



Promoting and strengthening synergies among the three pillars

Trade and Development Commission

Item 6: Informal session

7 May 2014

Outline

- Monitoring trade and trade policy
- Trade negotiations and commercial diplomacy
- The gender dimension of trade
- Non-tariff measures
- Trade and maritime connectivity
- International trade, climate change and sustainable agricultural development
- UN Forum on Sustainability Standards (UNFSS)
- Competition and consumer protection policies
- Trade, environment and sustainable development



Monitoring

Trade and Trade Policy



Monitoring Trade: Why and How?

Activity:

Summarize data on international trade and trade policies into relevant and meaningful statistics.

Purposes:

- To provide factual information on the evolution and status of international trade and on the use of trade policies.
- To identify trends and issues related to international trade so to better direct research, analysis and technical assistance.

Statistics based on Factual Data:

- UN (UNCTADStat, WITS, Comtrade)
- External databases (WTO, World Bank, ITC).

Dissemination:

- Direct: Two annual publications, South-South Monitor bulletins.
- Indirect: Feed into UN and non-UN publications (eg. WTR, HRD)



What to Monitor? Statistics and Indicators

- Trade Statistics
 - Global, regional, bilateral, national trade flows.
 - Stage of production, Typologies of products.
 - Indexes of diversification, sophistication, food security, etc.

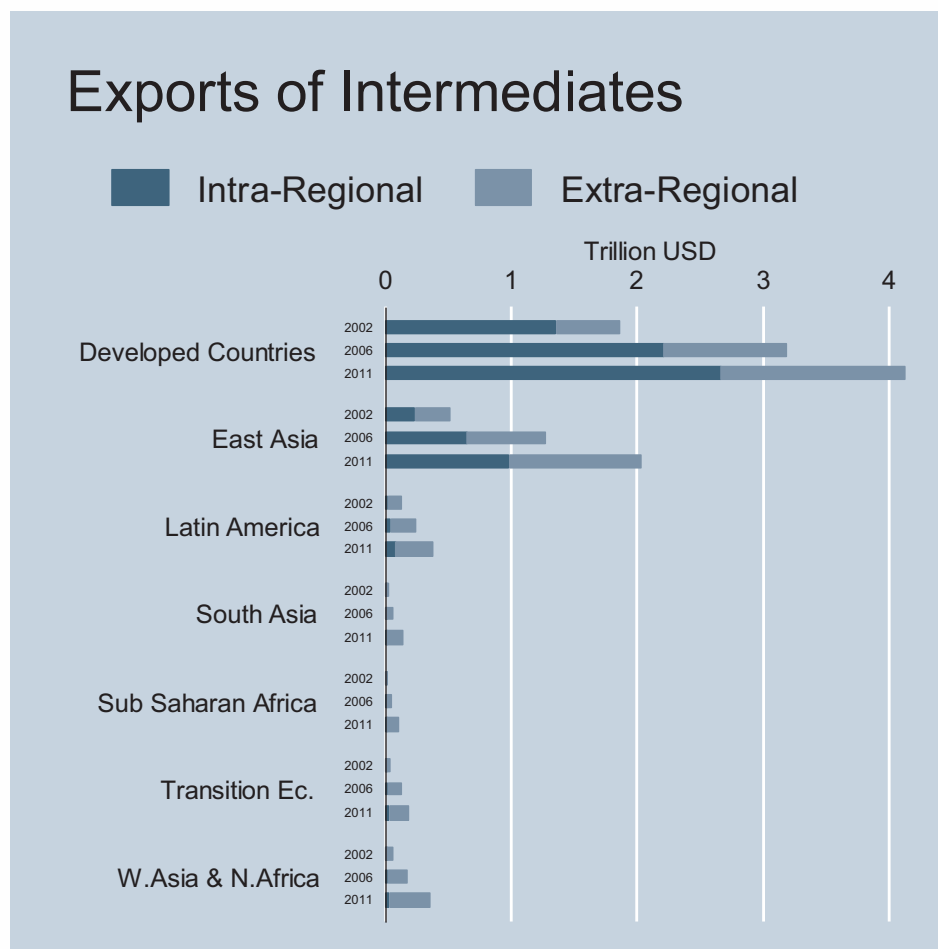
- Trade Policy Statistics
 - Tariffs, Preferential margins, Non-tariff measures, Policy Space, Contingency measures, Regional agreements, Exchange rates.



Insights on Global Value Chain

Trade in intermediates
As a proxy for participation
in Global Value Chains

Mainly happening within
developed countries and
East Asia.



Clustered Trade

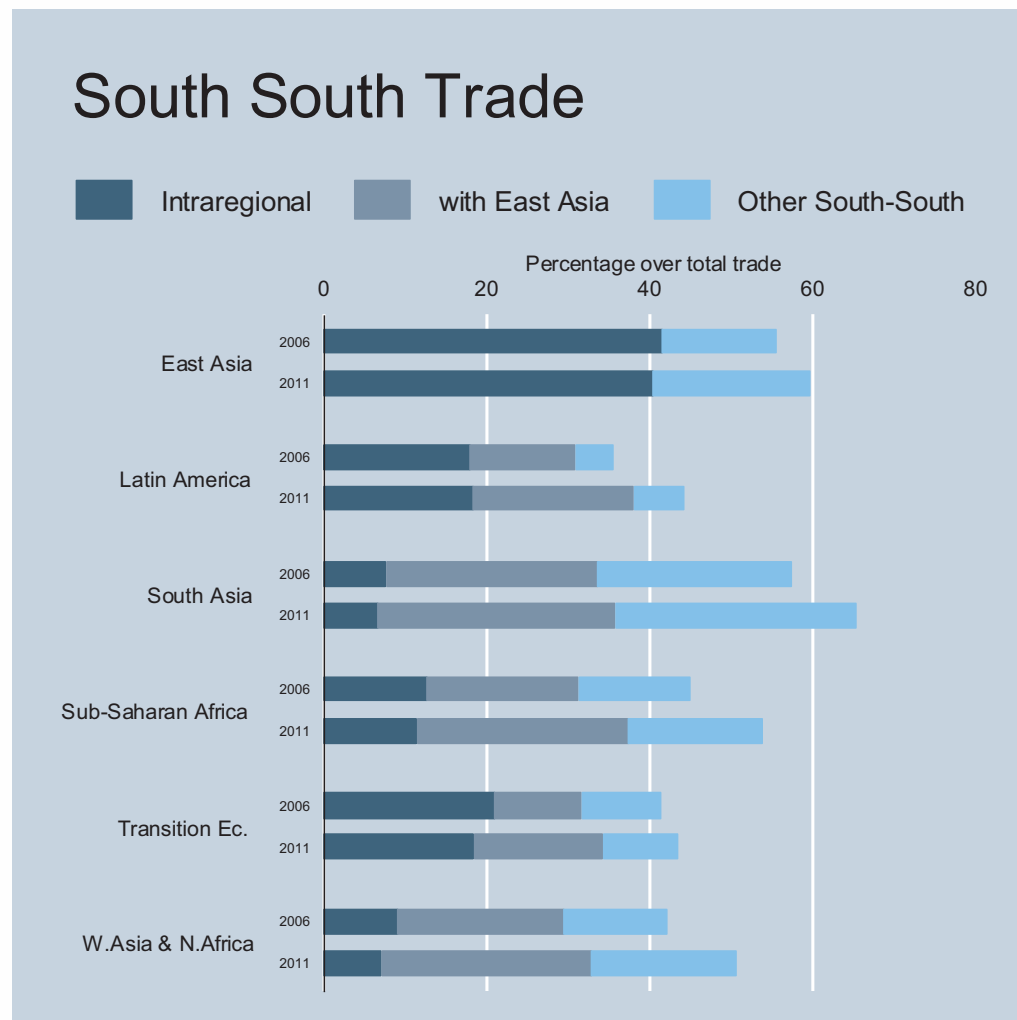
Importers	Exporters														
	Europe	Germany	Canada	USA	Mexico	Latin America	East Asia	China	Japan	Korea	Australia and New Zealand	South Asia	India	West, Central Asia and North Africa	Sub Saharan Africa
Europe	16.5% -(1.8%)	5.5% -(0.8%)		1.6% -(0.2%)		0.7% (0.0%)	1.0% -(0.1%)	2.4% (0.4%)	0.6% -(0.2%)					1.8% (0.0%)	0.5% (0.0%)
Germany	4.7% -(0.3%)							0.7% (0.1%)							
Canada				1.3% -(0.3%)											
USA	2.0% -(0.4%)	0.6% -(0.2%)	1.9% -(0.7%)		1.5% -(0.1%)	0.9% -(0.2%)	1.0% -(0.3%)	2.5% (0.0%)	0.8% -(0.4%)					0.7% -(0.1%)	
Mexico				1.0% -(0.1%)											
Latin America	0.5% (0.1%)			0.8% (0.1%)		0.9% (0.1%)		0.5% (0.3%)							
East Asia	1.0% (0.2%)			0.9% (0.0%)			2.8% (0.0%)	2.5% (0.3%)	1.3% -(0.1%)	0.7% (0.1%)				0.8% (0.1%)	
China	1.0% (0.3%)	0.5% (0.2%)		0.7% (0.2%)		0.6% (0.3%)	1.9% (0.3%)		1.1% (0.2%)	0.9% (0.2%)	0.4% (0.3%)			0.7% (0.3%)	0.4% (0.2%)
Japan							0.8% (0.0%)	1.0% (0.0%)						0.8% (0.0%)	
Korea														0.5% (0.1%)	
Australia and New Zealand															
South Asia															
India	0.4% (0.1%)						0.3% (0.1%)	0.3% (0.1%)						0.6% (0.4%)	
West, Central Asia and North Africa	1.9% (0.0%)								0.6% (0.2%)					0.7% (0.1%)	
Sub Saharan Africa									0.3% (0.1%)						



What really is South South Trade?

South-South Trade is largely because of East Asia.

Not only in values but also in shares!



