Expanding the Benefits of Trade to Women in the BBIN Region: A PROGRAM DESIGN PRIMER

September 2017
Introduction

This report scopes out key programming challenges and opportunities in expanding the benefits of trade to women in the BBIN (Bangladesh, Bhutan, India, and Nepal) region. The analyses and recommendations of this report focus on trade facilitation measures and do not extend to general provisions of the regional trade agreements and country-level trade policies.

The report is divided into four sections. The first section describes the regional context within which current trade facilitation programs are designed and operationalized. This section describes region-specific economic and geopolitical opportunities for trade promotion, key trade facilitation challenges in the region, and the political, social and economic constraints within which women participate in trade in the region.

The second section looks at the actors and attitudes that constitute the programming climate for gender-responsive trade facilitation interventions in the region. This section describes surrounding influences, both positive and negative, that affect design, implementation and outcomes of programs, and identifies key program strategies that may improve gender outcomes of such programs.

The third section lays out a matrix of illustrative program activities that are likely to expand the benefits of trade to women more effectively in the region. The matrix goes beyond port-level facilitation measures to capture programming opportunities before the border, at the border, and beyond the border in four thematic intervention areas: infrastructure gaps, capacity gaps, knowledge gaps, and support-activity gaps.

The fourth section brings together some of the key findings of the report.
I. REGIONAL CONTEXT

**Impressive economic growth, far behind on inclusion**

South Asia is one of the world's fastest growing regions. The World Bank forecasts the region's economic growth to increase to 7.3% in 2017.\(^1\) In just about six decades, gross domestic product (GDP) per capita has increased three-fold, and sectors such as agriculture, industry, and services have grown steadily.\(^2\) The benefits of economic growth in South Asia, however, have not translated into a reduction of inequality, and only certain sections of society have reaped the benefits of this. For example, there is a significant wealth gap in India, with one percent of the population owning more than half of India's wealth.\(^3\)

While economic growth continues to leave South Asia's poor behind, South Asian women remain even further away from benefiting from growth. The Gender Inequality Index (2016) puts South Asia at a regional score of 0.52; by comparison, East Asia and the Pacific stands much better off at 0.31 and Sub-Saharan Africa only marginally behind at 0.57.

If we look at the labour force participation rate, the exclusion of women becomes even more evident. The labour participation rate of women in India has steadily declined to about 27 percent in 2012, compared to about 40 percent twelve years before that.\(^4\) This drop is attributed to rural to urban transition wherein women have begun to leave rural farms but are failing to find employment in other sectors. In Bangladesh, the figure climbs up to 43 percent, mainly due to the export-oriented garment industry, which disproportionately employs women.\(^5\) Nepal, on the other hand faces a completely different challenge of increasing number of women-headed households because of massive out-migration of men for transnational work. While this has bumped up the participation labour rate to 80 percent, women are primarily engaged in low-productivity, low-wage, agricultural employment, and they also face the double burden of income-generating work and unpaid domestic work.\(^6\) Women's inclusion in the economy remains an economy-wide challenge for South Asia; the problems we discuss in trade and trade-related sectors in this report are to be considered a sub-set of the broader set of South Asia's problems with gender gap.
**Impressive trade growth, far behind in intra-regional trade**

With a respectable average regional rate of growth of around 7 percent and gradually increasing private consumption across the region, South Asia’s trade totals (as a percentage against GDP) have steadily grown from 28.75% in 2000, to 41.34% in 2015.\(^7\) At the same time, South Asia’s intra-regional share of trade has remained the lowest among regional blocs, at around 5 percent or lower for the last two decades or more.\(^8\) Improved intra-regional trade can fundamentally change things in South Asia. With a GDP of $2.1 trillion in 2015, India is the third largest economy in Asia after China and Japan.\(^9\) India’s retail market size is estimated at about $600 billion, and is likely to grow at about 12 percent to reach $1,000 billion by 2020.\(^10\) These numbers hold significance for India’s neighbours and their economic prospects.

If some of the current impediments to trade were removed, for instance, it is estimated that Bangladesh’s exports to India has the potential to increase by 300 percent.\(^11\) The region stands to gain $2 billion per year simply by reducing intra-regional tariffs, which would directly benefit consumers.\(^12\) Yet, progress in enlarging the intra-regional share of trade appears to come slow for various reasons described elsewhere in this section of the report.

**Geopolitical drag on trade outcomes**

Weak economic integration and poor connectivity in South Asia has largely been driven by the trust deficits harboured and cultivated from the traumatic Independence-era geopolitics of the region. Newer problems of terrorism, border skirmishes, and transnational migration through porous borders often affect trade and diplomatic relations. Disputes between two of the largest economies in South Asia—India and Pakistan—have traditionally dominated any regional dialogue and frustrated the integration and cooperation process. The almost-dysfunctional South Asian Association for Regional Cooperation (SAARC) is an example of how on some occasions, institutionalized cooperation does not achieve the kind of results one would hope.\(^13\)

In the absence of an effective regional mechanism, South Asian countries have not only failed to resolutely implement regional trade agreements but have refrained from investing in trade infrastructure such as modernization of land customs, improvement of connectivity, and modernization of border facilities. Barring perhaps the last five to seven years, investments in trade infrastructure in South Asia have been lower than most other regional blocs. The region is at a point from where even if the political will to improve trading relations were to strengthen significantly, actual growth in trade will continue to lag for the lack of infrastructure and facilities in the near term.
**Structural drag on gender outcomes**

Performance on gender equality in South Asia has been, in general, very weak. Sixty-three percent of illiterate adults in South Asia are women, and there are only 91 girls to every 100 boys at birth, indicating possible incidences of female infanticide. Further, the region has the lowest female labour participation rate, at just over 30 percent, with eight out of 10 women engaged in vulnerable employment. There are also concerns about violence against women in both private and public spaces. Poor implementation of laws to protect women from violence further constrains women from being productive members of society.

These figures illustrate that throughout South Asia, women are constrained by cultural, financial, institutional, and legal barriers when it comes to engaging in economic activities. Socially constructed norms skewed against women, and patriarchal attitudes further prevent women from participating in the economy, which has far reaching consequences. According to the Organisation for Economic Cooperation and Development (OECD), South Asia bears a cost of $888 billion by failing to achieve gender parity in economic activity and participation. Beyond being women's rights issue, this represents unaffordable economic losses for countries that make up a large region.

