



December 2020

INTERNATIONAL TRADE

Observations on Whether Women's Rights and Economic Interests Are Protected or Promoted by U.S. Trade Preference Programs

GAO Highlights

Highlights of [GAO-21-190](#), a report to congressional requesters

Why GAO Did This Study

Research suggests that in countries where women participate in the labor force, economies enjoy greater economic growth than in similarly situated countries that restrict access to women's economic participation. Trade preference programs, such as GSP, offer duty-free access to the U.S. market for over 3,500 products from beneficiary developing countries. However, according to USTR and World Bank reports, women in some countries may disproportionately face challenges that may affect their ability to benefit from these programs, such as barriers to participating in the labor force. With GSP expiring in December 2020, Congress has an opportunity to explore the option of renewing the program.

GAO was asked to review U.S. trade preference programs' promotion of women's rights and economic interests in the trade arena. This report examines (1) whether and how U.S. trade preference programs protect or promote women's rights and economic interests, (2) the extent to which U.S. agencies monitor and report on provisions that are pertinent to women's participation in trade, and (3) additional indicators pertinent to women's participation in trade that multilateral organizations have developed and tracked.

GAO analyzed U.S. trade preference program laws, 10 years of mandated program reports, and literature on indicators that multilateral organizations use to measure country efforts to protect women's rights and economic interests, in order to identify information pertinent to women's rights and economic interests in the trade arena.

View [GAO-21-190](#). For more information, contact Latesha Love at (202) 512-4409 or love@gao.gov.

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What GAO Found

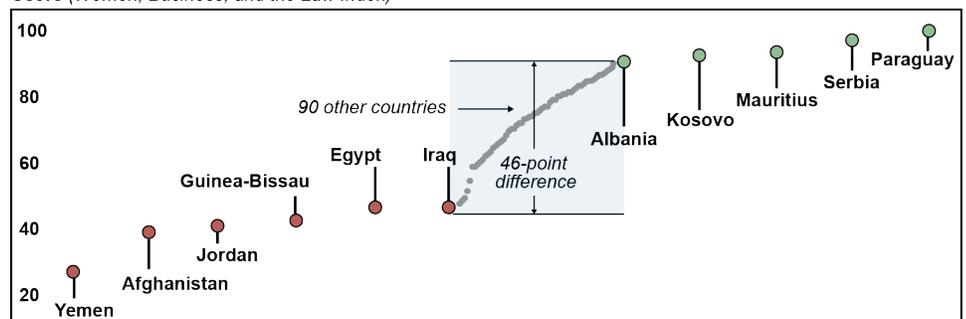
The four U.S. trade preference programs that are intended to foster economic development by offering eligible developing countries duty-free access to the U.S. market (for select products) do not contain legal provisions specifically protecting or promoting women's rights and economic interests in the trade arena, such as equal access to credit. However, they do include provisions protecting some general rights for both women and men. Although the statutory language varies, all of the programs require beneficiary countries to be making progress toward affording internationally recognized worker rights.

Program statutes do not require U.S. agencies to monitor or report specifically on women's rights and economic interests in the trade arena, but agency reports on U.S. trade preference programs include some episodic information on those rights and interests. GAO's review of 10 years of mandated agency reports on U.S. trade preference programs found mention of at least one issue pertaining to women in more than half of the reports, with no mention in the remaining reports. For example, in its 2018 biennial African Growth and Opportunity Act report, the Office of the U.S. Trade Representative (USTR) noted concerns about alleged recruitment of Burundian women for forced labor. However, USTR officials stated that they may not report on such issues every year that they occur because they focus their reports on issues they determine to be of the highest priority for that reporting period.

Multilateral organizations track numerous indicators that score country efforts to protect women's rights and economic interests in the trade arena. Notably, the World Bank has developed an index composed of various indicators (e.g., related to pay or workplace participation) to measure the extent to which countries' laws protect or promote women's rights and economic interests. GAO found that U.S. preference program beneficiaries' performance on indicators related to women's rights and economic interests in the trade arena varies. For example, for 101 countries eligible for the Generalized System of Preferences (GSP) program, scores on a 2020 World Bank index that provides measurable benchmarks for global progress toward gender equality ranged from 26.9 to 94.4 out of 100 (see fig.).

Lowest and Highest Scores for GSP-Eligible Countries on the World Bank's Women, Business and the Law Index in 2020

Score (Women, Business, and the Law Index)



Source: GAO presentation of World Bank information. | GAO-21-190

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Abbreviations

AGOA	African Growth and Opportunity Act
CBERA	Caribbean Basin Economic Recovery Act
CBI	Caribbean Basin Initiative
CBTPA	Caribbean Basin Trade Partnership Act
CEDAW	Convention on the Elimination of All Forms of Discrimination against Women
Commerce	Department of Commerce
DHS	Department of Homeland Security
DOL	Department of Labor
GDI	Gender Development Index
GII	Gender Inequality Index
GSNI	Gender Social Norms Index
GSP	Generalized System of Preferences
HELP	Haiti Economic Lift Program Act of 2010
HOPE	Haitian Hemispheric Opportunity through Partnership Encouragement Act
HOPE II	Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008
ILO	International Labour Organization
NTPP	Nepal Trade Preference Program
OECD	Organisation for Economic Co-operation and Development
OHCHR	Office of the United Nations High Commissioner for Human Rights
SIGI	Social Institutions and Gender Index

State	Department of State
TPSC	Trade Policy Staff Committee
Treasury	Department of the Treasury
UNCTAD	United Nations Conference on Trade and Development
UNDP	United Nations Development Programme
UN Women	United Nations Entity for Gender Equality and the Empowerment of Women
USAID	U.S. Agency for International Development
USDA	U.S. Department of Agriculture
USITC	U.S. International Trade Commission
USTR	Office of the U.S. Trade Representative
WBL	Women, Business and the Law
WEF	World Economic Forum
W-GDP	Women's Global Development and Prosperity
WTO	World Trade Organization

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December 9, 2020

The Honorable Robert P. Casey, Jr.
Ranking Member
Subcommittee on International Trade,
Customs, and Global Competitiveness
Committee on Finance
United States Senate

The Honorable Earl Blumenauer
Chairman
Subcommittee on Trade
Committee on Ways and Means
House of Representatives

Research suggests that in countries where women participate in the labor force, economies enjoy greater growth than in similar countries where women's economic participation is restricted. However, women in some countries may disproportionately face legal barriers, including lack of access to ownership of land, credit, and resources. Such challenges may affect women's participation in the labor force and, ultimately, their opportunity to participate in international trade.

The 2017 Buenos Aires Declaration on Women and Trade signed by 118 World Trade Organization (WTO) member and observer countries was, according to the WTO Secretariat, a collective initiative to increase the participation of women in trade and help women reach their full potential in the world economy.¹ In the United States, the Women's Entrepreneurship and Economic Empowerment Act of 2018 requires the U.S. Agency for International Development (USAID) to ensure that gender equality and female empowerment are integrated throughout USAID's program cycle and related processes for the purposes of strategic planning, project design and implementation, monitoring, and evaluation. In addition, in the 116th Congress, three senators sponsored the Women's Economic Empowerment in Trade Act, a bill to adjust Generalized System of Preferences (GSP) eligibility requirements to strengthen women workers' rights.

¹The declaration was signed on the margins of the World Trade Organization (WTO) Ministerial Conference meeting held in Buenos Aires, Argentina. In other words, it was neither part of the formal proceedings nor a formal outcome of the Ministerial Conference.

Since the 1970s, the United States has offered duty-free, or preferential, access to the U.S. market for many exports from developing countries, in the form of trade preference programs. The purpose of these programs is to foster economic development through increased trade in qualified beneficiary countries, while not harming U.S. domestic producers. Trade preferences—which reduce tariffs for many products from eligible countries—are granted unilaterally, without requiring reciprocal liberalization for U.S. goods for countries receiving them. For example, GSP provides preferential duty-free treatment for over 3,500 products from a wide range of designated beneficiary developing countries, including many least-developed beneficiary developing countries.² Officials from U.S. agencies including the Office of the U.S. Trade Representative (USTR), the U.S. International Trade Commission (USITC), and the U.S. Departments of Commerce (Commerce), Labor (DOL), State (State), and the Treasury (Treasury) play a role in either implementing or monitoring beneficiary country participation in trade preference programs, such as GSP and the African Growth and Opportunity Act (AGOA) program.³

Currently, the United States offers GSP and three regional trade preference programs: the Caribbean Basin Initiative (CBI) program, the Nepal Trade Preference Program (NTPP), and the AGOA program.⁴ The authority for CBI was later amended by the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006 (HOPE), the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008 (HOPE II), and the Haiti Economic Lift Program Act of 2010 (HELP) to offer additional unilateral preferences to Haiti.

²GSP provides preferential duty-free treatment for approximately 3,500 tariff lines from beneficiary developing countries and an additional approximately 1,500 tariff lines from many least-developed beneficiary developing countries.

³According to USTR officials, USTR also engages with the U.S. Departments of Agriculture (USDA) and Homeland Security (DHS) on issues related to specific product coverage by trade preference programs. In addition, USTR works with the U.S. Agency for International Development (USAID) on trade issues, such as providing capacity-building programs that help countries meet requirements for U.S. trade preference program eligibility.

⁴For the statutory authorities for the trade preference programs, see 19 U.S.C. § 2461 et seq. (GSP); 19 U.S.C. § 2701 et seq. (CBI); 19 U.S.C. § 3701 et seq. (AGOA), and 19 U.S.C. § 4454 (NTPP).

