



MICROLINKS

AGRILINKS

# WOMEN WITHOUT BORDERS: GENDER AND INFORMAL CROSS-BORDER TRADE

---

PRESENTATION AUDIO TRANSCRIPT

MARCH 8, 2017

## PRESENTERS

Lis Meyers, Banyan Global

## MODERATOR

Sait Mboob, USAID

## FACILITATOR

Julie MacCartee, USAID BFS

*Julie MacCartee:*

All right. Good morning and happy International Women's Day everyone. And welcome to today's seminar on gender and informal cross-border trade. My name is Julie MacCartee, and I'm a Knowledge Management Specialist with the USAID Bureau for Food Security. And I'm happy to serve as host and facilitator on behalf of Microlinks and Agrilinks today.

Microlinks and Agrilinks are both USAID technical knowledge-sharing platforms, implemented by the Feed the Future KDAD project. And they have a lot of crossover material I think that, the webinars and seminars and events that are relevant to one are often very relevant to the other. So if you are a member of Microlinks or Agrilinks, I highly suggest signing up for the mailing list of the other one and making sure you kind of get on our list and get notified of various events, seminars, and the like.

Before we get started with the content, I wanted to go through a couple of our usual housekeeping issues. First, we always remind everyone to please silence your cell phones so that we don't interrupt the speakers. Second, this seminar is being recorded. And by virtue of signing up today, by registering your e-mail either out front or by registering for the webinar, you will get an e-mail in about a week or so with the post-event recording, transcript, and any other resources that are important to share.

Lastly, we generally ask that people hold their questions until the end of the presentations, when we'll be passing around this microphone for everyone to be able to ask your questions. This will help our webinar audience to be able to hear your questions. And I'd also like to give a shout-out to our webinar audience today. We always have a pretty sizeable crowd joining from around the world. So that's exciting. Later we'll ask for an update on how many people had joined via webinar.

All right. So it's time to dive into our content. I'm going to introduce our introducer of sorts. I'll introduce Sait, who will then introduce our main speaker, Lis Meyers.

Sait Mboob is a Foreign Service Officer at USAID. He serves as an economist, and most recently completed a tour at USAID's regional office in Bangkok. During that tour, he managed the USG's economic growth portfolio in Laos. In his current D.C. assignment, he works on a multi-donor public-private partnership that focuses on promotion of the Trade Facilitation Agreement of the WTO. He also serves as USAID's liaison to the Millennium Challenge Corporation, which is the U.S. government's other development agency. So, Sait, please take the mic and give us your introduction.

*Sait Mboob:*

First of all, here's my bio. You can read it later again if you want. Thanks everyone for coming to this presentation on International Women's Day. Happy International Women's Day. I'm glad we didn't have a no-women protest here. That would have been awkward. So thanks for showing up.

We're going to talk today about gender and informal trade. And I'm just here to set a little bit of context from a USAID perspective on why this is important and why we're paying close attention to it. So, why does gender matter as a trade? Well, the goal of trade liberalization is to create more jobs for women and men. And trade theory suggests that economies should focus on their comparative advantage. But what if the industries that governments and donors decide to focus on are male-dominated? For instance, what if in a country, mining is just as effective economically as, for instance, services? Do we look at the gender impact of focusing on those different industries? So if we're not paying attention to these issues, trade may actually exacerbate some of these gaps in economic growth between men and women.

The measurable economic benefits of gender equality are palpable. And in the United States alone, women-owned firms have an economic impact of \$3 trillion. And that translates to about 27 percent of all U.S. jobs. And from a developing country perspective, in India, only 27 percent of women work. And that leaves out 420 million people that could be adding value to the economy. So the gaps are pretty big. And that's why we pay attention — that's one of the reasons we pay attention to this issue.

But going in to think a little bit more about why specifically, you know, from a business perspective, the case is obvious. The International Labor Organization estimates that women occupy 70 to 80 percent of the 27 million jobs in the export processing zones globally. And the World Economic Forum has done some research and found that companies with top-quartile representation of women in executive positions perform better than companies with no women at the top. Another statistic that kind of surprised me was a McKinsey study that stated that the full-potential scenario of bridging the gender gap is an additional \$28 trillion of annual GDP. And, for context, current global GDP is \$78 trillion. So that's not a trivial amount. That's something that could really revolutionize the world economy.

Another statistic that surprised me is: if all countries matched their best in-country gender parity, \$12 trillion could be added to global GDP. That's kind of a confusing statistic, but basically what it means is that if, in a country like Ghana for instance, if they were able to achieve gender parity in the whole country as much as they have achieved in Accra, and if the whole world did that, we would see an estimated \$12 trillion of annual GDP increased. And, for context, we're going to be talking about Southern Africa later today. Informal cross-border trade in that region alone is worth \$17 to \$20 billion. So these are pretty big numbers.

