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Trade facilitation measures to enhance women's participation in cross-border trade in BBIN

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Working Paper No. 350

**Trade Facilitation Measures to Enhance
Women's Participation in Cross-border
Trade in BBIN**

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January 2018



INDIAN COUNCIL FOR RESEARCH ON INTERNATIONAL ECONOMIC RELATIONS

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Abbreviations and Acronyms

BBIN	Bangladesh-Bhutan-India-Nepal
BSF	Border Security Force
CBT	Cross Border Trade
CBEC	Central Board of Excise and Custom
DFAT	Department of Foreign Affairs and Trade
DTIS	Diagnostic Trade Integration Study
EIF	Enhanced Integrated Framework
FLFP	Female Labour Force Participation
GATT	General Agreement on tariffs and Trade
GEOAT	Gender Equality Organizational Assessment Tool
HMC	Haat Management Committee
ICP	Integrated Check Post
ICRIER	Indian Council for Research on International Economic Relations
ICT	Information and Communication Technology
LCS	Land Customs Stations
LDC	Least Developed Countries
MoU	Memorandum of Understanding
MVA	Motor Vehicle Agreement
NER	North East Region
NTFC	National Trade Facilitation Committees
PTA	Preferential Trading Agreement
SAARC	South Asian Association for Regional Cooperation
SDG	Sustainable Development Goals
SDT	Special and Differential Treatment
TTFA	Trade and Transport Facilitation Assessment
TFA	Trade Facilitation Agreement
UNDP	United Nation Development Programme
USD	United States Dollars
WCO	World Customs Organization
WMSME	Women Micro, Small and Medium Enterprises
WTO	World Trade Organization
WTR	World Trade Report

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Abstract

Trade facilitation measures improve the trading environment by reducing transaction costs and thereby increasing the gains from trade. Although the use of trade facilitation measures for tackling trade bottlenecks has gained traction in recent times, one aspect which remains largely unexplored is the importance of gender sensitivity in trade facilitation. The gender dimensions of trade facilitation and logistics have largely been examined in sub-Saharan Africa. In South Asia, however, not much attention has been given to understand the gender impact of services involved in trade facilitation like customs and border management, logistic services, trade infrastructure and transportation.

The practice of employing gender differentiated filters on trade policies, port-level procedures, infrastructure planning, and design of trade promotion programs is almost non-existent in South Asia. The neglect of gender specific constraints and impediments within the overall frame of trade facilitation has serious implications not just for women's empowerment but also for productivity and growth potential of these economies.

The current paper is part of a systematic initiative to develop an analytical framework to identify the challenges and impediments faced by women in engaging in cross-border trade, with particular emphasis on demonstrating the importance of gender mainstreaming for trade facilitation measures in South Asia. The focus of the study is on the Bangladesh-Bhutan-India-Nepal (BBIN) region – specifically on the North-East region of India and Northern region of West Bengal and its cross-border trade with Bangladesh, Bhutan and Nepal.

Keywords: India, BBIN, Trade Facilitation, Gender

JEL classification: F10, F15, J16, R49

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Trade Facilitation Measures to Enhance Women's Participation in Cross-border Trade in BBIN

Nisha Taneja, Sanjana Joshi, Shravani Prakash, Samridhi Bimal

1. Introduction

Trade facilitation measures improve the trading environment by reducing transaction costs and thereby increasing the gains from trade. Although the use of trade facilitation measures for tackling trade bottlenecks has gained traction in recent times, one aspect which remains largely unexplored is the importance of gender sensitivity in trade facilitation. The gender dimensions of trade facilitation and logistics have largely been examined in sub-Saharan Africa. In South Asia, however, not much attention has been given to understand the gender impact of services involved in trade facilitation like customs and border management, logistic services, trade infrastructure and transportation. Little attempt has been made to purposefully identify and address the needs of women in trade. This neglect of gender specific constraints and impediments within the overall frame of trade facilitation has serious implications not just for women's empowerment but also for productivity and growth potential of these economies.

The current paper is part of a systematic initiative to develop an analytical framework to identify the challenges and impediments faced by women in engaging in cross-border trade, with particular emphasis on demonstrating the importance of gender mainstreaming for trade facilitation measures in South Asia. The focus of the study is on the Bangladesh-Bhutan-India-Nepal (BBIN) region – specifically on the North-East region (NER)¹ of India and Northern region of West Bengal (henceforth referred to as North Bengal) and its cross-border trade with Bangladesh, Bhutan and Nepal.

The various definitions of trade facilitation can be grouped into two main categories - broad and narrow (WTR, 2015). The narrow definition limits trade facilitation to the simplification and rationalization of custom clearances, trade documentation procedures and administrative operations. In its broader sense, the definition takes into account all the procedures and services involved in the international supply chain between the seller and buyer like trade finance, e-commerce, and logistics services, business facilitation along with behind-the border measures like products standards and conformity assessment measures. In this paper, we adopt the broader working definition of trade facilitation measures to include simplification and rationalization of customs and trade procedures, reducing impediments related to logistics and transport services, improving trade infrastructure and port efficiency, and assisting exporters/traders in complying with export/import requirements and building their capacity to benefit from cross-border trade.

¹ North-east India comprises the 8 states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura.

The trade facilitation agenda which, focuses on implementing measures to reduce the costs of cross-border trading and improving operations of global, regional and local supply chains, represents a significant opportunity for countries to realize their economic development and poverty reduction goals (Higgins 2102). Therefore, trade facilitation can be an effective and powerful tool for women's empowerment and improving the economic status of women. In this regard, BBIN countries can especially use the provisions under the WTO's Trade Facilitation Agreement (TFA) that aims at expediting the cross-border movement of goods and sets out measures for effective cooperation between customs and other authorities on trade facilitation and customs compliance issues. Many trade facilitation measures contained in the TFA would also directly contribute to meeting the UN's Sustainable Development Goals (SDGs) that all BBIN members have adopted and which have a direct positive impact on women (WTO, 2017).

The study makes use of "mixed methods", based on secondary sources and primary information collected through field surveys. Secondary sources include published papers, data and government policies, agreements, regulations and protocols. To elicit information on the extent of women participation in cross-border trade and the impediments faced by them in the BBIN region, field surveys were conducted in the states of Meghalaya, Tripura and in North Bengal.² The surveys were done during January and July 2017. Face to face interviews, focus group discussions, and stakeholder consultations were held formally and informally importers, exporters, and freight forwarders, clearing agents, government officials at the state and centre levels.

The study also draws from the proceedings of the Gender & Trade Facilitation Workshop conducted as part of the project³. The workshop convened a wide range of participants, mostly women, representing the trading communities, government agencies, researchers, business associations, and civil society organizations from across the BBIN countries. The participants sketched out the scale and nature of the problems related to participation of women in cross border trade in the BBIN region and identified steps that can be taken forward by a diverse set of stakeholders, including donor agencies, scholars, women entrepreneurs, civil society groups, and the governments.

