

REGIONAL WORKSHOP ON LEAST DEVELOPED COUNTRIES AND LEVERAGING TRADE AS A MEANS OF IMPLEMENTATION FOR THE 2030 AGENDA *2-4 AUGUST 2017, THIMPU, BHUTAN*

Session 1: Trade and investment as a means of implementation of the Agenda 2030

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17
Goals

169
Targets



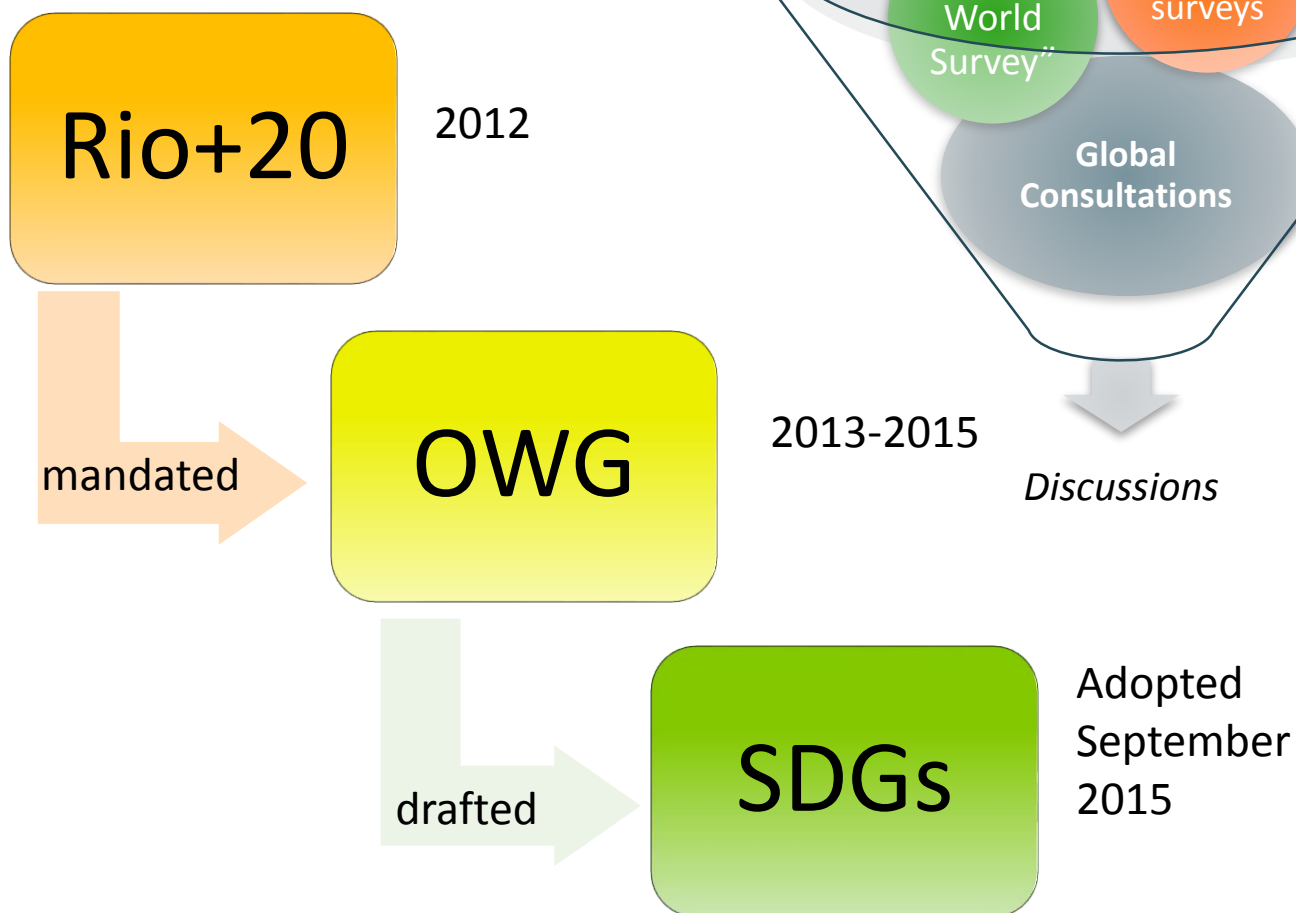
An Agenda to be implemented by 2030

Sustainable Development Goals



Accompanied by indicators focused on measurable outcomes

Building a post-2015 agenda



Achieving Sustainable Development through Trade and Investment

Trade and Investment in the Millennium Development Goals

MDGs were the Global Development Agenda for 2000-2015

- Issues in Goal 8 related to Trade and Investment:
 - Target 8.A: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system
 - Target 8.B: Address the special needs of least developed countries
 - Target 8.C: Address the special needs of landlocked developing countries and small island developing States



Trade and Investment in the Millennium Development Goals

Outcomes of MDGs in Trade and Investment issues:

In 2014:

- 84% of imports from LDCs
- 79% of imports from developing countries

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The share of exports from LDCs that received **preferential treatment** beyond MFN reached approximately 60 % in 2014

On average, LDCs benefit from a **wider margin of preference**

The 2030 Agenda and Trade and Investment

Trade and Investment in SDGs

- 12 out of the 17 Sustainable Development Goals contain sub-clauses (or targets) that either explicitly mention trade and investment or are closely linked to it
- In terms of the number of sub-clauses (targets) within the SDGs, 35 out of 169 targets either explicitly mention trade and investment or are closely linked to it

