

WTO: Trade and Natural Disasters Event

26 April

Thank you Director-General, and thank you to Secretary-General Sy.

I'm pleased to share panel with Director Madi also.

Australia is very pleased to participate in today's event, and to be supporting the WTO's work in this important area.

We recognize that addressing the trade-related challenges that arise from natural disasters is a priority for many WTO Members.

None of us are immune from natural disasters. Australia is highly exposed to disaster risks. In the 10 years to 2016, the total economic cost of natural disasters averaged \$18.2 billion per year, equivalent to 1.2% of GDP. Our risk profile is increasing due to climate change, population growth and urbanization, and estimates suggest that our annual losses from natural disasters will more than double by 2050.

The Indo-Pacific region more broadly – which stretches across the Indian and Pacific oceans - is one of the most disaster prone globally, and many of our closest Pacific neighbours being vulnerable to a range of serious weather events.

Already this year, we've seen devastating earthquakes in Papua New Guinea, cyclones and floods in Fiji, Samoa and Tonga, and volcanic eruptions in Indonesia, the Philippines and Tonga, to name a few examples.

These events can have devastating impacts. For example more than 34,000 people were displaced following the earthquakes in Papua New Guinea this year. And as mentioned by the Secretary-General, Tropical Cyclone Pam in 2015 cost Vanuatu 64 per cent its GDP. And Tropical Cyclone Winston in 2016 affected 540,000 Fijians - nearly two-thirds of that country's population.

So why support this area of work at the WTO?

For Australia, the importance of further analyzing the links between trade and natural disasters is clear.

Clearly, the interruptions to trade that result from such events can be devastating. And while there has been attention to improve countries' resilience, recovery and response to natural disasters generally, to date there has been comparatively little work on the links between trade and natural disasters.

From the initial analysis that we have seen, increasing a country's disaster resilience has obvious benefits for that country's capacity to trade.

And equally, the reverse is true. Strengthening a country's trade regime before a natural disaster hits – its policies, regulations and infrastructure – can increase that country's overall resilience to natural disasters.

For example:

- more liberal sectors can allow for greater provision of much needed services – from insurance, to medical services and ICT - both in the lead up to, and in the wake of, natural disasters;
- improved customs procedures and certification processes can quicken the delivery of much-needed goods;
- and internationally-consistent standards can help develop disaster-resilient infrastructure.

Given the importance trade plays in a country's development, and UN Members' commitment to investing in disaster reduction under the Sendai Framework for Disaster Risk Reduction, we see further work on this question as vital.

To this end, Australia has offered the WTO an extra-budgetary contribution of CHF 110,000 to conduct research examining the trade impact of natural disasters, as well as the role that trade measures can play in natural disaster response, recovery and resilience.

This work will build on the support we currently provides on natural disasters through our overseas aid and humanitarian programs, particularly in the Indo-Pacific Region.

So in conclusion, we hope that other WTO Members will support this important initiative.

And we look forward to discussing the findings from this initial research and scoping work with other WTO Members once it is completed late this year, or early in 2019.

Thank you.