The second section of the paper outlines the need and importance of the gender perspective of trade facilitation for the BBIN region. In Section 3, we outline a set of diagnostic tools that are available for addressing gender equality in trade facilitation. In Section 4, we outline the key characteristics and trade facilitation issues in formal trade (through Land Customs Stations and border haats) and informal trade in the BBIN region. This section also summarises the available evidence of participation of women as well as the challenges faced

² Primary surveys were carried out at Land Customs Stations in Dawki in Meghalaya, Guwahati in Assam and Panitanki, Phulbari and Jaigaon in North Bengal. We also surveyed four border haats in Tripura and Meghalaya along North-East India's border with Bangladesh. Key informant interviews were held with several stakeholders in Siliguri, North Bengal, Assam and Meghalaya.

³ Practitioners' Workshop: Trade Facilitation Measures that Support Cross Border Trade by Women in BBIN organized in New Delhi on April 27-28, 2017 by ICRIER in partnership with Australia's Department of Foreign Affairs and Trade (DFAT), The Asia Foundation and with support from the World Bank Group.

by them in the formal and informal channels of trade. In the final section, we outline the recommended areas of intervention and measures needed to address the gender issues of trade facilitation that can be implemented in the BBIN region.

2. Importance of Examining Trade Facilitation and Gender Dimensions in BBIN

The Bangladesh, Bhutan, India, Nepal (BBIN) sub-regional initiative is envisioned to improve economic cooperation and connectivity among the member countries⁴. It was established to expedite measures to enhance cross-border trade and interconnectivity in South Asia.

The practice of employing gender differentiated filters on trade policies, port-level procedures, infrastructure planning, and design of trade promotion programs is almost non-existent in South Asia. Reliable quantitative descriptions of the scale of the problem are missing and policy-informing narratives that help to design interventions on the ground are also not readily available. Government agencies, business associations, civil society organizations, and trading communities themselves are not in a position to clearly articulate a prioritized list of interventions that they would like to see on the ground. Therefore, there is a need to examine the gender dimensions of trade facilitation in the region.

This gender analysis is especially important for the BBIN region for three key reasons:

- **First**, trade facilitation has become an important reform agenda for the BBIN countries as Bangladesh, India and Nepal are signatories to the WTO's Trade Facilitation Agreement (TFA). The TFA contains provisions for expediting the movement, release and clearance of goods, including goods in transit. How women traders might effectively participate in and benefit from TFA technical assistance and capacity building measures is an important factor for further consideration.

Many trade facilitation measures contained in the Agreement also directly contribute to meeting the UN's Sustainable Development Goals (SDGs), such as ensuring access to the internet (SDG 9), reducing corruption and bribery (SDG 16.50 and formalization and growth of micro, small and medium-sized enterprises (SDGs 8.3 and 16.5). All of these have a direct positive impact on women (WTO, 2017).

- **Secondly**, sub-regional integration in South Asia between Bangladesh, Bhutan, India and Nepal has assumed considerable importance since 2015 with all of the BBIN countries signing the Motor Vehicle Agreement (MVA). The three neighbouring countries of Bangladesh, Bhutan and Nepal are closely connected with North-east India which comprises the 8 states of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura. A key benefit of the BBIN MVA would be the improvement in connectivity of the North East with the rest of India as well as the

⁴ Bhutan, Nepal, North Bengal and NER are landlocked. Four North- Eastern states – Tripura, Mizoram, Assam, and Meghalaya share a common border with Bangladesh. Assam and Arunachal Pradesh share a common border with Bhutan. North Bengal shares a common border with Bangladesh, Bhutan and Nepal. Assam and Sikkim in the North-Eastern region Nepal and Bangladesh through North Bengal in India.

neighbouring countries and thereby provide impetus to overall economic development in the region.

Trade facilitation is at the core of this arrangement with the objective to allow a smooth, seamless and predictable movement of passengers and cargo in the sub-region. It is expected that the BBIN MVA could increase intra-regional trade within South Asia by 60 percent and with the rest of the world by 30 percent (MEA 2015).

The process of designing protocols for the implementation of the MVA in the BBIN sub-region is underway and to this end, governments are actively engaging with stakeholders to gather feedback on the design of the protocols. It is therefore, vital that there should be adequate representation of women entrepreneurs and small-scale traders in these consultations so that their interests and requirements are considered before finalising the protocols and policies. Moreover, the domestic policy measures taken by each country can further be integrated into a synchronized regional agenda for gender responsive trade facilitation measures.

Map: India's Northeast States and the Bordering Countries



- **Thirdly**, the emphasis on gender dimension in trade facilitation assumes even greater significance in the context of the host of initiatives that most South Asian countries have unveiled in recent years to promote women entrepreneurship along with talk of forming a SAARC Convention on Promoting Women Entrepreneurship. Including the gender dimension in trade facilitation would complement these initiatives and in fact has the potential to be a key driver for women's socio-economic empowerment. According to the *ILO World Employment and Social Outlook: Trends for Women 2017* while globally the labour force participation rate for women is 49.4 percent, in Southern Asia it is only

28.6 percent as women are systematically affected by gender-based violence, salary gaps, and occupational segregation. In fact over the past decade Southern Asia has experienced the largest widening of the gap between the male and female labour force participation rates of all regions. The gap increased by around 2.1 percentage points from 2007 to 2017, resulting in a gap of 50.8 percentage points in 2017.

3. Diagnostic Tools to Identify Gender Differentiated Constraints in Trade Facilitation

There are a number of diagnostic tools which help in identifying trade facilitation and logistics bottlenecks in global supply chains. The World Bank developed the *Trade and Transport Facilitation Assessment (TTFA)* tool to identify factors that contribute to transaction costs on the basis of which trade facilitation measures are suggested. Similarly, corridor diagnostic studies and border audits have been conducted to cover areas such as corridor transit and transport cost, physical impediments, process constraints and institutional and regulatory constraints. However, these tools do not take into account gender differentiated constraints.

The *Diagnostic Trade Integration Studies (DTIS)* designed under the *Enhanced Integrated Framework (EIF)* is perhaps one of the few diagnostic tools which make explicit references to challenges faced by women when assessing trade facilitation supply chains in terms of infrastructure support, non-infrastructure support and transport policies.

More recently, in a bid to highlight the gender-dimension in the ease of doing business for women entrepreneurs and workers, the *2017 Doing Business Report* by the World Bank has for the first time added a gender perspective to 3 of the 11 indicators that are used to measure the distance to frontier score and ease of doing business rankings. These three indicators are - starting a business, registering property and enforcing contracts. The findings of the doing business report indicate that in twenty- three economies, women are subjected to more procedural activities to start a business than men and in sixteen economies restrict women to own, use and transfer property. In addition, in seventeen economies, the civil courts don't give equal weight to a woman's testimony in comparison to that of a man.

Similarly UNCTAD has developed a *Trade and Gender Toolbox* to provide a systematic framework to evaluate the impact of trade reforms on women and gender inequalities prior to implementation of those reforms. The toolbox has four main components: (i) descriptive analysis of gender inequalities and the economic context of the country at stake; (ii) quantitative analysis of the expected consequences of the trade reform on the economy (e.g., exports, GDP, sectoral labor demand) and on women's participation in the economy in particular; (iii) a checklist for gender-sensitive accompanying measures and monitoring indicators; and (iv) a Trade and Gender Index.