In terms of the development case, I don't think I need to tell you folks in the room here that there is a pretty strong linkage between greater gender equality and economic performance. Increased labor, of course participation rates and entrepreneurship for women, leads to income generation, employment, and slower population growth. In most developing countries, a higher proportion of female head of households live in poverty than those headed by men. And so higher participation rates in the economy by women and in trade by women has a broader distribution effect.

And then of course there's the human rights case, but we don't need to belabor that point. Gender is a basic universal goal that's enshrined in whichever international instrument you want to look at: Charter of United Nations, Universal Declaration of Human Rights. So, beyond

this, at USAID we like to look at the gender question from a trade perspective with three lenses: what's going on behind the border, what's going on at the border, and what's going on beyond the border.

So behind the border, we all know that women and men experience access to markets quite differently. We don't necessarily pay as much attention to that as we should, but when you look at issues like labor markets, it's harder for women to enter into a formal sector than it is for men, for reasons we'll go into more later on today, just from an education perspective, from a training perspective, from workforce development. Men just have more opportunities than women do. From a financial perspective — just access to finance alone. I listed USAID's Digital Lab here because we're doing a lot of work on access to financing. We think it has the potential to significantly affect women's ability to do business.

And then when you think about things like access to markets for goods and services, just for women to get the inputs to produce electricity — for a woman in some countries to get people to come and hook up their business to the electric lines sometimes is difficult. Something that I read that really kind of blew my mind and made me think a little bit more carefully about how women and men experience markets differently is that procedures discriminate against women. Female-owned enterprises do not report a higher burden from regulations than those owned by men. However, this changes when it comes to procedural obstacles which require personal interactions between firm managers and officials. So if we're advocating for policies that require women to go and collect X, Y, and Z document from a ministry, that's adding an interaction that wasn't there before, and that potentially makes it harder for women to get things done.

And then we look at what's happening at the border. And the first question that you want to know is: which border? As we'll see, that question is relevant. Are we talking about an official border? Are we talking about a line that's drawn on a map where people are crossing in the bushes? Can women physically get to and through the border? What if all border personnel are men? I lived in West Africa when I was younger. My father and mother worked there. And I remember one time my mother and I were crossing a border from Ghana to Togo. And we

were fortunate: we were driving a car with diplomatic license plates and we were just trying to get across. And a customs official was asking for documents for my mother. And she had her purse and she was fumbling and she handed the documents to him with her left hand. And he wouldn't take it. And he wouldn't even look at her, because that was a sign of disrespect. And my mother was seething at this. And for the rest of the day, she was just so upset. And this is just us trying to get from one part of the border to the other. What about women that have goods? What about women that have no rights? So that was a telling moment for me as a child, and has made me sort of pay closer attention to this issue in life in general.

What about public services and security? Are there toilets? And are they in safe areas? Are women less likely to try to cross a formal border if they don't have these facilities and have to protect themselves from potential predators?

Transaction costs and wait times. Does it take longer for women to do business? Probably. Are they less likely to trade if they know that they're going to be held up? Probably.

And then, beyond the border — this has a lot to do with the elements of trade policy that can be leveraged to integrate priorities of gender equality and women's economic empowerment. And one example that I really like that the World Bank is implementing in Eastern and Southern Africa is called the Charter for Cross-Border Trade in Goods and Services, where they find their codes of conduct at those borders, and they build upon them, specifically working in ministries in Zambia and Malawi, working at that specific border. And they're targeting informal traders and trying to make it easier for them to trade.

And the basic principles of this charter are to reduce abuse and sexual harassment, to promote efficient processing and reduce discrimination, and to have transparent duties, fees, and taxes, and to reduce bribe payment, and to have clear documentary requirements. Just because a lot of the women that we're dealing with here are not literate. And having clear signage posted on a wall that might more effectively get a point

across is an important endeavor. It also introduces a credible complaint mechanism based on toll-free lines. And I'm eager to go back to the World Bank and see whether those toll-free lines are still in operation, because this was a couple years ago and I've been meaning to follow up with them. And it also introduces a performance measurement system with context-tailored indicators.

So, just as I wrap up, I wanted to let you all know about USAID's policy and guidance that's available to folks that are programming in this area. Our ADS is sort of our internal guidelines that're publicly available as well that you can look at that might give you some interesting ideas and guidance. We've also got a number of toolkits that I think people should try to look at. And I think KDAD's going to make that available to folks. So please take a look at that when you get a chance.