Tariff are still relevant in many cases

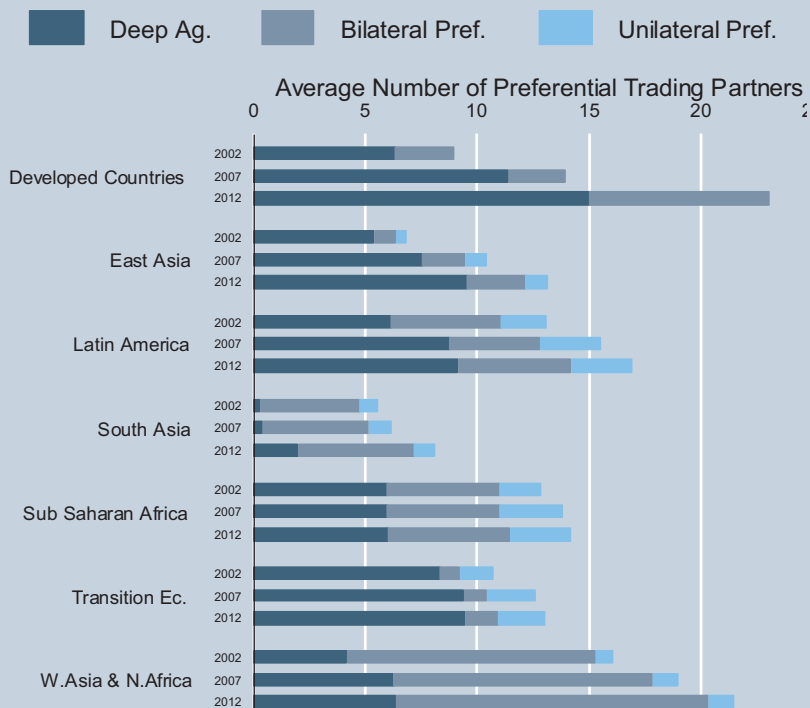
Tariff Restrictiveness, Matrix by Region (changes 2007-2012 in smaller font)

	Exporting Region						
Importing Region	Developed Countries	East Asia	Latin America	South Asia	Sub-Saharan Africa	Transition Economies	W.Asia & N.Africa
Developed Countries	1.0	2.1	0.4	3.1	0.1	0.6	0.3
	-0.6	-0.5	-0.9	-0.1	-0.6	0.1	-0.2
East Asia	5.8	3.0	2.5	2.5	1.9	1.8	1.4
	0.5	-0.4	-2.4	-0.9	0.4	-1.5	-0.5
Latin America	3.9	7.8	1.4	7.8	1.6	1.8	3.0
	0.0	-0.7	-0.5	-2.2	-0.8	-1.7	0.1
South Asia	9.4	11.2	1.9	3.0	3.3	6.5	3.4
	-4.1	-2.8	-13.8	-5.9	-8.9	-11.8	-7.4
Sub-Saharan Africa	6.6	11.2	9.0	6.9	4.1	5.4	5.7
	0.2	0.0	1.2	0.6	-0.9	-0.8	2.4
Transition Economies	4.8	6.6	4.7	6.5	2.5	0.4	6.6
	-1.3	-2.2	-3.5	-0.7	0.1	-2.2	-1.4
W.Asia & N.Africa	8.1	13.0	7.9	8.4	8.2	3.5	2.8
	-0.9	0.0	-2.4	0.0	-1.8	-3.6	0.4

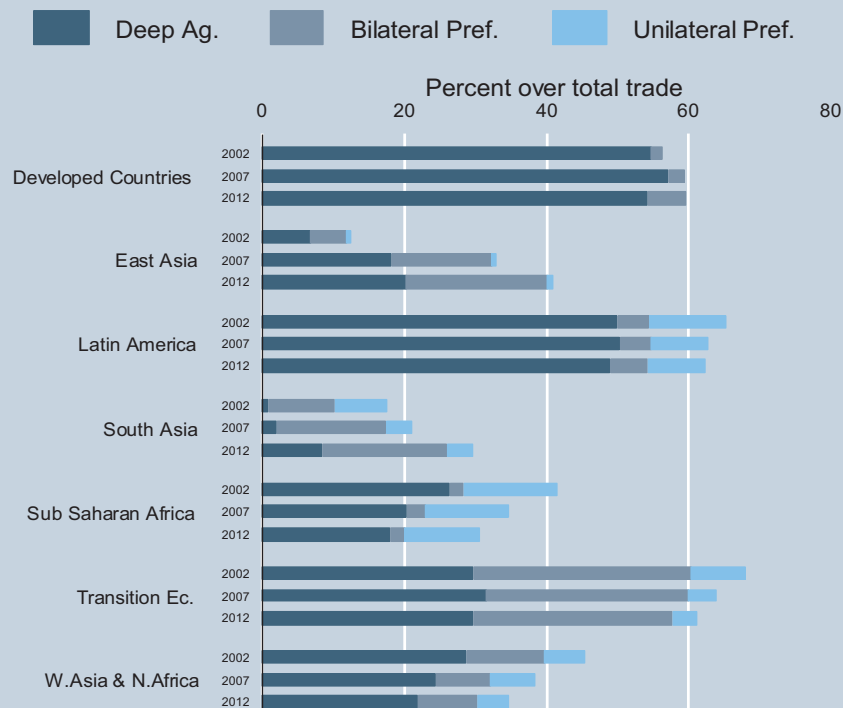


Proliferation of Trade Agreements

Preferential Trading Partners



Trade under PTAs



Trade Negotiations & Commercial Diplomacy



Overview

- Expected accomplishment for 2014-2015
 - (a) Strengthened understanding and capacity of developing countries, in particular least developed countries, and countries with economies in transition, to integrate beneficially into the global economy and the international trading system
- For the biennium 2012-2013
 - 12 intergovernmental meetings (organized and contributed)
 - 8 parliamentary documents
 - 18 publications
 - 29 advisory missions
 - 46 workshops and seminars
 - Benefiting over 2724 participants from developing countries and transition economies, 42% of them are female participants (1158)



TRADING SYSTEM AND TRADE POLICY

WE ADVOCATE A DEVELOPMENT-FOCUSED INTERNATIONAL TRADING SYSTEM AND TRADE POLICIES FOR THE BENEFIT OF ALL



HOW DO WE HELP?

- *Monitor and assess evolutions in the international trading system and trade policy to build consensus for development-oriented outcomes in the United Nations General Assembly, Trade and Development Board, Trade Commission and expert meetings*
- *Support countries to formulate and implement trade-policy frameworks to achieve MDGs, poverty reduction and job creation and share experiences and lessons*
- *Conduct policy analysis to help countries assess policy options and practical solutions in their engagement in multilateral and regional trade negotiations*
- *Assist countries in better utilizing trade preferences under Generalized System of Preferences (GSP) and expanding trade opportunities under South-South trade cooperation, including Global System of Trade Preferences among Developing Countries (GSTP)*
- *Build national and regional capacities and institutions for trade negotiations and implementation*

Adequately designing and negotiating terms of integration into the international trading system remains a major challenge for developing countries.

Trade policy is a key ingredient of an integrated development strategy linking trade, productive capacity and job creation.

UNCTAD is the intellectual cradle of GSP and has been instrumental for the development of other trade preferences programmes, including GSTP.

Our work under the three pillars

- Intergovernmental - Monitor and assess the evolutions in trade and the trading system
 - UN Secretary-General's report on "International Trade and Development (A/68/205)" & GA resolution (A/RES/68/199)
 - TDB & TDC
 - MYEM on an enabling environment (October 2014)
 - Ad hoc EM on the ITS & inclusive dev (19-20 Nov 2013)
- Research - Systemic and technical issues of relevance to DCs
 - Agriculture, NAMA, services, rules, SDT
 - Trade policy (incl. employment, agriculture)
 - GSP data, LDC DFQF and other trade preferences
- Technical cooperation - Support to DCs in their participation in the multilateral and regional trade negotiations
 - WTO Doha Round, post-Bali process & ACP-EU EPAs
 - Trade policy formulation & implementation for greater policy coherence in support of MDGs & creating trading opportunities (Jamaica, Angola, Mexico Agriculture, Zambia (forthcoming))
 - GSP, GSTP and other trade preferences





SERVICES, DEVELOPMENT AND TRADE

SERVICES: A KEY DRIVER OF ENHANCED COMPETITIVENESS AND INCLUSIVE AND SUSTAINABLE DEVELOPMENT

44%
OF WORLD
EMPLOYMENT

GLOBAL SERVICES FORUM
Leads in bringing together key stakeholders from governments, private sector and academia to share experiences and lessons on services

50%
OF WORLD
TRADE IN
VALUE ADDED

EXPERT MEETINGS
Provide analytical support to a network of experts that examines the policy, regulatory and institutional frameworks on services

2/3
OF WORLD
OUTPUT

SERVICES POLICY REVIEWS
Assist countries to develop comprehensive and coherent policies and strategies for services sector development

« Let us work together to maximize the potential of services as an instrument for inclusive and sustainable development. I trust that...the deliberations at the Global Services Forum, will advance our shared goals and objectives.»

United Nations Secretary-General Ban Ki-moon

RESEARCH
Delivers key facts, case studies and analytical findings on services to support evidence-based and coherent services policy making

TARGETED CAPACITY-BUILDING
Provides a menu of policy options and trade liberalization approaches to help countries participate in regional integration and trade negotiations on services in a more informed manner

Our work under the three pillars

- Comprehensive work on services
- Intergovernmental – Exploiting the development potential of services, development & trade
 - Global Services Forum (Doha 2012 and Beijing 2013)
 - MYEM on services, trade & development (14-17 April 2014)
 - Single-year EM on financial inclusion (November 2014)
 - Ad hoc EM on services (19-20 Nov 2013)
- Research – Services policy analysis and sectoral studies
 - Regulatory & institutional aspects of services, particularly infrastructure services
 - SPRs
 - Trade, investment and developmental links between countries of origin of migrants and their communities abroad
- Technical cooperation - Support DCs in formulating services policies (productive & trade capacities), regulations, institutions & strategies
 - SPRs
 - Services trade negotiations (eg. LDC waiver) and regional integration (eg. SADC, COMESA, pan-African CFTA, ALADI, ACP-EU EPA)

Example: Services Policy Review



WTO ACCESSION

WE SUPPORT COUNTRIES' EFFORTS TO ACHIEVE TERMS OF ACCESSION THAT REFLECT THEIR LEVEL OF DEVELOPMENT

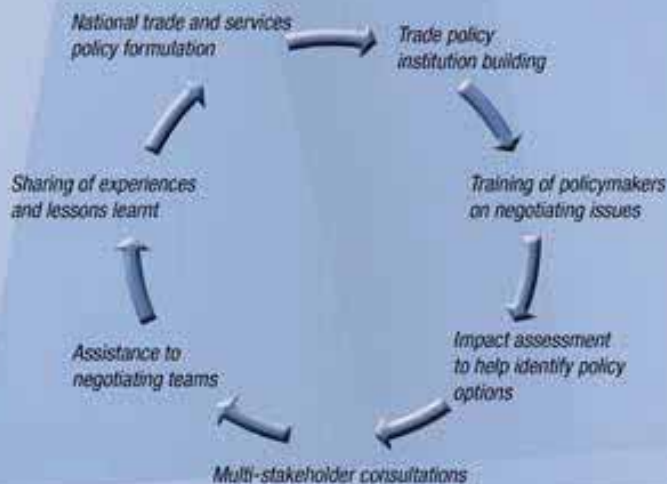
WTO accession is a challenging process requiring wide-ranging economic and trade policy reforms and market opening.