From the standpoint of trade facilitation, however, perhaps the most significant initiative has come from the World Customs Organization (WCO) which has prepared a *Gender Equality Organizational Assessment Tool (GEOAT)* for Customs administrations to assess their

current policies, practices and activities to address gender equality issues. The objective of the assessment tool is to ensure that gender is duly mainstreamed in the design and implementation of WCO capacity building programs supporting Customs reform and modernization processes. The WCO has been at the forefront of designing Conventions and other tools standards to simplify customs policies and procedures- the most prominent of them being the Revised Kyoto Convention.

We feel that that there is a compelling case for the BBIN countries to adopt the toolkit designed by WCO to help members mainstream gender equality in customs reform and the modernization process. BBIN countries are members of the WCO and signatories to the Revised Kyoto Convention. BBIN countries therefore are committed to the guidelines laid down in the Revised Kyoto Convention to undertake reforms and hence should be amenable to introducing the gender dimension by adopting the Gender Equality Organizational Assessment Tool (WCO, n.d)

The assessment tool examines five key principles related to organizational development which contribute to gender equality, including Employment and Compensation; Work-life Balance and Career Development; Health, Safety, and Freedom from Violence; Governance and Leadership; and Customs Administration and Stakeholder Relations.

For our study, we base our analysis on the 5th principle related to customs administration and stakeholder consultations, which has three elements - Customs Policies and Procedures, Border Operations and Stakeholder Relations. The GEOAT provides indicators in each of these three elements that would guide customs authorities. We have selected the ones directly relevant to this study as below:

A. Customs Policies and Procedures

Even though the custom policies and procedures have been simplified by many countries, they are not fully understood by small informal traders who are mostly women. Most customs administration authorities make little attempt to communicate this information effectively to these small traders in a transparent way.

Customs Policies and Procedures Indicators

Are all the men and women, regardless of the background, treated equally with respect to custom policies and procedures?	Does the customs administration make effective use of technology and address the differentiated impacts of technological reforms in custom procedures on women and men?	Is it made sure that women traders, through various associations of women traders, are provided with relevant and updated information on custom policies and procedures?
Are customs procedures simplified according to national legislation, to enable the informal cross border women traders to carry out trade without any hindrance?	Are these small traders encouraged to make use of the exemptions and preferential tariff bands, if there are any?	Are there any efforts being made to organize training and familiarization workshops on all the custom policies and procedures for women traders?

B. Border Operations

Border management consists of customs, immigration, police and military officials who are mostly men, thereby creating an intimidating environment for women traders as well as increasing risks of sexual harassment.

Border Operations Indicators

Are men both men and women treated with equal respect and dignity at the border? Are there any safe means for women and men to report any wrongdoings at the border?	Does the administration make any effort to make the border a safe place for both men and women? Is it made sure that physical inspections are carried out by female customs officials on women traders?	Does the administration make sure that all service standards and key information on custom procedures is clearly visible at the border and that it does not contain any gender or diversity bias?
Do constructive and structured dialogues take place with the private sector regarding gender equity policies, programs and activities?	Is there a provision to enable the employees to undertake their functions such as inspection procedures in a gender sensitive manner?	Is there provision of proper infrastructure (also accessible to public) at the border for female customs officials like accommodation, changing rooms and toilets?

C. Stakeholder Relations

It is required that the customs administration should hold consultation with customs brokers, leading importers/exporters, industry/trade associations, logistics firms and cross-border traders in order to factor in the various concerns and interest of women in trade.

Stakeholder Relations Indicators

Are there consultations held with a broad range of stakeholders especially those representing the interest of women traders?	Are efforts being made to ensure that customs and women's associations interact frequently and constructively? Does the administration support the work of women traders' associations through information, education and communication campaigns?	Is there a provision for an unbiased, non-retaliatory complaints policy and procedure for all the suppliers, customers and third parties with 24/7 access and anonymity of the person making complaints?
Also, are the complaints grouped into categories using gender and diversity group disaggregated data?	Are the gender-related issues, which generate from the interaction between the stakeholders and customs, addressed properly to avoid harassment and intimidation of customs officers or by customs officials?	Is there an active cooperation and engagement between the other government institutions working at the border for the harmonization of gender related policies within the border operations?

This list of selected indicators and related questions from the GEOAT are easily applicable in the case of BBIN and can serve as an important framework for future work on analysing the gender dimensions of trade facilitation within BBIN.

4. Cross-border Movement of Goods in the BBIN Region and Issues that Hinder Greater Women's Participation

Trade across borders from India's Northeast region and North Bengal takes place largely by road. In the regional context on which we are focussed, it is useful to base the analysis on a classification of cross border trade into three different categories - formal trade through Land Customs Stations (LCS); formal trade through border haats and informal trade.

The characteristics and key issues related to trade facilitation which need to be examined in these three categories are discussed below. The extent of participation of women in different categories of trade was examined by collecting data from the field surveys. We have identified major impediments and barriers that hinder the participation of women in cross-border trade in the region, and also assessed how gender responsive are the trade facilitation measures.

4.1 Formal Trade through Land Customs Stations (LCS)

Formal trade is officially recorded trade which is included in the national trade statics. It takes place through Land Customs Stations (LCS) along the North-eastern and North Bengal border and through inland waterways.

In total, India has 136 notified LCSs⁵. The table below provides a list of functional LCSs in the North-Eastern Region and North Bengal through which cross border trade with Bangladesh, Bhutan and Nepal is taking place presently (Table 1). The main products exported through these LCSs are parts of generators, flat rolled products, fresh products: neither crushed nor ground and stone boulders. The major products imported through these LCSs are portland cement, fruit juice based drinks, knitted or crocheted fabric, and ferro-silicon.

⁵ Notification No. 63/1994-Cus (NT), dated 21/11/1994

Table 1: Export & Import from Functional LCS in NER & North Bengal on borders with Bangladesh, Bhutan and Nepal (in US\$ million)

State	LCS in India	Exports (2016-17)	Imports (2016-17)
BANGLADESH BORDER			
Assam	Dhubri Steamerghat		
	Golakganj	1.17	
	Guwahati Steamerghat		
	Karimganj Steamerghat	2.34	0.005
	Mankachar	0.18	0.14
	Sutarkandi	6.90	10.72
Tripura	Agartala		20.99
	Dhalaighat		
	Khowaighat		
	Manu	0.20	1.38
	Muhurighat		4.17
	Old Ragnabazar		0.05
	Srimantapur	0.37	8.65
Meghalaya	Baghmara	0.02	
	Bholaganj	7.47	
	Borsora	41.15	
	Dalu	1.23	0.20
	Dawki	17.17	
	Ghasuapara		
	Mahendraganj	0.76	1.46
	Shellabazar	36.54	
West Bengal	Phulbari	9.62	0.32
	Changrabandha	15.89	18.51
BHUTAN BORDER			
Assam	Darranga		
	Hatisar	85.65	4.71
West Bengal	Jaigaon	398.68	122.76
NEPAL BORDER			
West Bengal	Panitanki	152.12	43.15

Source: Directorate General of Commercial Intelligence and Statistics (DGCI&S), Ministry of Commerce and Industry, Government of India

However, despite the large number of trading points for cross border trade, the existing infrastructure available with customs, immigration and other regulatory agencies at these LCSs is inadequate. Moreover, all regulatory and support functions are not available in one complex. Even when located in close proximity, there is no single agency responsible for co-ordinated functioning of various government authorities/service providers. The requirement of transshipment in transport protocols amongst these countries does not permit seamless transportation of goods across borders. A restriction on the size of trucks and on the movement of containerised vehicles further raises transport costs. Movement of trucks during specific timings also poses a problem to cost-efficient movement of goods across borders.