And then of course we've got studies that people like Lis Meyers has done. "The Women's Cross-Border Trade in Southern Africa," which is the paper that we're here to hear about today, is an example of research that I think could be beneficial to folks, which is why we're having this event.

And, with that, I will hand it over to Lis Meyers, who has been known as my professional BFF. She's done this really great research, and we're really happy to have her here. We're lucky to have her here. She's a Senior Gender Specialist at Banyan Global, and she's got expertise in integrating gender into economic growth, trade, and agriculture sectors. She's designed and led research on women in informal cross-border trade; child, early and forced marriage issues; social norms; women's financial inclusion; microwork; impact sourcing; and numerous gender analyses and assessments. This work that she did was for a USAID project in Southern Africa Trade Hub, and we're really excited to hear from you, Lis.

*Lis Meyers:*

I'm going bring it in really narrow and start there. So this is Ms. A. Ms. A is a single mother. She runs a household of seven. She has three children, aged 4, 10, and 12, and she's also responsible for providing for three siblings. Her mother, who is now deceased, was an informal cross-

border trader, and she taught Ms. A the business. She taught Ms. A everything she knows about informal cross-border trade. Ms. A lives in Kasane, Botswana, and she trades at the Kazungula Ferry border post, which we actually just saw on that video, the crossing by water. And that's a border post to Zambia. She also trades at the Ngoma land border post to Namibia, and the Martin's Drift border post to South Africa. She also operates a temporary market stall at the Kasane market. She generally works seven days a week, very early in the morning to sundown.

During the summer — her schedule's actually quite seasonal. So during the summer, she wakes up at 4:30 in the morning, she prepares food for her children, she gets in line at the Zambia border, and she gets in line before it opens at 6:00 in the morning. She then crosses the border to barter for vegetables from Zambian farmers who live about ten kilometers from the border. She will carry groceries and then exchange them for sweet potatoes, for broccoli, for groundnuts, and for sugar beans. And then she brings all these agricultural products back to Botswana, where she sells them at her market stall in Kasane for the rest of the day. Typically she gets back across the border at noon and then sells for the rest of the day.

During the winter, however, she has a different schedule. She typically goes to Lusaka, Zambia, about three times a month, and spends five or six days away at a time, carrying groceries to and across the border, which she then barter for secondhand clothes. She says that the clothing business is more lucrative, and it's especially more lucrative during the winter. So that's why her schedule changes when it's the winter. She says in months of high turnover, she makes about 3,000 pula a month, which is \$278.00. And she has sent her two older children and her three brothers to school using the money from her business. And she also uses her income to pay for rent, to pay for household needs, as well as supporting maternal uncles and cousins. So she's supporting a lot of people with this income.

She says that in general the community respects her livelihood, and they see her as successful and professional. And because she's able to provide

for her family, because she's respected as a businesswoman, she plans on being an informal cross-border trader for the rest of her life.

However, Ms. A was very quick to point out that she experiences a grave number of constraints in her day-to-day business. She talked about high duties and taxes. She talked about fluctuating value of the commodities that she barter: that it's hard to understand what the current value of what she's trading for is. There are long lines at the border. She experiences a lack of working capital. She's been unable to access formal financing. And in the summer, she says long waits at the border mean that her vegetables from Zambia are often ruined in the sun. But she also said that while she feels empowered by her work and she can provide for her family, she's concerned about how much time she spends away from her children. And she finds it very difficult to be a working single mother. I'm sure this is something that women in the United States also encounter on International Women's Day.

And so this is Ms. A. This is the life of one informal cross-border trader that we encountered in our research. Now, zooming back out, I'll frame the research a little bit more before I go into some of our research findings.

So what we wanted to do from our research is we wanted to better highlight and understand the contributions that women informal cross-border traders make to trade and to local, national, and regional economies. We also wanted to better understand the constraints and challenges experienced by informal cross-border traders, and then while in understanding opportunities and constraints and challenges, be able to identify practical, evidence-based solutions to address these constraints and challenges. And finally, we wanted to create some key learning-and-information-disseminating tools including the video we just shared, as well as a three-page fact sheet on women informal cross-border traders.

Now, looking at the methodology we used — and here is a great map of the Southern Africa region. And you can see: these are the two border posts where we did research. This assessment came about at the very end of the USAID Southern Africa Trade Hub project. We were integrating

gender throughout the lifetime of the project, and we finally got approval to do this assessment towards the end. And it was originally envisioned to be a slightly longer assessment involving more places of field work but because the project was coming to a close, we very much had to do it as a rapid gender assessment. And so I think that's important to frame the research. This wasn't a quantitative study; it was very much a qualitative rapid assessment.