The key challenge for acceding countries is to maximize benefits for their national development in trade reform process.

« I would also like to express my sincere gratitude to all those who supported us throughout all these years, especially UNCTAD experts who were our angels guiding us on this long road.»

Mr. Cham Prasidh, Minister, chief negotiator for Cambodia's accession to the WTO

Since 1995, we have assisted 36 out of the 55 countries that have applied for WTO accession.



HOW DO WE HELP?

- Support negotiating teams through all stages of the accession process with expert advice, impact assessment and training to better attend to their development needs
- Build national trade policy capacity and institutions through support to WTO units in trade ministries, parliamentarians and multi-stakeholder consultative processes

COUNTRIES WE ASSISTED SINCE 1995

COMPLETED ACCESSION:

Cambodia
Cape Verde
China
Jordan
Lao People's Democratic Republic
Montenegro
Nepal
Oman
Russian Federation
Samoa
Saudi Arabia
Tajikistan
Vanuatu
Viet Nam

ON-GOING ACCESSION:

Afghanistan
Algeria
Azerbaijan
Belarus
Bhutan
Bosnia and Herzegovina
Comoros
Equatorial Guinea
Ethiopia
Iran (Islamic Republic of)
Iraq
Kazakhstan
Lebanon
Turkmenistan
Liberia
Sao Tomé and Príncipe
Serbia
Seychelles
Sudan
Syrian Arabic Republic
Uzbekistan
Yemen

Our work under the three pillars

- Technical cooperation
 - Assisted 22 acceding countries in the process of accession to WTO, including all acceding LDCs (Afghanistan, Bhutan, Cape Verde, Ethiopia, Lao PDR, Sudan, Yemen, Samoa, Sao Tome and Principe and Comoros) as well as recently acceded countries
 - Addressing different phases of the accession process - before, during and after accession
 - Aimed at adjusting and reforming their trade policy regime to render it consistent with WTO agreements while taking into account their development objectives and strategies
 - Raise awareness of the acceding country's negotiating team and stakeholders of the multifaceted issues in the accession process
 - Enhance their expertise of the WTO rules and disciplines, build their trade policy and negotiating capacities to participate effectively in the accession negotiations based on evidence-based analyses
 - Hands-on assistance was provided on the preparation of the Memorandum on the Foreign Trade Regime and other accession-related documents, including simulation exercises



Conclusions

- Continued to implement a diverse portfolio of activities, targeting the different and specific needs of DCs while conducting its regular analytical work and servicing intergovernmental deliberations
- Analytical work intensified in respect of the international trading system, new & emerging issues, trade policy frameworks, services policy analyses and SPRs
- Growing demand for support to build effective regulatory and institutional capacities in services, conduct SPRs, formulate comprehensive trade policy framework, including to support employment creation
- Support is also key for DCs efforts to better participate in international trade negotiations, including for regional trade agreements and WTO accession
- Activities were conducted in close cooperation with other international agencies/donors



The Gender Dimension of Trade

Lessons from country case studies



What we do

Synergies among the three pillars

UNCTAD supports member countries in making economic policy, especially trade policy, a force for inclusive development

- **Analyzing trade and gender at the country level**
 - Bhutan, Cape Verde, Lesotho, Angola
 - Rwanda, Uruguay
- **Supporting women in the LDCs**
 - Enhanced Integrated Framework/DTIS Gambia
- **Training researchers and academicians**
 - Teaching package on trade and gender
- **Enhancing local capacity and sharing information**
 - Fact-finding missions, national seminars, training on methodologies
- **Raising awareness at the intergovernmental level**
 - UNCTAD XIII, LDC IV



What have we learned?

Common aspects with respect to gender



- Gender equality enshrined in key laws
- Difficulties in ensuring de facto gender equality despite of comprehensive legal commitments at national, regional and multilateral levels - gender inequalities rooted in socio-cultural norms that policies and laws have not yet been able to overcome
- Double legal system civil law – customary law
- Gender specificities by and large ignored in macroeconomic policies and trade policy formulation & implementation – « Gender neutral policies »
- Ministries/public institutions put in place to ensure gender equality and enhance women's conditions
- Notable improvements in literacy & education, and political participation BUT gender inequalities persist in terms of income, employment, wages, access to productive resources, education and training
- Women mainly found in low value, subsistence or labor intensive activities in agriculture, fisheries and manufacturing
- Heavy burden of care work especially in light of poor infrastructure and inadequate healthcare systems
- Widespread gender-based violence



Some examples

Lesotho

- Strong expansion in textiles & clothing due to preferential trade opportunities created by U.S. African Growth and Opportunity Act (AGOA).
- Generated income and full-time permanent employment for relatively unskilled women
- But women segmented into unskilled labor-intensive activities with poor opportunities for skill development and subsistence wages
- Vulnerability to shifts in trade policy



Gambia



Economy driven by services (tourism) but fisheries can become a critical point of poverty alleviation and food security

- **Fisheries sector is segmented:**
 - Women mostly sell fresh and cured fish and are small-scale traders (labour-intensive, low profit); Men export dealers of frozen and smoked fish (capital-intensive, higher profit)
- **Women lack adequate access to productive resources:**
 - Including community managed facilities such as fish landing sites, smoking and processing units, markets, credit and support services
- **The development of the sector and increased export orientation** may benefit women if they get access to upgraded facilities, credit and support services



Angola

- Globalization has reinforced economy's primarily extractive character (oil and diamonds) and limited the development of manufacturing and other tradable sectors
- Urban informal sector (e.g., women selling food, drinks and imported goods) is large due to lack of employment opportunities
- **Women in agriculture**
 - Women in staple food production and local marketing. Men predominate in commercial production
 - Trade liberalization has limited impact on women farmers as they are subsistence oriented and insulated from trade flows. Import penetration also low due to high transport costs
 - But as infrastructure is developed cheap food imports may have a significant impact on producers. Diversification and commercialization may marginalize, exclude or displace women



How trade and other policies can be used to narrow gender gaps and enhance women's well-being

A call for coherence

The challenge:

- Dynamize sectors where women operate
- Create opportunities for women in expanding sectors

Make trade policy more « gender aware »:

- Recognize that trade policy has discrete impacts on women in all economic roles they play – producers, consumers, tax payers, users of public services.

Free women's time:

- Increase spending on health, sanitation, electrification, transport and other services.

Upgrade women skills:

- Increase education and on-the-job training for women.

Improve access to productive resources and suitable technologies:

- Increase women opportunities by facilitating access to credit, land, inputs, technology, infrastructure, information and other resources
- Engender extension and advisory services



Favour gender-sensitive models of supply chains:

- Establish linkages with downstream actors in the chain (out-grower schemes, supermarket supply chains)
- Promote women's agrarian organizations

Develop product differentiation strategies and explore niche markets:

- Set up certification schemes for goods and services to attest origin and quality

Create gender-sensitive business incentives:

- Attract investment to sectors which directly benefit women
- Set up special tax rates, exemption, rebates, deductions, deferrals
- Establish publicly-backed microfinance schemes and innovative financing models

Overcome supply-side obstacles:

- Mobilize internal resources and pool and align external funds

Expand tourism:

- Link tourism with other economic sectors and promote community-based tourism schemes
- Enhance women's participation in tourism education (scholarships, targeted training programmes, internship opportunities)

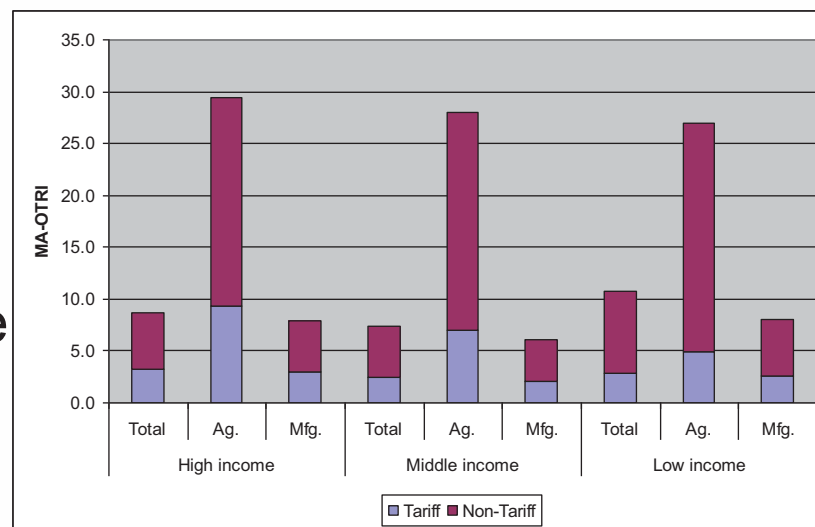


Non-Tariff Measures



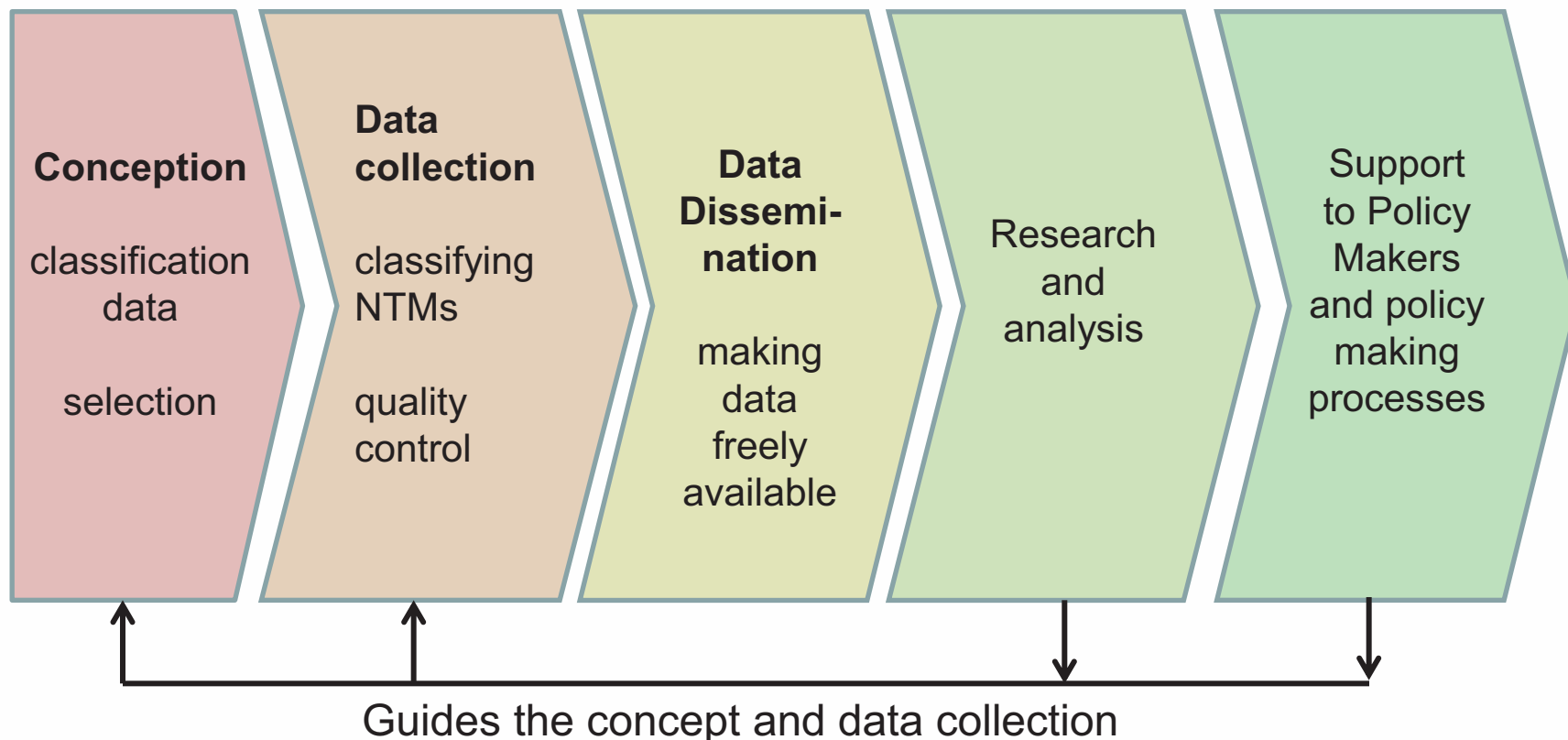
Non-Tariff Measures are Most Important Trade Policy Instruments Today