Customs procedures continue to be complex and time consuming (Taneja, Bimal and Dayal, 2016; ICRIER Survey 2017; ADB 2014; Roy 2013). The governments in the sub-region are in the process of undertaking reform measures but several of these measures are yet to be implemented at the land borders.

4.1.1 Participation of Women in Formal Trade through Land Customs Stations

One of the biggest limitations that have constrained analysts in taking into account the gender dimensions of trade facilitation is the absence of data available on women entrepreneurs and traders engaged in cross border trade. There is also no data on women's involvement in providing trade facilitation and logistic services such as transport, warehousing, freight forwarding, and customs clearance. In the context of South Asia, there is only one study – UNDP (2016) - which makes a reference to the gender aspects of trade facilitation. The study in the survey of 946 women led micro, small and medium enterprises (WMSME) in India, Pakistan, Bhutan, Bangladesh, Nepal and Sri Lanka found that women constitute only 8.5 per cent of those engaged in international trade. The report also noted that women entrepreneurs find it difficult to deal with male entrepreneurs in the partner countries as they are reluctant to enter into commercial partnerships with women entrepreneurs.

Our survey showed that the extent of participation of women in cross border trade in the Northeast region of India and in North Bengal was extremely low and was in fact much lower than the Indian hinterland. The survey also indicated that there are hardly any women involved in providing logistic services such as transport, handling, compliance and clearance. Logistics services at the LCSs are almost exclusively managed by men.

The surveys identified the following impediments that women traders face:

- **Starting a Business is Cumbersome** - Women involved in the early stages of setting up a trade business often struggle at the entry level itself to procure an export-import code number which gives them the license to export. Even though this system has been made online, it is still very inefficient and combined with poor internet connectivity makes it difficult for the women to get through the first step.
- **Lack of Information** - Another reason why women are reluctant to participate in cross-border trading is that they do not have information on trade procedures and rules and regulations related to international trade. In fact, we found that women traders were not aware of the BBIN MVA, its implementation and its benefits.
- **Dealing with Male Officials** - Women also faced considerable difficulties dealing with customs and trade officials, who are usually males⁶. The need to pay bribes to officials is quite prevalent, especially since most women lack knowledge about the rules and their rights; they are forced to make additional payments to the officials for processing their trade related documents.

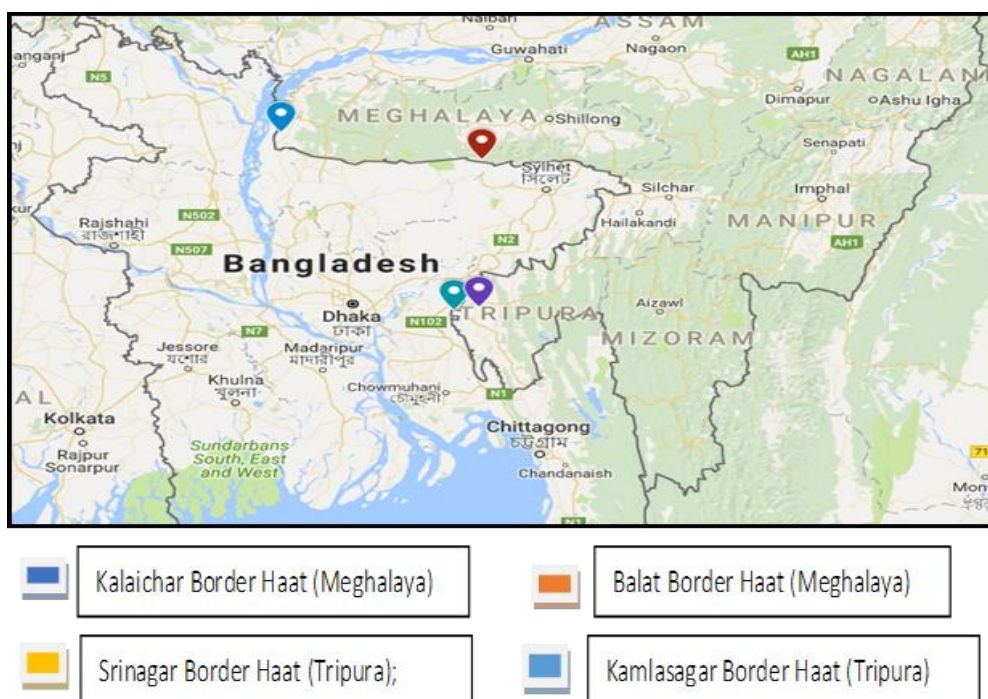
⁶ Though, at the better equipped LCSs a woman constable is on duty especially for frisking.

- **Accessing Cross-border Markets** - Women face many problems when attempting to sell goods across borders. For instance, women are also not able to find ways of marketing their goods across borders, especially because of the difficulty they face in making marketing trips across the border. They also find it difficult to process payments.
- **Need for Intermediaries** - To avoid the above stated problems, female traders and entrepreneurs tend to hire intermediaries, who are mostly men. Dealing with them adds to the costs as well as the hassles. The additional fee that has to be paid to the intermediaries often cuts into the profits of these women traders.
- **Women Traders are Not Organised** - We also found that business and traders associations around the border areas were largely male dominated and women entrepreneurs and traders are not organized enough to be able to jointly voice their concerns.

4.2 Formal Trade through Border Haats

Formal trade also takes place through border haats (markets). These markets have been set up formally by the governments of India and Bangladesh.. Traders are issued legal permits to trade in border haats. However, even though trade is recorded it does not enter the national trade statistics.

Map: Operational Border Haats on India-Bangladesh border



Border haats are once-a-week makeshift bazaars/market enterprises at certain specified points on zero lines of the India-Bangladesh border to allow people residing near the border of both the countries to trade with each other without having to pay any customs duties. They are established as per a Memorandum of Understanding (MoU) signed between India and

Bangladesh in 2010. Four border haats are currently in operation - Kalaichar and Balat at the Meghalaya-Bangladesh border and Kamlasagar and Srinagar at the Tripura-Bangladesh border. In 2016 both Governments have agreed to establish two more border haats in Tripura and four more border haats in Meghalaya on the India-Bangladesh border.

