Trade and Development Board, sixtieth session
Geneva, 16–27 September 2013

Plenary on Item 7:
Evolution of the international trading system and
its trends from a development perspective

Trade for development

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Trade for development
Trade and trade policy for development

• What are the main MDG gaps and challenges as we discuss a post 2015 agenda?

• What has changed and what has not, in terms of trade and trade policy since the MDG were launched?

• How does this connect with our work ahead?
World and developing countries’ trade has increased dramatically over the past decade...
That increase in world trade can be explained by the rise in South-South trade…

Distribution of World Trade Developed-Developing Countries

- North-North
- South-North
- North-South
- South-South

<table>
<thead>
<tr>
<th>Year</th>
<th>North-North</th>
<th>South-North</th>
<th>North-South</th>
<th>South-South</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td></td>
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</tr>
<tr>
<td>2006</td>
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<td></td>
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<tr>
<td>2002</td>
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</table>
Good news...BUT...
...but developing countries integration into the global economy has been very varied...
...and export growth has mainly been driven by the increase in the value of existing trade patterns.
Moreover...export diversification remains relatively limited for many developing countries.
...and there has been a re-commoditization trend...

Re-Commoditization
Exports in Primary Products (%)

 Turkmenistan
 Mongolia
 Mauritania
 Brazil
 Ghana
 Colombia
 Kazakhstan
 Bolivia (Plur. State)
 Australia
 Ecuador
 Indonesia
 Azerbaijan
 Honduras
 Peru
 Canada
 Myanmar
 Uruguay
 Paraguay
 Venezuela (B. R. of)
 Algeria
 Kuwait
 United Arab Emirates
 Libya
 Guatemala
 Côte d’Ivoire
 Chile
 Russian Federation
 Jordan
 Saudi Arabia
 Tanzania (United Rep.)
 Cameroon
 Egypt
 Sudan
 Congo
 Zimbabwe

2011
change 2006-2011
Another major trend since 2002 has been the fragmentation and delocalization of production...
..but rather than globally, fragmentation has mainly taken place in Developed countries and in East Asia..
Major trends in trade policy indicate that the trading system is increasingly more complex and fragmented...
In the last decade global tariff liberalization continued at multilateral, regional, bilateral and unilateral level...

![Free Trade Chart]
...but tariffs are still relevant in sectors of key interest for low income countries...

Sectoral TTRI

- Apparel
- Vegetable Products
- Tanning
- Textiles
- Tobacco, Beverages
- Oils and Fats
- Food Products
- Animal Products
- Tobacco, Beverages
- Textiles
- Tanning
- Vegetable Products
- Apparel
And Preferential Trade Agreements are on the rise…

546 regional trade agreements notified to WTO and 354 are in force

A substantial and increasing share of many developing countries’ trade occurs under deeper PTA
…but although tariffs have declined, international trade is increasingly regulated and influenced by a wide array of policies and instruments…
...and trade remedies are back again in the scene...

Trade Defence Measures

- **Developing Countries**
- **Developed Countries**

<table>
<thead>
<tr>
<th>Year Range</th>
<th>Number of Cases Initiated (year average)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002-2010-11</td>
<td>Countervailing Duties</td>
</tr>
<tr>
<td>2012</td>
<td>Safeguards</td>
</tr>
</tbody>
</table>

- Antidumping
- Countervailing Duties
- Safeguards

UNIVERSAL PROTOCOLS ON TRADE AND DEVELOPMENT
The messages:

**Trade should act as a catalyst or enabler of other SDGs** (such as eradicating poverty, ensuring inclusive growth and employment, achieving food security and better education, promoting gender equality and environmentally sustainable development).

In that sense we will contribute to the global debate on post 2015 framework by

1. **clarifying the conceptual linkages between trade and sustainable development goals.**

2. **exploring under what conditions and through what transmission mechanisms trade is an engine of growth and sustainable development.**
## Sustainable development: work areas

<table>
<thead>
<tr>
<th>Social equity</th>
<th>Economic development</th>
<th>Environmental sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade and Gender</td>
<td>Trading system, trade negotiations, WTO accession</td>
<td>Sustainable production &amp; trade (BioTrade, organic agriculture green goods &amp; services)</td>
</tr>
<tr>
<td></td>
<td>Trade policy &amp; development</td>
<td></td>
</tr>
<tr>
<td>Trade and Jobs</td>
<td>Services and trade in services</td>
<td>Climate change and trade</td>
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<td></td>
<td>Agricultural trade</td>
<td></td>
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<tr>
<td></td>
<td>Export diversification</td>
<td></td>
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<tr>
<td>Consumer protection</td>
<td>Competition policy</td>
<td>Renewable energy</td>
</tr>
<tr>
<td>Creativity and culture</td>
<td>Market access (preferences, Non-Tariff Measures, private standards)</td>
<td></td>
</tr>
</tbody>
</table>
UNCTAD assist member States to foster sustainable development in some work areas as presented on the posters in the corridor ...

Thank you