PEP research in action

Free trade, public investments & women's employment in Senegal



Building capacity for local and sustainable development solutions

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Potential effects of free trade on women's labour

In Senegal, women tend to work in the least competitive economic sectors.

The EU-West Africa Economic Partnership Agreement (EPA) = progressive elimination of tariffs on 75% of goods over 20 years

likely to make women's working conditions more precarious, compared to those in exporting sectors.

Therefore, EPA may compromise country's efforts towards gender equality.



Recommendations for poliymaking

10% increase in public investments in the agriculture (subsitence and industrial), fisheries, construction and "other services" sectors

Implement complementary measures, such as:

- Education programs aimed at promoting women's employment in sectors less vulnerable to effects of free trade
- Research structures or initiatives to analyze welfare and poverty impacts of EPA for people in Senegal

Local PEP researchers investigate which measures can achieve trade liberalisation objectives while protecting/promoting women's jobs

METHOD:

CGE modelling techniques to simulate different scenarios and measure effects on selected outcomes.

1st scenario simulates effects of tariff elimination of 50% or 100% every 5 years, over 5, 10 or 15 year periods, for different categories of goods - on various labor market outcomes.

2nd scenario simulates effects of 10% increase in public investments, as measure to mitigate negative effects of liberalization on labour outcomes.

EPA reduces demand for labor in sectors where most women work

- Qualified women are most affected
- Most affected sectors include "other services", farming/agriculture, & fisheries, in which women are busiest

Increasing public investments leads to increase in labor demand in target sectors

 Which contributes to reducing women's unemployment and increasing their wages



Figure 1: Impact of EPA on unemployment rate, by gender target sectors, over time

Figure 2: Impact of 10% increase of public investments on labor demand for qualified women in

Informing national policy processes

Throughout project, team consulted with::

- Directorate for Gender Equity and Equality (DEEG)
- International Labour Organization (ILO) country office
- General Directorate for Planning and Economic Policy (DGPPE) - in charge of decisions related to public investments

All committed to support/promote project and contribute to disseminating the findings

March 2019: team organizes PEP national policy conference

Attended by high-level representatives from:

- General Directorate for Planning and Economic Policy
- Operational Office for Monitoring the Plan for Emerging Senegal
- Gender units of various government ministries

Resulted in official statement/commitment from **DGPPE** Coordinator to:

- Assimilate research findings into DGPPE decisions
- Finance further (locally-led) research projects to promote research-policy collaborations
- Organize another workshop gathering different actors (policy, NGO, academia) to form a committee in charge of monitoring the implementation of the team's recommendations

Research team

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