



Asia-Pacific
Economic Cooperation

Digitization of Services Trade and Opportunities for Women

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Advancing Free Trade
for Asia-Pacific **Prosperity**

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This presentation:

The explosion of digital services trade

Digital services trade and women

Opportunities, challenges and benefits to women from increasing digital skills

How to make progress with the current situation?



Let's begin with two important facts !

- Women's jobs are shifting from manufacturing and agriculture to SERVICES : OVER 60% of WOMEN WORLDWIDE WORK IN THE SERVICES SECTOR
- Services trade is shifting from traditional to digitized forms of delivery : NEARLY 60% OF SERVICES TRADE IS NOW CARRIED OUT IN DIGITAL FORM -

PUT THESE TWO FACTS TOGETHER.....

AND WE SEE AN ENORMOUS POTENTIAL FOR WOMEN TO PARTICIPATE FURTHER IN DIGITIZED SERVICES TRADE

CAN THIS POTENTIAL BE REALIZED?

The explosion of digital services trade

- Cross-border digital trade flows have increased four-fold since 2005!
- Digital services trade is now valued at some \$3.8 trillion
- This is more than half of all services trade worldwide; some say that this figure is even higher.

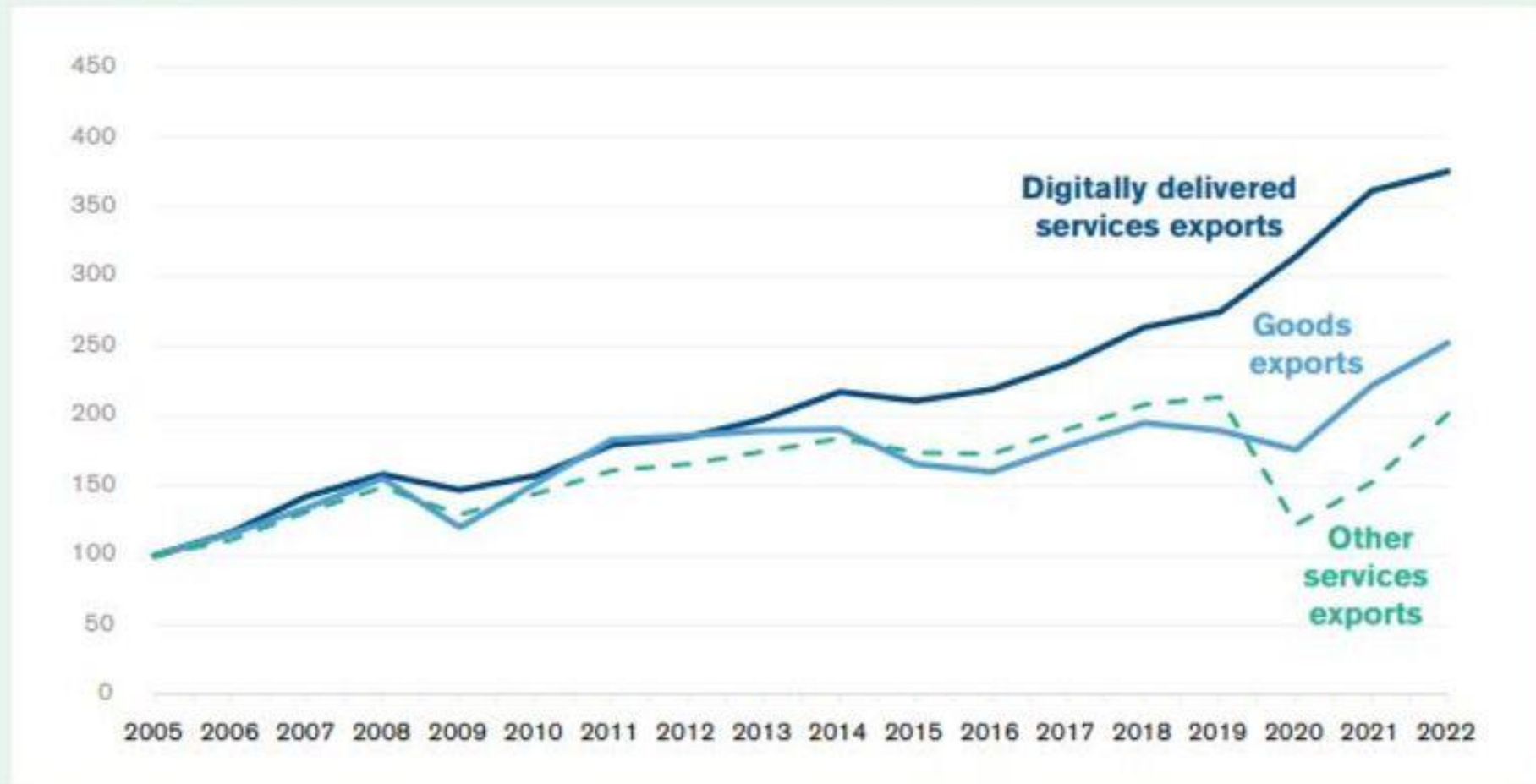
“This is an indication of where world trade is heading,” WTO Chief Economist Ralph Ossa told Bloomberg in an interview.
“The future of trade is in services, particularly digitally delivered services.”