As noted in one of our previous reports on U.S. trade preference programs, these programs represent a small share of total U.S. imports but constitute a significant share of many beneficiary countries' exports to the United States.⁵ In 2019, imports for consumption under GSP, the largest U.S. trade preference program, totaled \$21 billion,⁶ while imports under the second-largest program, AGOA, totaled \$8.4 billion, according to USITC. In 2018, imports under CBI and NTPP totaled \$239 million and \$3.1 million, respectively.⁷ In 2019, trade preference programs accounted for about 1 percent of total U.S. goods imports.

On March 23, 2018, the President signed legislation authorizing GSP through December 31, 2020. Because GSP expires in December 2020, Congress has the opportunity to explore the option of renewing this program. You expressed an interest in understanding whether the United States should include more explicit criteria on women's economic empowerment in trade preference programs, as you prepare for GSP renewal discussions. To help inform the discussion, you asked us to review U.S. trade preference programs' promotion of women's rights and economic interests in the trade arena.

This report examines (1) whether and how U.S. trade preference programs protect or promote women's rights and economic interests in trade, (2) the extent to which U.S. agencies monitor and report on the status of provisions that are pertinent to women's participation in the trade arena, and (3) additional indicators pertinent to women's participation in the trade arena that multilateral organizations have developed and tracked. For the purposes of our reporting objectives, we use "women's rights and economic interests" to include women's rights and other factors

⁵GAO, *International Trade: U.S. Trade Preference Programs Provide Important Benefits, but a More Integrated Approach Would Better Ensure Programs Meet Shared Goals*, [GAO-08-443](#) (Washington, D.C.: Mar. 7, 2008).

⁶The amounts in this paragraph describe imports for consumption rather than general imports. General imports include all goods that physically arrive into a U.S. port or customs district for processing. U.S. imports for consumption, on the other hand, include only goods that have been cleared through customs.

⁷The total for CBI includes imports for consumption under HOPE II.

that may affect women’s ability to participate in the trade arena.⁸ These may include factors identified and tracked by multilateral organizations, or internationally recognized women’s rights in international treaties that have not been ratified by the United States and incorporated into U.S. law.

To describe whether and how U.S. trade preference programs protect or promote women’s rights and economic interests in trade, we identified in U.S. law the trade preference programs that are currently authorized and confirmed the programs we identified with USTR officials. We examined the program statutes to identify eligibility requirements that could affect women’s participation in trade and agency requirements to monitor or report on the status of women in countries eligible for U.S. trade preferences. We also interviewed officials from Commerce, DOL, State, Treasury, USAID, USITC, and USTR to seek their perspectives on ways in which the requirements of the trade preference programs may promote women’s rights and economic interests in trade.

To review agency monitoring and reporting on women’s rights and economic interests in trade, we identified all monitoring and reporting requirements in authorizing statutes related to countries’ eligibility for the programs. We then reviewed USTR’s monitoring documents as well as reports that DOL, State, and USTR were required by trade preference program statutes to submit to Congress over the last 10 years. To assess the extent to which these trade preference program reports contained information pertinent to women’s rights and economic interests in trade, we analyzed the reports to find references to relevant terms, such as “women,” “gender,” and “sexual harassment.” We reviewed all of the identified references to the key terms to determine how many references provided substantive information about the status of women in eligible countries and whether the references showed a focus on women’s rights and economic interests across eligible countries and over time. In addition, we interviewed officials from Commerce, DOL, State, Treasury,

⁸Women’s rights refers to protections afforded women by federal laws or international conventions and declarations. For example, the United Nations Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), which went into effect in 1981, is described as an international bill of rights for women. The convention defines discrimination against women as “any distinction, exclusion or restriction made on the basis of sex which has the effect or purpose of impairing or nullifying the recognition, enjoyment, or exercise by women, irrespective of their marital status, on a basis of equality of men and women, of human rights and fundamental freedoms in the political, economic, social, cultural, civil or any other field.” The United States is a CEDAW signatory but has not ratified the convention.

USAID, USITC, and USTR to seek information about the process and scope of their efforts to monitor and report on countries' eligibility for the programs.

To identify additional indicators pertinent to women's participation in the trade arena that multilateral organizations have developed and tracked, we performed a literature search for reports by multilateral organizations that focus either specifically on barriers to trade that women face, or on indexes containing indicators that measure the extent to which women enjoy legal rights or other conditions related to their economic empowerment. We reviewed the information in organizations' reports explaining the indexes, including relevant methodological information, and found the data in the indexes to be sufficiently reliable for the purposes of our reporting objectives. We also searched relevant multilateral organizations' websites for additional information about indicators and other publications and activities focused on women's rights and economic interests in the trade arena.⁹ We analyzed U.S. trade preference program beneficiaries' performance on these indicators and additional information gathered and reported by multilateral organizations that may provide U.S. agencies and Congress information on the status of women in countries that are eligible for U.S. trade preferences beyond what is presently included in U.S. agencies' statutory reports.

We conducted this performance audit from February 2020 to December 2020 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. See appendix I for more detailed information on our objectives, scope, and methodology.

Background

U.S. Trade Preference Programs

The United States extends unilateral tariff reductions to about 130 developing countries and territories through one general trade preference

⁹As explained more fully in appendix I, after reviewing the literature, we selected and reviewed indicators tracked in indexes from the World Bank, the World Economic Forum, the United Nations Development Programme, and the Organisation for Economic Co-operation and Development. Some of the indexes and studies, such as the World Bank's *Women, Business and the Law* reports, had also been recommended by U.S. agency officials as particularly pertinent to our work.

program (GSP) and three regional programs—CBI, AGOA, and NTPP (see table 1). The preference programs are tools that the U.S. government uses to encourage and enable trade-based growth in developing countries.

Table 1: U.S. Trade Preference Programs, Enacting Legislation, and Eligible Countries

Program and enacting legislation	Enactment date	Number of eligible countries and territories, as of September 2020
GSP	January 3, 1975	119
<ul style="list-style-type: none"> Trade Act of 1974, as amended 		
CBI		
<ul style="list-style-type: none"> Caribbean Basin Economic Recovery Act (CBERA), as amended 	August 5, 1983	17
<ul style="list-style-type: none"> United States–Caribbean Basin Trade Partnership Act (CBTPA) 	May 18, 2000	8
<ul style="list-style-type: none"> Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006 (HOPE) 	December 20, 2006	1
<ul style="list-style-type: none"> Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008 (HOPE II) 	May 22, 2008	1
AGOA	May 18, 2000	38
<ul style="list-style-type: none"> African Growth and Opportunity Act, as amended 		
NTPP	February 24, 2016	
<ul style="list-style-type: none"> Trade Facilitation and Trade Enforcement Act of 2015 		1

Legend: GSP = Generalized System of Preferences; CBI = Caribbean Basin Initiative; AGOA = African Growth and Opportunity Act; NTPP = Nepal Trade Preference Program

Source: GAO presentation of Office of the U.S. Trade Representative data. | GAO-21-190

GSP seeks to accelerate economic growth and development in developing countries by providing preferential access to the U.S. market in the form of eliminating otherwise applicable U.S. tariffs. GSP establishes a basic level of product coverage common to all of the preference programs.

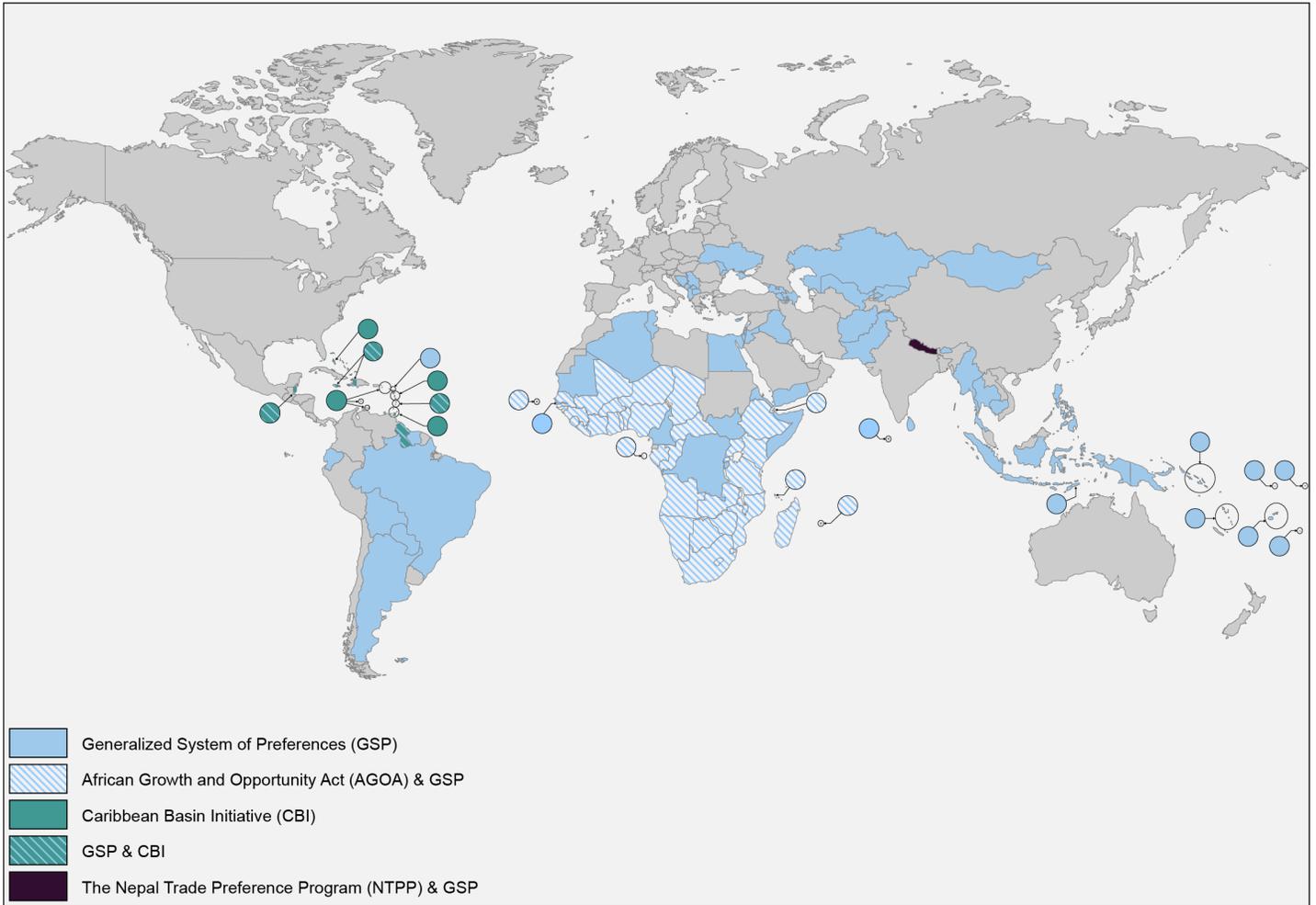
Over the years, Congress has also enacted a series of regional trade preference programs that evolved to address U.S. foreign policy objectives beyond the shared general objective of promoting economic development. The regional programs cover additional products that are not covered by GSP, including some apparel, footwear, and processed food products. Figure 1 shows countries that are eligible to receive benefits under U.S. trade preference programs.

