Asia-Pacific Regional Review Meeting in Preparation for the Fifth United Nations Conference on the Least Developed Countries (UNLDC-5)

Session 4: "Building trade capacity and effective market access for LDCs with enhanced regional integration for graduating and graduated countries"

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Draft speaking notes - H.E. Ms. Monique Van Daalen, Ambassador of Netherlands, Chair of the Sub-Committee on LDCs.

Excellencies, Ladies and gentlemen, Good morning,

I would like to start by thanking the organizers for the invitation to participate in this important meeting.

It's a pleasure to be part of this panel, as Chairperson of the only dedicated Committee on LDCs in the WTO. The LDC Sub-Committee has a very good cooperation with UNOHRLLS. Traderelated elements of the Programme of Action of LDCs of the last decade have been woven into the WTO Work Programme for LDCs that we have been implementing under the aegis of the Sub-Committee on LDCs. And although my duty in Geneva will come to an end by the end of this month, I am sure the cooperation will continue to play an important role in advancing the common goal of integrating LDCs into global trade.

LDC5 is taking place amidst the COVID-19 pandemic. COVID-19 has brought extraordinary challenges. The LDCs - being the most vulnerable segment of the international community - have less means to fight this pandemic and to sustain their development efforts. Strong global collaborative efforts are required now more than ever before.

This Review meeting, especially for Asia Pacific LDCs, offers an excellent opportunity to identify the support measures and strategies that can help LDCs become stronger and resilient in the coming decade.

In light of my experience in WTO discussions as well as my association with development work, I wish to share with you three key points.

First, trade has proven to be a force for growth and development. Over the past 30 years before the outbreak of COVID-19, the economic growth largely driven by trade has helped to lift over a billion people out of poverty. So, trade needs to play a decisive role in post-pandemic recovery to deliver growth in LDCs. I see opportunities in Trade facilitation and digital trade.

- Implementing the Trade Facilitation Agreement is key. We have seen the importance of trade continuity during the pandemic to ensure food security and access to essential medical goods and services. And I am very pleased to see all WTO members working hard to further accelerate the TFA implementation and support the LDCs in their needs to implement the TFA.
- Another opportunity to benefit from trade can be found in digital trade. The importance of digitalization has grown exponentially over the last decades. The expansion of the digital economy has created enormous opportunities for developing countries and vulnerable groups to access new markets and to help improve economic and social outcomes. And now with the current pandemic its importance has accelerated even more. We have seen an enormous jump forward in LDCs in terms of digitalization. In this period of lockdowns and restrictions, digital trade and digital platforms are more than ever essential for our economies and societies. Nevertheless, digitalization also brings new challenges. We should be mindful of the differences in technical advancement both between and within countries. There is a clear need to update the WTO rulebook and adopt specific rules that govern digital trade. Among other things, rules on consumer protection, e-signatures and the protection of personal data. I therefore highly recommend LDCs to join the JSI negotiations on e-commerce.

And then my second point. LDCs enjoy special status in WTO. WTO Members have taken some significant decisions over the last decade to boost LDCs export growth. Many steps are taken along preferential schemes. Full and effective implementation of those decisions can bring tangible progress in LDCs. LDC5 can pave the way forward on how LDCs can take full advantage of these decisions.

In recent years, the topic of LDC graduation has become one of the key priorities of LDCs in the WTO. And I believe LDC Graduation is very pertinent in Asia – Pacific Region. The WTO LDC Group has made proposals in several WTO bodies which are being examined by Members. The challenges of graduating LDCs are recognized and the WTO Secretariat is assisting these LDCs through analysis and capacity building activities towards integration in the WTO rules system.

This brings me to my third point.

Building trade capacity is a continuous process. We are building a transparent, rules based trading system so everyone can benefit. The Netherlands has therefore been a longstanding partner of LDC governments to achieve their development objectives. We work together with valued partners like the WTO, ITC, UNCTAD, ACWL amongst others, to assist LDCs to benefit from trade. Over the past decade the Netherlands has provided USD 900 million in Aid-for-Trade to LDCs with over 80% aimed at strengthening productive sectors.

Building on my experience, as the Chair of the LDC Sub-Committee and my first-hand knowledge through some visits in a few LDCs, I firmly believe we should do more to help LDCs fully realize the opportunities created through negotiations. A continuous focus in strengthening productive sectors as well as economic infrastructure remains essential.

These are just a few observations that I wanted to share with you as you prepare for LDC5.

- Trade is an important tool for growth and development.
- WTO Members have been working hard to support LDC integration in global trade.
- And building trade capacity is key for making use of trade opportunities offered by the global trading system.

Hope this meeting comes up with some concrete recommendations which the international community could endorse in support of LDCs growth and development in the next decade.

The Netherlands stands ready to support LDCs in any way it can.

Thank you very much. I wish you a very successful meeting.

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