Question: Can women play a significant part in this future?

Growth in global exports of digital services

Chart 12: Global exports of digitally delivered services

Index 2005=100



Source: WTO estimates.

WTO Report, April 2023.....



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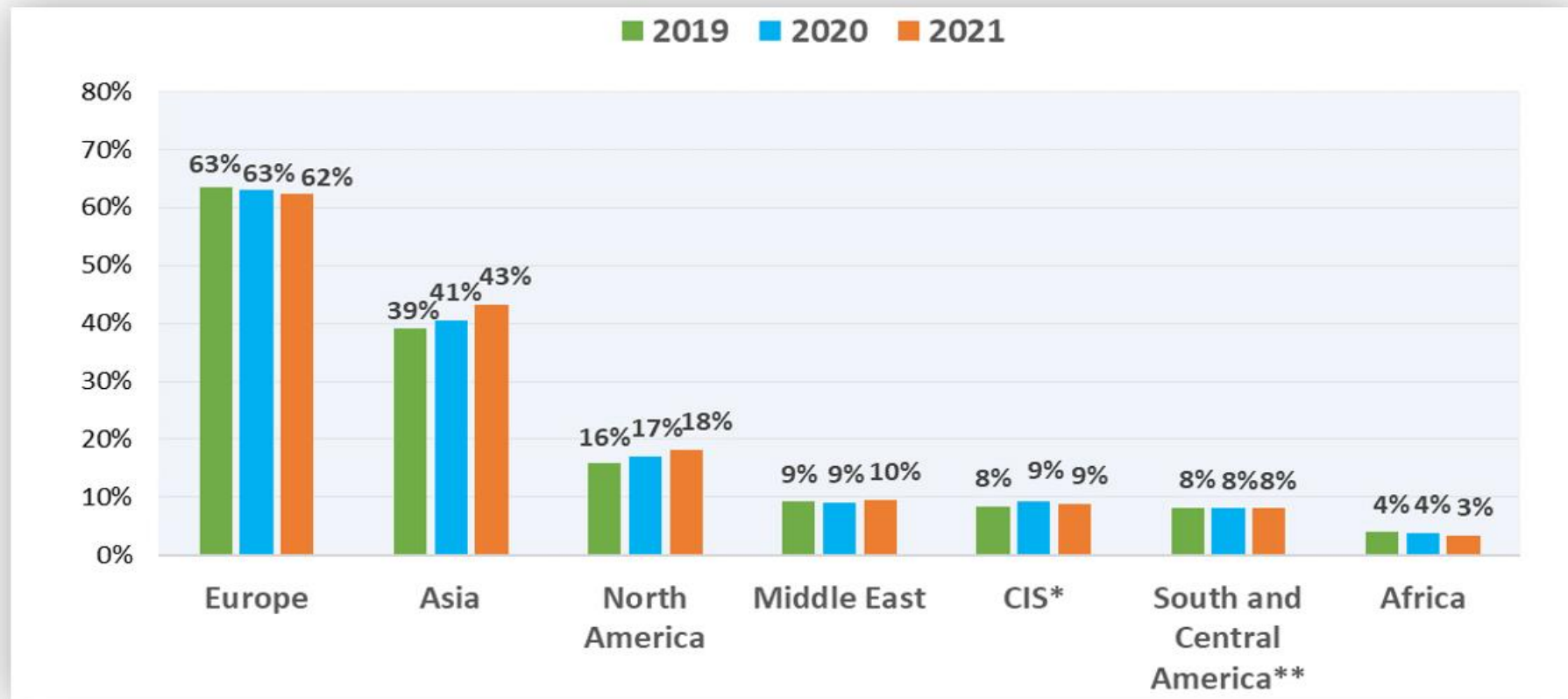
What constitutes digital services trade?