-
- **CBI.** CBI was created in 1983 to promote economic and political stability in the Central America and Caribbean region, to diversify exports, and to expand trade between those countries and the United States. HOPE and HOPE II, enacted in 2006 and 2008, respectively, added additional preferences for Haiti.¹⁰ In October 2020, Congress extended an expansion of CBI—the United States Caribbean Basin Trade Partnership Act—until September 30, 2030.
 - **AGOA.** AGOA was established in 2000 to increase U.S. trade and investment with the sub-Saharan African region, promote sustainable economic growth through trade, and encourage the rule of law and market-oriented reforms. The AGOA preferences include all products covered by GSP, as well as some products excluded from GSP, such as automobiles and certain types of textiles and apparel. In 2015, Congress extended AGOA's authorization for 10 years to September 30, 2025.
 - **NTPP.** In order to assist Nepal in its recovery from an April 2015 earthquake, the Trade Facilitation and Trade Enforcement Act of 2015 established a new country-specific preference program to grant duty-free treatment to Nepal for products covered by 77 Harmonized Tariff Schedule lines (including shawls and travel goods).¹¹ The preference program benefits are set to expire on December 31, 2025.

¹⁰For example, HOPE II permits Haitian manufacturers to assemble certain apparel using fabrics made in any country and export eligible apparel without limits on the amount that can enter the United States free of duty.

¹¹The Harmonized Tariff Schedule, enacted by Congress, is the hierarchical structure for describing all goods in trade for duty, quota, and statistical purposes. This structure is based upon the international Harmonized Commodity Description and Coding System, administered by the World Customs Organization in Brussels. The 4- and 6-digit product categories are subdivided into 8-digit unique U.S. rate lines and 10-digit non-legal statistical reporting categories.

Figure 1: Countries That Are Eligible for U.S. Trade Preference Programs, as of September 2020, According to USTR



Legend: USTR = Office of the U.S. Trade Representative

Source: GAO presentation of Office of the U.S. Trade Representative information. | GAO-21-190

Note: Additional benefits have been created for Haiti by amending the Caribbean Basin Economic Recovery Act to include the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006 (HOPE), the Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2008 (HOPE II), and the Haiti Economic Lift Program of 2010 (HELP).

U.S. Trade Preference Programs' Reporting Requirements

Federal laws establishing the trade preference programs mandate agency reports to Congress that differ both in frequency and the scope of information required. The frequency of reports varies by program. For example, GSP, NTPP, and HOPE II (part of CBI) require annual reports to Congress, while AGOA and CBI require biennial reports. The scope of

reports also varies by program. For example, GSP requires annual reporting of information on the status of internationally recognized worker rights within each beneficiary developing country, including the findings of the Secretary of Labor with respect to the beneficiary country's implementation of its international commitments to eliminate the worst forms of child labor.¹² Agencies meet this reporting requirement on GSP beneficiary countries in three separate reports: USTR's annual reports, State's *Country Reports on Human Rights Practices*, and DOL's *Findings on the Worst Forms of Child Labor* reports. The latter two reports discuss each beneficiary country and its performance in that year relative to the specified GSP worker rights and child labor criteria. The USTR report focuses on the outcome of any complaints or concerns that arise as a result of its annual petition process regarding country and product eligibility and its recently initiated periodic assessment of each beneficiary's compliance with eligibility criteria.¹³ Certain programs also include a requirement to report on country compliance with eligibility criteria, which also affects the scope of reports because of differences in the respective programs' eligibility requirements. For example, unlike the other programs, AGOA and NTPP both include as an eligibility requirement that the President determine the beneficiary country does not engage in gross violations of internationally recognized human rights, and also include in their reports to Congress a review of the beneficiary countries' compliance with the eligibility criteria.

AGOA's biennial report is required to include a description of the status of trade and investment between the United States and sub-Saharan Africa, any changes in eligibility of sub-Saharan African countries during the period covered by the report, a detailed analysis of whether each beneficiary sub-Saharan African country is continuing to meet the eligibility requirements, a description of the status of regional integration efforts in sub-Saharan Africa, a summary of U.S. trade capacity building

¹²19 U.S.C. § 2464.

¹³In October 2017, the U.S. Trade Representative announced this effort to ensure that beneficiary countries are meeting the eligibility criteria of the GSP. According to a USTR press release, this effort includes a heightened focus on concluding outstanding GSP cases and a new interagency process to assess beneficiary country eligibility. The process involves a triennial assessment by USTR and other relevant agencies of each GSP beneficiary country's compliance with the statutory eligibility criteria. If an assessment raises concerns regarding a beneficiary country's compliance with an eligibility criterion, the administration may self-initiate a full country practice review to determine that country's continued eligibility for GSP. The first assessment period focused on GSP beneficiary countries in Asia.

efforts, and any other initiatives related to enhancing the trade and investment relationship between the United States and sub-Saharan African countries.

U.S. Agencies Responsible for Implementing and Overseeing Trade Policy and Programs

USTR plays the key role in administering U.S. trade preference programs. USTR utilizes an interagency mechanism, the Trade Policy Staff Committee (TPSC), and its associated subcommittees—including the GSP Subcommittee and AGOA Implementation Subcommittee—to consult and coordinate with several other agencies including Commerce, the Department of Homeland Security (DHS), DOL, State, Treasury, USAID, the U.S. Department of Agriculture (USDA), and USITC.¹⁴ For example, the GSP Subcommittee conducts the required annual reviews of GSP product and country eligibility described above.

U.S. and Global Initiatives Established to Promote Women’s Economic Empowerment or Protect Women’s Rights

U.S. Government Initiatives

In February 2019, the administration established the Women’s Global Development and Prosperity (W-GDP) Initiative. W-GDP is a whole-of-government effort to advance global women’s economic empowerment. It seeks to bring together existing agency efforts and initiatives to promote women’s interests and focuses on three pillars: Women Prospering in the Workforce, Women Succeeding as Entrepreneurs, and Women Enabled in the Economy.

Some of the individual agencies’ initiatives and offices that support the W-GDP Initiative have been in place for years. For example:

- DOL’s Women’s Bureau, established in 1920, develops policies and standards and conducts inquiries to safeguard the interests of working women, to advocate for their equality and economic security for themselves and their families, and to promote quality work environments.

¹⁴USAID implements a number of capacity-building programs that, among other things, are intended to help countries meet trade preference program eligibility requirements when the TPSC identifies challenges, according to USTR officials. USTR consults with USDA and DHS’s Customs and Border Protection on issues related to product eligibility, including customs procedures.

Global Initiatives

- State's Office of Global Women's Issues, established in 1995, has a mandate to promote the rights and empowerment of women and girls through U.S. foreign policy.

A number of international conventions and organizations focus at least in part on women's rights and economic interests. For example:

The Convention on the Elimination of All Forms of Discrimination against Women (CEDAW): CEDAW is an international treaty adopted in 1979 by the United Nations General Assembly. Described as an international bill of rights for women, it entered into force on September 3, 1981, and has been ratified by 189 member states. The United States has signed but not ratified CEDAW.

The United Nations Entity for Gender Equality and the Empowerment of Women (UN Women): In 2010 the Secretary-General created UN Women to coordinate gender equality activities of the entire United Nations system.

United Nations Office of the High Commissioner for Human Rights (OHCHR): The Women's Rights and Gender Unit within OHCHR drafted the Declaration on the Elimination of Violence against Women that the UN General Assembly adopted in 1993. According to the declaration, it recognizes "the urgent need for the universal application to women of the rights and principles with regard to equality, security, liberty, integrity and dignity of all human beings."

World Trade Organization (WTO): In 2017, 118 WTO members and observers agreed to support the Buenos Aires Declaration on Women and Trade, which seeks to encourage removal of barriers to, and foster, women's economic empowerment.¹⁵ In July 2020, the WTO issued a report on women and trade in conjunction with the World Bank Group—*Women and Trade: The Role of Trade in Promoting Gender Equality*.

International Labour Organization (ILO): The ILO develops and monitors compliance with international labor standards, including those pertaining to the elimination of discrimination in employment.¹⁶ The elimination of discrimination, including sex-based discrimination, in employment is

¹⁵The United States did not support the Buenos Aires declaration.

¹⁶The United States is a member of the ILO.

recognized as one of four universal workplace rights in the ILO's 1998 Declaration on Fundamental Principles and Rights at Work.

