

Introduction

The Istanbul Programme of Action for LDCs (IPoA) for the decade 2011 to 2020 identified trade as one of the eight priority areas of actions for the economic growth and sustainable development of least-developed countries (LDCs).¹ Calls from the international community to support the integration of LDCs into global trade have been resonating in the WTO over the last decade.

Major advances have been made in enhancing trade opportunities for LDCs, as well as in providing continued flexibilities to implement WTO rules and disciplines. A set of concrete decisions aimed at improving market access for LDC products, such as duty-free and quota-free (DFQF) market access, preferential rules of origin and the LDC services waiver, indicate members' commitment to LDCs' development, while WTO members' generous extension until 1 July 2034 of the transition period for LDCs under the WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) attests to members' willingness to allow LDCs sufficient time to integrate WTO rules. LDCs have also received special treatment in the implementation of multilateral agreements like the WTO Trade Facilitation Agreement (TFA), which has the potential to reduce trade costs in LDCs.

LDCs thus continue to remain at the heart of the development dimension of the multilateral trading system.

At the same time, LDCs have not been able to take full advantage of the opportunities provided under the multilateral trading system, and their participation in global trade has not reached the desired level. The IPoA goal of doubling the share of LDCs in global exports by 2020 was not met. LDCs' trade performance is conditioned by their weak productive and institutional capacity, narrow export base and limited market destinations, continued and widening trade deficit, susceptibility to high price volatility for primary commodities, and, most recently, by the declining demand and global economic contractions resulting from the ongoing COVID-19 pandemic. LDCs are facing challenges similar to those they were already confronting a decade

ago, and these are severely impacting their ability to recover from the ongoing pandemic.

It is in these challenging circumstances that the Fifth United Nations Conference on the Least Developed Countries (LDC5) will be held. LDC5 should aim to forge a renewed partnership between LDCs and their trading and development partners over the next decade, in order to build a strong foundation of enhanced economic growth and resilience in LDCs that will overlap with the remaining years of the 2030 Agenda for Sustainable Development.

The latest LDC Trade Ministers' Declaration, adopted in October 2021, stressed the importance of the speedy recovery of LDCs from the ongoing pandemic through increased trade opportunities.² It set out LDC trade priorities, including the effective implementation of commitments in favour of LDCs and positive actions on LDC graduation. Other priority areas include specific treatment of LDCs in the disciplines on fisheries subsidies, agriculture, development and trade-related response to the COVID-19.

The beneficial integration of LDCs into global trade continues to be a priority, and the international community must reaffirm its commitment to and support of LDCs, so that trade can continue to be a fundamental driver of their development goals.

¹ A full list of LDCs can be found in Annex Table 4.

² WTO official document number WT/MIN(21)/2. WTO official documents can be searched for via "WTO Documents Online" at <https://docs.wto.org>