Each border haat is managed by a five-member Haat Management Committee (HMC) headed by the Additional District Magistrate and constituting one member each from the customs, police, border security force and a village/union level local government representative.

Border haats permit vendors (sellers) and vendees (buyers) residing within a radius of 5 km to trade in the haat. The number of vendors was initially restricted to 25 each from both the sides. However, in April 2017, the number of vendors was increased to 50 each from both the sides. There is no restriction mentioned in the MoU regarding the number of vendees and each HMC decides on the number of people who get the license to buy in the haat. The MoU only notes that the number of vendees will be regulated to ensure that the haats are not overcrowded.

A single buyer was initially allowed to purchase goods up to a limit of USD 50. The limit has now been raised to USD 200 on a given market day.

Items permitted for trading in the haat include vegetables, food items, fruits, spices, minor forest produces e.g. bamboo, bamboo grass, and broom stick but excluding timber, products of cottage industries, small agriculture household implements e.g. dao, plough, axe, spade, chisel, etc and garments, melamine products, processed food items, fruit juice, etc. Earlier the MoU permitted only 'locally produced' goods to be traded in the haats but in May 2012, an addendum to the mode of operation of border haats was signed between the commerce ministries of the two countries which has removed the word 'locally produced'. The commodities are allowed to be exchanged in local currency and/or on a barter basis.

4.2.1 Participation of Women in Formal Trade through Border Haats

Our surveys at the four border haats revealed that women's participation is perceptible and in fact gradually over time the interest among the local women to take part in the haats has risen significantly. For example only one woman applied for a vendor licence initially at Kalaichar. According to her currently she gets approximately Rs. 2000 to 2500 more per bag of beetel nut (weighing 20-25 kg) at the haat than the local market. Not surprisingly motivated by her experience today many other women from the area want a vendor licence. Indeed local women are quite vocal in adding their voice to the demands to increase the number of licenses issued and increase the participation radius from 5 km to 10 km.

As of March 2017 there is 1 woman vendor in Kalaichar, 8 women vendors in Balat, and none in either Kamlasagar or Srinagar haats. In terms of number of vendees there are 300 women participants at Kamlasagar (30 percent of total number of vendees), around 800-1000 at Srinagar (20 percent of total number of vendees), 26 at Kalaichar (13 percent of total

number of vendees) and 1862 licensed women vendees at Balat (53 percent of total number of vendees).

The table below provides the current data with regard to women's participation in the border haats as buyers (vendees) and sellers (vendors):

Table 2: Profiling of Vendors and Vendees: Comparison of the Four Border Haats

Operating Guidelines		Kamalasagar	Srinagar	Kalaichar	Balat
Licensing of Vendors (Sellers)	No. of licensed vendors	22	27	25	25
	No. of women	None	None	1	8
Licensing of Vendees (Buyers)	No. of licensed vendees	1002	3971	200	3513
	No. of women	300	800-1000	26	1862

Source: ICRIER Survey 2017

Interestingly it is the pressure from the local women that spurred the HMC to evolve innovative measures to increase participation at the weekly haat. From 2013 onwards 50 vendors were selected every year. The first 25 and the last 25 vendors were rotated weekly to participate in the market so that each vendor got to sell his/her products at least twice a month. Now of course with the two governments agreeing to raise the number of vendors to 50 all of the selected vendors at Balat take part in the haat every week. Similarly with regard to the vendees the haat follows the principle of staggered and time bound entry – the vendees queue up at the entry gate and on a first come basis 150 vendees are allowed to go into the haat for one hour at one point.

At Kamalasagar and Srinagar haats a number of women are also entering the haats as visitors. In fact, the proportion of women visitors was almost 50 per cent from the Indian side at the time of the survey. There is no restriction on the number of visitor passes issued and these visitor passes are issued at the haat entry itself. Authorities just try to ensure that the haat does not get overcrowded. Neither is there much scrutiny of the volume of goods being purchased by the visitors so in effect a lot of visitors are de facto vendees.

The survey revealed the following set of hurdles which if addressed would enhance participation of women at the border haats:

- **Selection Process for Granting Licences**

In terms of the selection process notably the Haat Management Committees at 3 out of 4 places - Kamalasagar, Srinagar, and Balat had no women members. Only at Kalaichar the designated district administration officer at the time of the survey happened to be a woman. Moreover, the process of selection of vendors and vendees is quite opaque and in all the haats the bureaucracy appears to defer to the recommendations of the village headmen or

panchayat samitis (elected representatives at the village level). The lists of the participants (vendors and vendees) have been renewed from time to time but the majority of the vendors and vendees in the lists has remained the same every year.

- **Infrastructure Deficit**

The physical connectivity to the border haats is extremely poor. The access roads are narrow and in bad shape with worsening conditions during rains. At Kamasagar, transportation is available only up to the first gate of the haat and goods have to carry manually to the haat and from the haat back to the gate. Most haats do not have separate toilets for women. The haats have no electricity which means the trading sheds have no fans. There is poor mobile and internet connectivity at the haats. As a result, the idea of not being able to be in touch with family members due to poor network connectivity deters women from coming to the haats. The banking facilities at the haats are either poor or non-existent. For example at Kalaichar on many market days there is no bank official present on the Indian side due to the short staffing at the main branch of the bank. This poor management puts the women traders in a vulnerable position as they are forced to make use of the informal network for foreign currency transactions that is essentially controlled by men.

- **Predominance of Male Officials Supervising the Functioning of the Haats**

Barring the presence of a couple of women constables from the local police and the border security force whose role is confined to the physical frisking of women entrants into the haat there are hardly any women personnel from other government departments (district administration, customs, banking) at the haat. Rather, even though the MoU clearly states that security forces personnel will not be allowed to enter in the haat area except in case of emergency determined by the District Magistrate, adherence to this provision was found to be quite flexible on the ground.

Table 3: Comparison of the Four Border Haats from a Gender Perspective.

	Kamalasagar	Srinagar	Kalaichar	Balat
Female Security Personnel	Manual registrations at time of entry and exit by customs and the BSF officials. Women personnel from the local police and BSF deployed only for physical frisking of female entrants.			
Other Female Government Personnel	None	None	Currently the District Administration Supervising Official is a woman.	One customs staff at the entry gate is a woman.
Access to haat	Transportation is available up only till the first gate of the haat. From there on goods have to be carried manually.	Brick soiled access road.	Poor condition of access road leading to Haat.	Poor condition of access road leading to Haat.
Separate Toilet for Women	No	No	No	Separate toilet for women but without water supply and no roof.
Common Facility Centre	Yes but used primarily for HMC meetings.	Yes but used primarily for HMC meetings.	No	Yes but used primarily for HMC meetings.
Running Water supply	Available.	Available	Not available	Not available
Electricity Supply	No	Available only in the common facility centre	No	No
Storage/Warehouse Facility	No	No	No	No
Banking Facilities	No	Manual banking service is provided by Bangladesh in common facility centre	Limited banking and foreign exchange facilities	Limited banking and foreign exchange facilities
Phone and Internet Connectivity	Poor mobile phone connectivity.	Poor mobile phone connectivity.	Poor mobile phone connectivity.	Poor mobile phone connectivity.
	No internet connectivity.	No internet connectivity	No internet connectivity	No internet connectivity

Source: ICRIER Survey 2017

4.3 Informal Trade

Cross border informal trade is in the nature of extra-legal trading, tolerated in practice even if illegal in the letter of law⁷. Notably informal trade takes place because the transaction costs of trading formally are higher than those incurred in informal trading due to the costly and quite complex trade procedures involved in formal trade. What lies at the core of the functioning of informal trading markets are strong ethnic ties among traders that ensure that payments are made and also reduce risk and transaction costs (Taneja 1999; Taneja 2001; Taneja 2004; Taneja and Pohit 2002; Chaudhuri 1995; Rahman and Razaque 1998; Karmacharya 2010; Rao et al 1997).