As explained more fully in this report, other multilateral organizations, such as the World Bank, the United Nations Conference on Trade and Development (UNCTAD), the United Nations Development Programme (UNDP), the World Economic Forum (WEF), and the Organisation for Economic Co-operation and Development (OECD), have focused several efforts, including publications and events, on promoting women's rights and economic interests related to trade.

U.S. Trade Preference Programs Do Not Explicitly Protect or Promote Women's Rights and Economic Interests but Do Include Some General Worker and Property Rights Protections

U.S. Trade Preference Program Statutes Do Not Include Provisions Specifically Promoting Women's Rights and Economic Interests

Our review of the U.S. trade preference program statutes found that none of the programs have provisions specifically promoting women's rights and economic interests or requirements mandating that, to be eligible, countries must specifically protect or promote women's rights and economic interests in the trade arena. All U.S. trade preference programs require beneficiary countries to comply with various eligibility requirements, as well as other factors the President must or should consider when designating a country as a beneficiary for preference programs. For example, the statute establishing GSP states that a country that aids or abets, by granting sanctuary from prosecution to, any individual or group that has committed an act of international terrorism is ineligible to be designated as a GSP beneficiary country and receive the duty-free benefits of the program.¹⁷ Other GSP eligibility criteria include

¹⁷19 U.S.C. § 2462(b)(2)(F).

whether a country has taken or is taking steps to afford workers internationally recognized worker rights and whether a country has implemented its commitments to eliminate the worst forms of child labor.¹⁸ In determining whether to designate a country as a beneficiary developing country under GSP, the President must also consider several factors, such as the extent to which a country is providing adequate and effective protection of intellectual property rights.¹⁹

U.S. Trade Preference Programs Include Provisions Protecting Some General Worker and Property Rights for Both Women and Men

U.S. trade preference programs include provisions protecting some general worker and property rights. Although the statutory language varies, all of the programs require beneficiary countries to be making progress toward affording internationally recognized worker rights.²⁰ Under these requirements, all workers—both women and men—are afforded the following protections:

- the right of association;
- the right to organize and bargain collectively;
- a prohibition on the use of any form of forced or compulsory labor;
- a minimum age for the employment of children, and a prohibition on the worst forms of child labor; and
- acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health.

USTR's annual trade agenda report includes a section on GSP that annually assesses the overall status of internationally recognized worker

¹⁸The statutory criteria for countries ineligible for GSP designation are contained in 19 U.S.C. § 2462(b).

¹⁹The statutory criteria for factors the President must consider in determining whether to designate GSP beneficiary developing countries are contained in 19 U.S.C. § 2462(c).

²⁰For AGOA and NTPP, federal law requires that the country “has established or be making continual progress toward establishing” protection of internationally recognized worker rights. See 19 U.S.C. § 3703(1)(F) and 19 U.S.C. § 4454(b)(1)(A). For GSP and CBI, federal law states that the country is ineligible if it “has not or is not taking steps to afford” internationally recognized worker rights. See 19 U.S.C. § 2462(b)(2)(G) and 19 U.S.C. § 2702(b)(2)(7).

rights in GSP beneficiary countries.²¹ Officials from USTR and other TPSC agencies confirmed that internationally recognized worker rights afford women rights as workers even though the provision does not explicitly contain language about women. Additionally, the HOPE II statute includes provisions to protect workers at registered facilities from discrimination, by requiring Haiti, as a condition for continued preference program eligibility, to implement and comply with core labor standards.²²

The African Growth and Opportunity Act (AGOA) and the Nepal Trade Preference Program (NTPP) include two additional requirements that may be pertinent to women's rights and economic interests. First, for program eligibility they require beneficiaries to have established or be making continual progress toward establishing a market-based economy that protects private property rights for men and women.²³ Second, AGOA and NTPP require that in order to be eligible for the programs, beneficiary countries do not engage in gross violations of internationally recognized human rights or provide support for acts of international terrorism, and cooperate in international efforts to eliminate human rights violations and terrorist activities.²⁴

Officials from USTR and other TPSC agencies stated that their mission is to focus on expanding access and opportunity to trade for all people, regardless of their sex. Further, USTR officials said the data and statistics they use to analyze the effects of trade agreements, preference programs, and other policies are not generally disaggregated by sex. The officials said their primary responsibility pursuant to trade preference program statutes is to ensure that beneficiary countries comply with all program eligibility requirements, which, as noted above, are generally not specific to women. The officials also said that while they are not specifically looking for issues that pertain to women, these issues can be uncovered in their reviews. When that occurs, the officials said it provides

²¹The President must submit an annual report to Congress on the status of internationally recognized worker rights within each beneficiary developing country, including the findings of the Secretary of Labor with respect to the beneficiary country's implementation of its international commitments to eliminate the worst forms of child labor. See 19 U.S.C. § 2464.

²²19 U.S.C. § 2703a(e)(3)(B). "Core labor standards" includes as part of its definition "the elimination of discrimination in respect of employment and occupation." See also 19 U.S.C. § 2703a(a)(3)(E).

²³19 U.S.C. § 3703(1)(A).

²⁴19 U.S.C. § 3703(3).

them an opportunity to have interagency discussions to create a plan to address these issues. Additionally, officials from seven TPSC agencies said they do not have a working definition for “women’s rights,” but USTR officials said they focus on identifying and addressing barriers to trade and assuring compliance with requirements, which could include identifying issues specifically affecting women.²⁵

U.S. Agencies Are Not Required to Monitor or Report on Women’s Rights and Economic Interests in the Trade Arena, but Their Reports Include Some Information on Those Interests

U.S. Trade Preference Program Laws Require U.S. Agencies to Monitor and Report on Some Worker and Human Rights in the Trade Arena, with No Specific Focus on Women’s Rights and Economic Interests

U.S. trade preference program statutes contain requirements for USTR to monitor and report on beneficiary country compliance with the respective programs’ eligibility requirements, and subsequently to document its determination of whether a country should remain eligible for the program, in required reports. Because none of the trade preference programs contain eligibility requirements pertaining specifically to women, there is no explicit requirement to monitor for or report on women’s rights and economic interests in trade.

Although it is not required, USTR officials stated that they may identify issues specifically affecting women’s ability to participate in trade when they monitor and report on country performance in meeting eligibility requirements that apply to both men and women. For example, although the statutory language varies, all of the trade preference programs require beneficiary countries to be making progress toward affording internationally recognized worker rights, and as a result, monitoring and reporting may include identifying country compliance failures that

²⁵We interviewed officials from Commerce, DOL, State, Treasury, USAID, USITC, and USTR.

specifically affect women workers. As previously mentioned, the HOPE II statute requires, as a condition for eligibility, compliance with core labor standards that include a provision to protect workers from discrimination in occupation or employment.²⁶ In addition, AGOA and NTPP require that beneficiary countries do not engage in gross violations of internationally recognized human rights and that they have established or are making continual progress toward establishing a market-based economy that protects private property rights for men and women.

Agencies' Monitoring Largely Focuses on Countries' Efforts to Meet Required Criteria for Participation

According to USTR officials, their monitoring is ongoing and based on TPSC agency officials' bilateral engagement with beneficiary countries on the countries' efforts to comply with eligibility requirements and challenges in meeting the requirements. If the TPSC agency officials identify issues that could affect a country's eligibility, they hold interagency discussions to create a plan to address the issues through, for example, bilateral discussions or technical assistance programs. If efforts to address the issues persist, the TPSC can recommend either full or partial suspension of the country's program eligibility.

According to USTR officials and documents we reviewed, monitoring takes several forms: formal eligibility reviews, investigations of public complaints, and requests for embassy feedback.

- **Formal eligibility reviews:** TPSC agencies perform periodic formal eligibility reviews (annually for all program beneficiary countries except for GSP, for which they assess one-third of all eligible countries each year to determine whether to self-initiate a formal review.)
- **Investigations of public complaints:** USTR monitors some of the U.S. trade preference programs through a regulatory process in which individuals and entities can file complaints based on alleged eligibility criteria violations, such as not affording worker rights in beneficiary countries. USTR officials consider each complaint and determine whether to open a country practice review to determine whether the allegation affects the country's eligibility status. One recent review resulted in the partial suspension of Thailand's GSP benefits. There are four ongoing reviews of countries' eligibility for GSP under the internationally recognized worker rights criteria.²⁷

²⁶See 19 USC 2703a(e)(5)(B).

²⁷The countries that are the subject of the four ongoing reviews are Azerbaijan, Eritrea, Kazakhstan, and Zimbabwe.

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- **Requests for embassy feedback:** USTR also requests information on compliance with all of the GSP eligibility criteria from U.S. embassies for those countries under review in a particular year.

Although the eligibility criteria do not require TPSC agencies to monitor beneficiary countries' protection of women's rights and economic interests, USTR officials said that sometimes their efforts to monitor compliance with worker or human rights provisions identify issues pertinent to women's rights and economic interests. According to USTR officials, the TPSC Labor Monitoring & Engagement Subcommittee is the main mechanism for monitoring and discussing issues of relevance to employment-related gender discrimination in trade partner countries, regardless of whether those issues are relevant to GSP.