But what we wanted it to do was we wanted it to lay a strong foundation for the follow-on USAID project, which is the Southern Africa Trade and Investment Hub, which is now being implemented, and spark a conversation and hopefully inspire further investment on this issue. And I think the fact that we were invited here today by USAID to present on this research shows that this is a priority to USAID, and the conversation is continuing. But we very much wanted this research to be the tip of the iceberg, not the iceberg itself.

We had a two-person research team, including an international gender specialist and a regional-based ICBT expert who's based in Zimbabwe and has done a lot of the leading research in Southern African on informal cross-border trade. We started with an extensive policy and desk review where we consulted over 45 qualitative and quantitative literature resources. And we also reviewed policies developed by regional economic communities in Southern Africa, including COMESA, SADC, SACU, and then considered the implications of how such policies might affect women informal cross-border traders. And then we capped that off with research at two borders: the Mwanza border post in Malawi, and the Kazungula border post in Botswana. That's the border you saw in the video.

We interviewed 36 informal cross-border traders, 26 women and 10 men, through focus group discussions and key informant interviews. And then we also did key informant interviews with some insiders, including cross-border trade association members, and customs, immigration, and police officers at the borders.

So starting with a discussion on ICBT in the African context. We found that informal cross-border trade is incredibly fluid. It's also highly efficient when compared with formal trade in Africa. So, for example, in Africa, it experiences the average custom delays of 12.1 days for formal trade. That's the longest delay in the world. In contrast, customs officials in Malawi and Botswana were observing a line of informal cross-border traders waiting to cross the border, and they told our research team that they would all make it through in about several hours. So 12.1 days, several hours.

It's also incredibly widespread. For example, a 2009 African Development Bank study on ICBT estimated that informal cross-border trade provides an income source for 43 percent of Africa's population. So 43 percent of Africa's population is getting some type of income source from informal cross-border trade.

Now let's look at women's role in informal cross-border trade. And it's audience participation time, I think specifically for the people in the room — sorry for the people on the webinar. But does anyone have a guess at the estimated percentage of women ICBTs in Sub-Saharan Africa? Raise your hand if you have a guess. What percentage of informal cross-border traders in Africa are women? Can I get an answer?

*Audience:*

Ninety?

*Lis Meyers:*

Ninety we hear? Someone said 80. Okay. Yes. So studies by UN Women, COMESA, and other sources estimate that women comprise 70 to 80 percent of informal cross-border traders. So I think it's pretty easy to make the case why we need to do research on women and informal cross-border trade.

Then we sought to better understand the profile of women informal cross-border trade: who are these women that are without borders and are constantly crossing borders to trade? We found, looking at education, that contrary to stereotypes, women ICBTs are not undereducated. Desk research and fieldwork found that most ICBTs have some secondary

education. For example, 82 percent of the Malawi women ICBTs we interviewed had at least secondary or higher education. In the past, informal cross-border trade was seen largely as an economic coping mechanism. It was seen as an option for the less-educated. However, economic hardships in the region have served as a significant push factor for many people of all education levels to engage in ICBT.

We also looked at marriage and fertility and found that many of the women included in our field research were heads of their own households, either because they were not married, they were widowed, they were divorced, they were separated, or because their husbands had jobs in other locations and they were acting as de facto heads of households.

Women had, on average, about two children. But they often had many additional dependents including children of deceased family members. For many, being informal cross-border trader was not their only job. Many had other formal or informal jobs. And many of the women included in the field work were also retailers; they sold the goods they trade. They sell the goods they bring back directly in shops, in formal and informal markets, from their homes, or through their other jobs.

So then looking at some of the commodities that women informal cross-border traders sell, we found that women are highly involved in selling agricultural commodities across borders, but they're also selling manufactured goods, cloth, textiles, apparel, accessories, as well as cosmetics, kitchen and cooking appliances, electronic appliances, and handicrafts. And we found that they're pretty flexible and entrepreneurial in the commodities that they sell, and they'll typically add or change commodities that they're selling or bartering in response to a sudden opportunity or a shift in supply and demand patterns. So they're really adaptable in what they're selling and how they're selling.

We did find an interesting gender difference in terms of commodities in Malawi. Whereas women informal cross-border traders typically operate at a smaller scale than their male counterparts, with male ICBTs more

likely to deal in electronics and high-quality manufactured goods. So we did find in Malawi this gender difference in commodities as well.

