

LLDCs Ministerial Meeting on Trade to be held in the margins of the 12th WTO Ministerial Conference

04 November 2021

Theme: Towards sustainable, resilient COVID-19 recovery: Bridging the LLDCs' trade gap

Draft Concept Note

Background

Although international trade is recognised as an engine for promoting sustainable development, landlocked developing countries (LLDCs) remain marginalized from global trade. This is largely as a result of long distances from the nearest seaports, poorly developed transport and transit systems and cumbersome transit procedures which translate into high trade costs. To address the challenges of the LLDCs, the first dedicated global conference on LLDCs was hosted by Kazakhstan in 2003 and adopted the Almaty Programme of Action (APoA). The Almaty Programme of Action was succeeded by the Vienna Programme of Action (VPoA) for LLDCs for the Decade 2014-2024 adopted in 2014. The VPoA identifies six priority areas aimed at addressing the special development needs and challenges of the LLDCs that arise from their landlockedness and remoteness in particular: fundamental transit policy issues, infrastructure development and maintenance, international trade and trade facilitation, regional integration, structural economic transformation and means of implementation.

The United Nations General Assembly held the midterm review of the VPoA in 2019 and the review revealed some mixed progress on the implementation of the priority areas linked to trade. The LLDCs' share of global exports declined by 18 per cent during the first half of the VPoA implementation and their share of global export remains below per cent.. LLDCs also continue to be heavily dependent on a very limited number of commodities for their export earnings and therefore highly vulnerable to external shocks. The emergence of COVID-19 has further exposed their vulnerability. According to the WTO, as at April 2020, LLDCs' exports were 40% lower than in April 2019, which is almost twice the COVID-19 induced decline for world exports. As the world trade recovered towards the end of 2020, LLDC exports continue to decline by as much as 8% while global exports grew by 7%.

LLDCs are especially vulnerable to the pandemic's negative effects due to their full reliance on their transit neighbors for international trade. The introduction of measures to curb the spread of the COVID-19 including border closures has greatly impacted LLDCs' trade and has resulted in increased trade costs and delays in delivery of goods including food and medical supplies. In addition, other measures including social distancing measures instituted by governments across the world to combat the pandemic caused a severe reduction in economic activity, the effect of which is likely to have added to challenges already being faced by LLDCs.

About 80 per cent of LLDCs are dependent on primary commodities for more than 60 per cent of their exports. The contraction in the demand for commodities in main export markets during

the pandemic, along with supply challenges because of disruptions to logistics networks as well as the closures of mines, and interruptions in agriculture, directly affecting the supply of these commodities by LLDCs. This has resulted in relatively huge loss of foreign exchange earnings which has serious consequences on socio-economic development including debt sustainability.

The pandemic threatens to reverse limited progress made over the years towards building the LLDCs' trade capacity and progress toward achieving sustainable development. International trade and resilient supply chains are indispensable for recovery from the COVID-19 pandemic. Addressing trade related challenges faced by LLDCs including their supply side constraints as well as challenges associated with trade facilitation, is therefore fundamental for mitigating the impact of the pandemic and in building back better post-COVID-19. The role of the multilateral trading system is important in addressing LLDCs' trade related challenges and supporting their efforts to deal with the Pandemic and in their post-COVID-19 recovery efforts. The upcoming Twelfth WTO Ministerial Conference (MC-12) presents an opportunity to adopt forward looking approaches to overcoming the economic consequences of the COVID-19 pandemic and building back better aimed towards promoting recovery especially in favour of the most vulnerable, especially the LLDCs.

Against this background a ministerial meeting of LLDCs on trade organised in the side-lines of the 12th WTO Ministerial Meeting will discuss the impact of COVID-19 pandemic on LLDCs as well as strategies towards achieving resilient recovery from COVID-19 pandemic. The Meeting will also prepare a common position of the LLDC Group for input into the 12th WTO Ministerial Conference and will also provide guidance to negotiators on future multilateral negotiations.

OBJECTIVE

The objective of the LLDC Ministerial Meeting on Trade is to share experiences including on the impact of COVID-19 pandemic and best practice examples of promoting international trade, trade facilitation and connectivity and their role in achieving resilient recovery. Ministers will also develop and strengthen their collective position in multilateral trade negotiations for the benefit of LLDCs and prepare a common position of the LLDC Group for input into the 12th WTO Ministerial Conference. The meeting will identify recommendations for enhancing trade and trade facilitation as well as strengthen transit cooperation within the context of the WTO Trade Facilitation Agreement.

The meeting will also discuss issues under discussion in the WTO as well as the possible deliverables of the Ministerial Conference and the future work program of the WTO.

FORMAT OF THE EVENT

The event will consist of an opening session, an interactive debate, thematic sessions and the closing session. Impactful thematic sessions will discuss the impact of COVID-19, key trade issues that require to be addressed such as accelerating implementation of the Trade Facilitation Agreement; diversification; value addition; global value chains; e-commerce; structural transformation, connectivity and others. The meeting will adopt a Ministerial Declaration.

Due to time limitations, speakers are requested to limit their interventions to a maximum of five (5) minutes.

PARTICIPANTS

The Ministerial Meeting will be attended by Ministers and high-level officials from the 32 LLDCs. Senior Officials from WTO, UN system agencies and other international organizations will also be invited to participate, as necessary.

DATE AND VENUE

The meeting will be held in a virtual format on 4 November 2021.

REGISTRATION

To register, click on the link: [Register here](#). **(Please register before 25 October 2021)**