- Business surveys find that Technical Measures are the most frequent barriers to trade, followed by Internal Taxes, Customs Rules and Competition-Related Restrictions
- “Consolidate its work on databases on non-tariff measures and continue its analysis on the impact of non-tariff measures on trade and development prospects of developing countries” (UNCTAD Doha Mandate, 2012)



UNCTAD Non-Tariff Measure Programme

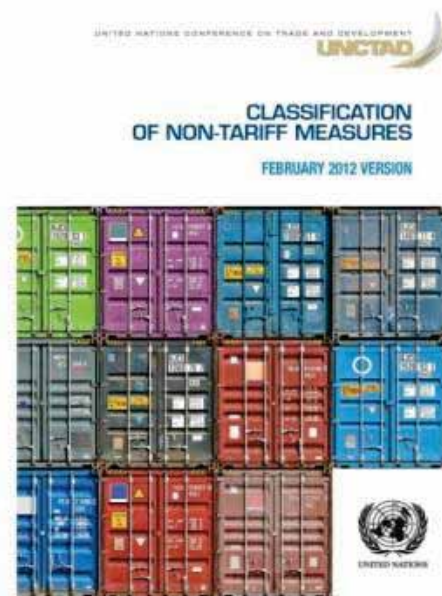
- Working along the entire value chain



UNCTAD-MAST Classification: The common language

- The Multi Agency Support Team (FAO, IMF, ITC, OECD, UNCTAD, UNIDO, World Bank, WTO) initiated by UNCTAD SG developed NTM classification

Import measures	Technical Measures	A SPS
		B TBT
		C Pre-shipment clearance and other formalities
	Non-Technical Measures	D Price control
		E Licenses, quotas, prohibition & other quantity control m.
		F Charges, taxes and other para-tariff measures
		G Finance
		H Anti-competitive
		I Trade-related Investment
		J Distribution Restrictions
K Post-Sales Services		
L Subsidies		
M Government Procurement		
N Intellectual Property		
O Rules Of Origin		
Export measures		P Export-related Measures



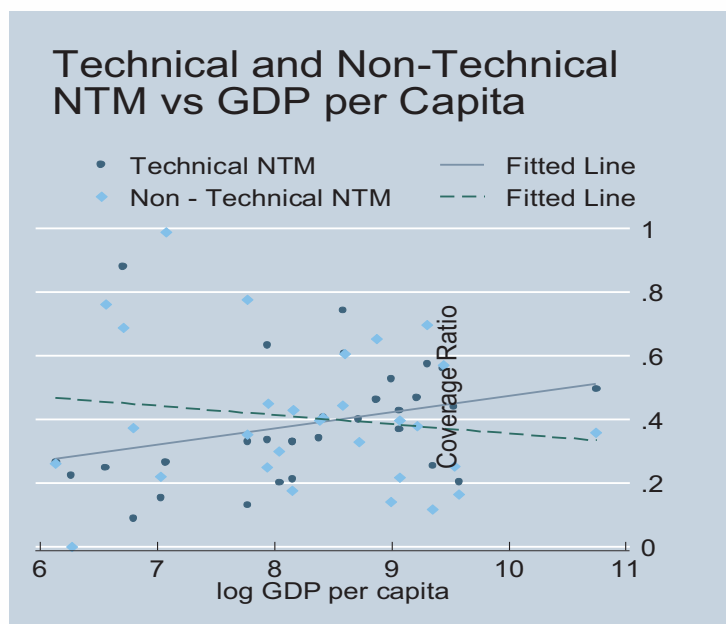
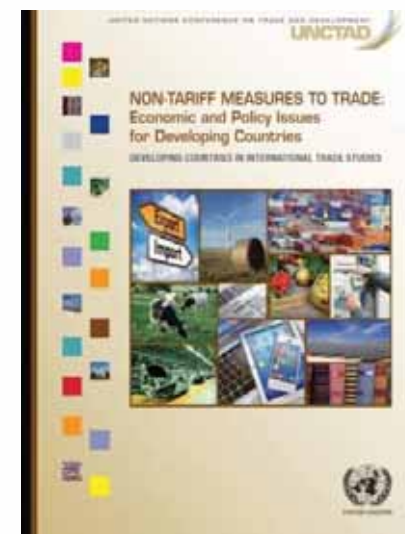
NTM Data Collection

- UNCTAD maintains the most comprehensive database on NTMs
- Data collection with partners within the Transparency in Trade Initiative
- Cooperation with the WTO
- Objective: Cover NTMs for 90 per cent of World Imports by 2015
- Increase efficiency: Developed on-line training for NTM data collection



Research and Analysis on NTMs

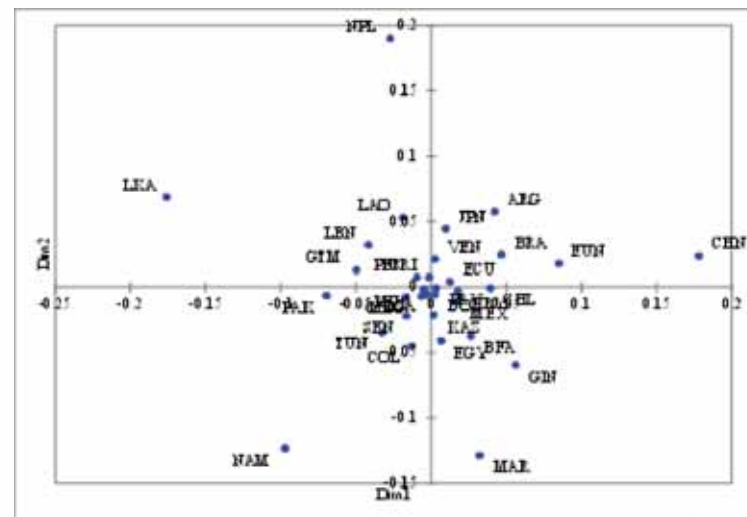
- Developing countries regulate imports by non-technical NTMs
- Developed countries' imports are regulated by technical measures



- Cost of compliance is often higher for firms (SMEs) operating in low income countries. Even if NTMs are uniformly applied AVE are bilateral

Support for Multilateral and Regional Integration

- Increase transparency in NTMs
- Multilateral negotiations: “What are the regulations in WTO members w.r.t. labelling of textiles”
- Support deep regional integration by systematically addressing non-tariff measures (e.g. harmonization of standards and mutual recognition of conformity assessment)
- Assessing the regulatory distance of countries in Latin America and SADC



Trade and Maritime Connectivity



Motivation

- Maritime transport is at the core of international trade in merchandises
- Containerizable transport services are key for trade in manufactured goods
- Without access to regular “liner shipping” services that make use of standardized sea-containers, countries cannot competitively participate in globalized production



Motivation

- Despite the importance of trade costs as drivers of the geographical pattern of economic activity, global value chains, and of exchanges of merchandise goods between countries, most contributions to their understanding remain piecemeal
- A DITC-DTL joint work on maritime connectivity and its impact on bilateral trade aims at filling in this gap
 - Unique dataset on bilateral maritime connections
 - Estimates of the average impact of maritime connectivity on bilateral exports of containerizable goods
 - Bilateral trade costs decomposition (next step)



The Dataset

- Unique dataset reporting
 - The shortest liner shipping routes between any pair of countries
 - The number of transhipments necessary to connect any country pair to allow for containerizable trade
- Reference sample: 178 countries (33 landlocked)
- Reference period: 2006-2012
- Main Source: UNCTAD's Liner Shipping Connectivity Matrix (LSCM) Liner shipping connectivity index (LSCI)



The Dataset

- Over the whole period on average about **14 percent** of country pairs are connected directly
- About **11 percent** need one transshipment,
- About **61 percent** of country pairs are connected with no more than 2 transshipments
- and about **90 percent** with no more than 3 transshipments



The Dataset

Top 10	Mean	Bottom 10	Mean
GBR	0.73	TKM	3.20
FRA	0.79	NER	3.20
BEL	0.84	BLZ	3.23
DEU	0.87	SVK	3.31
NLD	0.88	HUN	3.31
ITA	0.92	BLR	3.32
ESP	0.93	NRU	3.42
CHN, HKG SAR	0.95	MLI	3.53
CHN	0.97	MDA	3.62
USA	0.98	ARM	4.10

Top and Bottom Ten Countries: average number of Transhipments



The Dataset

<i>Direct Connections</i> (share in group total)		<i>iMporter</i>	
		South	North
<i>eXporter</i>	South	67%	33%
	North	62%	38%