Now, looking at the contributions that informal cross-border trade has in the lives of these women, we found that women traders, regardless of their marital status, control their own businesses, and are generally able to make decision-making control over the incomes derived from informal cross-border trade. And this is no small feat in the Sub-Saharan African context. And women informal cross-border traders said that they generally feel that because they're earning an income from their trade activities that they have increased decision-making capacity within the household and within their family because they were bringing in money.

All informal cross-border traders that we interviewed said that informal cross-border trade helps them provide for the basics of their household. And almost all the women included in fieldwork said that they used ICBT earnings to pay for their children's school fees. So, again, a link between trade and economic growth and education. And more general research has found that women's economic empowerment can have very significant contributions in family health, family nutrition, food security, and housing. And so I think it's pretty easy to make the case that all of the income from informal cross-border trade are also having impacts on health, nutrition, food security, and housing in the families of women informal cross-border traders.

We also found that ICBT had really important effects on women's self-esteem. Women saw themselves as economic agents and they were really proud of this role. They also said that, in general, they were respected within their communities and their households for being able to engage in trade and bring in incomes and support their families.

So now, expanding outwards, we're going to look more at the national and regional level. And we found that research by the United Nations found that ICBT can contribute between 30 to 40 percent of intrastatic trade. That's a huge statistic. So ICBT can contribute between 30 to 40 percent of intrastatic trade. And some research estimates that on average 60 percent of Africa's trade is informal. It also contributes — informal

cross-border trade contributes to government revenues via duties, licensees, and passport fees. And ICBT in Southern Africa is valued at \$20 billion a year. And it can also be seen as a coping and a resilience mechanism for unemployment and underemployment in the region. It offers flexible working conditions and a supplementary source of income. As I mentioned, many informal cross-border traders had other jobs. So this is an additional way to bring income into the household.

We also had an interesting finding at the Mwanza border post, where we talked to some police at the police station and they said that they feel like in that area ICBT actually helps reduce criminal activity, given the high unemployment rates, because it does provide another economic opportunity for people who otherwise wouldn't have a job and could resort to criminality.

Looking at food security, we found that ICBT plays a crucial role in food security, as informal cross-border traders typically trade from areas of surplus to shortage. Research from the African Development Bank found that between 2005 and 2006, when many countries in the region were experiencing critical food shortages, over 200,000 metric tons of foodstuff were traded informally during the year. And that helped lessen the impact of the food crisis. We also found that the fluidity and the exchange across borders and amongst populations and groups can also promote peace-building and conflict mitigation.

So I've talked a lot about the benefits informal cross-border trade. But we need to have a serious conversation about the constraints that informal cross-border traders, specifically women, encounter on a daily basis. And so I'm going to go over a number of these constraints. And I don't have notes on any of these constraints on my PowerPoint, so you're just going to have to listen to me.

[Laughs]. No slide for now. So, while the free trade area has helped ease border taxes in the COMESA region, there are still a range of taxes and charges, many of which are quite costly for traders. And because there are all these duties and fees to pay, this will often spur non-payment of taxes and duties or lead to under-declaring of goods, which definitely

leads to a lot of tension between informal cross-border traders and border officials. The traders we spoke to also complained about inadequate access to finance and financial resources and said that this was a chronic problem. According to research by COMESA, 80 percent of ICBTs can only obtain capital from informal sources such as rotating savings clubs in their communities. Only one-fifth of traders had access to bank loans, and 62 percent of these were men. So male traders are finding it much easier to access formal financing.

We found two main reasons for this lack of formal credit. One is that women traders rarely have the collateral required by the banks. They don't own their land; they don't own their property. And, two, we found that the seasonal and fluctuating income flow — as I mentioned, Ms. A does very different jobs and has very different patterns of work in the summers and the winters. And this makes it difficult for women to use standardized loan products that require regular payments. They need something much more tailored to the seasonal nature of their work.

Information and awareness was also found to be a critical constraint. And this was a key finding from our research: that there is an enormous information gap between informal cross-border traders and border agents. Our researchers observed a clear lack of posted customs rules and regulations at all the borders they visited. And the information that was available was not clear. In addition, as Sait mentioned, it's often not available in local languages, and that this can be pretty problematic for those with limited education, limited language fluencies, or those who are illiterate.

Many of the Malawi Revenue Authority's officials that we spoke to insisted that the customs rules and regulations are clear. They insisted this. But the informal cross-border traders that we spoke to said no, the rules and regulations are not clear to them, and they complained about being harassed and cheated and overcharged by the Malawi Revenue Authority officials. So clearly there is a disconnect between what the Malawi Revenue Authorities think and what the informal cross-border traders know.