Encouraging women to work and earn presents several positive externalities. Women who earn a fair wage are in better health, are more empowered in the domestic sphere, hold better positions in society, and are more likely to invest in the health and education of their children, particularly daughters. In India, for example, the opportunity to work in call centre jobs led girls to spend more years in school and delay marriage and child-bearing. Similarly, the garment industry promoted the availability of work to many women, which saw the same set of positive externalities.

The idea of increasing women's participation in regional trade or extending the benefits of regional trade to women must be considered against these structural challenges. On the flip side, any success in affecting a change in this sector also carries significant implication for social and economic rights of women who are engaged in trade and trade-related activities.

**Opportunities in the BBIN Region**

**Shifting South Asian regionalism**

The lack of any tangible progress on regional integration through SAARC mechanisms and continued difficulties in getting India and Pakistan to agree on some critical initiatives in the past have frustrated smaller states in South Asia for some time. After the recent escalation of tensions between India and Pakistan, India appears to have abandoned any hope of fulfilling its “neighbourhood first” policy goals through the SAARC processes. It has instead chosen to aggressively push the integration agenda in the East and isolate Pakistan.
The informal clubbing of four countries in Eastern South Asia, now increasingly referred to as BBIN (Bangladesh, Bhutan, India and Nepal), which started with a four-country motor vehicle agreement signed in June 2015, has now begun to take up other issues such as energy trade and connectivity. There are also indications that India has shed its earlier position of dealing with all its neighbours on a bi-lateral basis; India now appears willing to deal with its Eastern neighbours on a multilateral basis on issues such as energy trade and even management of transboundary rivers. With geography and market size on its side, India is well-positioned to lead these multi-lateral initiatives at a faster pace than what would have been possible under SAARC. This shift represents a new opportunity to deepen trade relationships in the BBIN region.

Cautious but forward-looking relations
Unlike in the case of India-Pakistan relations, there are no on-going hostilities among BBIN countries. This fact, in itself, gives the BBIN region a better start than SAARC. That said, both India-Nepal and India-Bangladesh relations have been through rough patches in the recent past. While a lingering sense of mistrust still pervades the region, bilateral relations in the region have improved to a point where the willingness to collaborate has begun to outweigh historical mistrust. This newfound functionality in relations has helped to rapidly diversify areas of cooperation in the region. What started as a motor vehicle agreement has quickly encompassed trade, connectivity, and energy as emerging areas of cooperation. There have been half-dozen high level bilateral visits in the BBIN region in the last 15 months, which have initiated over a dozen technical working groups and joint-committees on trade, connectivity, water, and energy cooperation. Even as India’s Eastern neighbours continue to harbour a degree of caution in their relations with India, regionalism in the BBIN countries has never had the kind of momentum that we see today.

The pressure of rising deficits
Trade in the BBIN region has been growing steadily in the last 10 years, notwithstanding a variety of impediments created by lack of infrastructure, poor facilitation and non-tariff barriers of various kinds. In 2016, trade in the BBIN region grew by 8.6 percent to $23.52 billion. With marginal year-over-year changes, India's exports account for 85-90 percent of that figure. With such deep deficits, Bangladesh, Nepal, and Bhutan are eager to increase their exports to India. Even from India’s stance, it is in India's long-term interests to bring the balance of trade to a more sustainable level. This structural imperative provides the four countries in the region an inherent reason to cooperate on trade facilitation, reduce the cost of trade and promote export into India. For Bangladesh, Nepal, and Bhutan given the sheer size of the Indian market, any scope to find a meaningful access to the Indian consumers represents a significant incentive to cooperate on trade and connectivity.

Starting from scratch
Years of neglect in modernizing connectivity and trade infrastructure, particularly in the border points in the BBIN region, has left the region with virtually no infrastructure to speak of. Border
points are choked under pressure of growing trade and land port facilities comprise of a few dilapidating buildings. Now that the governments in the region are looking to upgrade trade facilitation infrastructure in the region, there is an opportunity to do it the right way. Currently, the Land Port Authority of India as well as its counter-parts in Nepal, Bangladesh, and Bhutan have allocated funds for improving connectivity and land port infrastructure. Multilateral donors have stepped in to finance regional trade and connectivity projects. While integrating customs procedures, digitizing approvals, reducing paperwork, and freeing the movement of transport truck across the region are already in design, the opportunity to improve some of the “software” elements such as retraining personnel in border agencies, assessing gender-responsiveness of the facilities and procedures, reducing security-related delays, linking standard testing procedures more efficiently to the border point inspections, and reducing procedural burdens on issuance of border-crossing permits can be programmatically incorporated into the new investments going into the facilities, systems and procedures. Such opportunities to lower the cost of trade and to remove crucial facility-related and procedural barriers to inclusion can also go on to support “before the border” initiatives that promote women’s entrepreneurship or trade in general.

**Political timing**

Donor-funded trade promotion and facilitation programs in South Asia have had to deal with half-hearted commitments in their government counter-parts for a long time. This was largely because improving trade in the neighbourhood had not been a priority for India and India’s neighbours were not positioned to gain much from investing in trade with India if India remained disinterested in deepening market access to them. In the broader South Asian geography, not much has changed even now. However, as we have discussed above, the prospects in the BBIN region have drastically changed in the last two years. Two readily identifiable geopolitical drivers of this change are: first, for geographic practicality and as well as for the political objective of isolating Pakistan from Eastern South Asia, the BBIN region has become a demonstration case for India “neighbourhood first” and “look East” policy doctrines. Second, stabilizing the politically restless North East and jump-starting development in that region requires trade and connectivity with adjoining markets in Bangladesh, Nepal, and Bhutan. The coming together of these policy impulses makes India much more committed to trade and economic development in the BBIN region and the opening up on India’s part gives India’s neighbours a new incentive to collaborate on trade and connectivity. For trade promotion and facilitation programs, the political timing has become much more favourable now than any time in the past.

