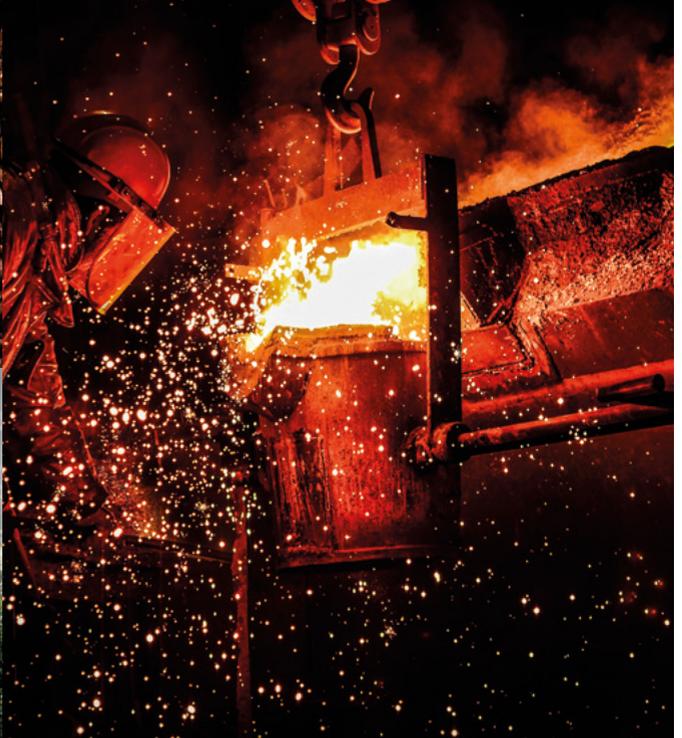


Mainstreaming trade to attain the Sustainable Development Goals





Executive summary

The WTO is central to achieving the 2030 Agenda for Sustainable Development and its Sustainable Development Goals (SDGs), which set targets to be achieved by 2030 in areas such as poverty reduction, health, education and the environment. The SDGs put significant emphasis on the role that trade plays in promoting sustainable development and recognize the contribution that the WTO can make to the 2030 Agenda.

Historically, trade has proven to be an engine for development and poverty reduction by boosting growth, particularly in developing countries. Rapid growth greatly contributed to the unprecedented reduction of poverty levels which led to the early achievement of the Millennium Development Goal to reduce poverty by half by 2015.

Trade works for developing countries because opening up to trade increases a country's economic growth as it allows each country to use its resources more efficiently by specializing in the production of the goods and services it can produce more competitively. By increasing growth, trade can also make available the necessary resources to implement other development targets in the social and environmental sphere. Trade also contributes directly to poverty reduction by opening up new employment opportunities, and reducing the prices of goods and services for poor consumers, including foodstuffs.

Integration into the multilateral trading system, as embodied by the WTO, also helps the long-term growth prospects of developing countries by providing them with access to new markets, new technologies and new investment, making their development sustainable. 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 several of the other goals in the 2030 Agenda.





But in order for countries to fully reap the benefits of trade, it is necessary to adopt approaches which aim to mainstream trade into their national sustainable development strategies. This is because trade has cross-cutting effects in the economy and significant linkages to other sectors. Therefore, mainstreaming trade policies into development plans enhances coherence in the use of trade as a proactive tool in achieving poverty reduction and fulfilling other SDGs among all stakeholders.

Further efforts to strengthen and reform the WTO can help to support efforts at the national level and ensure that the benefits of trade are spread more widely. The series of successes at the WTO in recent years illustrates how the 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 (Trade-related Aspects of Intellectual Property Rights) 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 adaptable and dynamic in its response to the changing landscape and 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 before them.

This report identifies the following steps which would help to ensure that international trade contributes to accelerating progress in achieving the SDGs:

- 1.** Mainstream trade into national and sector strategies to achieve the SDGs.
- 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.



How trade contributes to delivering key Sustainable Development Goals



SDG 1: No Poverty

There is increasing evidence that well planned and strategically executed trade policy initiatives can impact positively on sustainable poverty reduction. Trade opening has also generated higher living standards through greater productivity, increased competition and more choice for consumers and better prices in the marketplace.



SDG 2: Zero Hunger

Eliminating subsidies that cause distortions in agriculture markets will lead to fairer more competitive markets helping both farmers and consumers while contributing to food security. The WTO's 2015 decision on export competition eliminated export subsidies in agriculture, thereby delivering on Target 2.B of this goal.



SDG 3: Good Health and Well-being

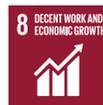
One of the main objectives under SDG 3 is to ensure access to affordable medicines for all. An important amendment to the WTO's TRIPS Agreement recently entered into force. This measure will

make it easier for developing countries to have a secure legal pathway to access affordable medicines in line with Target 3.B of this goal.



SDG 5: Gender Equality

Trade can create opportunities for women's employment and economic development. Through trade, job opportunities for women have increased significantly. Jobs in export sectors also tend to have better pay and conditions. Export sectors are an important job provider for women in developing countries.



SDG 8: Decent Work and Economic Growth

Trade-led inclusive economic growth enhances a country's income-generating capacity, which is one of the essential prerequisites for achieving sustainable development. The WTO's Aid for Trade initiative can make a big difference in supplementing domestic efforts in building trade capacity, and SDG 8 contains a specific target for countries to increase support under this initiative.



SDG 9: Industry, Innovation and Infrastructure

Trade produces dynamic gains in the economy by increasing competition and the transfer of technology, knowledge and innovation. Open markets have been identified as a key determinant of trade and investment between developing and developed countries allowing for the transfer of technologies which result in industrialization and development, helping to achieve SDG 9.



SDG 10: Reduced Inequalities

At the global level, changes in development patterns have been transforming prospects of the world's poorest people, decreasing inequality between countries. WTO rules try to reduce the impact of existing inequalities through the principle of Special and Differential Treatment for Developing Countries. This allows the use of flexibilities by developing and least-developed countries to take into account their capacity constraints.



SDG 14: Life Below Water

The WTO plays an important role in supporting global, regional and local efforts to tackle environmental

degradation of our oceans under SDG 14.

The Decision on Fisheries Subsidies taken by WTO members in December 2017 is a step forward in multilateral efforts to comply with SDG Target 14.6, committing members to prohibit subsidies that contribute to overcapacity and overfishing, and eliminate subsidies that contribute to illegal, unreported and unregulated fishing, with special and differential treatment for developing and least-developed countries. Members committed to fulfilling this commitment by the 12th Ministerial Conference.



SDG 17: Partnerships for the Goals

SDG 17 recognizes trade as a means of implementation for the 2030 Agenda. The targets under this goal call for: countries to promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system; the increase of developing countries' exports and doubling the share of exports of least-developed countries (LDCs); and the implementation of duty-free and quota-free market access for LDCs with transparent and simple rules of origin for exported goods. The WTO is the key channel for delivering these goals.



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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 before them.

Printed copies of the publication can be ordered from the WTO Online Bookshop at <https://onlinebookshop.wto.org>



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