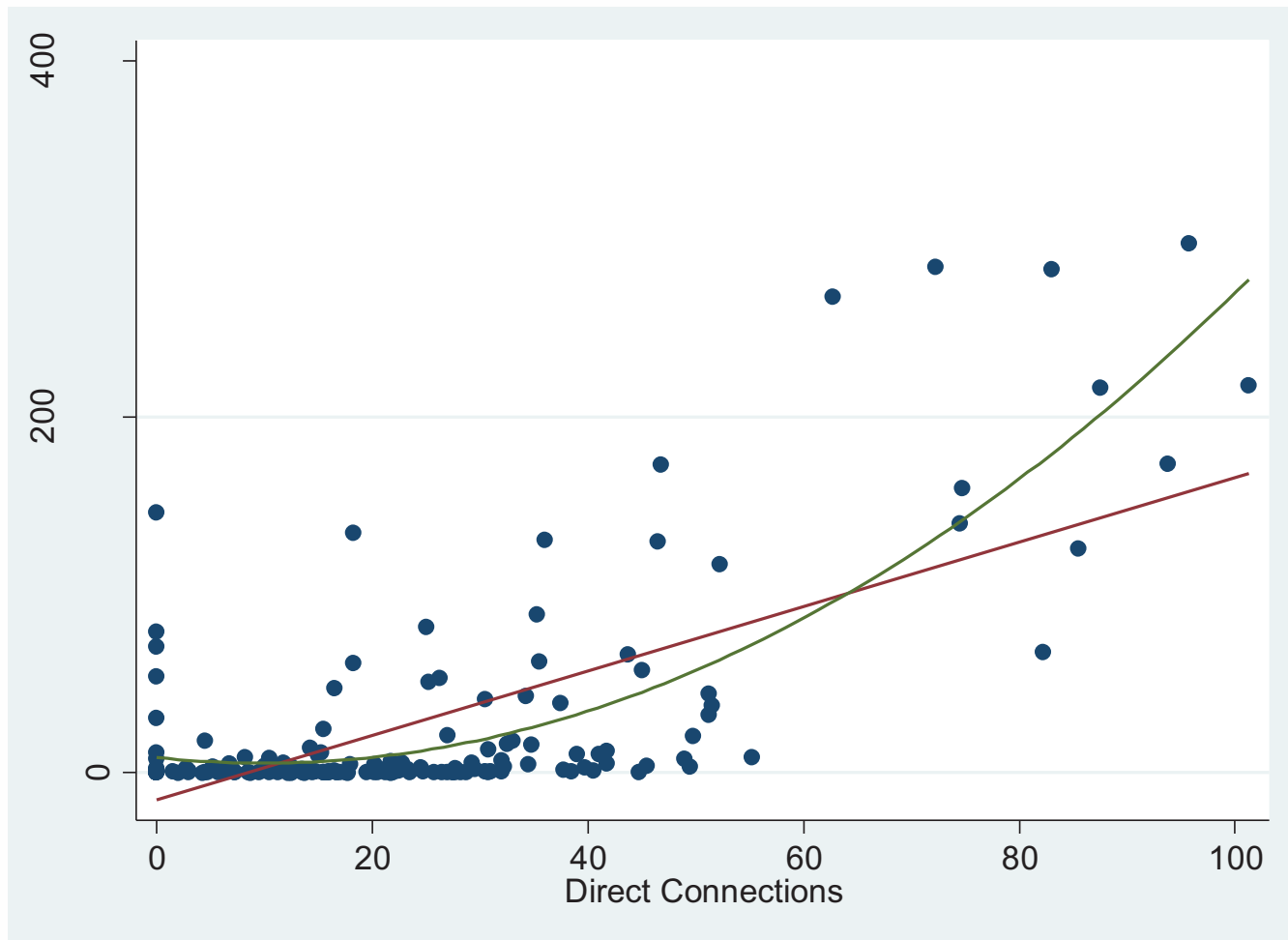
Average # of direct connections:

North: 35

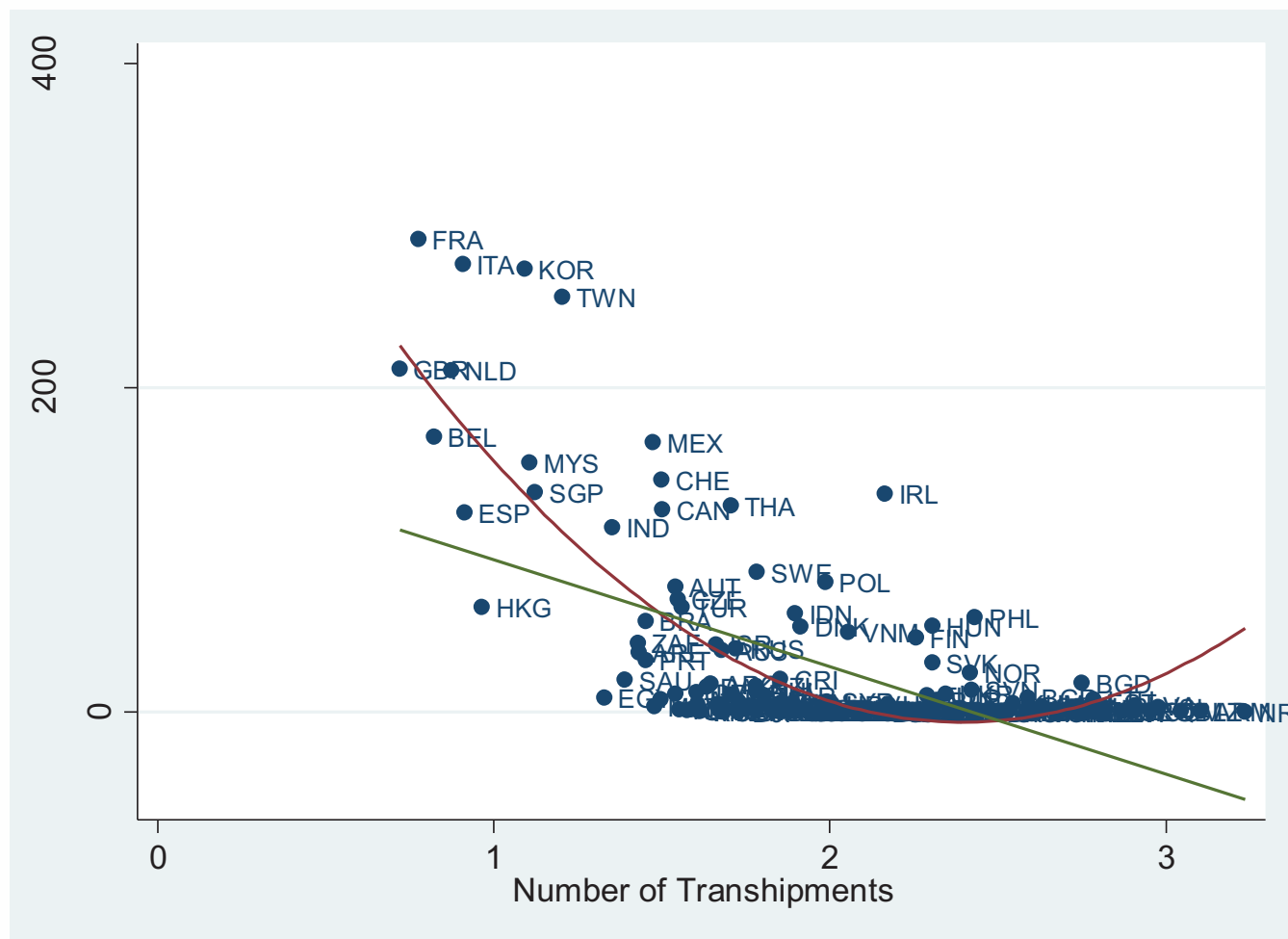
South: 20



Empirical Investigation: Impact on Exports



Empirical Investigation: Impact on Exports



Empirical Investigation: Impact on Exports

Econometric estimation (gravity model)

- Not being directly connected to the final destination is associated with containerizable exports values 42% to 55% lower on average
- Any additional transshipment is associated with containerizable exports values 20 to 25% lower on average



Empirical Investigation: Impact on Exports

- **To be done:**
 - Intensive versus extensive margin of trade
 - Bilateral index of maritime connectivity
(work in progress by DTL)
 - More precise estimates of bilateral trade costs



Discussion

- Improving efficiently maritime connectivity is crucial but certainly not an easy task
- Several options exist and their respective desirability is likely to reflect country specific characteristics
- However, investing in infrastructures would be vital in all options; this would require a financial effort most countries are not able to bear alone



Discussion

- International cooperation and partnerships could take the form of establishing strategies aiming at creating incentives for shipping companies to serve destinations which are not necessarily profitable in first place: e.g. granting companies serving "remote" countries some preferential access to major maritime hubs around the world



Key conceptual issues

Interface between International Trade, Climate Change and Sustainable Development



Impact of Trade Liberalization on the Nexus between Climate Change & Agriculture

- Scale, structural & technological impact of trade have boosted agricultural productivity to generate 4,600kcal/cap/day currently (sufficient to feed a global population of 14bn people).

But

- Agriculture accounts for 4% of global GDP, but contributes 40-45% of world GHGs. Declining productivity growth, resource scarcity/contamination.

