitment, and accountability to address issues facing women informal cross border traders, and mainstream gender issues in trade agreement and processes. This includes:

- Supporting the efforts of RECs in harmonizing their trade policies with their gender policies, simplifying and popularizing the provisions of regional protocols and agreements from a gender perspective, advocating for gender sensitive border control procedures and taxation systems, and systematizing collection and analysis of gender disaggregated data on informal cross border trade;
- Advocacy for: (i) leveraging support to gender divisions of RECs so that they can enhance their influence in policy making, implementation and monitoring in relation to intra-African trade and regional integration processes; (ii) inclusion of the priorities of women informal cross border traders in national poverty reduction strategies, national development plans and national budget allocation.

Production and dissemination of cutting edge knowledge products to: (i) ensure visibility of the contribution of women cross border traders to wealth creation, poverty reduction, employment creation and regional integration; (ii) disseminate best practices in supporting women informal cross border traders; (iii) fight stigmatisation and violence against women informal cross border traders.

Expansion of UN Women's work on gender and security sector reform to include customs and their regional unions, border police, security services and health inspectors for better implementation of regional protocols and agreements on movement of people, goods and services from a gender perspective and for their engagement in fighting various forms of violence against women cross border traders such as: sexual harassment, rape, imprisonment or detention, confiscation of goods, and financial extortions.

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