**Favourable cross-sectoral influences on gender programming**

The last 15 years have seen marked improvements in women’s social, economic, and political empowerment in South Asia. On education, the region has fared well, with female enrolment in secondary and tertiary education reaching over 90 percent by 2013. The maternal mortality rate declined by nearly 50 percent, which is a remarkable achievement in a fifteen-year period. Women’s political participation in national and sub-national governments is being promoted through
statutory reservations and promotional programs. Since nearly 70 percent of employed women in South Asia are still engaged in the agricultural sector agricultural extension services, cooperatives, livelihood promotion schemes, and micro-finance programs directly engage with women, allowing women to claim a greater control over household economic decisions. While these achievements may not be enough to fundamentally disrupt structurally-reinforced patriarchal relations in society, they add up. Programs that exclusively target women as beneficiaries have a lower burden of justification, greater legitimacy and improved potential for social support today than those implemented two decades ago. This makes the timing of intervention more opportune.

In this section, we have tried to make three inter-related points. First, trade facilitation programs in South Asia, particularly those that look for greater gender equity in outcomes, cannot ignore deep structural challenges coming from a long-standing history of non-cooperation and equally persistent gender gaps in the region. Attempting to change too many things too quickly carries a risk of failure. Second, irrespective of the sub-par performance on regional integration in broader South Asia, the BBIN region appears politically and economically ready to move ahead and become an engaged partner in the efforts to improve trade and trade-related outcomes. This geopolitical shift opens up a lot of possibilities. Third, while trade facilitation programs alone cannot change the status of women in the region, they can take advantage of changing status of women in the region.
II. PROGRAMMING CLIMATE FOR GENDER-RESPONSIVE TRADE FACILITATION INTERVENTIONS

South Asia’s border towns are universes of their own, nominally connected to inland urban centres and significant distances away from national capitals. Each border point or crossing is host to a cluster of activity with customs handling agents, government officials, and traders, lines of trucks, bridges, and border security personnel navigating visually chaotic checking and document processing points. All procedures related to release and transport of goods converge at these points and these are the essential loci of trade facilitation programming.

The challenge of improving trade facilitation at the border points comes in layers. To start with, the infrastructure in BBIN border points needs significant improvements, even where the infrastructure appears to be more or less adequate, there are glaring capacity gaps and even with capacity upgrades it is difficult to foresee the norms and attitudes that confront women’s participation in trade and trade-related activities changing quickly.

The layer of challenge that this report deals with is how to design gender-responsive trade facilitation programs in this milieu. This section provides some observations about the climate and operational realities in border areas, and takes stock of the key groups of actors that shape the everyday functioning of the border points.

Government agencies
Trade facilitation initiatives are normally conceived and designed in central government departments often by engaging working groups that include experts and bureaucrats. More often than not, these bodies tend to have nominal representation of women. The policies themselves are mainly focussed around procedural issues and improving physical infrastructure and efficiency at
the border level, with lowering transaction costs of trade being a key objective. As a matter of practice, trade facilitation initiatives are conceptualized in a gender-neutral fashion, and not much prior thought is given to the gender differentiated impact of these initiatives.

Governments in South Asia appear to be committed to gender equality and inclusion on various fronts. When it comes to trade facilitation, however, agencies appear to be struggling to find ways of incorporating gender in policy processes. The absence of gender considerations at the policy level is reflected in practices at the border level. The overwhelming majority of border officials are male. For example, at the border between India-Bangladesh in Phulbari, there was only a single customs official who is female. Further, the issue of informal payments was cited often in our interactions with women entrepreneurs in the Siliguri area. In a deeply male-dominated setup, women find it culturally difficult to navigate informal payments, and prefer to “delegate” this kind of activity to male intermediaries, who perhaps are more comfortable with tackling the “controlled chaos” of the border point. However, this adds to the cost of transaction. These challenges are indicative of poor inclusion of women in the recruitment and deployment, which produces low visibility of women at the border level. Coupled with poor training on attending to women traders, and a lack of gender sensitization overall, this creates an ecosystem that fails to meet the needs and requirements of women.

Bringing gender-sensitive changes in policies at the central level can potentially drive positive changes to the border level and encourage women to engage in trade related activity. Simple solutions such as providing better connectivity, access to basic facilities and utilities, increased visibility of female officials, digitization of customs and border procedures, are all examples of ways in which governments can encourage women to participate in trade related activity.
In addition, limited devolution of internal authority appears to have created a lack of operational independence at the border level. To make any difference at the border level, therefore, the policy intention must originate at the central level and any decision at that level must be followed up by allocation changes and capacity upgrades at the border level. The experiences and voices of government officials posted at the border level rarely finds its way to the policy-making level, the feedback loop on policy evaluation thus need to open up and start incorporating border level voices in policy processes.

Since ground level implementation is carried out by a diverse set of agencies at the border level, much of the on-the-ground impact of policy changes will depend on successful inter-agency coordination. Mobilizing all border agencies at the same pace and with similar resolve will remain a challenge. Furthermore, without reciprocal changes by the other country flows and transaction costs will not improve. This then begins to drag complex diplomatic communication channels into the mix. Given these challenges, we should not expect reforms in trade facilitation measures to move quickly and project time horizons as well need to internalize this fact.

**Civil Society Organisations (CSOs)**

There are a few Civil Society Organisations (CSOs) in the region that are engaged in the promotion of intra-regional trade in South Asia. However, majority of these organisations are based in South Asia’s capital cities, and have not engaged in much programming on the ground level other than for the purposes of conducting research. Several CSOs work on women’s economic empowerment, ranging from promoting women’s entrepreneurship, livelihood development, and supporting the government in implementing schemes and programs for women. These CSOs, on the other hand, do not appear to be engaged on trade and trade-relation issues.

Women’s organisations tend be community-based and focused on local issues. Even in border areas, we were unable to locate organizations that work at the intersection of gender and trade in this region. When we scanned programs and potential funding sources for border areas, we did not come across any significant national or international funding sources that could potentially mobilize women’s organizations in the border areas to work on trade. In general, border areas appear to remain ‘peripheral’ in the eyes of most government and non-governmental organizations, a subject of routine neglect, and outside of the preferred program geography.

Until programming resources begin to flow to the border areas, the avenues of engagement for local traders, women’s organizations and border agencies will remain scarce, which will have an impact on knowledge production, capacity building, and cross-border collaboration among trading communities. For example, organisations working on intra-regional trade are well positioned to conduct studies and generate data on the extent to which women participate in cross-border trade but we could not find locally generated data or analyses on trade and inclusion in our literature.
review or field visits. There is scope to engage women's organisations on training and capacity building, conducting local level dialogue on procedural problems, and advocating for changes in security arrangements and border management issues, but mobilizing and activating border-level CSOs, particularly those working on women issues, has been a challenge.

