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How to Promote a Disability Inclusive Trade Agenda

International trade has distributional consequences because it changes the goods and services that are produced and consumed within countries. It also affects employment opportunities and working conditions. Not everyone is able to benefit, however.

Disadvantaged groups have limited access to the opportunities generated by trade and they disproportionately shoulder adjustment costs associated with it. In the last few years, a concern for inclusive trade has become prominent in international organizations and national government policies. The goal of inclusive trade policies is to ensure that the benefits from trade are more widely shared and better outcomes are created for more people, especially those who tend to be left behind by economic reforms.

One such group is persons with disabilities.

Persons with disabilities face systemic barriers and are not able to fully benefit from trade opportunities.

Persons with disabilities account for one in six adults worldwide and are a very diverse group. Most of them live in low- and middle- income countries (LMICs). They include persons who have long-term physical, mental, intellectual or sensory impairments which, in interaction with environmental barriers, often hinder their ability to participate in society on an equal basis with others. Disability is universally relevant because anyone can become disabled over the course of a lifetime. Evidence shows that persons with disabilities are more likely to live in poverty, have limited access to education and health care, are burdened with higher costs of living, and have difficulties in gaining secure paid employment. Some persons with disabilities can be further marginalized because of their gender, ethnicity, age or immigration status. If persons with disabilities are to benefit fully from trade opportunities, concerted policy effort is needed to address the complex systemic barriers that they face.

This policy brief describes an analytical framework for understanding the multiple ways in which trade policies can affect persons with disabilities and identifies the measures required to ensure that international trade is conducive to the realization of their economic and social rights. Aid for Trade (AFT)* has an important role to play in facilitating the implementation of such measures in LMICs and to promote trade agendas that are closely aligned with objectives of disability inclusion.

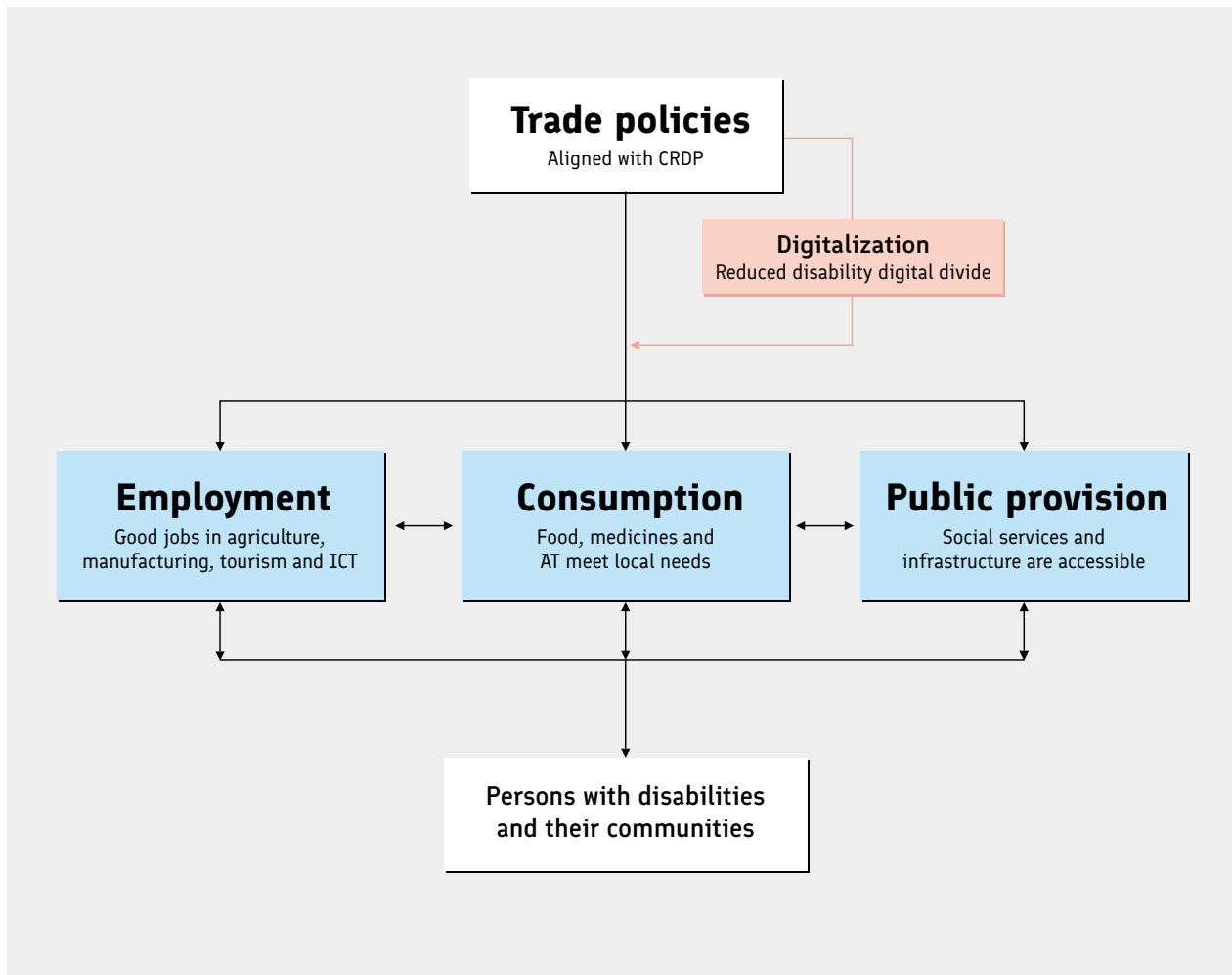
*The Aid for Trade (AFT) initiative was launched by the World Trade Organization (WTO) in 2005 and has the objective to help low- and middle-income countries (LMICs) to more fully benefit from trade agreements.



