

INFORMAL REPORT BY THE WTO SECRETARIAT TO THE AID-FOR-TRADE SESSION OF THE COMMITTEE ON TRADE AND DEVELOPMENT OF 30 OCTOBER 2015

WORKSHOP ON THE SUSTAINABLE DEVELOPMENT GOALS, ADDIS ABABA ACTION AGENDA AND THE AID-FOR-TRADE INITIATIVE

29 OCTOBER 2015

On 29 October, a Workshop on The Sustainable Development Goals, Addis Ababa Action Agenda and the Aid-For-Trade Initiative was held to discuss the Addis Agenda and the SDGs as well as their implications for the Aid-for-Trade Initiative.

Karsten Steinfatt, Counsellor, Trade and Environment, WTO, gave an overview of the 2030 Agenda for Sustainable Development, explaining how as a universal agenda it was substantively different from the Millennium Development Goals. He gave an overview of the 17 Sustainable Development Goals (SDGs) found in the Agenda and explained how trade had been considered as a means to achieve sustainable development – in similar terms to the language found in the Marrakesh Agreement establishing the WTO. He explained the specific trade targets found under SDG 17 and outlined many other areas where trade and trade policy intersected with other SDGs, such as those concerned with the elimination of hunger, sustainable fisheries, public health, water and sanitation, strengthening of environmental technology capacities, access to financial services, and trans-border infrastructure. He noted that the Aid-for-Trade Initiative has a key role to play in ensuring progress on the SDGs, and communication and feedback between trade and development stakeholders. Aid-for-Trade support had also been specifically cited in SDG 8.

Miho Shirotori, Chief, Global and Regional Trade Analysis Section, Trade Analysis Branch, UNCTAD, discussed the evolving monitoring and review system for tracking progress on the SDGs. System-wide coherence would be achieved through annual High-Level Political Forum (HLPF) meetings under ECOSOC and quadrennial UN General Assembly reviews. These global reviews would consider concurrently the economic, social and environmental dimensions of the SDGs, drawing on voluntary, country-led national and regional assessments. The HLPF would also undertake thematic cluster reviews. The importance of good quality data for measuring progress was underlined, together with the need to build statistical capacity in developing countries. Global indicators, including trade-related ones, would be finalized by the UN Inter-Agency Expert Group meeting in March 2016. She discussed alternative funding scenarios for the SDGs, highlighting the significant investment gap and projecting different scenarios for private and public sector financing – underlining the key role of private sector investment regardless of the scenario. In considering financing for development, systemic issues such as capacity building, technology and innovation needed greater attention, including as part of Aid-for-Trade efforts.

The second session examined how to bridge the SDGs' financing gap, and implications for the Aid-for-Trade Initiative. **Hans-Peter Werner, Counsellor, Development Division, WTO**, outlined the role of trade and investment in the Addis Ababa Action Agenda. He emphasized that trade finance, trade, capacity building and technology are enablers in realizing the SDGs in all developing and least-developed countries. The projected costs were estimated between US\$3.3 to US\$4.5 trillion per annum over the next 15 years. Seven areas were identified in the AAAA as sources of finance, including domestic public resources, the private sector, international development cooperation, trade as an engine for growth, debt sustainability measures, systemic global governance, and the digital divide and IT connectivity.

Alice Tipping and Sherry Stephenson of ICTSD focused on the importance of leveraging services and investment to achieve the 2030 Agenda. They gave a detailed explanation of how services feature prominently across different SDGs – notably backbone services, essential services and tourism. They also presented estimates on economic and welfare gains from improving the performance of various services sectors – highlighting in particular sustainable tourism for LDCs who depend heavily on transport and travel services for their service exports. They argued that economic and welfare gains would only be achieved if accompanied by appropriate services regulations. They recommended much greater Aid-for-Trade attention to the issue of services, and that greater support should be directed to enabling appropriate regulatory environments.

Frans Lammersen, Principal Administrator, Development Co-operation Directorate, OECD, highlighted 10 years of significant achievements of the Aid-for-Trade Initiative. Noting the effectiveness of Aid for Trade in general and regional programs in particular, he suggested possible areas for future work. The Aid-for-Trade work program should continue to break down silos between the trade and development communities. As such, he suggested that future efforts focus on improving connectivity, driving down trade costs to help the poor connect to markets, and boosting sustainable investment to help deliver on the SDGs.

All in all, the Workshop was very informative. It provided participants a solid overview of the 2030 Agenda and the Addis Agenda as well as food for thought on possible areas for future work in Aid for Trade.