

# **MINISTERIAL MEETING OF LANDLOCKED DEVELOPING COUNTRIES ON TRADE AND TRANSPORT**

Date: **Wednesday, 16 May 2018**

Time: **From 9h00 to 9h30**

Venue: **Astana Marriott Hotel**

## **Opening Session: Fostering the achievement of the SDGs in LLDCs**

**CHAIR:** Government of Kazakhstan

- i. Republic of Kazakhstan
- ii. H.E. Ambassador Federico Alberto González Franco, Vice Minister of the Ministry of Foreign Affairs of Paraguay and Chair of the Group of LLDCs and Coordinator of the Group of LLDCs on matters related to *trade* and development in Geneva
- iii. Ms. Fekitamoeloa Katoa ‘Utoikamanu, Under-Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States
- iv. Mr. Yonov Frederick Agah, Deputy Director-General of the World Trade Organization

## **DDG FREDERICK AGAH**

### **Speaking notes**

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I would like to thank the Government of Kazakhstan and the OHRLLS for inviting WTO to participate in this important Ministerial level meeting. WTO is very honoured to be here.

The WTO is deeply committed to supporting the sustainable development of its Members, in particular the LLDCs. Trade has proven to be an engine for development and poverty reduction by boosting growth. For this reason, trade is recognized, both in the Agenda 2030 and in the Vienna Programme of Action, as an important engine for inclusive economic growth and poverty reduction that contributes to the promotion of sustainable development.

Over the past 15 years, accelerated economic growth in developing countries has resulted in narrowing of the income gap between developing and developed countries. This growth explosion has greatly contributed to an unprecedented reduction of poverty levels leading to an early achievement of MDG 1.

Today, trade plays an important role in the economy of developing countries. To have an idea, trade now represents 34 per cent of developing countries' GDP on average – compared to 20 per cent for advanced countries. And by increasing growth, trade can also make available the necessary resources to implement other development targets in the social and environmental spheres.

Trade also contributes directly to poverty reduction by opening up new employment opportunities, and reducing prices of goods and services for poor consumers, including foodstuffs. For all these reasons, trade and the WTO will continue to play a key role in the achievement of SDG:1 on ending poverty, as well as SDG:8 on decent work and sustainable economic growth.

Given the importance of trade in achieving the SDGs, the WTO has recently issued a publication entitled “Mainstreaming trade to attain the SDGs”, which

looks at how engaging in international trade can help countries gain access to new markets and new investments, thereby boosting growth, raising living standards and promoting sustainable development.

The report presents a very comprehensive analysis on various aspects of how trade can contribute to the cardinal objective of reducing poverty through economic expansion. It also outlines how countries can get organized to mainstream trade to expand economic opportunities for poverty reduction. This is very important because trade has cross-cutting effects in the economy and significant linkages to other sectors. So, in order for countries to fully reap the benefits of trade, it is necessary for governments to adopt approaches which aim to mainstream trade into their national sustainable development strategies.

The booklet looks at the SDGs from the economic, social and environmental perspectives; and outlines how trade is contributing to making progress in each of these areas, including through reducing poverty, improving health and tackling environmental degradation. It also looks ahead; and attempts to identify those emerging issues that require the attention of the international community. These include keeping up with the evolving character of international trade, and ensuring access to technology for ICT enabled trade.

Finally, the publication concludes by outlining a number steps directed at both developed and developing countries, which would help to ensure that international trade contributes to accelerating progress in achieving the SDGs. These are:

1. Mainstream trade into national, regional and sector development strategies.
2. Strengthen the multilateral trading system so that it can continue supporting inclusive growth, jobs and poverty reduction.
3. Continue reducing trade costs, including through full implementation of the WTO's Trade Facilitation Agreement.
4. Build supply-side capacity and trade-related infrastructure in developing countries and LDCs.
5. Focus on export diversification and value addition.

6. Enhance the services sector.
7. Apply flexible rules of origin to increase utilization of preference schemes.
8. Ensure that non-tariff measures do not become barriers to trade.
9. Make e-commerce a force for inclusion.
10. Support micro, small and medium-sized enterprises to engage in international trade.

As outlined in the second recommendation, further efforts to strengthen and reform the WTO can help to support measures at the national level and ensure that the benefits from trade are spread more widely. The successful outcomes reached at the WTO in recent years, illustrate how the multilateral trading system can help to tackle priority trade issues for developing countries. The Trade Facilitation Agreement, the expansion of the Information Technology Agreement, the amendment of the TRIPS Agreement easing access to medicines, and the agreement to abolish agricultural export subsidies will all deliver important benefits.

Moreover, the different approaches represented by these agreements show that the system is both adaptable and dynamic, in its response to the changing international trade landscape, including the emerging challenges.

By delivering and implementing trade reforms, which are pro-growth and pro-development, and by continuing to foster stable, predictable and equitable trading relations across the world, the WTO will play an important role in delivering the Sustainable Development Goals, just as it did with the Millennium Development Goals (MDGs) before them.

I thank you for your kind attention.

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