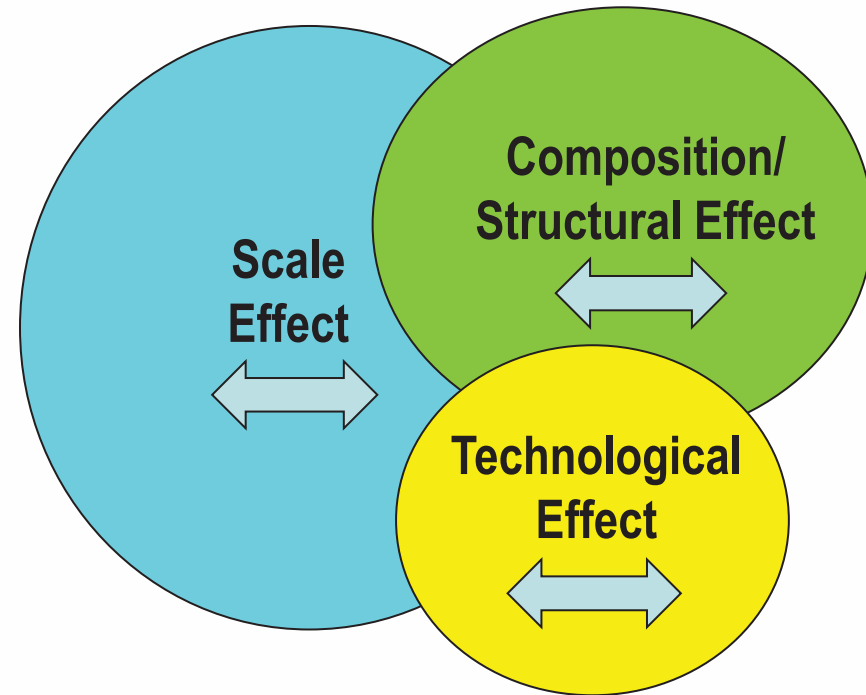
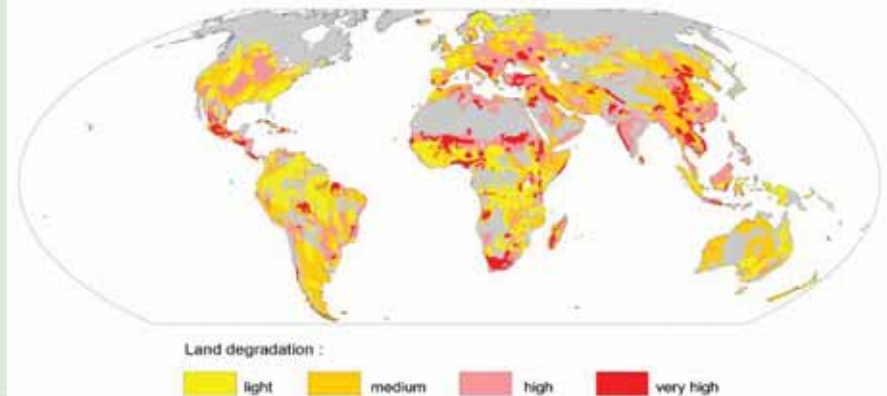
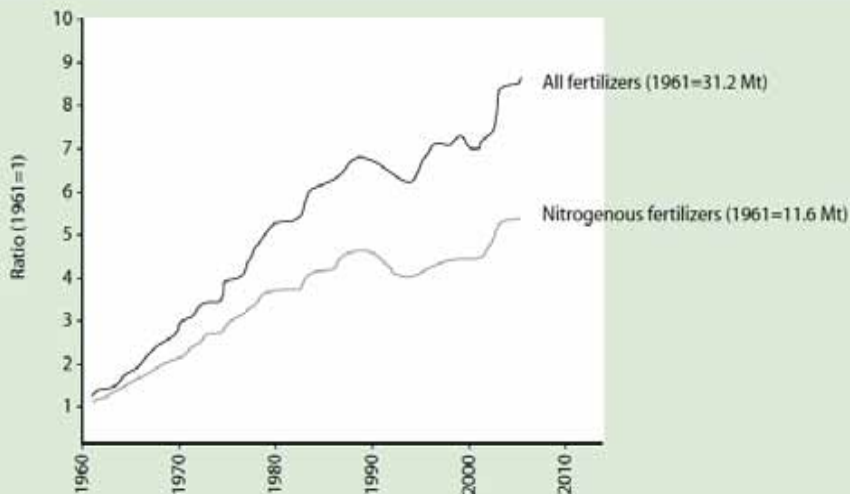


Figure 1: World fertilizer consumption, 1960–2005



Likely Climate-change-induced Losses in Agricultural Production by 2080

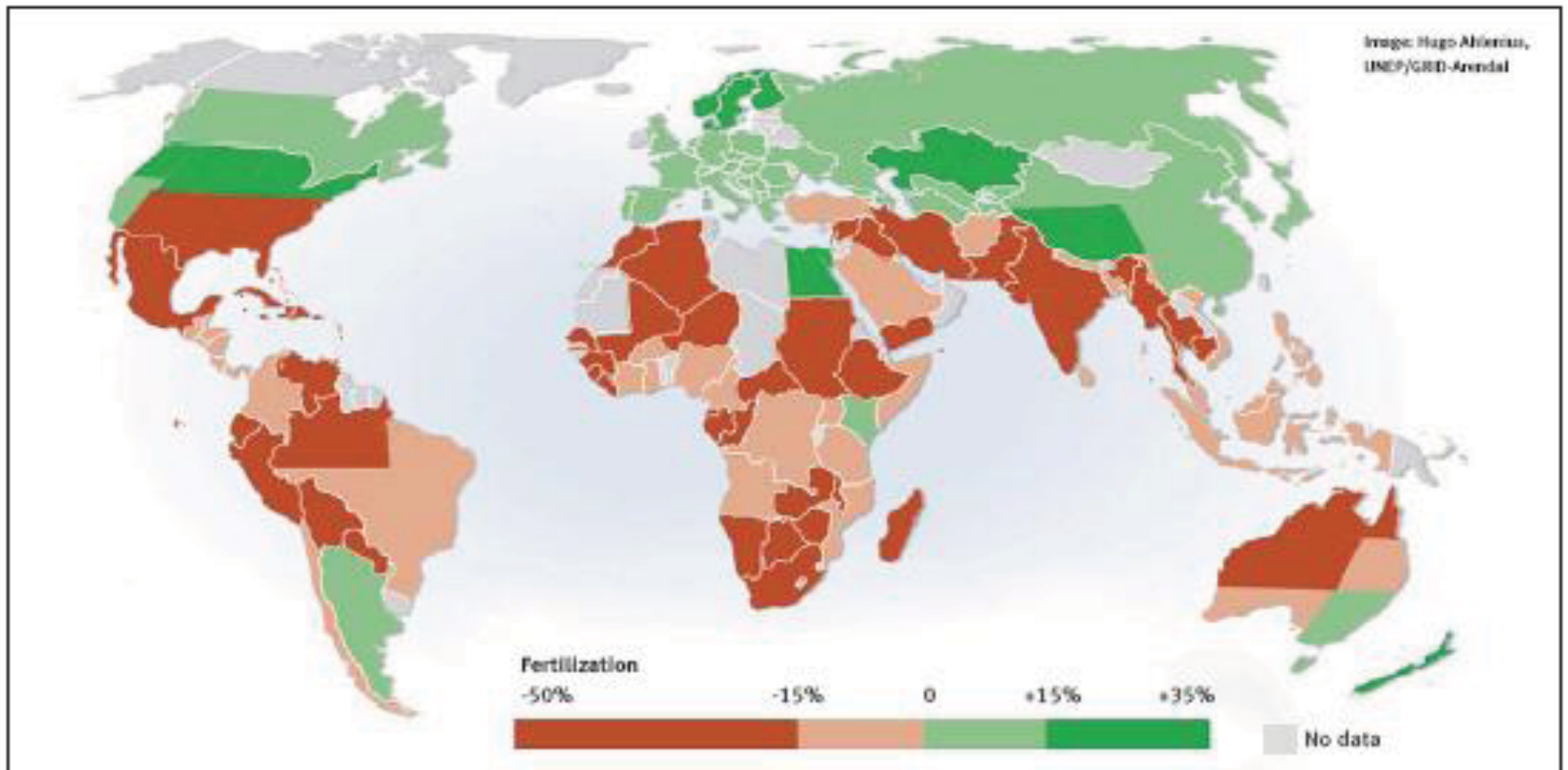
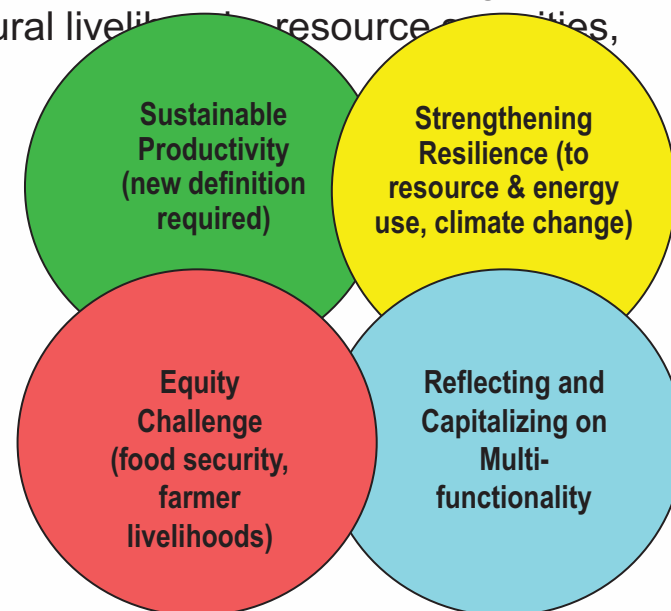


Figure 1. Projected changes in agricultural production in 2080 due to climate change.

Source: Cline, 2007. Projections assume a uniform 15% increase in yields due to the fertilization effect of rising CO₂ in the atmosphere on some plant species. (Note that this coarse-grain analysis does not project local-scale impacts which require geographically-specific analysis.)

Much-required Paradigm Shift in Agriculture

- The world needs a paradigm shift in agricultural development: from a "green revolution" to an "ecological intensification" approach.
- This implies a rapid and significant shift from conventional, monoculture-based and high-external-input-dependent industrial production towards mosaics of sustainable, regenerative production systems that also considerably improve the productivity of small-scale farmers.
- The required transformation is much more profound than simply tweaking the existing industrial agricultural system. Rather, what is called for is a better understanding of the multi-functionality of agriculture (its importance for rural livelihoods, resource efficiencies, climate).
- We need to see a move from a linear to a holistic approach in agricultural management, which recognizes that a farmer is not only a producer of agricultural goods, but also a manager of an agro-ecological system that provides quite a number of public goods and services (e.g. water, soil, biodiversity, landscape etc.)
- Need for a trade regime that supports the transformation and allows to make local/ regional products the first choice.



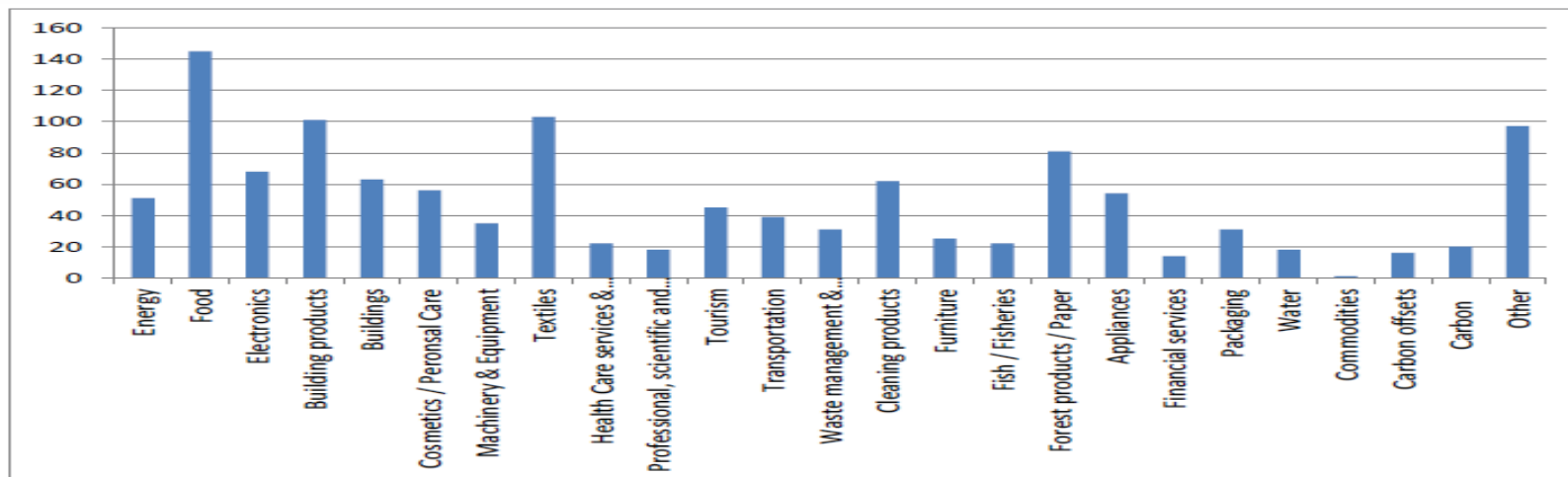
The UN Forum on Sustainability Standards (UNFSS)

**The Emerging Intergovernmental Forum of
Dialogue on Voluntary Sustainability Standards**



What are voluntary sustainability standards?