Digitally deliverable services (DDS) include

- ICT services themselves,
- Sales and marketing services,
- Insurance and financial services,
- Professional services,
- Back-office services,
- Research and development (R&D),
- Education and training services,
- Health care services,
- Gaming and apps, and many others!

Digital services trade very strong in Asia Pacific

Comparison of Intra-regional trade in digitally-delivered services:
Asia only second to Europe – 43% of services trade is digitized



Source: WTO-OECD Balanced Trade in Services Dataset



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Fewer women involved in digital services trade

WHAT ABOUT WOMEN IN THESE SERVICES?

- Many fewer women participate in exportable (tradable) services than men. WTO (2019) states that “**There is much potential for women to benefit from services trade, but so far they are underrepresented in the most traded services sectors.**”
- ICT services (telecommunications, computer and information services) as well as business, and professional services are driving the rapid growth in digital services exports.
- **BUT.....Female employment is at its lowest in ICT, the most dynamic digital services sector**, and only 5% of women in developed economies are employed in financial and insurance activities, another dynamic sector.

Lack of female participation in digital services trade has consequences

- This relative lack of participation in digital services trade negatively affects the ability of women to participate in the gains from trade. How?
 - It keeps women from being able to work in the most dynamic sectors of the economy – the ITC, computer and business services activities, among others.
 - Inability to access these jobs means that women are also not benefitting from higher tech areas and unable to increase their technical skills through ‘on the job’ learning and performance.
 - The above relegate women to work in lower-skilled and lower-paid services activities for export. This does not promote their economic empowerment.

Gender gap in Asia & Pacific for use of the Internet

ADB

GENDER
MONTH
2023

**Accelerating Digital Inclusion
for Women and Girls
in Asia and the Pacific**

The Digital Revolution:
The world is more connected,
but why are we leaving women and girls offline?



In Asia and the Pacific, there is a 6% gender gap in internet usage. In 2020, only 1 in 5 women used the internet in least developed countries.¹



Across low- and middle-income countries,
around **264 million fewer women than men**

Challenges to increasing women's participation in digital services trade

- Barriers to access and affordability of computers, mobile phones and the Internet
- Lack of education in computer skills and digital tools
- Inherent biases and sociocultural norms that curtail women ability to benefit from the opportunities offered by digital services
- Relatively lower educational enrolment of girls in disciplines that would allow them to perform well in a digital world – such as science, technology, engineering and mathematics, as well as information and communication technologies

In summary, attitudes plus access and education



Benefits from increasing women's participation in digital services trade

- Improved working conditions (adaptation, automation, work space)
- Provides ability to work remotely
 - Better developed professional and personal life
- Higher pay
 - Opportunities for training and skills development
- More opportunities for promotion
 - Important role model for others in family

ANYTHING QUANTITATIVE?

Opportunities to increase women's participation in digital services trade

MULTILATERAL LEVEL

- In 2017 (WTO MC11) a group of members signed the the [Buenos Aires Declaration on Trade and Women's Economic Empowerment](#) (now 127 members)
- Make progress within the WTO through the Informal Working Group on Trade and Gender established in Sept 2020 following the BA Declaration
- Use WTO Aid for Trade programme more for capacity-building on digital skills with a gender focus (only 3% of these funds have gone to trade policy and regulation)

REGIONAL LEVEL : APEC AND OTHER

- Use DEPA (Digital Economy Partnership Agreement) as model to **develop agreements on gender and trade** with specific provisions that would promote women's economic empowerment in services

APEC can play a role: regional cooperation & pathfinder

- Continued and steady progress towards implementation of La Serena Roadmap
- Focus on gender and economic empowerment within GOS and other APEC fora - example of WWPE
- DESG could be included in all APEC activities touching on digital issues – more cross-cutting work
- APEC cooperation and sharing of best practices
- Promotion of MRAs in service sectors where women work



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