Our Review of 10 Years of Agency Reports Shows Some Episodic Coverage of Issues Pertaining to Women in the Trade Arena

Our analysis of all legally mandated U.S. trade preference program reports to Congress from 2010 to July 2020 to identify references to women's rights and economic interests in the trade arena found that USTR's annual and biennial trade preference program reports to Congress in that time period generally included information on beneficiary countries' compliance with internationally recognized worker rights. Although that information was not required to be specific to women's rights and economic interests or barriers to women's participation in trade, just over half of the USTR reports and all of the State and Labor reports we reviewed contained at least one example of an issue specific to women's rights and economic interests.²⁸ The remaining reports had no mention. Issues mentioned in some of the reports were about challenges women face in beneficiary countries, including the following:

- In the 2018 biennial AGOA report, USTR reported on concerns about alleged recruitment of Burundian women for exploitation in forced labor.
- In eight of the 10 reports on HOPE II that we reviewed, USTR cited cases of noncompliance with core labor standards in Haiti because of discrimination, including sexual harassment. The 2016 report cited violation of maternity benefits. The 2014 report cited a case of an employer requiring employee pregnancy testing. The 2013 report cited a Labor investigation that found that certain supervisors at one

²⁸Our review included sections addressing reporting mandates in U.S. trade preference statutes from the following reports: USTR annual reports (GSP), State annual reports on human rights (GSP), DOL annual reports on child labor (GSP), AGOA biennial reports, CBI biennial reports, HOPE II annual reports, and NTPP annual reports. We considered a reference substantive if it described either a challenge in a trade preference program beneficiary country that may restrict women's ability to participate in trade or efforts to promote or protect women's rights and economic interests in beneficiary countries.

company regularly solicited workers for sex and subjected them to negative consequences if they refused, including less favorable treatment and termination. The report also cited efforts by the company to address the violations, including by adopting policies prohibiting sexual harassment.

- In the 2013 report on CBI, USTR identified worker rights violations in Guyana, where “unorganized workers, particularly women and children in the informal sector, often were paid less than the service sector legal minimum wage.”
- State’s 2019 *Country Report on Human Rights Practices* for Afghanistan found that women made up only 7 percent of the workforce and that many women continued to face discrimination and hardship in the workplace, faced pressure from relatives to stay at home, and encountered hiring practices that favored men.²⁹
- State’s 2019 *Country Report on Human Rights Practices* for India found that although the law prohibits discrimination in the workplace and requires equal pay for equal work, employers reportedly often paid women less than men for the same jobs, discriminated against women in employment and credit applications, and promoted women less frequently than men. In addition, the report noted that many tribal land systems, including in Bihar, denied tribal women the right to own land.³⁰

In addition to reports of challenges women face in eligible countries, reports included some additional information pertinent to women’s rights and economic interests. For example, both of the reports we reviewed on the implementation of AGOA included information about progress countries had made during the reporting period in promoting women’s rights and economic interests and removing barriers to trade. In addition, the 2019 USTR annual report included a reference to GSP-eligible Jordan passing a law prohibiting wage discrimination on the basis of sex. Although the AGOA biennial report requirement to include information

²⁹State’s *Country Reports on Human Rights Practices* also contain a section specifically on the status of women that includes information about challenges women face, including potential barriers to participating in trade. We did not count the information in this section toward our tally of reports mentioning women’s rights and economic interests because it is not required by trade preference program statutes. USTR officials said they use the State reports as one of their sources of information in deciding which issues to include in their reports.

³⁰The President terminated India’s GSP eligibility in 2019, determining that India had not assured the United States that it would provide equitable and reasonable access to its markets.

about U.S. trade capacity-building efforts is not a gender-specific requirement, USTR included information in its 2018 report about the U.S. government's and multilateral organizations' efforts to provide capacity-building programs that promote women's participation in trade. The sole mention of women in the three USTR reports on NTPP is a mention of collaboration between U.S. embassy officials, the government of Nepal, and industry, including at a South Asian Women Development Forum conference that included a workshop focused on increasing exports from Nepal. Moreover, USTR also included some references to discriminatory practices against women that are not clearly linked to internationally recognized worker rights, such as a 2017 CBI report that cited gender-based violence in camps for internally displaced persons.

However, our review of the mandated U.S. trade preference program reports found that information pertinent to women's rights and economic interests was not reported consistently. USTR officials cited two reasons for this. First, they said that their monitoring and reporting efforts primarily focus on ensuring that beneficiary countries meet eligibility requirements. Because there is no explicit eligibility requirement focusing exclusively on women, discussion of women's rights and economic interests in USTR reports is most likely to be tied to challenges in rights that are enumerated in statute, such as worker rights. Second, the officials said that the decision to include information pertinent to women's rights and economic interests in the reports depends on what they determine to be the highest-priority issues for each country for that particular reporting period.³¹ As a result:

- USTR officials said a challenge that a beneficiary country is facing may not appear in subsequent reports, even if it remains a challenge. For example, the 2011 and 2013 editions of the *Report to Congress on the Operations of the Caribbean Basin Economic Recovery Act* contained explicit mentions of gender gaps in unemployment and wage rates, whereas the three biennial reports from 2015 to 2019 contained no mention of the gender gaps. USTR officials said the absence of such information in the subsequent reports did not necessarily mean that the problems were resolved.
- USTR officials also said an issue might be reported about only one country in a report even if other beneficiary countries faced similar

³¹Officials from USTR and some other TPSC agencies said they read and consider information from many sources, including reports from multilateral organizations, as part of their effort to identify the highest priority issues for program countries. However, with many eligibility criteria to monitor and no specific requirement to report on women's rights and economic interests, they are not focused on ensuring that they report on women's rights and economic interests for all countries or tracking them for individual countries over time.

challenges during the same reporting period. For example, in the 2018 AGOA report, USTR stated that only 30 percent of girls graduate from primary school in Benin, but did not provide such statistics for any of the other AGOA beneficiary countries. USTR officials said that the percentage of girls graduating from primary schools might also have been a challenge in other AGOA beneficiary countries, although it was not included in the report.³²

Multilateral Organizations Track Indicators Pertinent to Women’s Rights and Economic Interests, and Program Beneficiary Countries’ Performance on These Indicators Varies

Multilateral Organizations’ Indexes Track a Number of Indicators That Are Pertinent to Women’s Rights and Economic Interests in the Trade Arena, Such as Workplace Participation

Several multilateral organizations have developed indexes tracking indicators that quantify women’s economic opportunities by country. Although not exclusively focused on women’s participation in trade, the indicators provide systematic information that is pertinent to women’s

³²According to USTR officials, this variation in reporting can be attributed to the summary nature of the country-specific discussions, priorities for each country, the availability of reliable information, and information supplied by reporting agencies with subject area expertise. Because information included in country-specific summaries in reports is based on country-specific priorities and other factors, the officials said the absence of certain statistics or information across all country-specific summaries does not necessarily mean that a particular data point is not being monitored by USTR.

rights and economic interests in the trade arena.³³ For example, the World Bank's Women, Business and the Law (WBL) index provides objective and measurable benchmarks for global progress toward gender equality. Based on our review of the indexes, we believe that the data may be useful for research and policy discussions on improving women's economic opportunities, as it relates to women's ability to participate in international trade.

The following selected multilateral organizations publish reports in which countries' scores on a series of indicators quantifying women's economic opportunities are presented in the form of indexes. Scores can range depending on women's experience relative to men in the various categories of measures tracked, such as ability to enter occupations, own property, or operate a business. For example:

- **The World Bank:** The World Bank publishes an annual WBL report on the extent of gender inequality in the law. The WBL report identifies barriers to women's economic participation and encourages the reform of discriminatory laws. It measures the legal differences on access to economic opportunities between men and women in 190 countries, including the majority of the U.S. trade preference program beneficiary countries.
- **The World Economic Forum (WEF):** The WEF publishes the Global Gender Gap Index, which it introduced in 2006 as a framework for capturing the magnitude of gender-based disparities and tracking their progress over time. The index tracks progress on relative gaps between women and men in health, education, economy and politics. The 2020 Global Gender Gap Index scores 153 countries on these indicators and provides country rankings that allow for effective comparisons across regions and income groups.
- **United Nations Development Programme (UNDP):** UNDP publishes the annual *Human Development Report*, which includes three indexes tracking gender-specific indicators.
 - **The Gender Inequality Index (GII):** Introduced in 1990, the GII measures gender inequalities in three areas—reproductive health, empowerment, and economic status—and the human

³³Multilateral trade organizations, the WTO and UNCTAD, have not developed specific indicators on women and trade, but their focus on these topics indicate that these indicators are pertinent to trade. For more information on WTO and UNCTAD activities that focus on these topics, see appendix III.

development costs of gender inequality. The index provides information on the status of women in 162 countries.

- The Gender Social Norms Index (GSNI): Introduced in 2019, the GSNI measures how social benefits obstruct gender equality in areas like politics, work, and education. It contains data from 75 countries, covering over 80 percent of the world’s population.
- The Gender Development Index (GDI): Introduced in 1995, the GDI measures gender gaps by accounting for disparities between women and men in three basic dimensions of human development—health, knowledge, and living standards. The GDI is calculated for 166 countries.
- **The Organisation for Economic Co-operation and Development (OECD):** The OECD publishes the Social Institutions and Gender Index (SIGI). SIGI is a cross-country measure of discrimination against women in social institutions (formal and informal laws, social norms, and practices) across 180 countries.

Indicators tracked by these organizations share similarities but also differ in order to align with the goals of their respective indexes. For example:

- The World Bank’s WBL report states that the WBL index uses indicators that were selected through research and consultation and are guided by the international legal frameworks set out in the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), among other conventions.³⁴ From WBL’s indicators framework, the World Bank developed and tracked eight indicators across different countries’ economies. One of these indicators is, for example, “pay,” which measures whether countries have laws and regulations concerning job restrictions and the gender wage gap.
- The World Economic Forum’s Global Gender Gap Index, however, uses a framework for capturing the magnitude of gender-based disparities and tracks their progress over time. The index benchmarks national gender gaps on economic, education, health, and political

³⁴According to the World Bank, Women, Business and the Law indicators were inspired by the international legal frameworks set out in CEDAW, the Committee on the Elimination of Discrimination against Women General Recommendations, the UN Declaration on the Elimination of Violence against Women, the ILO, the Equal Remuneration Convention, 1951 (no. 100), the Maternity Protection Convention, 2000 (no. 183), and the Violence and Harassment Convention, 2019 (no. 190).

criteria, including pay, and provides country rankings that allow for comparisons across regions and income groups.