Typically informal cross border trade takes place through

- informal markets along the border
- carriers using formal channels, and
- unguarded points along the long and porous borders.

Women participate in informal trading primarily as carriers transporting goods for exporters/importers through the LCSs taking advantage of the fact that passengers are allowed to carry duty-free goods worth Rs 25,000 in accompanying baggage. They travel across the borders frequently as passengers on rickshaws, buses and trains and also on foot. Often goods are carried as head loads by women. Small women entrepreneurs engage in “suitcase trade” – a term used for women who carry a suitcase load of goods as accompanied baggage in their vehicles to participate in exhibitions or to sell their goods to retailers/wholesalers across the border. Women engage in this kind of trade to avoid navigating through the bureaucratic processes of the formal channel and/or to avoid customs duties. Women are also seen selling goods in the informal border haats that are situated close to the border. At the Mizoram-Bangladesh border there are 16 informal border haats. In fact, during our survey at the LCS in Dawki, some respondents felt that 80-90% of the women residing in that area are involved in informal cross-border trade through the haats.

Informal traders are likely to shift to formal channels if the impediments of trading formally are reduced. The four border haats under operation have successfully drawn informal traders. Our survey revealed that informal traders had shifted to trading through border haats at Kalaichar and Balat.

Informal Trade in Cattle

Cattle are one of the single largest items of informal exports from India to Bangladesh. Estimates suggest that the cattle trade on the India-Bangladesh border is worth US \$500 million annually (Bhattacharjee, 2013).

⁷ Informal trade is differentiated from smuggling through border posts of illicit goods such as weapons or drugs.

Media reports suggest that in order to evade the security forces, cattle smugglers have devised peculiar methods to conduct informal exports. Traders reportedly transport calves tied to banana plants along the numerous shallow rivers that flow into Bangladesh from Mankachar and the Barak Valley in Assam. In Meghalaya, cattle are tied to a mechanical spring and catapulted across the border (ICRIER Survey 2017). At places where the river separates the two countries, the cows are also led into the water and forced to cross the river.

The stakes that incentivize cattle smuggling are huge. For example, while a calf sells for about Rs 2000-Rs3000 in India, the same calf can fetch a price as much as Rs 40,000 during the Eid-ul-Zuha in Bangladesh. The rates are higher for fully-grown cattle, which can sell for Rs 80,000 to Rs 1.15 lakh during the Eid in Bangladesh as compared to Indian bovine prices of about Rs 40,000 (Singh, 2017).

Informal trade also takes place between India and Nepal. It is mostly agricultural commodities that are traded informally (Kamacharya, 2010). Informal exports from India to Nepal include commodities such as paddy, rice, sugar, poultry, etc. On the imports side, betel nuts is one of the most important items of informal imports from Nepal (ICRIER survey, 2017)

The above observations are based on recent literature of informal trade in the BBIN region. Our study has made a limited attempt to add to this knowledge base.

4.3.1 Participation of Women in Informal Trade

Women participate informally in trading activities through the Land Customs Stations along the borders, through informal trading markets located along the border and through unofficial border points.

Women informal traders are predominantly carriers of goods. Typically, they transport goods for exporters/importers. This phenomenon is observed at LCSs with Bangladesh, Bhutan and Nepal. Passengers are allowed to carry duty-free goods worth Rs 25,000 in accompanying baggage. Women travel frequently as passengers on rickshaws and make several daily trips for the purpose of carrying goods between the two countries. Often goods are carried as head loads by women.

Small women entrepreneurs engage in “suitcase trade” – a term used for women who carry a suitcase load of goods as accompanied baggage in their vehicles to participate in exhibitions or to sell their goods to retailers/wholesalers across the border. Women engage in this kind of trade to avoid navigating through the bureaucratic processes of the formal channel and/or to avoid customs duties.

The case of women trading betel nuts informally across the India-Nepal border is particularly interesting. At Panitanki LCS, it was found that women are involved in huge numbers in informal betel nut trade. At Panikitanki, India is separated from Nepal by the River Mechi. Kakarvitta in the adjoining area in Nepal. The bridge connecting Panitanki with Kakarvitta is being used to smuggle betel nuts. Women hide betel nuts in a bag and tie it against their body

beneath their garments and cross over. They either cross to the other side as passengers over the bridge or sometimes just through some points along the porous border. Betel nuts fetch Rs 100 more per kilogram in India, making it an irresistible temptation to smugglers. (ICRIER survey 2017)

Women are also seen selling goods in the informal border haats that are situated close to the border. Several Bangladeshi buyers visit these haats to buy goods from these markets. At the Mizoram-Bangladesh border there are 16 informal border haats. Such haats are located all along the borders. Some of these haats are also situated close to official trading points. In fact, during our survey at the LCS in Dawki, some respondents felt that 80-90% of the women residing in that area are involved in informal cross-border trade through the haats.

Informal traders are likely to shift to formal channels if the impediments of trading formally are reduced. The four border haats under operation have successfully drawn informal traders. Our survey revealed that informal traders had shifted to trading through border haats at Kalaichar and Balat.

5. The Road Ahead – Measures to Make Trade Facilitation Gender Responsive

Women's participation in cross-border trade in South Asia's BBIN region is miniscule and continues to stagnate at low levels. Women entrepreneurs and traders are deeply constrained by the huge information deficit with regard to the regulations and procedures and see little incentive in engaging in cross-border commerce. Further, their mobility across borders remains compromised by infrastructure deficits, safety related challenges and socio-cultural barriers all of which combine to perpetuate an unwelcoming trading environment. To address these challenges it is, therefore, not only necessary to undertake extensive trade facilitation measures but also make trade facilitation measures gender sensitive. It is vital to ensure that policy measures take cognisance of women's perspectives wherein it is not just possible but also profitable for women to enter and successfully engage in cross-border trading.

This study suggests tangible and targeted interventions for promoting gender responsive trade facilitation policy measures that could help promote greater participation of women in BBIN's trade under four broad heads. The first relates to incorporating the gender dimension in the implementation of regional trade facilitation initiatives while the other three broad areas of intervention at the national level are formal trade, trade via the border haats and informal trade respectively.

5.1 Mainstream Gender in the Implementation of Multilateral and Regional Trade Facilitation Measures

Our study corroborates the increasingly accepted view that women and men experience trade facilitation differently wherein trade facilitation policies and programs for advancing greater gender equality need to be derived from context specific and gender analytical information.