**Business Associations**
There are a number of well-established women’s business associations and chambers of commerce in South Asia’s capital cities and commercial centres. While promoting women’s entrepreneurship is an area of interest for many, promoting women’s engagement in trade and trade-related services does not appear to be a priority. Normally, representatives and leaders of border area business associations are local elites who wield significant influence on local issues, including on matters related to trade. At the same time, not all business leaders are associated with trade or trade-related businesses. In our conversations with business associations in Siliguri, West Bengal, which is at the centre of triangular borders with Bangladesh, Bhutan, and Nepal, most of the business leaders were conversant on general business climate issues and matters related to their own businesses but very few were familiar with problems associated to trade. Without external support a local articulation of current problem and potential interventions in promoting women’s participation in trade and trade-related services is not likely to materialize, particularly, through local business associations.

In national capitals, business associations and chambers of commerce such as the Federation of Indian Chambers of Commerce and Industry (FICCI) in India or the Metropolitan Chamber of Commerce and Industry (MCCI) in Bangladesh, have strong representation in policy deliberations, including on trade-related policies. However, as one goes further out to the border towns, where trade actually takes place, their institutional representation as well as activities weaken. At the same time, local business owners are also disengaged from the conversations and policy deliberations in capital cities. This “voice gap” needs to be overcome. Convening networks of women entrepreneurs at the border level, and bringing some of the activities and engagements of business associations and chambers down to the local level away from the metros, would activate the process of developing a collective voice of women entrepreneurs in border towns. This process may be spearheaded by existing networks such as the Federation of Women Entrepreneurs Association of Nepal (FWEAN) or the Bangladesh Women Chamber of Commerce and Industry (BWCCI) to begin with.
For the typical business association or chamber of commerce in border towns, issues such as non-tariff barriers (NTBs) do not necessarily carry the negative connotation that trade specialists and economists point to. Business owners do not always oppose NTBs and other trade distortions, when it benefits them. In other instances, business owners are unaware of the potential value in intra-regional trade altogether, and are steeped in the nuts and bolts of their own business operations and entrepreneurial ventures. Women entrepreneurs in the Siliguri area, for example, seemed more engrossed in developing their own narrow area of business rather than seeking out opportunities across the border, or networking with other women entrepreneurs in the area. In small border towns, there are few if any women’s business associations or chambers of commerce – most of them are located only in large urban centres. This is an indication that women entrepreneurs do not have a collective voice in such areas, and do not convene regularly to network, exchange notes, or provide mentorship to other women.

**Think Tanks**

Think tanks in the region have been engaged on the issue of regional trade and integration, conducting research and providing recommendations to policymakers. Most of these efforts hold government officials at the central level as the primary audience. Government officials as well welcome research as long as the research is able to provide detailed and actionable recommendations. The production of reliable, targeted and actionable policy recommendation requires significant investments, which think tanks are often unable to generate without external funding. External funding on this issue, on the other hand, has been very limited. In addition, very often think tank reports tend to focus on the integrity and robustness of their research, which sometimes leads to an excessive indulgence on theoretical and normative arguments. As a result, with some exceptions, received recommendations tend to be broad and prescriptive, and difficult to implement without further detailing and coordination among multiple government agencies.

Research and evaluation of port/border level policies and procedures can be extremely helpful in sorting out implementation level problems and feeding that information back into central level policy processes. This type of port level research designed to the information need of the port level agencies is very rare. This is in part a funding issue but also because most think tanks are located in urban centres and capital cities, significant distances away from border points. Most think tanks don’t have field offices to provide routine research support to border agencies. Research efforts therefore tend to sporadic and opportunity-driven.

**Media**

Media coverage on regional trade in national broadsheets and television is limited and even more so when it comes to reporting on the challenges faced by women traders. Some reporters and journalists do file news pieces on trade issues on a routine basis but these narratives are sourced largely from reports and analyses produced by think tanks, CSOs, or regional and international trade organizations. Very often, trade related news pieces showcase infrastructure projects, or
agency press releases, and do not usually report on issues from the ground. At the local level, it is possible to find routine coverage of trade and border-related problems. The noise created at the local level generally fails to catch the attention of the national media. Locally, even then there is significant noise in the media border agency officials are unable to respond to problems promptly as their own authority is limited, much of the decision-making power in these agencies rests in capital cities and district headquarters. Closer collaboration with the media and programmed investments into in-depth reporting, both at national and local level, are essential if the issue of promoting women’s participation in trade and trade-related services is to be highlighted in policy circles and the level of public interest on the issue is to be increased.

**Key Takeaways**

*Capacity weakens at the border*

Governments in the BBIN region are signatory to a number of regional and global trade agreements, including the World Trade Organization’s Trade Facilitation Agreement, and have instituted dedicated units in commerce and customs departments to improve performances on trade facilitation. Higher level bureaucrats and ministry officials have a comprehensive grasp of the investments and other interventions required to improve trade facilitation performance. As one goes down the hierarchy, both knowledge and capacity appears to dissipate quickly. At the border
points, beyond routine application of procedure and operational functions, agency officials are unable to demonstrate much understanding of the objectives of trade facilitation measures or the linkages between procedures and cost of trade. Similarly, the idea of inclusion and women’s participation in trade and trade-related activities also gets side-lined at the border as a non-essential issue. Without a “whole of government” approach where all government units that work on trade are adequately trained and able to contribute to the broader objective, it will be difficult to drive reforms and align efficiencies.

**Authority is limited at the border**

At border points, government officials have limited authority to change or add to existing procedures. Policies and budgets are determined at the central government level, and border officials lack control over policy implementation and budget allocations. Individual officials are reluctant to take reform initiatives on their own accord. Any change in procedure must be approved at a supervisory level, often away from the border posts. As a result, a simple step such as setting up a separate queue for women traders must necessarily be shared with higher authorities and approved before it is put in place. Without formal or even informal delegation of authority to the border level, change and reform can only take place at a slower pace.

**Inclusion practices do not flow down to the border with ease**

Across the region, cultural barriers as well as development indicators for women in rural/peripheral areas are worse than in larger cities. As mentioned above, from a capacity point of view as well as in terms of authority to take proactive decisions, border posts are at a disadvantage. In addition, border posts usually do not have access to good health and education facilities, and security remains a concern in most of the surrounding areas. All these factors add up to make recruitment and deployment of women in border posts a difficult proposition. This problem exists with CSOs operating at the border points as well. To breakaway from this pattern, agencies have to take proactive measures in recruitment and deployment, improve security conditions and infrastructure where necessary, and promote employment in trade and trade-related services through public outreach and preferential hiring.