Further, although both indexes track women's economic status in countries' economies, they are measured and scored differently.³⁵ Table 2 groups by broad topic area indicators that are pertinent to women's rights and economic interests in trade and are tracked by the multilateral organizations' indexes.

Table 2: Indicators Pertinent to Women's Rights and Economic Interests That Are Tracked by Multilateral Organization Indexes, by Topic Area

Indicator topic area	Multilateral organization					
	The World Bank: Women, Business and the Law Index	The World Economic Forum: Global Gender Gap Index	United Nations Development Programme: Gender Social Norms Index	United Nations Development Programme: Gender Inequality Index	United Nations Development Programme: Gender Development Index	The Organisation for Economic Co-operation and Development: Social Institutions and Gender Index
Mobility / civil liberties	✓	—	—	—	—	✓
Workplace / workforce participation	✓	✓	✓	✓	—	✓
Pay / income / industry / occupation / worker rights	✓	✓	—	—	✓	✓
Entrepreneurship / access to credit	✓	—	✓	—	—	✓
Assets / property rights	✓	—	—	—	—	✓
Educational attainment	—	✓	✓	✓	✓	—

³⁵The WBL index uses 35 data points that are scored across eight indicators of four or five binary questions, with each indicator representing a different phase of a woman's career. Indicator-level scores are obtained by calculating the unweighted average of questions within that indicator and scaling the result from 0 to 100. Overall scores are then calculated by taking the average of each indicator, with 100 representing the highest possible score. The Global Gender Gap Index examines the gap between men and women across four fundamental categories (subindexes): Economic Participation and Opportunity, Educational Attainment, Health and Survival, and Political Empowerment. Each of the four subindexes is computed as the weighted average of the underlying individual indicators. For all subindexes, the highest possible score is 1 (gender parity) and the lowest possible score is 0 (impairity), therefore binding the scores between inequality and equality benchmarks.

Physical integrity and health / survival / violence / reproductive health	✓	✓	✓	✓	✓	✓	✓
Political empowerment / policy development	—	✓	✓	✓	—	—	✓

Legend: ✓ = yes; — = not applicable.

Source: GAO analysis of multilateral organizations' data. | GAO-21-190

Note: We grouped the indicators constituting the indexes by topic area for the purposes of our analysis. The number of topic areas covered by the indexes is not an assessment of their quality or comprehensiveness.

U.S. Trade Preference Program Beneficiary Countries' Performance on Indicators Related to Women's Rights and Economic Interests in the Trade Arena Varies

Countries receiving benefits from trade preference programs varied in performance on the multilateral organizations' indexes. For example, in the World Bank's 2020 WBL report, index scores for countries that are eligible for GSP range widely, from 26.9 to 94.4 out of a maximum score of 100 (see fig. 2).³⁶ Further, the distribution of all 101 current beneficiary countries is relatively even across the range. The WBL uses 35 data points that it scores across eight indicators of four or five binary questions, with each indicator representing a different phase of a woman's career.³⁷ For example, questions about the "pay" indicator include the following:

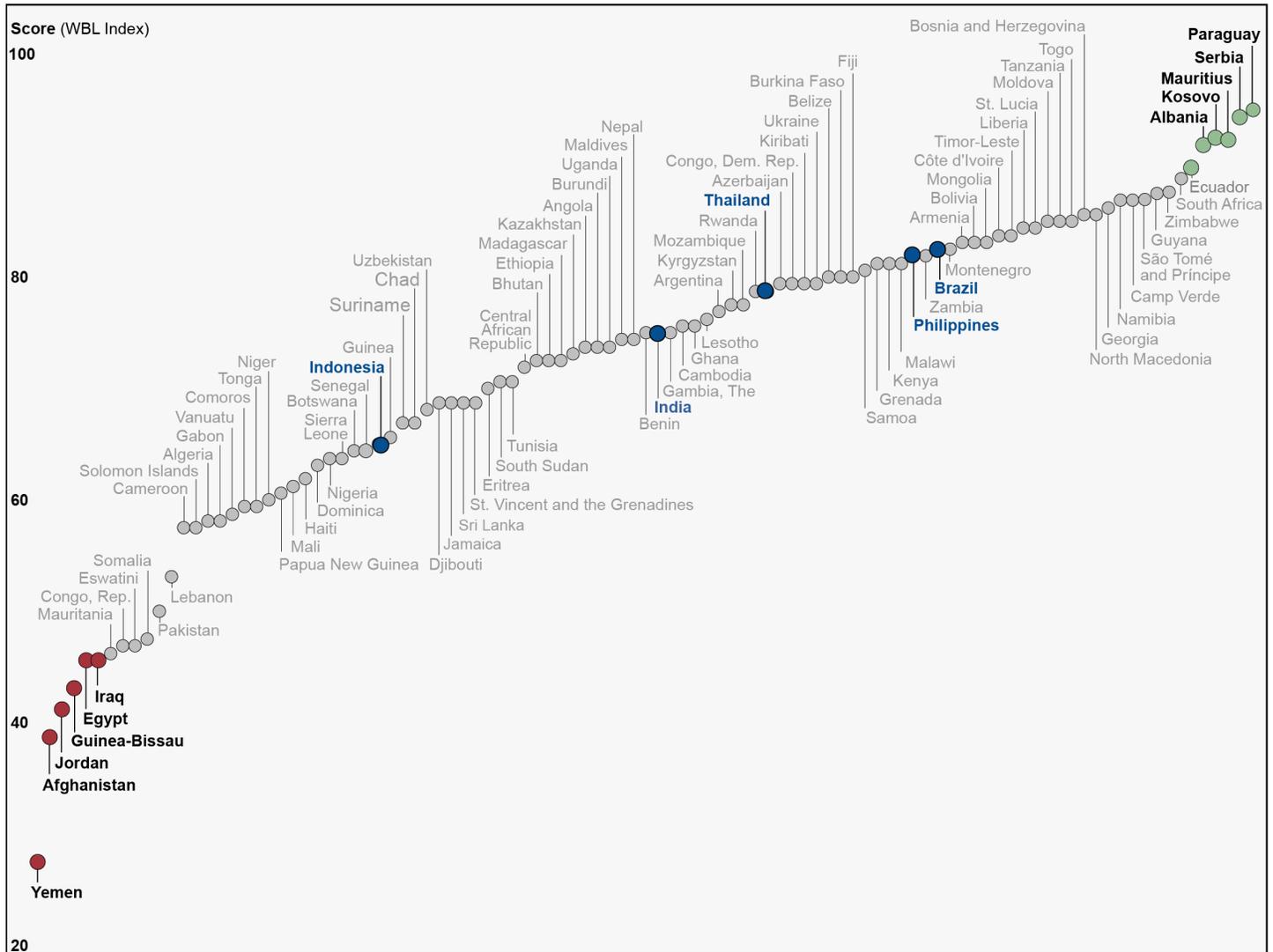
- Does the law mandate equal remuneration for work of equal value?
- Can women work the same night hours as men?
- Can women work in jobs deemed dangerous in the same way as men?
- Are women able to work in the same industries as men?³⁸

³⁶Out of the 119 GSP-eligible countries and territories, the WBL 2020 index scored 101 countries on their 2019 performance.

³⁷Indicator-level scores are obtained by calculating the unweighted average of the questions within that indicator and scaling the result to 100. See the WBL 2020 Index for further information on the methodology. The World Bank, *Women, Business and the Law*, accessed November 6, 2020, <https://wbl.worldbank.org/en/methodology>.

³⁸See the WBL 2020 Index for a full list of indicator questions. The World Bank, *Women, Business and the Law*, accessed November 6, 2020, <https://wbl.worldbank.org/>.

Figure 2: GSP-Eligible Countries' Scores on the World Bank's Women, Business and the Law Index in 2020



The WBL summary scores of the top five GSP beneficiaries in 2019 are highlighted in figure 2. According to USITC, the top five GSP users in 2019 were, in order: Thailand, India, Indonesia, Brazil, and the Philippines.³⁹ They accounted for more than two-thirds of GSP imports in 2019. Two of these countries' status as beneficiaries changed during the course of that year, however. In June 2019, the President terminated India's GSP eligibility on the basis of market access issues. Additionally, in October 2019, the President announced the suspension, effective April 2020, of one-third of Thailand's GSP benefits—\$1.3 billion in trade preferences under the GSP—on the basis of its failure to take steps to afford workers internationally recognized worker rights.⁴⁰ In 2019, the top five AGOA users were Nigeria, South Africa, Angola, Kenya, and Ghana.

Multilateral organizations' indicators that systematically measure and track countries' promotion of women's rights and economic interests provide information that may be useful in determining the extent to which U.S. trade partner countries are protecting and promoting the economic interests of women and how their treatment of women has changed over time. As a result, they offer U.S. agencies and Congress systematic information that is not generally included in the mandated U.S. trade preference program reports about the extent to which eligible countries promote and protect women's rights and economic interests in the trade arena. For example, the 2020 WBL report found that Nepal's score was the third most improved because it

- introduced a new labor law that makes women's entry into the labor market easier by prohibiting discrimination in employment;
- improved women's employment opportunities and pay by prohibiting discrimination in remuneration for work of equal value and by allowing women to work at night;
- implemented 15-day paid paternity leave, making it easier for women to share childcare responsibilities; and

³⁹See USITC's trade database. U.S. International Trade Commission, *DataWeb*, accessed November 6, 2020, <https://www.usitc.gov/publications/332/other/appendixa.html>.