We also found that informal cross-border traders misunderstand many of the rules and regulations. So, for example, Malawi — there's a duty exemption of \$300,000.00 Kwacha for people who have been out of the country for 48 hours and are bringing back goods for personal use. However, many informal cross-border traders believe that the regulation also applies to goods for business purposes. So they feel cheated when they're not given the exemption. Clearly they misunderstand the rule, but that's leading to a lot of tension and resentment between the informal cross-border traders and the border agents.

We also found that informal cross-border traders primarily depend on their own networks for information. They're not getting the information from formal sources. Looking at infrastructure — and this was also something that Sait highlighted in his introduction — we found that there is a dearth of affordable and safe accommodation for women who have to stay overnight at the borders. Many women sleep out in the open or in crowded dormitories. We also found that border posts lack decent storage facilities or waiting areas to help protect their goods. They'll stand in line for hours in the heat or the rain with no shelter, and this can ruin the goods they've just crossed the border to sell and trade or barter for. And this can also reduce profit margins for the traders and it can also lead to some hygiene and health issues if they are actually selling damaged goods.

We also found that there was an absence of banking facilities at the borders, and that traders often have to travel to nearby towns to withdraw funds to pay duties and taxes, adding to the time it takes to engage in cross-border trade.

Looking at transportation, we found that transportation is unorganized, undependable, and unsafe. A study by UN Women found that women ICBTs often experience theft of cash or goods on different forms of public transportation to and from the borders, as well as sexual harassment. The Botswana ICBTs that we interviewed also complained about reckless and drunken bus and truck drivers and frequent accidents.

Now, looking at corruption, a COMESA 2012 study found that more than 60 percent of women informal cross-border traders complained of significant corruption by officials seeking to extort bribes and kickbacks. And that this is a common practice to prevent goods from being confiscated at borders. At the Mwanza border in Malawi, we had both male and female informal cross-border traders and immigration officers saying that the border police in Mozambique will commonly seize the passports of Malawians and then request bribes to return them. So we actually had customs officials of one border saying that the corruption was happening at the other border.

And a pretty serious finding, and a very disheartening one, especially on International Women's Day, was the high rates of gender-based violence that women informal cross-border traders encounter on a practically daily basis. Both the literature and the Malawi fieldwork found that gender-based violence, including sexual harassment, sexual coercion, and sexual exploitation is widely pervasive at borders, and while in transit to and from borders. Border agents, maybe instead of asking for a kickback or a bribe, will demand sexual favors in lieu of that bribe, or in lieu of not confiscating goods. And all of the Malawi focus group participants that we included in our research said that this was common at the Mwanza border with Mozambique.

We also found that overcrowded accommodation — as I mentioned, women are often staying in these crowded dormitories — as well as overcrowded marketing facilities can also lead to gender-based violence, often by male police officers, by thieves, as well as other traders. A UN Women's study found that 20 percent of informal cross-border traders who slept out in the open experienced some form of gender-based violence. Eighteen percent of those who slept in crowded dormitories also experienced gender-based violence. Those are pretty high statistics.

We also found that women experience sexual, verbal, and physical harassment from transport operators. And in general, women ICBTs have very little recourse when they experience gender-based violence. And, overall — and this is incredibly depressing — that sexual exploitation, coercion, and harassment are just accepted to be a reality amongst informal cross-border traders.

And some are adopting a harmful coping mechanism to give them a little bit more leverage in these situations. So focus group participants described how some women will cultivate a girlfriend/boyfriend relationship with border agents because this will give her some space to negotiate the where, the when, and the what, and especially the with-whom in that sexual encounter. So one woman told researchers that if she's known to be in a girlfriend/boyfriend relationship with Officer X, his colleague and coworker, Officer Y, will be less likely to force her to engage in any sort of sexual act. So this is a way to protect themselves from other forms of gender-based violence.

I'm going to talk about another case study just to reiterate this point on gender-based violence in the lives of informal cross-border traders. And I'm going to highlight what Ms. B told us. So Ms. B is from Lilongwe. She has a tertiary diploma in business management, and she's been in business since she was a teenager. She actually became a model and started her own modeling agency in Lilongwe. And then, to facilitate her business, she began transporting cosmetics, clothes, and shoes from South Africa.