**Local voices stay local**

Whether in the media, political parties, civil society organizations, business associations or government agencies, internal hierarchy of organizations tend to marginalize voices and opinions
emanating from the outposts. Policy processes in South Asia as such operate with minimal consultations even within the centre, and as one moves away from the centre, the ability to influence policy decreases further. As a result, there is an underlying tension between the centre and the local, and more often than not, policies designed in South Asia’s national capitals tend to miss ground level realities routinely. This breakdown of feedback loop and inclusion in policy process needs to be corrected if implementation of reforms is to be improved.
III. STRATEGIC APPROACHES AND PROGRAM COMPONENTS

In Sections I and II, we discussed key trends affecting the programming context and described some salient features of the programming climate, focusing on the actors and their institutional interests. In this section, we begin to describe some strategic approaches to consider when designing gender-responsive trade facilitation programs in the BBIN region. The discussion on strategy is followed by a description of key components recommended for implementation.

Strategic Approaches

Elsewhere in this report, we have noted that trade in the BBIN region is on the surge and expected to grow further, women’s participation in economic activities in general and trade in particular is at a very low level with plenty of upward headroom for growth, and support infrastructure, including policies and procedures, for trade facilitation are under stress and unable to promote growth or extend benefits of trade to women. Given where things stand, there is a need to concurrently manage growth and the inclusion potential of trade, but it is also clear that not all problems can be tackled at once or within a short period of time. With a sight on what is strategically possible and what type of intervention could potentially have a large impact in a relatively short period of time, we present here four strategic entry points for program interventions.

*Infrastructure and public services at border points require improvement first*

A first impression that a visitor to the most active border points (land ports) in the region such as Kakarbhitta-Panitanki in the India-Nepal border or Benapole-Petrapole in the India-Bangladesh border gets is that of chaos. Well-documented in received reports from research organizations such as CUTS International and BRIEF India the state of trade port and customs infrastructure in the BBIN region requires urgent attention. With the core infrastructure such as truck lanes, check...
points, parking and loading spaces, customs counters, and offices all operating beyond the brink of
capacity and the resultant congestion, crowding and chaos overwhelming public
transport, sanitary facilities, security operation and port amenities, border points have become
unfriendly sites, particularly for women. While a lot needs to change in terms of internal procedures,
reforms such as increasing the presence of women in offices and security check points, and program
interventions that promote women’s participation in trade and trade-related activities would be
valuable. However, none of these efforts will begin to pay until the physical infrastructure of the
ports, services and amenities are significantly improved.

Simplification and digitization lowers the threshold of entry
The time-burden of customs and clearing procedures remains unpredictable and, in some instances,
in-person interface is required at different stages of the process. Being delayed by a day or two is
considered normal, while longer delays are possible. Once delayed, costs begin to rise; since border
facilities and public services are inadequate, safety becomes a concern and women find themselves
at a greater disadvantage than men. Non-procedural hassles such as informal payments, if and when
they occur, and pleading with officials in instances of mundane omissions in documentation tend to
put women at a further disadvantage in a male-dominated setting. Simplifying procedures saves
costs across the board, but reducing or eliminating in-person interface requirements and digital
submission of documents significantly lower entry barriers for women. Predictable time-burden on
consignments will allow low-volume producers and traders to calibrate export viability and price
competitiveness of their products. Such an outcome can lead to enlarged participation of women in
trade and trade-related services including transport and handling.

Bringing women into trade and trade-related services requires convergence of multiple interventions
While port-level changes certainly help, to extend the benefits of trade and trade-related activities to
a larger constituency of women, other enabling factors must begin to converge. Border agencies
have to lead with a deliberate effort to increase the presence of women in trade-related offices to
change the optics of the work environment. Trade promotion programs have to isolate products
and trade facilitation services that benefit women at a larger scale and increase investments into such
programs. Trainings on trade procedures and financing have to proactively target women
entrepreneurs. Women’s safety and security in the highways and border towns needs significant
improvement. Membership norms and rules of inclusion in executive positions in business
associations must be changed to enable women’s entry into such organizations. While these
measures represent a short list of examples, the broader strategic argument is that concurrent
deployment of these interventions stand to have a greater impact than uncoordinated or sequential
deployment. Since no single organization can intervene at such a multi-faceted level the emphasis
here is on coordination of a broad panel of actors who work on gender and trade. Programmatic
coordination and horizontal partnerships that align resources and interventions from the government, civil society organizations, and the private sector within and across national boundaries in the region are to be considered part of the program strategy.

Engaging with back-end beneficiaries enhances the impact

The potential gains from the three trade and trade facilitation-related strategies can be further augmented if we can successfully weave together ground-level interventions on gender and trade to the broader domain of interventions implemented with an objective of making growth more inclusive. Trade facilitation programs even when focussed on gender outcomes will not be able to affect women’s access to economic opportunities within commutable distances of their homes. To get to that level of impact, a strategy to expand the size of back-end (or the tail-end) beneficiaries, particularly women, is needed. Whether by design or default, what has happened in the case of Bangladeshi garment export is a pertinent example. The garment industry in urban and peri-urban areas of Bangladesh have become the most accessible sites of trade-driven employment for millions of Bangladeshi women. Ginger and cardamom export from Nepal has had similar impact for the women in the Eastern hills of Nepal. Such sub-sectors with pre-existing growth momentum can become the locus of inter-woven programs that concurrently tackle trade-end as well as the inclusion-end of the problem. In that sense, going beyond the normal domain of trade facilitation program and utilizing strategic opportunities for inclusion wherever they exist in the value chain is an important strategy for enhancing the impact of interventions.

Increasing visibility of women in trade-related agencies and services is urgent

The optics of border agencies, including customs, standards testing facilities and security agencies, present a glaring absence of women in ports and border points across the region. In that sense, the foundational resource for promoting participation of women in trade and trade-related services itself is missing. This needs to change quickly. Greater inclusion of women in these agencies is likely to change the long-standing gender-neutral stance on policies and procedures, facility design and maintenance, and recruitment and deployment practices within the agencies. Transforming these agencies into gender-sensitive organizations requires women to be part of the organization in the first place. On the client end, the increased visibility of women in service counters and border agency premises can be source of comfort and confidence for women who are seeking entry into trade and trade services-related professions such as cross-border transport and logistics, customs handling, public transportation and security.

