

Gender Dimensions of Trade Facilitation Evidence from Nepal



Background

- **Gender Dimensions of Trade Facilitation: Evidence from Bangladesh, Bhutan, India, Nepal**
- Since 2018; led by CUTS International (India) with Bangladesh Women Chamber of Commerce and Industry (Bangladesh) and Bhutan Media and Communication Institute (Bhutan)
- **To identify existing barriers that inhibit women entrepreneurs' participation in international trade and trade-related activities, and provide policy recommendations**

The survey

- Survey locations: **Pokhara, Kathmandu Valley, Biratnagar, Birgunj, Jhapa and Ilam**
- Survey: **50 entrepreneurs**; KII: **36 stakeholders** (policymakers, chamber representatives, export houses, freight forwarders, customs agents etc); **2 FGDs; 3 workshops**
- Respondents: 36% processed food, 22% textiles & clothing; 20% handicrafts; 22% handmade paper, jewellery & beauty products; highly concentrated in the capital
- Limitations: small scale, no control group for comparison

Major findings

- 72% export their products to the foreign market and, among those exporters, 28% export indirectly via third-party exporters
- The reasons for not engaging in trade: unsuitable products, concentration on domestic market, the lack of knowledge about foreign markets and buyers
- Dependent on old and established buyers network and have not diversified their buyers
- Outsource the trade related activities to freight forwarders, while few big ones have designated departments that handle export related documentation and other formalities

Inhibiting factors

- **Inadequate Infrastructure:** transport charges too high; no accredited laboratories; cold storage or warehouses;
- **Limited knowledge about foreign trade procedures and schemes:** face difficulty accessing information, such as trade fairs, subsidies, changes in regulations, grievance redressal mechanism etc
- **Limited access to finance:** 20% availed credit; collateral still an issue; appear risk-averse

Inhibiting factors

- **Challenges in scaling business:** difficulty in establishing new business contacts in foreign markets; issues with productivity and quality;
- **Constraints in digital transactions and logistics:** lack of digital payment network; logistical cost for small package delivery high; limited e-commerce footprint
- **Gendered societal conditionings:** more care burden; limited network; fear of sexual violence, among others
- **Lack of female participation:** less female presence in trading spaces and policy making (Trade Facilitation Committee, for example)

Way forward

- Build infrastructure: accredited testing laboratories; storage etc, digital infrastructure too; make infrastructure gender sensitive, train staff
- Undertake ex-ante gender assessment of trade policy changes and reforms
- Establish a mechanism to certify women-owned small businesses to make the firms eligible for targeted policy interventions

Way forward

- Address information gap: establish a dedicated desk; mobilize govt orgs, business chambers, civil society
- Increase representation of women in occupations/professions related to cross-border trade; and in policymaking
- Make financing to women-owned businesses effective, special vehicle for that

Thank you

dikshya.singh@sawtee.org
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