

**Side Event
at The Third UN Conference on Landlocked Developing Countries
(LLDC3)**

Awaza, Turkmenistan

“Challenges and opportunities for LLDCs in export and economic diversification: Implications of international standards, most notably, the EU Regulation on Deforestation-free products”

Organized by (UN Trade and Development (UNCTAD)/Common Fund for Commodities (CFC)/UNDESA)

Background

Multiple challenges impede landlocked developing countries to achieve inclusive growth and advancing structural transformation. The situation is particularly precarious among African economies. Over 90% of exports from African LLDCs concentrates on raw materials and their contribution to global trade remains limited at 0.2%. At the same time, international rules, regulations and environmental standards are adversely impacting the trade and development prospects of LLDCs. Newly proposed international regulations can further complicate LLDCs' access to one of the main export markets, by acting as a potential non-trade barrier. To address their development predicaments, LLDCs need to build their domestic productive capacities, and move away from low value-added to high value-added production and supply structures, which will enable them to play a greater role in international trade.

The side event's aim is to exchange views on the potential trade and development impact of international regulations and standards on LLDCs, most notably the “EU Regulation on Deforestation-free products”, and to seek solutions how to best mitigate the adverse impacts. It will provide opportunities to share experiences and best practices on fostering productive capacities and enhancing export diversification and structural transformation in LLDCs in line with the key provisions of the new Programme of Action for LLDCs (Priority Area 1). To facilitate the deliberations and emphasise the impact of international standards on export opportunities of key developing countries, UNCTAD and CFC will present preliminary findings of a study examining the impact on selected African countries.

Objectives of the side event

The objective of this side event is to build consensus on how to mitigate the impacts of international standards on LLDCs' economies and to examine ways and means of addressing challenges related to building productive capacities and diversifying exports.

Programme and names of speakers/panellists

- Secretary-General of UNCTAD (Chair) (tbc)
- Managing Director of the Common Fund for Commodities (tbc)
- Representative of the Federal Government of Ethiopia
- Representative of the Government of Uganda
- Representative of the Government of Bhutan (tbc)
- Representative of the Government of Lao PDR (tbc)
- Representative of the Government of Nepal (tbc)
- Head of the EU Delegation (tbc)

Guiding Questions for discussion/s

- How can LLDCs prepare for the introduction of international regulations and standards? What are the mitigating mechanisms that can be put in place?
- What should development partners do to facilitate and support LLDCs in their path to comply with international standards?
- How can LLDCs build productive capacities in order to address the challenges related to non-tariff barriers and market access?