- Voluntary sustainability standards (VSS), also called “private standards” in the WTO, include PPMs of products and services related to environmental, social, economic and animal-welfare issues.
- While legally voluntary, they can de facto become mandatory through the market power of VSS-applying companies or as supply-chain management tools.
- As can be seen below, VSS are most numerous in food, textiles, building & forest products



Source: Ecolabel Index Database (N=1218)



UNFSS overview & objectives

- UNFSS is a **policy-discussion forum** on pro-active governmental approaches towards voluntary sustainability standards (VSS) that aims at optimizing their use so as to harness the potential of VSS for achieving public policy objectives related to sustainable development (SD), including better market access, while reducing adjustment and compliance costs.
- The UNFSS is a platform created to achieve a **regular and well-informed policy dialogue** among key (public/private sector & civil society) stakeholders drawing on impartial information and analysis on VSS **in response to the demands** expressed by its members.
- **Key commodity/products groups:** initial focus on agri-food standards, additional areas could include resource management, energy/ material efficiency and product carbon foot-printing.

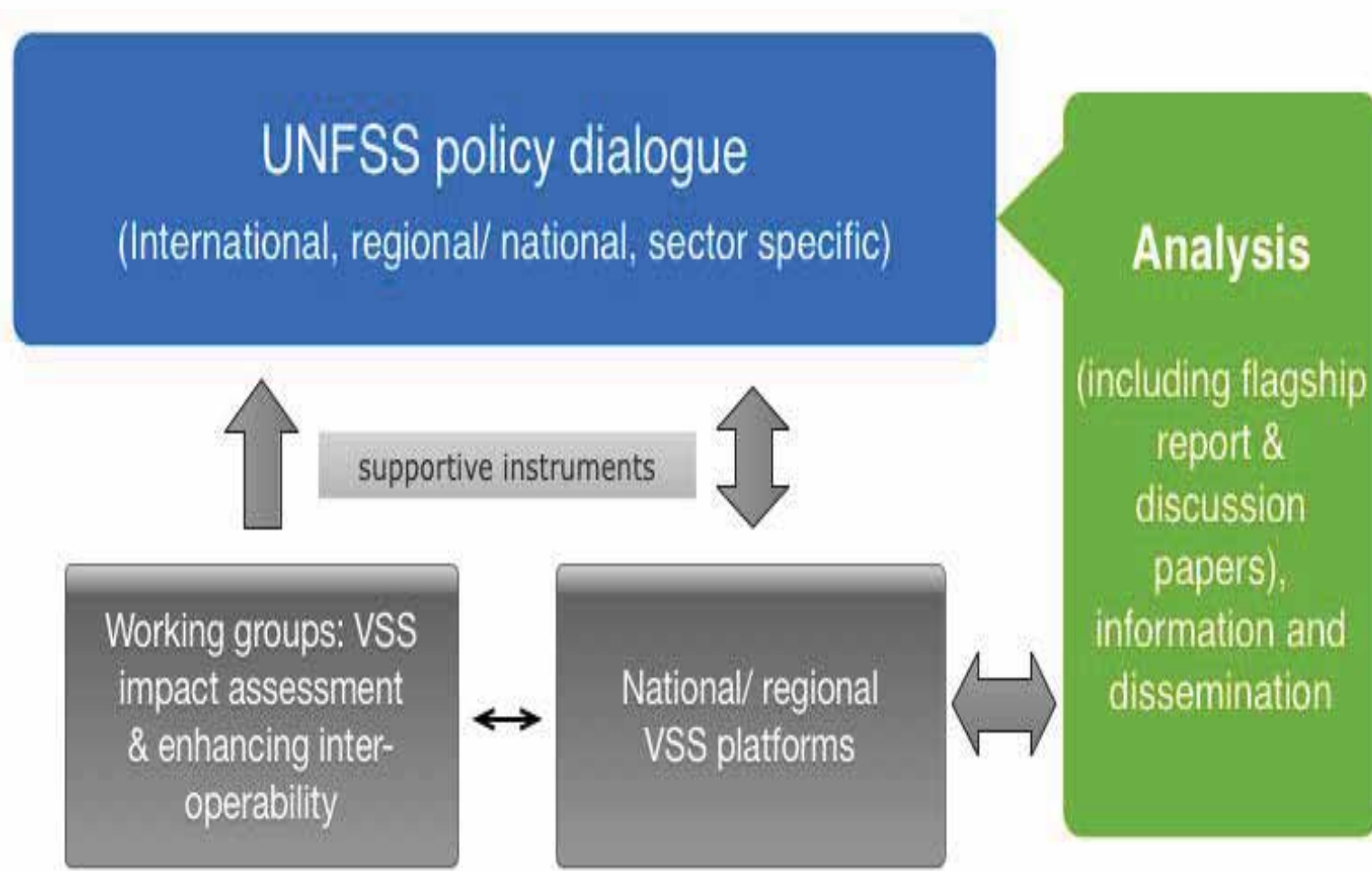


Launching of UNFSS

- UNFSS was inaugurated by a UN launching conference, held on 21-22 March 2013 in Geneva.
 - Meeting was attended by over 200 delegates from some 50 UN member countries, representing governments, the private sector, academe and civil society.
- The decisions taken at this conference – based on recommendations arising from a comprehensive consultative process – are reflected in the UNFSS work program 2014-15 that was developed during the establishment phase.



The Clusters of UNFSS activities



UNFSS policy dialogue

- **Informed policy dialogue** on developmental and market access impact of VSS plays overarching role.
- **Initial thematic focus** on the nexus between public and private standards and the role of governments in making VSS work for SD objectives.
- Facilitation of this dialogue by bringing together public and private sector decision-makers, experts, civil society and academia in various fora (annual UNFSS conferences, UNFSS Advisory Panel meetings, issue-specific workshops and informational sessions, national and regional VSS platform meetings).
- **A series of analysis and information sharing activities** will underpin the policy dialogue (research, decision-making tools for policy-makers).
- Policy briefs, VSS newsletter, further development of informative & interactive website.



UNFSS working groups

Working groups have or are being planned to be established on the following priority subjects:

- Impact assessment (UNFSS facilitates dialogue of existing impact assessment programs on methodologies, results and their interpretation);
- Enhancing interoperability among VSS (including harmonization and equivalence), initially focusing on organic, GAP and fair trade (both within these standard clusters and among them).



UNFSS-supported national platforms on VSS

- **National and regional-level VSS platforms** are being created following briefing sessions in several countries to foster national/regional public-private dialogue on VSS and interface with UNFSS policy dialogue and analytical activities.
- Multi-stakeholder VSS platforms will be supported in their analytical and policy-level discussions to harness the potential of VSS for meeting specific policy/sustainable development objectives & facilitating market access.
- **Two-way information flow:** Discussion & analysis at Forum level will feed into the platforms (e.g. decision-making tools will be validated in national platform context), reporting mechanism platforms → Forum.



Competition and Consumer Protection Policies



The three Pillars of our Work

Consensus Building

(Intergovernmental Machinery: IGE and UN Review Conference)

Research

Research Partnership Platform (RPP)

Technical Assistance

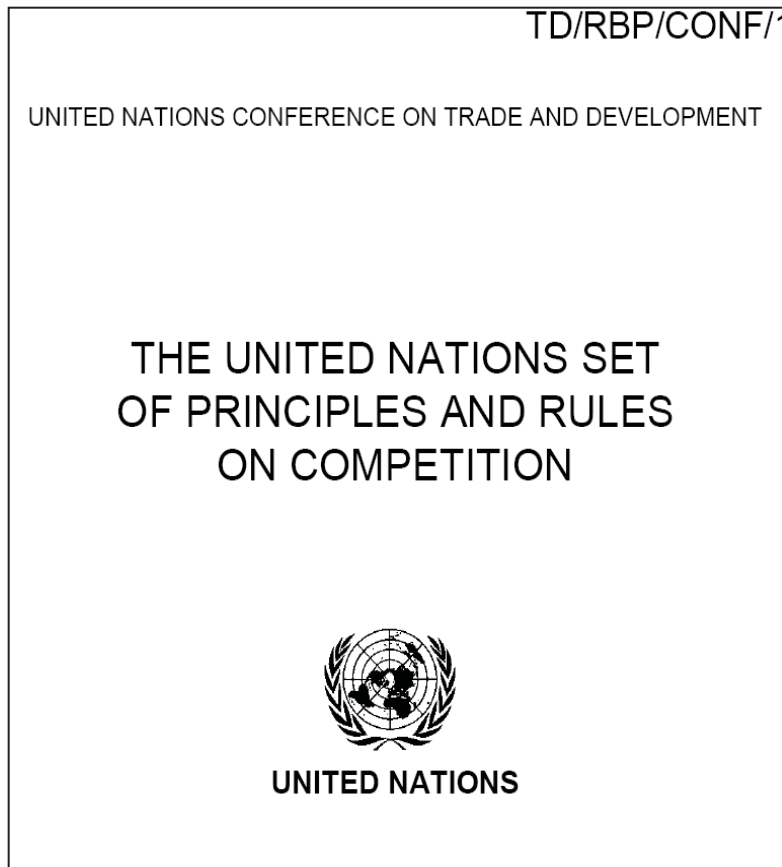
Voluntary Peer Review of Competition Law and Policy

UN Set of Principles and Rules on Competition of 1980

UN Guidelines on Consumer Protection, Revised in 1999



The Origin of our Mandate



- Adopted on 5 December 1980 by the General Assembly of the UN on the basis of the work of the United Nations Conference on Restrictive Business Practices;
- Provides a set of equitable rules for the control of anti-competitive practices addressed to companies and states;
- Recognizes the development dimension of competition law and policy; and
- Provides a framework for international cooperation and exchange of best practices.