Program Components

Understanding the Matrix of Interventions

Trade facilitation measures have traditionally been designed to lower transaction costs, reduce procedural burdens, and improve physical facilities associated with trade. The idea that such
measures could potentially affect men and women differently is new to South Asian trade and trade facilitation policy-making. The practice of auditing policies and procedures to locate or project their gender differentiated impacts does not exist in South Asia. As a result, we know very little about which attempts, if any, to expand the benefits of trade to women have failed on the ground or which have had greater chances of success. What we do know is that women's participation in trade and trade-related services remains marginal.

From the observations and arguments presented in this paper, we are also able to say that gender-focused improvement in trade facilitation alone cannot fundamentally change women's participation rates, concurrent changes in other social and economic areas will be required. To accommodate and capture necessary interventions outside of the border points and procedures, we present here a three-by-four matrix that looks at potential interventions (not an exhaustive list) before the border, at the border and beyond the border. These three categories are further divided into four categories of interventions. These include: infrastructure gaps, capacity gaps, knowledge gaps and support gaps. The matrix yields 12 categories of interventions designed to promote the extension of trade and trade services benefits to women. The three central categories in the matrix axis are briefly described below:

**Before the border**

A lot of the changes that a gender-responsive trade facilitation program may pursue at the border is dependent on what happens before the border. While we have omitted socially-imposed constraints on women to limit the scope of interventions within realms of trade facilitation programs, we have included problems that range from infrastructure provisions to capacity issues and support structures necessary to extend the benefits of trade to women in the region.

Infrastructure in and connectivity to export production sites comes in as a key issue for women. When infrastructure such as power connections and roads are inadequate, price competitiveness of production and trade-potential of produce gets compromised. This problem runs common to both farm and non-farm production sites where women are involved. While we do not want to problematize infrastructure deficits in the region in general terms, interventions are possible in selected production “clusters” on a prioritized basis. Once export oriented production sites or particular “clusters” are identified, investments in power, communication and road connectivity can be prioritized in those areas. Closely related to this problem is safe and reliable public transportation and commutation facilities for women. Women entrepreneurs we interviewed in Siliguri and adjoining areas in Nepal and Bangladesh borders brought up infrastructure deficits, particularly around public transportation, repeatedly. While much of the public transportation assets and services are controlled by the private sector, governments in the region can think of route management partnerships with the private sector such that public investments in roads can be coupled with private investments in services.
Data, information, and analysis on women’s participation in trade and trade-related services are extremely rare in the region. Women in this sector are still largely undocumented, unregistered, and under-valued. There is only sporadic, incomplete and unofficial data available on the number of women entrepreneurs participating in cross-border trade in the BBIN countries, for example. Without measuring the scale of the problem, it would be challenging to design programs. As a first step, therefore, reliable quantititative descriptions and data sets are required. Qualitative information is also missing, and policy informing narratives would help to contextualize the problems faced by women cross-border traders. Policymakers, donor agencies, and civil society are still in the dark with regards to the extent to which women engage in cross-border trade in the BBIN sub-region. Closing this information gap needs careful study and data gathering. The data and information collected can bring immense qualitative gains in the policies and programs that aim to extend benefits of trade and trade-related services in the region. If comprehensive data gathering and analysis is not immediately possible, even tracking 30 women entrepreneurs in each of the four BBIN countries over a period of five years can reveal a lot of the problems, for instance.

Compared to men, women in the region are less financially literate, and do not have a sound understanding of financial terms, banking, microfinance procedures. To close this gap, lending institutions, women's business associations, cooperatives, governments, and donor agencies can formulate programs designed specifically to provide women with access to finance and finance-related information. Along similar lines, women traders often lack information on trade and trade facilitation related issues. Women's business associations, networks, and forums, can be mobilized to share information and train women, particularly focusing on new entrants and those marginalized by lack of access to information and infrastructure. For this kind of ramped up inclusion programming, women's business associations lack the required capacity. There are very few accessible opportunities available for women-centric business associations particularly outside of the national capitals to network, convene, upgrade personal capacities and learn new skills. If we start with this layer, in a year or two, we can begin to cascade the capacity building programs further down to the grassroots.

**At the border**

Border procedures and facilities are two key loci of intervention for all trade facilitation programs. In the BBIN region, there is a general deficit of infrastructure at the border points but even starker is the complete lack of facilities and amenities required to promote participation of women in trade and trade related services. Public transportation to border points are poor, particularly from reliability and safety points of view. Once at the border premises, sanitary facilities either do not exist or are poorly maintained, access roads and bus stops are not lit at night and all facilities are overcrowded. Women's visibility whether in offices, or in the crowd of people seeking services is negligible. Public information on navigating the complex set of procedures through multiple agency posts at the border point is not to be found. By intent or omission, in India, for example, women traders wait 37% longer than their male counterparts to meet a customs officer. A key starting point
for increasing the participation of women in trade and trade-related services is improving infrastructure of border points and ports and ensuring that public facilities and amenities are women-friendly.

Border haats are a good conduit for women to engage in cross-border trade, with the potential to provide local women in remote border towns with some economic opportunity, particularly in the case of India-Bangladesh trade. Currently, there are four border haats operating at the Indo-Bangladesh border, and six more are expected to be set up. Research indicates that women traders are comparatively under-represented at these informal markets, and do not hold leadership positions in Border Haat Management Committees (BHMCs). For example, in Kalaichar, there is only one female committee member, and none in Balat. There are also very few women vendors who are registered, with only 4 percent women, of licensed vendors in Kalaichar haat. While creating more border haats alone may or may not result in significant impact, taking other steps such as introducing a quota system to increase the number of women traders, improving safety- and security-related infrastructure, making management committees more inclusive and simplifying procedures on transactions and movement of goods at the border haats can significantly help to increase the number of women benefitting from trade and trade-related services.

