



**6th Annual Meeting
Network of Women Parliamentarians of the Americas**

WOMEN AND THE FREE TRADE AREA OF THE AMERICAS (FTAA)

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1. Introduction

Since 2003, the Network of Women Parliamentarians of the Americas has closely monitored negotiations on the Free Trade Area of the Americas (FTAA) in order to evaluate the possible impact, positive or negative, of this free trade agreement on the hemisphere's women. A first report presented at our 5th Annual Meeting in Foz do Iguacu, Brazil, (May 2005) laid out the various positions taken by governments in the Americas with regard to the FTAA and its impact on women.

This followup report aims to present the developments in FTAA negotiations and government positions that have occurred over the course of the last year as well as recent initiatives to be more inclusive of women in trade.

2. FTAA Negotiations

2.1 4th Summit of the Americas

Until the 4th Summit of the Americas, in Mar del Plata, Argentina, November 4 and 5, 2005, the FTAA negotiations were practically at a standstill. The Ministerial Conference of Miami (November 2003) brought to light major disaccord among project partners. At this point, the idea of creating an "FTAA lite" materialized, i.e., negotiate a series of flexible hemispheric regulations and allow member states to negotiate bilateral and multilateral agreements as they saw fit.

Although the issues of poverty, job creation, and strengthened democratic governance were on the Summit's agenda at Mar del Plata in November 2005, ultimately talks on resuming the FTAA negotiations took center stage.

Two positions on the resumption of the FTAA negotiations were expressed at the time:

- Of 34 countries represented, 29 were in favor of reopening negotiations in 2006.
- In contrast, five countries were against. The four Mercosur members (Argentina, Brazil, Paraguay, and Uruguay) deemed that the necessary preconditions to equitable free trade were not contained in the proposal. As well, they expressed a desire to wait for the results of the World Trade Organization (WTO) negotiations the following month before pronouncing on whether to relaunch FTAA talks.

- Venezuela, a new permanent member of Mercosur since December 2005, was the fifth opponent of the FTAA. It preferred replacing the FTAA with the ALBA, or the Bolivarian Alternative for the Americas¹, a joint project begun by Cuba and Venezuela in 2001.
- The Final Declaration clearly expressed both points of view and it was decided that these would be studied in light of the outcome of the WTO Ministerial Conference in December 2005.

We note that the favorable predisposition apparent at the 1994 Summit of the Americas and even in Québec City in 2001 toward an FTAA “from Alaska to Tierra del Fuego” is no longer present. In general, the enthusiasm of the summits seems to be dissipating. Among other charges, the FTAA is now criticized for being anti-democratic, non-transparent, and out of step with people’s concerns.

2.2 Developments since November 2005

Some progress was made at the WTO’s 6th Ministerial Conference in Hong Kong in December 2005, particularly the decision to abolish agricultural export subsidies as of 2013. This is a significant step forward seeing how developing nations had made numerous representations in this respect before, primarily to the two main providers of such subsidies, the United States and the European Union. This accord is therefore a first step in the right direction to ensure that subsistence-oriented agriculture—often practiced by women and a way for many communities to feed themselves adequately—is not on the losing end of a sharp increase in free trade.

At the same time, the Hong Kong agreement is a small achievement at best, and crucial negotiations on many other issues have put off until another day (including tariff reduction, internal agricultural subsidies, and liberalization of services). This development did, however, give a brief moment of hope that the Doha round of negotiations could be concluded by the 2006 target date. To do so, the basic outline of an accord would have to have been approved by April 30, 2006, which was not the case.

The positions of the countries of the Americas with regards to the WTO negotiations and conclusion of the Doha Round will be pivotal in determining whether FTAA negotiations are to proceed, as will future elections in many of the same countries over the course of 2006.

¹ The Bolivarian Alternative for the Americas (ALBA) is a political, social, and economic organization that promotes cooperation in these fields among Latin American countries.

3. The positions of parliaments and governments regarding the FTAA

The positions of the various countries of the Americas concerning the FTAA have changed little since last November. The Final Declaration indicating that 29 countries were in favor of reopening negotiations has yet to see any concrete action.

Moreover, the following positions have been expressed, particularly as a consequence of recent elections:

- In taking up her position as **Chile's** new president, Ms. Michelle Bachelet, reiterated her country's support for proceeding with the FTAA negotiations.
- In April 2006, **Bolivia** joined the ALBA and signed, along with **Venezuela** and **Cuba**, a People's Trade Agreement, seen as an alternative to conventional free trade.
- Venezuela's community of indigenous women recently expressed opposition to the FTAA, considering it prejudicial to minorities.