Trade and Investment related Goals



Topic

Goal

Target

Multilateral trading system and the WTO

2 **2.b** Correct and prevent trade restrictions and distortions in world agricultural markets

3 **3.b** Provide access to affordable essential medicines and vaccines, in accordance use to the full the provisions in the TRIPS agreement regarding flexibilities to protect public health

12 **12.c** Removing market distortions concerning fossil fuels

14 **14.6** By 2020, prohibit certain forms of fisheries subsidies

17 **17.10** Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the WTO including through the conclusion of negotiations within its Doha Development Agenda

Topic	Goal	Target
Least Developing Countries	2	2.a Increase investment for agricultural development and innovation, in particular in LDCs
	8	8.a Increase Aid for Trade
	10	10.a Implement special and differential treatment for LDCs
		10.b encourage ODA and financial flows, including foreign direct investment, in particular to LDCs
	17	17.11 increase significantly the exports of developing countries, with a view to doubling the LDC share of global exports by 2020
		17.12 realize timely implementation of DFQF market access on a lasting basis for all LDCs
Business and Innovation	9	9.3 increase the access of small-scale industrial and other enterprises to financial services and into the value chains
	8	8.2 achieve higher levels of productivity of economies through diversification, technological upgrading and innovation

Meeting the Goals in Asia Pacific

Asia Pacific

Population: 4.1 billion = 2/3 of world population

Trade

Largest trading area in the world:
close to 37% of
world trade

with more than half
with other Asia
Pacific economies



Investment

More than 1/3 of
global inflows in
2013

Trade and Investment have been indispensable driving forces of economic growth in Asia-Pacific economies for more than two decades

T&I as means of implementation

How do people perceive trade as a means of implementation?

In the survey respondents were asked on what they thought “means of implementation” refers to in the phrase “Trade is a key means of implementation for the 2030 Agenda and the Sustainable Development Goals”. 50% of the respondents believe that “trade can directly help in the achievement of several of Sustainable Development Goals as well as help mobilize financial and non-financial resources that can be used to achieve any of the 17 Sustainable Development Goals”. 35% felt that “trade can help in the achievement a specific set of Sustainable Development Goals, primarily pertaining to increasing economic performance of developing countries”, while 15% of the respondents identified trade exclusively as “one of the main sources of generating financial resources to achieve Sustainable Development Goals.”

A) Trade as a financial means of implementation (direct and indirect effects)

- Trade is an important activity, generating finances which can in turn be used for financing policies that promotes sustainable development.
- Generate public revenue though taxing imports, exports, and licences
- LDCs countries in Asia-Pacific- the total taxes on international trade amounted to an average of 17% of their total public revenue for the period 2010-2015.
- Generation of revenue indirectly through boosting of private finances.

B) Trade as a non-financial means of implementation

- Correcting and preventing trade protection in food sector
- Affordable medicine
- Green technology
- Dynamism - creating jobs

C) Trade and FDI policy

- There is a recognition of different policies in the SDGs, but perhaps not the most challenging ones, and also no clear indicators
- Tariffs
- Producer support, export subsidies
- Duty-free, quota free market access
- FDI
- Regional trade agreements, trade facilitation???

ESCAP- Trade,
Investment and
Innovation Division
Action Plan

ESCAP – Trade, Investment and Innovation

Division Existing Work

- **Policy Research**

Economic growth and development and poverty reduction have been explored in various issues which are included in the yearly Asia Pacific Trade and Investment report

- **Capacity Building** on trade negotiations for concluding inclusive and sustainable trade agreements, trade in environmental goods and services, trade facilitation...

- **Partnership and Cooperation** : ESCAP operates the ESCAP Business Advisory Council (EBAC), the Asia-Pacific Business Forum (APBF), ESCAP is also the Secretariat of the Asia Pacific Trade Agreement (APTA)

- **Network** through the development of network such as ARTNeT, UNNexT, or the Sustainable Business Network (ESBN)

RESEARCH

Conducting country, firm-level, sectoral and community level studies on Sustainable Development in the region



How food security related issues to end hunger and malnutrition can be addressed through **appropriate trade policies** ?



Examine the provisions available to developing countries in **the Agreement on TRIPS**.



Better understand what makes certain trade and investment policies have stronger “**green effect**” which results in evidence-based policymaking recommendations.



Propose trade policies that mainstream gender and **empower women**.



- Carry out analysis to propose measures that would be required to support the economic shifts to sustainable patterns of production and consumption
- Formulate effective policy measures to strengthen **responsible business practices**.

CAPACITY BUILDING



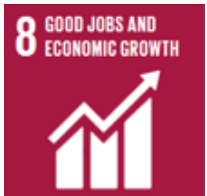
Assisting LDCs in their efforts to more fully realize their potential arising from DFQF and other potential initiatives

Orienting existing SME capacity building on **technology aspects** of business start-ups and innovation



Presenting new frameworks and assist countries in identifying how to tailor to specific needs in **Innovation and Communication Technologies (ICT)**

Sharing **best practice solutions** concerning ICT development through an on-line network and capacity-building activities



On implementing **comprehensive trade facilitation reforms**: increasing transparency and streamlining the complex array of procedures



On developing, acquiring and absorbing sustainable technologies, including those required for **sustainable rural development**

NETWORK



Establishing and strengthening common frameworks and mechanisms for regional cooperation in trade, investment, technology transfer and the development of small and medium-sized enterprises, including agricultural enterprises.

Promoting inclusive and sustainable industrialisation, employment and foster innovation through the existing **Sustainable Business Network** (ESBN)

ICT : Development of a regional mechanism to feed into the global **Technology Facilitation Mechanism**

Q&A