⁴⁰See USTR's press release regarding Thailand's GSP partial suspension. Office of the U.S. Trade Representative, "USTR Announces GSP Enforcement Actions and Successes for Seven Countries," in *Press Releases*, accessed November 6, 2020, <https://ustr.gov/about-us/policy-offices/press-office/press-releases/2019/october/ustr-announces-gsp-enforcement>.

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- implemented a mandatory old-age pension plan for private sector workers, which allows women to retire at the same age as men and therefore directly protects women’s financial security in old age.

WBL data also show that of the six lowest-scoring GSP-eligible countries in 2019, one—Jordan—received a better score in 2020, when its score improved by 8.7 points.

Even though U.S. trade preference program statutes do not require U.S. agencies to track or report on these data, such information is available to supplement the information collected by U.S. agencies if they (or Congress) were interested in using it to identify trade partner countries that would benefit from U.S. assistance in addressing barriers to women’s participation in trade. Presently, however, according to USTR officials, U.S. agencies responsible for monitoring and reporting on U.S. trade preference programs do not plan to alter their approach of focusing on statutory requirements and opportunities for all, which does not include a component specifically focused on women’s rights and economic interests.

Agency Comments

We provided a draft of this report to Commerce, DOL, State, Treasury, USAID, USITC, USTR, and the World Bank for comment. USAID provided written comments, which are reproduced in appendix IV. We received technical comments from DOL, State, Treasury, and USTR, which we incorporated as appropriate. The remaining agencies and the World Bank informed us that they had no comments. USAID said the draft report accurately reflects USAID’s role within the U.S. Government with regard to promoting and protecting women’s interests within trade preference programs.

We are sending copies of this report to the appropriate congressional committees; the Secretaries of the Departments of Commerce, Labor, State, and the Treasury; the Administrator of USAID; the Chairman of USITC; the U.S. Trade Representative; and other interested parties. In addition, the report will be available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-4409 or lovel@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in appendix V.

A handwritten signature in black ink that reads "Latesha Love". The signature is written in a cursive style with a large, looping initial "L".

Latesha Love
Acting Director, International Affairs and Trade

Appendix I: Objectives, Scope, and Methodology

Our objectives were to examine (1) whether and how U.S. trade preference programs protect or promote women's rights and economic interests in trade, (2) the extent to which U.S. agencies monitor and report on the status of provisions that are pertinent to women's participation in the trade arena, and (3) additional indicators pertinent to women's participation in the trade arena that multilateral organizations have developed and tracked.

To describe whether and how U.S. trade preference programs protect or promote women's rights and economic interests in trade, we identified and analyzed U.S. laws authorizing the trade preference programs and confirmed the programs we identified with Office of the U.S. Trade Representative (USTR) officials. We examined the program statutes to identify eligibility requirements that could protect or promote women's participation in trade or requirements to monitor or report on the status of women in countries eligible for U.S. trade preference programs. We also interviewed officials from the Departments of Commerce (Commerce), Labor (DOL), State (State), and the Treasury (Treasury); the U.S. Agency for International Development (USAID); the U.S. International Trade Commission (USITC); and USTR to seek their perspectives on ways in which trade preference program requirements may protect or promote women's rights and economic interests in trade.

To review agency monitoring and reporting on women's rights and economic interests in trade, we identified all monitoring and reporting requirements in authorizing statutes related to countries' eligibility for the programs. We then reviewed USTR's monitoring documents and reports required by law that agencies submitted to Congress over the last 10 years. We reviewed the following reports: USTR *Biennial Report on the Implementation of the African Growth and Opportunity Act*, USTR Trade Policy Agenda and Annual Report, *USTR Annual Report on the Implementation of the Technical Assistance Improvement and Compliance Needs Assessment and Remediation (TAICNAR) Program and Assessment of Producer Eligibility*, *USTR Report to Congress on the Operation of the Caribbean Basin Economic Recovery Act*, *USTR Annual Report to Congress on the Implementation of the Nepal Trade Preference Program (NTPP)*, *State Country Reports on Human Rights Practices*, and *DOL Findings on the Worst Forms of Child Labor* report. Because State issues a separate country report for more than 100 countries each year, we reviewed a judgmental sample of 10 country reports, focusing on the appendix containing the assessment of the country's compliance with internationally recognized worker rights, which responds to trade preference program requirements.

To assess the extent to which trade preference program reports contained information pertinent to women’s rights and economic interests in trade, we analyzed the reports to find references to relevant terms, such as “women,” “gender,” and “sexual harassment.” We reviewed all of the references to the key terms to determine how many references provided substantive information about the status of women in eligible countries and the extent to which the references showed a focus on women’s rights and economic interests across eligible countries and over time. We considered a reference substantive if it described either a challenge in a trade preference program beneficiary country that may restrict women’s ability to participate in trade or efforts to promote or protect women’s rights and economic interests in beneficiary countries. In addition, we interviewed officials from Commerce, DOL, State, Treasury, USAID, USITC, and USTR to seek information about the process and scope of their efforts to monitor and report on countries’ eligibility for the programs.

To identify additional indicators pertinent to women’s participation in the trade arena that multilateral organizations have developed and tracked, we performed literature searches for reports by multilateral organizations that focus either specifically on barriers to trade that women face, or on indexes containing indicators that measure the extent to which women benefit from legal rights or other conditions related to their economic opportunities. We selected and reviewed indicators tracked in indexes from the World Bank, the World Economic Forum, the United Nations Development Programme, and the Organisation for Economic Co-operation and Development. We identified the indexes’ sub-categories and grouped them by similar topic areas. We also searched relevant multilateral organizations’ websites for additional information about indicators and other publications and activities focused on women’s rights and economic interests in the trade arena. Some of the indexes and studies, such as the World Bank’s *Women, Business and the Law* (WBL) reports, had also been recommended by U.S. agency officials.

More specifically, we reviewed the World Bank’s 2020 WBL report and used the index’s country scores to see how countries that are eligible for the U.S. Generalized System of Preferences (GSP) program scored amongst other countries. The WBL index uses 35 data points that are scored across eight indicators of four or five binary questions, with each indicator representing a different phase of a woman’s career. The eight indicators tracked in the WBL index are Mobility, Workplace, Pay, Marriage, Parenthood, Entrepreneurship, Assets, and Pension. Indicator level scores are obtained by calculating the unweighted average of the

questions within that indicator and scaling the result from 0 to 100.¹ We presented GSP-eligible countries' scores on a scatter plot to show countries' performance on these indicators, which ranged from 26.9 to 94.4. We reviewed the information in organizations' reports explaining the indexes, including relevant methodological information. In addition, we obtained information from World Bank officials about how they collect and maintain the data in the WBL index and reviewed their responses. We found the data in the indexes sufficiently reliable for the purposes of our reporting objectives.

We also reviewed multilateral organizations' publications and websites to identify additional information that may provide U.S. agencies and Congress further information on efforts to protect or promote women's rights and economic interests in trade in countries that are eligible for U.S. trade preferences.

We conducted this performance audit from February 2020 to December 2020 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

¹See the 2020 *Women, Business and the Law* report for full methodological information on the index. The World Bank, *Women, Business and the Law*, accessed November 6, 2020, <https://wbl.worldbank.org/>.

Appendix II: Countries and Territories Eligible for U.S. Trade Preference Programs

There are 126 countries and territories that are currently eligible for at least one of the U.S. trade preference programs, according to the Office of the U.S. Trade Representative. The following table lists which countries are eligible for each of the trade preference programs.

**Appendix II: Countries and Territories Eligible
for U.S. Trade Preference Programs**

Table 3: Countries and Territories That Are Eligible for U.S. Trade Preference Programs, as of October 2020

U.S. trade preference program	Countries and territories that are eligible			Countries eligible for other U.S. trade preference program
Generalized System of Preferences (GSP)	Independent countries			See below for countries that are eligible for GSP and one or more of the other U.S. trade preference programs.
	1. Afghanistan	35. Gabon	70. North Macedonia	
	2. Albania	36. The Gambia	71. Pakistan	
	3. Algeria	37. Georgia	72. Papua New Guinea	
	4. Angola	38. Ghana	73. Paraguay	
	5. Argentina	39. Grenada	74. Philippines	
	6. Armenia	40. Guinea	75. Republic of Yemen	
	7. Azerbaijan	41. Guinea-Bissau	76. Rwanda	
	8. Belize	42. Guyana	77. Saint Lucia	
	9. Benin	43. Haiti	78. Saint Vincent and the Grenadines	
	10. Bhutan	44. Indonesia	79. Samoa	
	11. Bolivia	45. Iraq	80. Sao Tomé and Príncipe	
	12. Bosnia and Herzegovina	46. Jamaica	81. Senegal	
	13. Botswana	47. Jordan	82. Serbia	
	14. Brazil	48. Kazakhstan	83. Sierra Leone	
	15. Burkina Faso	49. Kenya	84. Solomon Islands	
	16. Burma	50. Kiribati	85. Somalia	
	17. Burundi	51. Kosovo	86. South Africa	
	18. Cambodia	52. Kyrgyzstan	87. South Sudan	
	19. Cameroon	53. Lebanon	88. Sri Lanka	
	20. Cape Verde	54. Lesotho	89. Suriname	
	21. Central African Republic	55. Liberia	90. Tanzania	
	22. Chad	56. Madagascar	91. Thailand	
	23. Comoros	57. Malawi	92. Timor-Leste	
	24. Congo (Brazzaville)	58. Maldives	93. Togo	
	25. Congo (Kinshasa)	59. Mali	94. Tonga	
	26. Côte d'Ivoire	60. Mauritania	95. Tunisia	
	27. Djibouti	61. Mauritius	96. Tuvalu	
	28. Dominica	62. Moldova	97. Uganda	
	29. Ecuador	63. Mongolia	98. Ukraine	
	30. Egypt	64. Montenegro	99. Uzbekistan	
	31. Eritrea	65. Mozambique	100. Vanuatu	
	32. Eswatini (Swaziland)	66. Namibia	101. Zambia	
	33. Ethiopia	67. Nepal	102. Zimbabwe	
	34. Fiji	68. Niger		
		69. Nigeria		