We recommend that BBIN countries take note of these aspects not only when implementing the legally binding provisions of the TFA but also while implementing their regional trade facilitation agenda.

Areas of Intervention	Action	Implementation Horizon
Gender Responsive Implementation of TFA	• Include women in consultative process.	Short term
	• More women members in NTFCs.	Short term
	• Donor funds directed towards assisting women to comply with customs & take advantage of PTAs.	Medium term
Incorporate Gender Perspectives to BBIN trade Facilitation Initiatives	• Adopt GEOAT toolkit.	Short term
	• Include women in consultations on protocols.	Short term
	• Consider problems of head loading and non-containerized CBT.	Medium term
	• Create a network of women entrepreneurs and traders in BBIN.	Long term

* Short term (0-6 months); Medium term (6-18 months); Long term (18-36 months)

5.1.1 Add the Gender Dimension to Implementation of the WTO's TFA

A number of provisions under the WTO's Trade and Transport Facilitation Agreement provide opportunity to add a gender dimension to the implementation of trade facilitating measures. The following articles of the TFA can be used to add the gender dimension.

- Article 2 states that all interested parties must be consulted and given the opportunity to give comments on rules and protocols before they are enforced. Therefore, this consultative process with regard to the design of the various protocols should be made more gender inclusive by consulting women's trade and entrepreneurial organisations before policies and rules are entered into force.

Article 2 also requires members to provide for regular consultations between its border agencies and traders or stakeholders located within its territory. The consultative process between authorities responsible for trade facilitation should include women's business associations and groups to take on board the concerns, expectations, and views of women traders and entrepreneurs. The information generated from these exercises would then become more actionable and enable a gender informed perspective of trade facilitation measures.

- Article 23 requires member countries to set up institutional arrangements for overseeing the implementation of measures of the TFA by establishing National Trade Facilitation committees (NTFs) in all member countries.

The agenda of the NTFs established in BBIN member countries can be made gender responsive by making sure there is adequate representation of women traders and women entrepreneurial support organisations in the list of members.

- Article 21 requires donor members to facilitate the provision of assistance and support for capacity building to developing country and least-developed country members. These capacity building funds should include specific assistance to female entrepreneurs to improve the ability of women traders to meet customs requirements and to take advantage of preferential trade agreements.

5.1.2 Include Gender Perspectives in the Implementation of Regional Trade Facilitation Measures in BBIN

As the timing of the implementation of the TFA coincides with the BBIN MVA, there is a clear opportunity to sensitize policymakers to design from the very start policy measures that address the impediments hindering the participation of women in cross-border trade within BBIN. Members could collaborate on making their trade facilitation efforts more gender sensitive. Moreover, the domestic policy measures taken by each country can further be integrated into a synchronized regional agenda for gender responsive trade facilitation measures.

For this, the following possible steps are recommended:

- Adopt the World Customs Organization (WCO)'s Gender Equality Organizational Assessment Toolkit (GEOAT) as the analytical framework to for future work on mainstreaming gender equality in the customs reform and modernization process. This will help gain clarity on why women are not participating in cross-border trade and what is preventing them from benefiting from trade facilitation
- The process of designing protocols for the implementation of the MVA in the BBIN sub-region is also underway. To this end, governments are actively engaging with stakeholders to gather feedback on the design of the protocols. It is therefore, vital that there should be adequate representation of women entrepreneurs and small-scale traders in these consultations so that their interests and requirements are considered before finalising the protocols and policies.
- The analysis of trade facilitation needs should take into consideration problems faced by those involved in non-containerized modes of transporting goods, since head loading is a common method used by women to transport goods but is often ignored in diagnostics
- Encourage and enable the creation of a network of women traders and entrepreneurs operating in BBIN member countries, to facilitate information exchange, share skill sets, and find opportunities for collaboration and engagement.

5.2 Address Hurdles Faced by Women Engaged in Formal Cross-border Trade

Gender mainstreaming in trade facilitation measures needs to be an integrated process addressing measures “Behind the Borders” as well as “At the Borders” and “Beyond the Borders”. Women would also benefit from capacity building and receiving assistance to comply with export/import requirements.

Areas of Intervention	Action	Implementation Horizon
Women Friendly Border Crossing Points	• Infrastructure like separate toilets for women, common areas and better roads.	Medium term
	• Efficient and helpful banking and foreign exchange facilities.	Medium term
	• Training and sensitization of border level agents and officials.	Medium term
	• Help and monitoring desks for women.	Short term
	• Discounted warehousing and storage facilities for women.	Short term
	• Digitization of processes and introduction of a single window electronic interface.	Medium term
Information Outreach Activities Targeted Towards Women	• Periodic media campaigns.	Medium term
	• Readily available information booklets and pamphlets.	Medium term
	• Women help and monitoring desks in relevant government offices.	Short term
	• Information sessions through business chambers and associations.	Medium term
Marketing and Support Services to Women for Accessing Cross-border Markets	• Assistance to women to effectively market their products in the foreign markets.	Medium term
	• Facilitate women traders to cooperate and pool goods and logistics services to take advantages of scale and avoid market hassles in the cross-border markets.	Medium term
	• Integrating e-commerce in the BBIN sub-region.	Long term
Gender Disaggregated Database	• Government agencies that collect and compile data on international trade induced to collect gender disaggregated data for different parameters.	Long term
	• Qualitative information regularly collected via consultative dialogues between authorities responsible for trade facilitation and women's business associations and groups.	Long term

* Short term (0-6 months); Medium term (6-18 months); Long term (18-36 months)

5.2.1 Initiate Information Outreach Activities Specifically Targeted Towards Women

The information deficit is acute in the case of women when it comes to cross-border trade procedures and rules and regulations especially since trade is becoming increasingly technical in terms of language, inclusion of legalities, digital codes, etc. To address this some useful measures could be:

- At periodic intervals run communication campaigns across print, digital, radio, television and outdoor media to educate business women about information sources that they can access for frequently asked questions relating to cross-border trade.

- Make key information such as customs requirements and procedures easily accessible via information booklets and pamphlets and make these readily available.
- Set up separate women's help desks at the relevant government departments to provide information and address complaints.
- Conduct information sessions through business chambers and associations specifically for women traders and entrepreneurs.

5.2.2 Provide Marketing and Support Services to Women for Accessing Cross-border Markets

Interventions in this regard would include creating an enabling cross-border business climate and overcoming the socio-cultural barriers that affect women. This essentially means addressing the unique challenges women traders face while accessing the foreign markets and building partners across the border. Steps could include:

- Provide assistance to women to effectively market their products in the foreign markets.
- Facilitate women traders to cooperate and pool goods and logistics services to take advantages of scale and avoid market hassles in the cross-border markets.
- In the near future, the governments could also consider integrating e-commerce in the BBIN sub-region to encourage women to trade by removing the need to go through intermediaries. Digital networks and trading platforms that allow cross-border traders to access and purchase merchandise and services across borders can reduce physical travel for marketing and product promotion.