Increasing the use of information and communication technology (ICT) in application of trade procedures can ease the entry of women in trade and trade-related services significantly. Digitization can help to simplify procedures and reduce the need for direct personal interface between border agencies and traders. Less travel, reduced commutation need, reduced procedural burden, and reduced possibilities of corruption are potential benefits of digitization and all such outcomes disproportionately help women. Currently, women prefer to 'delegate' activities to intermediaries who are, in most instances, men and that adds to the cost of trade for women traders and producers. Displacing intermediaries can enhance price-competitiveness and profit margins of exports and women, in particular, stand to gain from removal of intermediary costs.

Not much investment has gone into identifying the information and knowledge required to make trade-related services women-friendly in the region. Policies and procedures that operate on the ground have been sporadically audited for business process efficiencies but we did not come across any gender audit in any of the four countries in the region. This practice must begin at the earliest possible time to allow trade facilitation programs to directly address the problems. Personnel in-charge of customs, standard testing and security should be trained and evaluated on this issue to sustain any change that comes through external intervention. Indexing performance of border posts across the region on gender-responsiveness can also provide internal incentives for behaviour change. For program interventions to be cost-effective and smarter in terms of targeting and prioritizing, a lot of information and analyses have to generate from the ground up. Currently too little attention and resources are allocated to this cause.
Beyond the border
The import side story cannot be ignored while discussing ways of extending the benefits of trade to women at a regional scale. First and foremost, this calls for a transboundary jurisdiction (concurrent and coordinated interventions in two or more countries) for trade facilitation programs. Export facilitation must match import facilitation in order for the system to gain meaningful efficiencies. Beyond procedural harmonization, this applies to levels of trade infrastructure development in importing as well as exporting countries and, also, to capacity of border agencies in importing as well as exporting countries.

Secondly, Bangladesh, Bhutan, and Nepal currently have significant trade imbalances with India, which is perhaps not sustainable in the long-run. While Bangladesh's garment export and remittance earnings, Nepal's remittance earnings, and Bhutan electricity exports may meet their import bills for the time being, these don't touch the lives and livelihoods of the millions of rural women in the region. India's large internal market is a key driver for open trade in the region, but until sectors with inherent comparative advantage as well as women-centric modes of production begin to make up a sizable portion of India's regional import, benefits of trade will remain peripheral to most women in the region.

Before trade can significantly grow, the movement of people, and cross-border transactions have to become easier. Time consuming visa processes, expensive travel documents, and complex cross-border payment procedures deter small producers, many of whom are women, from exploring markets across borders. For most women traders, access to regional trade fairs, trade promotion trainings, and regional networking opportunities is extremely limited and prohibitive in terms of cost. While countries invest what they can on trade promotion, women are rarely the target of these programs. These factors collectively raise the barrier of entry more sharply for women compared to men and until deliberate steps are taken to level the playing field women cannot benefit from trade and trade-related activities in significant numbers.

There is also a need to audit bilateral and multilateral regional trade agreements, protocols and procedures from a gender lens. The language and intent of all such documents have been crafted on the assumption that trade is a gender-neutral activity and efforts to isolate gender differentiated implications, particularly, at the procedural level have been missing from policy considerations. There are tools and methods readily available to conduct such audits. Since all BBIN member countries are members of the World Customs Organization (WCO) and have signed onto the Kyoto Convention, the practice can be introduced to the region with nominal technical assistance.
<table>
<thead>
<tr>
<th>TABLE: Trade Facilitation Measures that Support Cross-Border Trade by Women in the BBIN Sub-Region</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>PRE-BORDER</strong></td>
</tr>
<tr>
<td><strong>INFRASTRUCTURE GAPS</strong></td>
</tr>
<tr>
<td>Improve connectivity to export oriented farm and enterprise clusters that employ 50 percent or more women</td>
</tr>
<tr>
<td>Improve access to electricity, communication and water supply to maintain competitiveness of farm and enterprise clusters that employ 50 percent or more women</td>
</tr>
<tr>
<td><strong>CAPACITY GAPS</strong></td>
</tr>
<tr>
<td>Support business associations in border towns to organize outreach and training programs for women entrepreneurs on trading rules, tariff structures, logistics and handling, insurance and risks management to promote their entry into trade and trade-related services.</td>
</tr>
<tr>
<td>Provide technical assistance and trainings on gender sensitization to border agencies such as customs, SPS and standards testing units, border security offices and logistical service providers.</td>
</tr>
<tr>
<td>Provide financial literacy trainings in export-oriented farm and enterprise clusters.</td>
</tr>
<tr>
<td><strong>KNOWLEDGE GAPS</strong></td>
</tr>
<tr>
<td>Identify economic, cultural and informational barriers to women’s entry into trade and trade-related employment in border agencies, logistics businesses, and transportation and handling services.</td>
</tr>
<tr>
<td>Identify 20 products or commodities traded in the BBIN region that have largest direct and indirect benefits to women in order to improve facilitation on selected products and commodities</td>
</tr>
<tr>
<td>Track 30 women entrepreneurs in each BBIN country, whose main source of revenue comes from regional export, over 3-5 years to generate baseline data and comparative analyses on various aspects of trade performance and gender.</td>
</tr>
<tr>
<td><strong>SUPPORT GAPS</strong></td>
</tr>
<tr>
<td>Provide technical assistance to public transportation providers to improve access and safety of women passengers in border towns</td>
</tr>
<tr>
<td>Promote the formation of a BBIN Women Traders’ Council for policy representation and advocacy</td>
</tr>
<tr>
<td>Support the participation of women entrepreneurs and traders in regional trade fairs for marketing and networking purposes</td>
</tr>
</tbody>
</table>

**EXPANDING THE BENEFITS OF TRADE TO WOMEN IN THE BBIN REGION: A PROGRAM DESIGN PRIMER**
IV. CONCLUSION AND KEY TAKEAWAYS

This report is presented as a programming primer for interventions designed to expand the benefits of trade and trade-related services to the women in the Bangladesh, Bhutan, India, and Nepal (BBIN) region. In describing the broad context around which gender and trade programs operate in the region we note the following points: a) the BBIN region is on a sustained growth trajectory but intra-regional trade clearly lags behind; b) while growth has been impressive, inclusion in general and inclusion of women in the economy has been poor; c) the baggage of geopolitical history has been a drag on rapid development of trading relations in the region and good intentions tend to clash with bad politics very often; and d) deep-seeded patriarchal relations have put a structural drag on participation of women in the economy across the region, which gets reflected on trade and other economic activities as well.