Other women began admiring her look, and she recognized that this was a business opportunity and began selling these products within Malawi. Initially, informal cross-border trade and trading these products and selling them was a sideline business. But it became quite profitable and high-demand in its own right. So she solidified her business relationships with different suppliers in South Africa and she became a regular cross-border trader. And since then, she's expanded to a wide range of other products as her customers have begun to request groceries, cooking products, phones, TVs, and even refrigerators. So she's now trading a ton of other goods in addition to these clothes and shoes and makeup.

She said that each new item requires new learning on how to get it across the border. And she also said that her trading business very quickly overcame her modeling business, and that's her primary source of income right now. She said that overall she makes a good living in her trade business, and this allows her to provide for her daughter. And she's also well-respected for her work.

Ms. B uses a small border crossing at Mulanje, as she says that this is the best crossing to get her goods across easily. When asked a little bit further about how she can get her goods across the border at Mulanje, she said that she's developed friendships with the different border agents. And that these friendships do come at a high personal cost. She indicated that she frequently experiences sexual harassment from the border agents who request or require sexual favors in order to let her get through with her goods. And she indicated that she typically complies with these requests, and she saw this form of sexual-based exploitation and gender-based violence as a necessary cost of doing business, and a trade-off for the economic success of her business.

She indicated that if she has to provide sexual acts to get her goods across, it was better to do it with someone on her own terms. So, consequently, she had a customs boyfriend, but said she was constantly walking this tightrope in negotiating their relationship and sexual encounters, and that it was really quite challenging.

So let's be clear. This is still gender-based violence. It's a coping strategy, and it's a means to assert just a little bit more agency in a bad situation. But it is by no means a solution to gender-based violence.

We also found — the UN Women's study — found that some informal cross-border traders will also trade sex for safe accommodation. And I mentioned before, if 18 percent of informal cross-border traders are experiencing gender-based violence in these dormitories, some women are saying, "Okay, well, I might as well pick the person I'm engaging in a sexual encounter to have safer accommodation if there's such a high risk in staying in these dormitories."

We also found that gender-based violence at the borders has some pretty negative consequences on how some women informal cross-border traders are perceived within communities. And as a result of these high rates of sexual exploitation and coercion, some women traders have to deal with the perception that they're promiscuous or sex workers. So

there's this backlash on women for having to deal with gender-based violence.

Looking at health as a constraint, we found that the lack of infrastructure at borders, including unhealthy water, sanitation, and lack of nutritious and hygienic food options can have some serious health implications. There's also high risk of malaria exposure at these borders, especially the fact that there's just a lack of accommodation, and most of the available accommodation does not have mosquito nets. Women informal cross-border traders travel long distances with heavy loads, often on foot or in cramped, overheated buses and trucks, and then they spend several hours waiting in long lines in the sun and the rain. And you know what? They do this while pregnant, too. And so that obviously can have some pretty serious health risks and consequences as well.

Women also said that there was just not much food available at the border that was nutritious, that was hygienic. And they complained of having a lot of negative health effects, like diarrhea and ulceration problems, because of the food available at borders. Women in ICBT are also at serious risk of contracting STIs and HIV/AIDS, especially due to the high rates of sexual harassment and gender-based violence at the borders and in transit to and from borders. And that's just contributing to these risks. And in addition, long-haul truck drivers are also classified as high-risk groups for HIV/AIDS, and women informal cross-border traders are frequently interacting with them as well.

The last constraint I'm going to highlight I found as pretty surprising actually. And we found that when informal cross-border traders feel overwhelmed by the border challenges that I just talked about — when it just seems like too much for them to deal with — they sometimes resort to informal bush border crossings that're often pretty high-risk in their own right. In northern Botswana, informal cross-border traders from Zambia and Zimbabwe will often bypass the formal borders to try to avoid a lot of the constraints I just highlighted, and they'll utilize informal crossings that also happen to be wild animal corridors. So in these wild animal corridors, there are large predators, including lions and hyenas as well as dangerous elephants. And that also exposes informal cross-border traders to a pretty serious risk.

We also found that informal cross-border traders are more likely to use these corridors at night to avoid being seen and reported by other people. But that also significantly adds to their risk. So a lot of these women are putting themselves at risk by using these informal border crossings because they're so desperate to avoid some of these other constraints that I mentioned.

But I'm going to end on a more positive note and talk about some of the recommendations and opportunities. And I encourage everyone to visit the report, which I think is now online, on Agrilinks and Microlinks. And the report has a recommendations section at the end. And it also goes into a lot more detail on all the constraints I just highlighted.