Even if the hemispheric free trade project is waning, many of the states of the Americas have initiated, pursued, or concluded regional or subregional bilateral trade negotiations over the last year. Several examples are as follows:

- The **United States** has continued negotiating on several fronts, i.e., pending ratification of a free trade agreement with the **countries of Central America** and the **Dominican Republic**, new agreements with **Peru** and **Colombia**, and pursuance of negotiations with **Ecuador**.
- **Mexico** and **Chile** have signed a strategic association agreement, not only to promote trade in Latin America, but to encourage political, social, and cultural integration as well.
- **Chile** and **Panama** have set the stage for entering into free trade negotiations, as have **Uruguay** and **Columbia**.
- Six Caribbean states—**Barbados**, **Belize**, **Guyana**, **Jamaica**, **Surinam** and **Trinidad and Tobago**—have reached an accord establishing a common market.

4. Recent initiatives to make trade more inclusive of women and their needs

The above findings on the state of FTAA negotiations cause us to doubt that the project will be a reality anytime soon. However, the growth in free trade that is happening across the globe through bilateral, regional, and multilateral agreements impels us to continue our reflection and study on the consequences of trade liberalization on women.

To this end, human rights control mechanisms for treaty implementation may prove to be vital tools in evaluating the impact of policies and trade agreements on women. For example, in the United Nations Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), all member states must periodically submit a report. These reports make it possible to evaluate if non-discrimination is considered when setting policy and negotiating trade agreements.

The development and implementation of trade initiatives that consider gender equality have developed progressively in recent years. The following illustrate this trend:

- The International Labor Organization (ILO) has developed gender integration policies in order to strengthen workers' rights, and has also taken initiatives to support women business executives.
- Contributing organizations like the Canadian International Development Agency (CIDA) have designed initiatives that enhance trade opportunities by including gender.
- Organizations such as the International Gender and Trade Network and Women in Development Europe have developed tools for impact analysis. These include gendered value chain analysis and the analysis of the stages of production of a particular good or service, in order to pinpoint gender inequality at any stage. The necessary changes can then be made, i.e., removing intermediaries from the chain to increase the gains of those not sharing fairly in the profits.

Women's Edge Coalition based in Washington, D.C. has developed a very interesting tool. The Trade Impact Review (TIR) reviews key findings of economic, legal, and trade policy literature of various countries regarding the potential and observed impact of trade and investment agreements on women. TIR is a simple, fair tool used to identify the sectors where the poorest in society are employed and thus increase the potential for possible rectification of policies affecting them.

TIR may be used to evaluate existing trade agreements or even before negotiations on a trade agreement begin, thereby enabling countries to identify and avoid potential negative impacts on the most vulnerable citizens. A study of this kind takes about 6 months to complete and costs some \$150,000 US.

TIR was instrumental in evaluating the impact of the North American Free Trade Agreement (NAFTA) on the poor in Mexico and was used to analyze the possible consequences of the FTAA on Jamaican poor. It was also the tool of choice for the US Agency for International Development (USAID) for promoting the participation of women in international trade ventures.

It is believed that TIR, if used on a greater scale by political decision makers and development agencies, could increase opportunities in trade for women.

5. Conclusions and recommendations

A majority of these organizations' current initiatives are dedicated to strengthening women's ability to participate in trade. However, they do not necessarily alter conventional trade policies that ignore gender-differentiated impact. To help remedy the situation, the British Institute of Developmental Studies—Gender and Education (BRIDGE) has made recommendations that the Network of Women Parliamentarians of the Americas should adopt. These recommendations aim to support the hemisphere's women parliamentarians in the exercise of their legislative functions, particularly when examining from a gender perspective the development, evaluation, and implementation of policies and trade agreements on the local, regional, national, and hemispheric levels. The most relevant of these recommendations are as follows:

- That parliamentarians take an active role in evaluating whether proposed trade agreements meet their respective states' commitments under international agreements, particularly commitments regarding women's rights and gender equality, and are in keeping with the Millennium Development Goals.
- That parliamentarians promote the systematic use of gender-analysis tools in trade policymaking and negotiations with a particular view to prevention of gender bias.
- Recognizing that trade policies affect society in numerous ways, that participation of the various government departments be encouraged to ensure input is given from all available resources—particularly those concerned with women's rights—when establishing trade policies or negotiating agreements, with the goal of identifying and correcting any pernicious effects the policies or agreements may have.
- That the role of civil society organizations be enhanced when setting trade and employment policy priorities and that women in particular participate from all commercial sectors.
- That parliamentarians work to ensure governments are forthright when making policies or negotiating agreements, providing information so all groups in society feel concerned and are active participants in the process.
- That each state collect much more data by gender in order to analyze in detail the effects of trade policies on women and develop more effective tools of evaluation.

Efforts to include gender in the development of domestic trade policies must spill over into the international arena of trade negotiations. Regional, hemispheric, and international strategic alliances are therefore essential in promoting gender equality. In this regard, the Network of Women Parliamentarians of the Americas is a key discussion forum for women parliamentarians across the hemisphere. Our respective efforts to promote systematic integration of a gender perspective at every stage of trade liberalization will produce positive results for the hemisphere as a whole.