International trade affects persons with disabilities through three main interrelated channels, which are affected in turn by digitalization.

The three main channels are the employment channel, the consumption channel and the public provision channel.

Transmission Channels from Trade to Persons with Disabilities



With regard to the employment channel, international trade can be a source of both ‘good’ jobs and ‘bad’ jobs. Good jobs are jobs that have decent job characteristics according to the International Labour Organization (ILO) definition, are safe and well-paid. Bad jobs are jobs characterized by low earnings and poor working conditions, such as those faced by many micro-entrepreneurs and agricultural labourers at the bottom of global value chains, where persons with disability are usually overrepresented. Governments, private companies and civil society organizations all have an important role to play in promoting measures that enable persons with disabilities to access better sectors and occupations, and to reduce the risk of them remaining confined to informal jobs.

Measures should include policies to enhance terms and conditions of work in occupations and sectors where persons with disabilities already work (e.g. extending social protection coverage to informal workers in both agriculture and textiles). Measures should also include policies to improve access of persons with disabilities to jobs in higher value-added segments of GVCs, where they are usually under-represented. A twin-track strategy involving both the promotion of programmes that specifically target workers with disabilities, and the inclusion of disability concerns in mainstream policy programmes, is needed to achieve these employment objectives.

In recent years, a number of programmes have started to address the specific barriers faced by micro-entrepreneurs and small-holders with disabilities in GVCs in selected countries of Sub-Saharan Africa and South Asia. The most successful of these projects recognize the value of holistic approaches and seek to address multiple barriers, by encouraging collaboration between organizations of persons with disabilities, the private sector and the government. These projects strive to offer support that combines improved access to training together with provision of inputs, appropriate tools and assistive technologies, as well as links to higher value markets. These programmes tend to remain at a small scale, however, and often continue to face challenges related to macro-level barriers, such as poor electricity, water and transport infrastructure or weakly enforced national legislation. Moreover, they tend to mainly include workers with physical impairments, and are less successful in reaching out to persons with other disability types. With regard to sectoral focus, ongoing initiatives are largely concentrated in export-oriented agriculture and textiles. **It is important that interventions aimed at generating decent jobs for persons with disabilities extend to other trade-related sectors which are becoming prominent in the AfT policy agenda,** such as sustainable tourism and information and communication technologies (ICT). Effective policy coordination is needed, both at global and local levels.

With regard to the consumption channel, persons with and without disabilities may have distinct needs and consumption patterns, and often different decision-making power regarding how to spend their family income. Hence, they may be differentially affected by trade-induced changes in the prices and quality of goods and services, and the general cost of living. Food, medicines and assistive technology (AT) are trade-related goods of special significance to persons with disabilities.

AT products, in particular, can enable people to live independent lives. They can also increase labour productivity, thus, in principle, allowing workers with disabilities to access more remunerative jobs generated by trade. Yet, most people who need AT are currently unable to access it, particularly in LMICs.

AT covers a wide range of products, from hearing aids to prostheses to eyeglasses, which are variously affected by trade regulations. Each AT market has its own characteristics, with different production modalities along GVCs, degrees of competition, tax structures, intellectual property rules, and quality standards. Currently, the bulk of international trade in AT takes place among high-income countries, while many LMICs rely on a mixture of imports, sub-standard local production and donations, which often do not manage to adequately meet their populations' needs.

Measures for addressing bottlenecks between AT supply and AT demand could include: Aft infrastructure investment to address supply chain inefficiencies in AT markets; tariff reviews aimed at reducing or removing tariffs on AT products; technical assistance to help develop LMICs' capacity and skills to produce AT that meets local needs; and promotion of South-South cooperation on AT spare parts and assistance with service repairs.