**Appendix II: Countries and Territories Eligible
for U.S. Trade Preference Programs**

U.S. trade preference program	Countries and territories that are eligible		Countries eligible for other U.S. trade preference program	
	Non-independent countries and territories			
Generalized System of Preferences (GSP)	<ol style="list-style-type: none"> 1. Anguilla 2. British Indian Ocean Territory 3. Christmas Island 4. Cocos (Keeling) Islands 5. Cook Islands 6. Falkland Islands (Islas Malvinas) 7. Heard Island and McDonald Islands 8. Montserrat 9. Niue 	<ol style="list-style-type: none"> 10. Norfolk Island 11. Pitcairn Islands 12. Saint Helena 13. Tokelau 14. Virgin Islands, British 15. Wallis and Futuna 16. West Bank and Gaza 17. Western Sahara 		
	African Growth and Opportunity Act (AGOA)	<ol style="list-style-type: none"> 1. Angola 2. Benin 3. Botswana 4. Burkina Faso 5. Cape Verde 6. Central African Republic 7. Chad 8. Comoros 9. Republic of Congo 10. Côte d'Ivoire 11. Djibouti 12. Eswatini (Swaziland) 13. Ethiopia 14. Gabon 15. The Gambia 16. Ghana 17. Guinea 18. Guinea-Bissau 19. Kenya 	<ol style="list-style-type: none"> 20. Lesotho 21. Liberia 22. Madagascar 23. Malawi 24. Mali 25. Mauritius 26. Mozambique 27. Namibia 28. Niger 29. Nigeria 30. Rwanda^a 31. São Tomé and Príncipe 32. Senegal 33. Sierra Leone 34. South Africa 35. Tanzania 36. Togo 37. Uganda 38. Zambia 	All of the AGOA-eligible countries are also eligible for GSP.

**Appendix II: Countries and Territories Eligible
for U.S. Trade Preference Programs**

U.S. trade preference program	Countries and territories that are eligible		Countries eligible for other U.S. trade preference program
Caribbean Basin Initiative (CBI)	<ol style="list-style-type: none"> 1. Antigua and Barbuda 2. Aruba 3. The Bahamas 4. Barbados 5. Belize 6. British Virgin Islands 7. Curacao 8. Dominica 9. Grenada 	<ol style="list-style-type: none"> 10. Guyana 11. Haiti 12. Jamaica 13. Montserrat 14. Saint Kitts and Nevis 15. Saint Lucia 16. Saint Vincent and the Grenadines 17. Trinidad and Tobago 	<p>The following countries are also eligible for GSP:</p> <ul style="list-style-type: none"> • Belize • Dominica • Grenada • Guyana • Haiti • Jamaica • St. Lucia • St. Vincent and Grenadines
Haitian Hemispheric Opportunity through Partnership Encouragement Act of 2006 (HOPE) & 2008 (HOPE II)	Haiti		Haiti is also eligible for CBI and GSP.
Nepal Trade Preference Program (NTPP)	Nepal		Nepal is also eligible for GSP.

Source: GAO analysis of Office of the U.S. Trade Representative data. | GAO-21-190

^aAGOA eligible but AGOA-eligible apparel benefits suspended.

Appendix III: Multilateral Trade Organizations' Efforts to Promote Women's Rights and Economic Interests in the Trade Arena

In recent years, multilateral trade organizations—the World Trade Organization (WTO) and the United Nations Conference on Trade and Development (UNCTAD)—have focused several efforts, including publications and events, on promoting women's rights and economic interests related to trade. Their work underscores the link between the extent to which countries protect and promote women's rights and economic interests and women's ability to benefit from international trade.

The WTO has hosted numerous events and published reports focused on barriers women face in participating in trade and ways to overcome those barriers. For example, in July 2019, the WTO held a workshop on Women in Digital Trade that presented information on leveraging digital technologies to bridge the gender gap. The workshop also communicated that digital technologies can empower women by creating new trade opportunities. The WTO has also issued publications focused on a range of issues on women and trade. For example, in *Gender Aware Trade Policy* (2017), the WTO presented statistics focused on barriers women face and how efforts such as capacity-building programs and changing some international trade rules could empower them. Additionally, a 2020 joint report by the World Bank Group and the WTO, *Women and Trade: The Role of Trade in Promoting Gender Equality*, quantifies how women are affected by trade through the use of a new gender-disaggregated labor dataset. According to the World Bank, the data will help governments analyze how trade policies may affect women and men differently. The 2017 Buenos Aires Declaration on Women and Trade, which seeks to remove barriers to and foster women's economic empowerment, was issued on the margins of the WTO's Buenos Aires Ministerial meeting, with 118 WTO members and observers in support. The WTO's website also has a page on women and trade that links to information on conferences, publications, current WTO initiatives, and other organizations' initiatives related to women's rights and economic interests in the trade arena.

Like the WTO, UNCTAD has hosted numerous events and issued publications focused on barriers women face in participating in trade and ways to overcome those barriers. Since 2010, UNCTAD's Trade, Gender and Development Programme has worked with developing countries to analyze the impacts of trade and trade policy on gender equality and women's well-being. The program also provides technical assistance to raise policymakers' awareness of the gender ramifications of trade and to support them in the formulation of gender-responsive trade policies. UNCTAD also offers e-learning courses to help women in developing countries better understand how to participate in global trade. UNCTAD's

**Appendix III: Multilateral Trade Organizations'
Efforts to Promote Women's Rights and
Economic Interests in the Trade Arena**

website has links to publications and events related to trade and gender. UNCTAD also publishes the "Trade and Gender Toolbox," which attempts to provide a systematic framework to evaluate the impact of trade reforms on women and gender inequalities prior to implementation of those reforms.

Appendix IV: Comments from the U.S. Agency for International Development



Latesha Love
Acting Director, International Affairs and Trade
U.S. Government Accountability Office
441 G Street, N.W.
Washington, D.C. 20226

Re: *INTERNATIONAL TRADE: Observations on Whether Women's Rights and Economic Interests are Protected or Promoted by U.S. Trade Preference Programs*

Dear Ms. Love:

I am pleased to provide the formal response of the U.S. Agency for International Development (USAID) to the draft report produced by the U.S. Government Accountability Office (GAO) titled, *INTERNATIONAL TRADE: Observations on Whether Women's Rights and Economic Interests are Protected or Promoted by U.S. Trade Preference Programs (GAO-21-190)*

The draft report contains no recommendations for USAID, but we are pleased the GAO noted the important role the Agency plays in promoting and protecting women's interests within the U.S. Government's trade-preference system. USAID promotes women's economic empowerment and equality between women and men throughout the full range of our development portfolio, including our investments related to trade, trade-facilitation, and trade capacity-building. In fact, we apply a gender lens to all our programming to promote and protect women's interests.

Under the White House-led [Women's Global Development and Prosperity \(W-GDP\) Initiative](#), USAID manages the W-GDP Fund, which has invested \$200 million in the past two years to promote women's economic empowerment, including greater trading capacity, in more than 60 countries. Among other activities, USAID has harnessed the W-GDP Fund to create employment opportunities for 9,500 women in the Republic of Ghana and link them with U.S. markets, while also connecting 6,800 women producers in the Republic of India to international supply-chains for biodegradable home products. The W-GDP Fund has helped us enhance and accelerate our existing programming to promote and protect women's interests, including in trade capacity-building.

I am transmitting this letter and the enclosed comments from USAID for inclusion in the GAO's final report. Thank you for the opportunity to respond to the draft report, and for the courtesies extended by your staff while conducting this engagement.

Sincerely,

Frederick M. Nutt
Frederick M. Nutt *Dec. 1, 2020*
Assistant Administrator
Bureau for Management

**COMMENTS BY THE U.S. AGENCY FOR INTERNATIONAL DEVELOPMENT ON
THE DRAFT REPORT PRODUCED BY THE U.S. GOVERNMENT
ACCOUNTABILITY OFFICE (GAO) TITLED, “INTERNATIONAL TRADE:
*Observations on Whether Women’s Rights and Economic Interests are Protected or Promoted
by U.S. Trade Preference Programs* (GAO-21-190)**

The U.S. Agency for International Development (USAID) would like to thank the U.S. Government Accountability Office (GAO) for the opportunity to respond to this draft report. We appreciate the extensive work of the GAO engagement team.

USAID finds that the draft report accurately reflects USAID’s role within the U.S. Government with regard to promoting and protecting women’s interests within trade-preference programs. Furthermore, we find that the report accurately portrays USAID’s mandate with respect to promoting equality between women and men and women’s economic empowerment.

We appreciate the GAO’s very thorough review of the U.S. trade-preference system and the roles of the various actors within this system, which is both highly informative and useful for us to consider within our own investments in women’s economic empowerment.

Appendix V: GAO Contact and Staff Acknowledgments

GAO Contact

Latesha Love, (202) 512-4409, or lovel@gao.gov

Staff Acknowledgments

In addition to the contact named above, Kim Frankena (Assistant Director), Jeffrey Baldwin-Bott (Analyst in Charge), Sergio Enriquez, Debbie Chung, Chris Keblitis, Ashley Alley, Justin Fisher, and Moon Parks made key contributions to this report.

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