

STATEMENT BY
ITC EXECUTIVE DIRECTOR

SESSION 1 - MINISTERIAL DIALOGUE ON
LESSONS LEARNED IN THE IMPLEMENTATION
OF THE IPOA – CHALLENGES ENCOUNTERED
AND THE WAY FORWARD

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PAMELA COKE HAMILTON
EXECUTIVE DIRECTOR

Honourable Ministers,
Excellencies,
Ladies and Gentlemen.

Let me, first of all, take the opportunity to congratulate my friend, countryman and colleague on this appointment as Under Secretary General and High Representative for the UNOHRLLS.

The Asia-Pacific Region is now at a pivotal moment in its development. Ten years ago, 13 out of 47 LDCs were from this region. Today, we can jointly celebrate the graduation of 3 countries: Maldives, Samoa and just last December, Vanuatu, a country that accomplished this feat, a mere 8 months after being hit by a Category 5 cyclone. Moreover, 10 Asia-Pacific LDCs have met the criteria for graduation. This is a critical achievement which embodies the clarion call at the heart of the 2030 Agenda *to leave no one behind*.

While we celebrate the wins, we are cognisant of the challenges which remain for LDCs, as they battle socio-economic devastations fueled by the pandemic, climate change and conflicts.

Just 2 weeks ago, Haiti, a stone's throw away from my home country Jamaica, suffered a devastating 7.2 magnitude earthquake. A few days later, Tropical Storm Grace added to the destruction. While not in the Asia-Pacific Region, this example of a Caribbean LDC, reflects the real risks and challenges that exist. I urgently appeal to the international community to step up its efforts in the wake of such destruction.

Only 1 month ago, I delivered remarks at the WTO High-Level Session to commemorate Afghanistan's 5th anniversary of WTO membership. Having

worked closely to build the trade capacity with the Afghan government over several years, our hearts are deeply moved with concern over what has unfolded over the last 2 weeks. These 2 examples show us how easily progress in LDCs can be overturned.

ITC's Support to Asia-Pacific LDCs

UNCTAD's analysis on LDCs' trade flows in 2020 paint a picture of the challenges LDCs continue to encounter. While global exports declined by 7.7% in 2020, trade exports in LDCs declined by 10.3%.

Our commitment as the ITC is to ensure that LDCs can leverage trade as a powerful driver of economic growth and sustainable development. Our thrust within the Asia-Pacific Region has been centered around strengthening the export sector, building the local capacity of MSMEs to integrate into global value chains and boosting their competitiveness.

Your Excellency, Dr. Momen, as you know, ITC has been a long-standing partner in Bangladesh. More recently with the kind support of the UK Department for International Development, we have been able to strengthen Bangladeshi women-owned businesses under our SheTrades Commonwealth Programme.

In countries such as Nepal, Lao PDR, Bhutan and Cambodia, key sectors such as coffee, organic agriculture, and horticulture, processed woods, textile, and handicrafts, continue to benefit from ITC's interventions.

Through our work we also equip their Ministries of Industry and Commerce, to formulate trade policies, negotiate trade agreements and improve investment promotion, which will contribute to long-term resilience.

As a trusted partner with governments in this region, we understand that there are concerns related to graduating, especially in an unfavourable global climate. We appreciate that the loss of some international support measures can be intimidating which has guided our work in preparing LDCs for the graduation process.

Allow me to share one example with you. Upon graduation, Lao PDR will no longer be eligible to export under the unilateral preferential tariff schemes, that 23 markets around the globe have in place for LDCs. While this implies estimated trade losses of \$108 million, our export potential methodology indicates that their export products affected by the tariff increase, have an unrealized trade potential worth \$52 million in the same group of markets and \$1.2 billion in other markets. But collective support is needed to help them achieve this.

Working Together for private sector & export led growth in the LDCs

Our work in this region repeatedly points to the need for specialised support to MSMEs throughout the graduation process. We need a strategic roadmap to help LDCs to double their share of global exports; a missed SDG Target in 2020 but one that can be achieved in the future with concerted efforts.

Private sector led growth requires all hands-on deck: governments, development partners, civil society, and international organisations.

Public-private dialogue is key. I implore Ministers to ensure the involvement and sensitisation of the private sector in the transition process.

A key feature of a successful transition strategy should be to ensure that some degree of preferential access is retained in key export markets, through unilateral preference schemes (such as the Generalized System of Preferences), or through bilateral or regional agreements. Likewise capacity building of Trade and Investment Promotion Agencies will be instrumental. These are but a few pivotal areas where ITC is well positioned and ready to collaborate for the region.

Ladies and gentlemen, as the clock ticks closer to the convening of the LDC 5 Conference, let us renew and deepen our collaborative efforts, to overcome the challenges and help LDCs to capitalise on the opportunities which await them.

Thank You.