5.2.3 Make the Border Crossing Points Women Friendly

It is well documented that in general infrastructure deficiency along with the “officialdom, corruption and harassment” associated with cross-border trade are constraints that women experience more prominently than men. Following measures are recommended in this regard:

- Develop and improve physical infrastructure keeping in mind women's concerns. This would include investing in safe and secure infrastructure facilities like separate toilets for women with regular water supply, separate waiting rooms for women and maintaining the access roads in good condition.
- Incentivize women's participation in cross border trade by providing a discounted rate for storage and warehousing facilities.
- Establish efficient and helpful banking and foreign exchange facilities on both sides of the border, preferably with female support staff.

- Set up help and monitoring desks at the borders for women to report any wrongdoings, file complaints and also access information.
- Conduct regular gender sensitivity training programs for customs officials and security personnel.

Shifting as many processes as possible towards digitized modes of delivery and adopting ICT measures are key to encouraging women in cross border trade since it will remove the male intermediary and make women feel more secure. This will also require increasing the availability of computers at the land ports and improving internet connectivity.

5.2.4 Improve Availability of Relevant Data on Women's Participation

Government agencies that collect and compile data on international trade such as the Directorate General of Foreign Trade, Customs authorities, Chambers of Commerce, Freight Forwarding Associations and Clearing Agents Associations should be induced to collect gender disaggregated data for different parameters. This would facilitate comprehensive and systematic analysis on gender differentiated effects of trade facilitation.

5.3 Measures to Enhance Participation of Women in Border Haats

The four, existing border haats along the India-Bangladesh border were established with the objective to increase economic opportunities for the communities around the border areas. In a short span of time these weekly markets have become a thriving platform for cross border trade, enhanced local welfare and helped boost incomes in areas where there were few economic opportunities. Our field surveys indicate that if concerted effort is made cross border trade via these haats can also be a significant economic empowerment measure for the local women.

Areas of Intervention	Action	Implementation Horizon
Gender Affirmative Action for Haat Licences	<ul style="list-style-type: none"> Women's quota in vendor and vendee licences approved by the Haat Management Committee. 	Short term
	<ul style="list-style-type: none"> Time period of Vendor and vendee licences to be one year only. 	Short term
	<ul style="list-style-type: none"> Gap of one year before the successful applicants can reapply for license. 	Short term
	<ul style="list-style-type: none"> Consideration of innovative measures such as granting of double the number of stipulated licences but following a rotational entry procedure in order to enable greater number of participants take part in the haat. 	Short term
Transparent Selection Process	<ul style="list-style-type: none"> Make information about the application process readily available – using mobile text; bulletin boards at the panchayat offices; leaflets distributed in local markets etc. 	Short term
	<ul style="list-style-type: none"> Eliminate discretion in the approval process and make selection random by drawing lots. 	Short term
Gender Responsive Infrastructure	<ul style="list-style-type: none"> Separate toilets for women with regular water supply. 	Short term
	<ul style="list-style-type: none"> Common Facility Centre with earmarked sitting area for women. 	Medium term
	<ul style="list-style-type: none"> Regular maintenance of access roads. 	Medium term
	<ul style="list-style-type: none"> Support desk manned preferably by woman officials. 	Short term
	<ul style="list-style-type: none"> Improved communication network. 	Medium term
	<ul style="list-style-type: none"> Efficient banking and foreign exchange facilities. 	Medium term
Gender Disaggregated Database	<ul style="list-style-type: none"> Create a computerized and regularly updated gender disaggregated database on vendors, vendees and transactions conducted at the haat. 	Short term

* Short term (0-6 months); Medium term (6-18 months); Long term (18-36 months)

5.3.1 Gender Affirmative Action for Haat Licences

- A certain percentage of vendor and vendee licences approved by the Haat Management Committee should be reserved for women.
- All vendor and vendee licences should be given for a period of one year only.
- There should be a gap of one year before the successful applicants can reapply for the license. This would ensure that the licences are not monopolised by the same set of applicants every year.

- The example of local innovation at the Balat haat - granting double the number of stipulated licences but following a rotational entry procedure in order to enable greater number of participants take part in the haat – could be replicated in other places.

5.3.2 Transparent Selection Process to Facilitate Women's Participation

- Information about the application process should be made readily available and well in advance of the application deadline to the local community.
- Some effective measure in this context could be in the form of text messages to all mobile phone subscribers registered in the area; bulletin boards at the panchayat offices; distribution of small leaflets in local markets etc.
- Selection should be random by drawing lots.

5.3.3 Gender Responsive Infrastructure

- Separate toilets for women with regular water supply.
- Earmarked sitting area for women within the Common Facility Centre.
- Improved mobile telephone signals so that women can remain in touch with their families.
- Efficient banking and foreign exchange facilities on both sides of the border to reduce dependence on informal money exchange which is largely controlled by men.
- Proper condition of access roads leading to the border haats so that women can easily carry their goods right up to and out of the marketplace.
- Support desk manned preferably by a woman official from the district administration for women to report any wrongdoings, file complaints and also access information.

5.3.4 Maintaining a Gender Disaggregated Database

A computerised and regularly updated gender disaggregated database on vendors, vendees and transactions conducted at the haat would be extremely useful in periodically reviewing the functioning of the haats especially through the gender lens.

5.4 Measures to Curb Informal Trade

Evidence shows that many women traders conduct cross-border business via informal channels. Therefore, interventions to address the gender inequality in trade must not ignore the informal cross-border trade angle.

Areas of Intervention	Action	Implementation Horizon
Channel Informal Trade to Formal Routes	• Make formal trade more facilitative and less cumbersome.	Medium term
	• Establish more border haats.	Medium term
Use the Gender Lens to Conduct New & Systematic Studies on Informal Trade in South Asia	• Focus should be on the Northeast States of India and the role of women should be specifically examined.	Medium term
	• Undertake studies at the same point in time (the same years).	Medium term
	• Collect data on similar parameters.	Medium term

* Short term (0-6 months); Medium term (6-18 months); Long term (18-36 months)

Since women prefer to trade informally largely to avoid the costs and challenges of the formal trade, they will be incentivised to move towards the legal, documented channels once the formal trade through the land borders more facilitative and less cumbersome for women.

In addition, on the NER-Bangladesh borders, informal trade can be diverted by establishing more border haats, as our study shows that haats have helped channel informal trade to formal trade.

Beyond this, effective measures to reduce informal trade can only be taken once there is more data and information available on the quantum and nature of informal trade as well as on the extent of women's participation. The current studies on informal trade in South Asia, including the BBIN, are limited in scope and do not assess the participation of women. The new studies need to be much more systematic and broader in scope which would include the following:

- Conduct studies at the same point in time (the same years) and collect data on similar parameters.
- Include informal trade between the northeast states in India and their neighbouring countries, for which there is limited data available.
- Specifically examine the role of women in informal trade and the specific costs and discrimination that they face

The knowledge base generated will help policymakers in adopting more targeted measures to shift informal trade to formal channels in a more gendered responsive manner

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