With regard to the public provision channel, trade policies can impact the level of government revenue as well as the conditions under which public services can be subcontracted to private firms, including foreign ones. This can affect the provision of health and social care services as well as transportation, water and sanitation infrastructure, which are vital for the well-being of a country's population in general, and for persons with disabilities in particular. Given that trade can affect the capacity of national governments to reduce barriers that persons with disabilities face in infrastructure and social services, it is important that international trade commitments are aligned with the Sustainable Development Goals (SDGs) and the Convention of the Rights of Persons with Disabilities (CRPD).

Public investments in accessible roads, transport and digital networks as well as public provision of quality healthcare and childcare are important to enable persons with disabilities to enjoy good health, education, and political participation. By reducing key barriers in the broad environment, improved physical and social infrastructure can also enable persons with disabilities to take new jobs where they can be more productive and fulfilled. This kind of investments would have broader benefits, not only for social justice in general but also for a country's trade competitiveness.

Digitalization is transforming international trade. Rapid progress in ICT and the increase in digital connectivity are transforming international trade. The expanded use of digital platforms, the rise of digitally ordered trade in goods and services (i.e. e-commerce) and of digitally deliverable services, are making the exchange of goods, services and information easier and cheaper, and enabling access to wider markets. There are both opportunities and challenges from these trends. Digital technologies have the potential to make international trade more inclusive for persons with disabilities as workers, consumers and users of public services. However, existing shortcomings in ICT infrastructure, affordability of connection, limited digital skills and a lack of clear regulatory frameworks, mean that the digital divide remains wide.

The donor community increasingly recognizes that promoting the safe inclusion of persons with disabilities in ICT-enabled trade requires a holistic approach. This could involve combining measures to provide comprehensive and affordable ICT infrastructure with accessible training in digital skills as well as apprenticeships specifically aimed at persons with disabilities. Robust regulatory frameworks to protect against cybercrime particularly affecting workers and consumers with disabilities are also crucial.

In sum, what would a disability inclusive trade policy agenda look like?

In order to be inclusive of persons with disabilities and their communities, trade policies need to incorporate several features in design and implementation which are summarized in the box below.

What makes trade policies inclusive of persons with disabilities?

Trade policies

1. The substantive participation of persons with disabilities and OPDs in trade policy decision-making contributes to shape a disability inclusive trade policy agenda.
2. Trade agreements adopt a human rights approach to disability.

Employment

1. Trade policies improve working conditions, pay, and accessibility of trade-related occupations where persons with disabilities are already employed.
2. Trade policies generate new and better employment opportunities for persons with disabilities in higher value-added segments of value chains.

Consumption

1. Trade policies improve availability and reduce prices of goods and services that are essential for human development (e.g. quality food and medicines).
2. Trade policies boost local capacity in the provision of AT products and services, and facilitating entry of firms from LMICs in AT global markets.

Public Provision

1. Essential health services and social protection are accessible and adequately resourced.
2. Trade-related regulations related to the supply of social services protect equitable access for the most disadvantaged.
3. Universal accessibility standards for roads, transport and other infrastructure are enforced.

Digitalization

Trade policies go hand in hand with policy efforts to reduce barriers to digital inclusion. Measures to improve accessibility and affordability of digital technologies, digital skills, internet safety and regulations are put in place.

Recommendations

The following recommendations are for donor agencies, national governments as well as organizations of persons with disabilities (OPDs). They offer suggestions for how AfT can best be used to promote the rights and well-being of persons with disabilities:

1. **Ensure that global trade rules are consistent with government commitments to protect and promote the rights of persons with disabilities.**
2. **Support the active involvement of persons with disabilities and OPDs in AfT design and implementation, and in trade policy arenas in general**
3. **Promote integrated approaches to employment policy and robust multi-stakeholder engagement to generate decent jobs in GVCs for persons with disabilities, with emphasis on high value-added sectors and occupations.**
4. **Invest in physical infrastructure that complies with universal design principles and promote accessibility.**
5. **Reduce the digital divide to promote the safe inclusion of persons with disabilities in ICT-enabled international trade.**
6. **Develop local capacity to provide AT products and repair services, and help firms from low-income countries to integrate into global AT markets.**
7. **Strengthen data analysis and monitoring.**
8. **Increase visibility of specific issues affecting persons with disabilities in policy reports on inclusive trade.**



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This policy brief was written by Marzia Fontana and benefited from comments by Antti Piispanen and Sophie Mitra. It is based on the report 'Inclusive Trade and Persons with Disabilities' prepared for the Ministry of Foreign Affairs of Finland by Marzia Fontana and Sophie Mitra (forthcoming)