So one recommendation was to address infrastructure challenges in the areas of transportation, health, and border facilities. So we recommend forming public and private sector partnerships to provide better storage facilities, adequate accommodation, water and sanitation, banking facilities, and a lot of the other infrastructure-based constraints. We also felt it was important to fulfill ICBTs' right to information by clearly posting information on regional trade agreements and protocols and specific rules and regulations on each border in places that're clear and easily accessible and in ways that are easily digestible to women with limited education, limited literacy. We also felt it was important to make paper copies available and make sure that information is translated into local languages.

We also felt that it was important to support stronger communication with informal cross-border traders and trade officials, particular border agents. Throughout my presentation, I've highlighted how there's just a disconnect and a breakdown in dialogue and communication and understanding between informal cross-border traders on one hand and then the trade and border officials that they're interacting with on a daily basis on the other hand. We want to promote stronger communication and dialogues to reduce knowledge gaps, promote better understanding of relevant policies, and to reduce opportunities for bribe-seeking. We also think it's important to build this dialogue to help reduce misperceptions, reduce tension, and reduce miscommunication. Because

our research found that there's just a lot of tension between the informal cross-border traders and the border officials at the front lines.

And we thought this in particular was a significant opportunity for the Southern Africa Trade and Investment Hub, as well as any other projects that're working directly with border agents. If you already have a working relationship with border agents — like the Southern Africa Trade Hub, the past product had created joint border committees — we said, "Leverage these relationships to do some work on informal cross-border trade and promote improved dialogues and communication." We also thought it was important to create forums where ICBTs can discuss, receive support, identify constructive solutions to misconduct, to corruption, to gender-based violence and other constraints.

And a key recommendation was to address gender-based violence and harassment through rights awareness campaigns, forums, and support mechanisms, looking at informal cross-border traders, but then on the other hand, also leveraging relationships and activities with border agents to provide culturally sensitive training for border agents on appropriate and inappropriate behavior when interacting with ICBTs. And we thought it was really important to also look at the other side: not just work with women to reduce gender-based violence, but work with the border agents, and use strong and clear messaging about misconduct and consequences, and then work with trade officials to make sure that there is some follow-up in terms of consequences when gender-based violence occurs. And along the lines of what Sait said earlier, it's also important to make sure that there are women border agents at the borders.

We also recommended working with existing national and regional ICBT associations and help form new associations where they don't exist. This support can be administrative, logistical, technical, financial, it can also include capacity building. But we felt that working with informal cross-border trade associations can have some pretty significant advantages for women ICBTs and make it a lot easier to provide support services to a wider group of informal cross-border traders. It's a way to tap into networking and information-sharing.

By working with associations, traders can have a coordinated and more effective approach to policy-making and lobbying, and lobby for a more conducive operating environment at the border. It's also, serving on these committees and associations can also be a way for women to hold leadership positions. And it's really important to get women in those first leadership positions. And then, using those leadership positions, they can articulate women-specific ICBT issues with stakeholders.

In working with associations, it also could be an opportunity to provide some targeted savings and loan opportunities for women informal cross-border traders. As I mentioned before, access to finance was a key constraint. And so we thought that perhaps national ICBT associations could collaborate with some of the better-established MFIs to develop a microcredit program that provides short-term working capital but that's designed specifically with the flexibility to accommodate traders' uneven business cycles.

In addition to these recommendations, we also thought it's important to facilitate access of informal cross-border traders to trade fairs, skill-building opportunities, cooperatives, and social safety nets. And we also thought it was important to do further research with frontline border officials. We were only able to talk to a limited number of border officials in our research, and feel like this is another opportunity to learn more.

So just as a quick wrap-up before we do questions, the key takeaways is that ICBT in the African context is fluid, it's efficient, it's widespread, and provides an income source for a huge percentage of Africa's population. Looking at women informal cross-border traders, they're heads of households, they're responsible for children and numerous other dependents, and they have many other jobs and roles. ICBT contributes to family health, food security, housing, and it also has some pretty big benefits on women's self-esteem and respect.

But ICBT also has some much bigger regional and national contributions within Southern Africa, contributing between 30 and 40 percent of

SADC trade, helping to address unemployment, underemployment, and food security.

But there are a lot of constraints that we need to be addressing in our development programming and working with governments and border agents to address. And we're hoping that a lot of our recommendations on infrastructure, communications and training, the regulatory environment, opportunities for further research and direct support will be adopted and taken up.

And one thing that is exciting to announce is that we're hopefully going to be able to somewhat expand on this research and work with the Southern Africa Seed Trade Project to do a larger assessment over this next year, looking at women's role in the seed trade in Southern Africa. And I think that momentum to do this even larger piece of research very much came out of this research. So it's nice to see this research already leading to a more advanced conversation on women in informal cross-border trade. So thank you.

*[End of Audio]*