Despite these challenges, the BBIN region presents some exciting opportunities for gender and trade programming. First, unlike the broader eight-county geography of South Asia, the BBIN sub-region is free of significant geopolitical hostilities. Second, in the last three years, India’s resolve to promote and anchor deeper regional integration with its Eastern neighbours has strengthened significantly. Third, India’s $600 billion private consumption market provides a significant incentive for Bangladesh, Nepal, and Bhutan to pursue deeper trading relations with India. Fourth, from a programming point of view, since the trading relationships and state of trade infrastructure is in its nascent form, the scope of intervention is very large; and, fifth, the investments made on women and girls in all four countries, particularly on improving enrolment rates, skilling and expanding access to information (and communication) is just beginning to pay off on the economic front.

In assessing the programming climate, the report provides some salient observations on operational realities of border areas, and looks at some of the key actors and attitudes that shape the day-to-day functioning of the border points. The paper looks at the role of government agencies, civil society
organisations, business associations and chambers of commerce, think tanks, and the media, and seeks to identify ways in which they stand to affect the design, implementation, and outcomes of programming. In this section, we have emphasized the following features of the programming climate: first, decision-making authority across government agencies, civil society organizations and even in the private sector units dwindles as you move away from capital cities and to the border towns; the effectiveness of program “partnerships” at border points will depend heavily on the buy-ins at the centre; second, capacity of these agencies and organizations as well deteriorates as you move from the centre to the borders, requiring significant investments on capacity development; third, compared to urban centres and capital cities, women in border towns and rural areas enjoy less personal and social freedom, both formal and informal institutions tend to be less inclusive and resistance to inclusion as well tend to be higher in these “frontier” areas. This challenge needs to be incorporated in the program logic itself so that program targets do not get miscalibrated. Finally, within the centre-periphery hierarchy, voices from the border rarely find an entry into core policy processes. There is a representational gap that external actors working at the borders should be aware of.

The report also identifies some strategic approaches and entry points. First, years of neglect has left infrastructure at and connectivity to the border points in complete disarray. With trade growing each
day and infrastructure failing to meet the
demand, border points in the BBIN
region function under conditions of
chaos. They are not trade-friendly and are
a long way away from becoming women-
friendly. Significant investments in
infrastructure and public services at
border points is needed immediately.
Second, simplification and digitization of
border level procedures and processes can
break down many barriers to entry for
women. This appears to be an achievable
goal for the near-term. Third, trade facilitation programs alone cannot lift the burden of extending
benefits of trade to women at a regional scale, multiple interventions that work on women's social
and economic inclusion need to converge to achieve impacts at scale. Cross-sectoral harmonization
at the top and proactive collaboration on the ground can enhance the impact significantly. Fourth,
while increasing the participation of women in trade and trade-related services remains the goal, it is
inclusion at the production end that really scales the impact. Engaging the back-end beneficiaries,
therefore, ought to be a key strategy for effectiveness. Finally, and perhaps most importantly, there is
an urgent need to increase the visibility of women in border agencies and trade-related service
sectors. The optics of complete absence of women at the border points is a deep deterrent for most
women who want to enter trade-related professions.

The third section of this report presents illustrative program activities on a three by four matrix,
identifying 12 categories of program activities. Given the complexity issues around which the two
fields--trade and gender--interlace, no single logic model will be able to capture all critical
components of the problem. The matrix simplifies the problem to a certain extent by categorizing
interventions by location (whether before, at or beyond the border) and by themes (whether related
to infrastructure, capacity, information and knowledge, or support systems).
References


EXPANDING THE BENEFITS OF TRADE TO WOMEN IN THE BBIN REGION: A PROGRAM DESIGN PRIMER
Endnotes

5. Id.
6. Id.
14. Id.
15. Id.
18. Id.
19. Bhutan’s position on the BBIN multilateralism is bit more reserved that that of India, Nepal and Bangladesh. Since BBIN is an informal regional bloc, Bhutan is likely to opt out of some of the multilateral agreements as it done with the motor vehicle agreement.
20. This is a reflection from our own work on this issue in the last seven years and a common observation shared by fellow practitioners in the donor community.


22. Id.


24. Some of the noteworthy and leading think tanks in the region with specific expertise on issues relating to South Asian regional integration and regional trade include the Centre for Policy Dialogue (CPD) and the South Asian Network on Economic Modeling (SANEM) in Bangladesh, the Consumer Unity and Trust Society (CUTS) International and the Indian Council for Research on International Economic Relations (ICRIER) in India, and the South Asia Watch on Trade, Economics, and Environment (SAWTEE) in Nepal.

25. Government officials from India, Bangladesh and Nepal participating in the April 2017 Trade Facilitation and Gender in the BBIN Region Workshop in New Delhi, for instance, uniformly called for actionable recommendations from think tanks on gender and trade issues.


27. Bridging Infrastructural Deficits at Selected Trade Ports in India. Brief India. 2016

28. The framework presented here is a revised version of the matrix used in the BBIN Gender and Trade Facilitation Workshop held in New Delhi in April 2017. The matrix was originally developed by officials and consultants from the Australian High Commission in New Delhi and South and South West Asia Division of DFAT headquarters in Canberra.

29. The World Customs Organization (WCO) has introduced a diagnostic toolkit known as the Gender Equality Organizational Assessment Tool (GEOAT). The GEOAT is available to customs administrations to assess their policies, practices, and activities relating to gender issues and to ensure that gender mainstreaming takes place in the design and implementation of WCO capacity building programs that support customs reform and modernization initiatives.


31. Due to visa-free entry and exit between India, Bhutan and Nepal, border haats do not serve much purpose in Nepal and Bhutan.

32. This data is based on the research conducted by ICRIER which was presented at the practitioner’s workshop on Trade Facilitation Measures that Support Cross-Border Trade by Women in BBIN which was held on April 27-28 in New Delhi, India.

33. Id.

34. Passport issuance cost is $50 in the region, including documentation costs and excluding travel costs to issuing offices.
The Asia Foundation is a nonprofit international development organization committed to improving lives across a dynamic and developing Asia. Informed by six decades of experience and deep local expertise, our programs address critical issues affecting Asia in the 21st century—governance and law, economic development, women’s empowerment, environment, and regional cooperation. In addition, our Books for Asia and professional exchange programs are among the ways we encourage Asia’s continued development as a peaceful, just, and thriving region of the world.

INDIA
114 Jor Bagh, First Floor
New Delhi - 110 003

asiafoundation.org