Consensus Building

- Conference to review the UN Set (every five years)
 - To Affirm the usefulness of the UN Set on Competition and revise the competition mandate
- Meetings of the Intergovernmental Group of Experts on Competition Law and Policy (IGE) take place every year
 - To evaluate the work program on competition and to update the areas of focus
 - To allow for exchange of experience and knowledge sharing
- *Ad hoc* meeting on Consumer Protection Issues took place for the first time in July 2012 and in July 2013
 - To allow for experience sharing and evaluate the need for a revision of the UN Guidelines on Consumer Protection



7th UN Conference to Review the UN Set Coming up in 2015

- Every five years since the adoption of the UN Set.
- Provides an occasion for heads of competition authorities and senior officials of developed and developing countries, including least developed countries (LDCs) and economies in transition, to network and exchange knowledge and experiences.
- Next UN Review Conference will be held in 2015.
- Agenda to be discussed with member States during a preparatory meeting at the IGE 2014 on 8-10 July 2014.



Research

Preparation of inter-governmental meetings

- Reports and studies to facilitate round table discussions at meetings of the IGE; selected examples:
 - Competition policy and public procurement;
 - Human resource and knowledge management for an effective competition agency;
 - Impact of cross-border anticompetitive practices on developing countries;
- Reports for UNCTAD's Voluntary Peer Reviews of Competition Law and Policy
- UNCTAD Model Law on Competition

Technical Assistance Programmes

- Current examples:
 - Sectoral studies in Colombia: energy, e-commerce, gas
 - Competition issues in the petroleum sector in Zambia
 - Competition issues in tobacco sector in Malawi
 - The status of competition in Mozambique
 - Competition in the transport sector in Lesotho



Research
Partnership
Platform
(RPP)

launched in 2010

The RPP:

- Provides a platform for joint research in the field of competition law and policy and consumer protection;
- Promotes best practices in the formulation and enforcement of competition and consumer protection laws and policies.

The Role of UNCTAD:

- To facilitate and provide guidance on RPP projects.

Our Partners: Forty-five institutions including research centers, universities, non-governmental organizations.

Ongoing Projects:

- Competitive neutrality
- Competition law and the State
- Measuring the economic effects of cartels in developing countries
- Benchmarking competition systems: A global survey of major institutional characteristics
- Competition law and aggregate concentration
- Interaction between regional competition law systems and national enforcement
- Broad competition policies for least developed countries
- Economic and econometric evidence in competition law: an empirical perspective
- Best practices of consumer redress



Technical Assistance

Competition

1. Voluntary Peer Reviews
2. Competition Advocacy
3. Adoption of laws / law reforms
4. Training (competition officials, judges)
5. Institution building

Consumer Protection

1. Consumer Protection Advocacy
2. Adoption of laws / law reforms
3. Training (consumer protection authorities)
4. Institution building

Our approach in technical assistance:
Demand-driven | Tailor-made | Adopting a long term perspective



UNCTAD Voluntary Peer Reviews of Competition Law and Policy



- Interactive process, whereby the competition regime of a country is assessed by its peers
- The aim is to identify areas for improvement in the legal and institutional framework
- A needs assessment work and a basis for tailor-made technical assistance
- Three stages:
 - Preparation of assessment report by independent experts;
 - Examination during the IGE meeting;
 - Follow-up technical assistance



Post Peer Review: Technical Assistance Project Proposal

- PR Report includes findings and recommendations which require further action.
- UNCTAD designs a capacity building project proposal.
- Presentation of the Project Proposal by UNCTAD at the IGE meeting.
- Dissemination of Peer Review results and presentation of TA project proposal at country level.
- Donor response is key to the implementation of the recommendations.



Lessons learnt from Peer Reviews

- Increased awareness on competition law and policy to the business community (more complaints post PR)
- Strengthened political and financial support to national competition agencies (NCAs)
- Increased visibility of NCAs
- Secured support from development partners



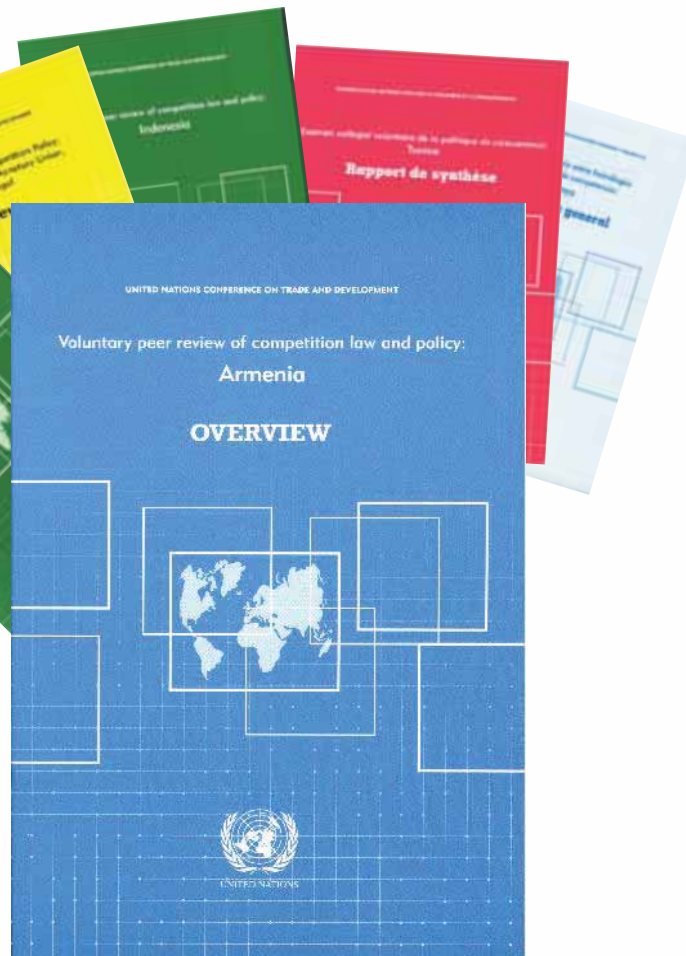
Lessons learnt from Peer Reviews (cont'd...)

- PR process enhances countries' efforts to carry out policy reforms
- Importance of competition advocacy as a tool to facilitate the implementation of PR recommendations
- Synergies and strengthened cooperation both between NCAs and at the regional level (SADC, COMESA, WAEMU)



UNCTAD Voluntary Peer Reviews of Competition Law and Policy

- Jamaica, Kenya (2005)
- Tunisia (2006)
- West African Economic and Monetary Union, Benin and Senegal (2007)
- Costa Rica (2008)
- Indonesia (2009)
- Armenia (2010)
- Serbia (2011)
- Mongolia (2012)
- Tripartite: United Republic of Tanzania-Zambia-Zimbabwe (2012)
- Ukraine, Pakistan, Nicaragua (2013)
- Namibia, Philippines, Seychelles (coming up in July 2014)



Consultations on the revision of the UN Guidelines on Consumer Protection (UNGCP)

The Ad Hoc Expert Meeting on Consumer Protection in 2012 requested the Secretariat to hold consultations on the UNGCP.

The Ad Hoc Expert Group Meeting (12-13 July 2012) asked UNCTAD to prepare an Implementation Report on the UNGCP. This report (TD/B/C.I/CLP/23) concludes that:

- The UNGCP have been widely implemented by Member States since 1985.
- All areas of the current Guidelines remain valid and useful.
- New challenges to consumer protection were identified: e-commerce and financial services.
- Additional issues: data protection, abusive advertisement, energy and cross-border trade.
- Implementation and monitoring of the UNGCP.



Consultations on the revision of the UN Guidelines on Consumer Protection (UNGCP) cont'd...

The Second Ad Hoc Expert Group Meeting on Consumer Protection (11-12 July 2013) reviewed UNCTAD's Implementation Report. During the discussions, several areas were identified for incorporation into any future revisions, particularly those where substantive progress has been made in other organizations, such as the OECD, and where there is consensus among United Nations members, particularly:

E-commerce: OECD Guidelines for Consumer Protection in the Context of E-commerce (1999) [currently under revision, due 2017]

Financial Services: OECD G-20 High-level Principles on Financial Consumer Protection (2012)



Update on the work on UNGCP

- Establishment of Working Groups and Chairs:
 - Financial services (Malaysia)
 - E-commerce (France)
 - Other issues (Brazil & Germany)
 - Implementation of UNGCP (Gabon)
- The UNCTAD secretariat will prepare a report on the issues for inclusion in a possible future revision of UNGCP in collaboration with the Chairs of the Working Groups.
- UNCTAD facilitated the meeting of each Working Group via telephone conference calls in March 2014.



Update on the work on UNGCP cont'd...

- UNCTAD Secretariat prepared questionnaires (one for each of the Working Groups) to collect views of and recommendations from member States, consumer NGOs and other stakeholders.
- Responses to these questionnaires will be used to construct a First Report, which will outline the findings and trends, as well as highlighting the key issues expressed by the member States and relevant stakeholders.
- The Final Report will be produced by November 2014 and will contain proposals for further work towards the revision of the UN Guidelines on Consumer Protection.
- The Final Report will be submitted for consideration to the 7th UN Conference to Review the Set in 2015.



Trade, Environment and Sustainable Development



Trade, Environment and Sustainable Development

Consensus Building

- Ad-hoc Expert Meetings examining the interface between national green economy policies and trade (to date: LCRs and Trade Remedies in green sectors).
- Examining national actions to support green sectors - tariffs on environmental goods, NTMs, domestic support and trade remedies.

Capacity Building

- National Green Economy Reviews for the identification, production and export of green products (Ecuador, Ethiopia, Oman, Vanuatu)
- Biotrade, Biofuels, Organic Agriculture, Oceans Economy...

Research and Analysis

- Trade & Environment Review, Road to/from Rio, other technical analyses



Trade, Environment and Sustainable Development

Biotrade

- Creating added-value for rural stakeholders managing biodiversity resources and their ecosystems
- Support provided by UNCTAD's Biotrade Initiative to about 21 countries over the past 17 years
- Close cooperation with CBD and CITES
- Organization of the (annual) BioTrade Congresses (I & II)



Trade, Environment and Sustainable Development

Biofuels

- Generating new economic opportunities for sustainably harvested biofuels as means to diversify energy sources

Organic Agriculture

- Improving the earnings potential of rural farmers
- Assist Lao to prepare a national strategy with linkages to tourism, & Uganda on national OA policy.

Oceans Economy

- A relatively new concept, articulated as the "oceans and seas" subset of green economy.
- Ideas to be presented at third UN SIDS Conference in Samoa.





THE CREATIVE ECONOMY

NEW DEVELOPMENT PATHWAYS BASED ON CREATIVITY, CULTURE AND INNOVATION

Adequately nurtured creativity, knowledge and innovation feed large sectors of the economy and are a key ingredient for job creation, trade and poverty reduction



HOW?

- Creative Economy Report
- National creative economy reports
- Widely used database on creative goods and services
- Tailor-made advisory assistance
- Policy dialogues
- Academic Exchange Network
- Creative Industries Network



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- FILM MAKING
- PERFORMING ARTS
- DESIGN
- HANDCRAFTS
- CULTURAL SERVICES



We help countries harness the development potential of their creative industries



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