United Nations Trade and Development (UNCTAD) Trading Systems

KAS-ADELA Study Tour 24 June 2024 Geneva

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Multilateral Trading System, Trade Agreements and Trade Policy



Research and analyses

Ongoing work on Trade Preferences Outlook: Non-reciprocal trade preferences such as GSP, DFQF schemes for developing countries, their utilization and contribution to export growth and diversification in developing countries.

Key statistics and trends in trade policy 2023

The African Growth and Opportunities Act: A review of its benefits, limitations, utilization, and results (2023)

The Generalized System of Preferences: How much does it matter for developing countries? (2023)

Energizing South-South Trade: The Global System of Trade Preferences Among Developing Countries (2019)

Intergovernmental support

Global System of Trade Preferences
UN Trade Forum (2 May 2023)

Technical assistance

10 Trade Policy Frameworks, 6 in Africa and 4 in Latin America and the Caribbean.

<u>Trade Policy Frameworks for Developing Countries: A Manual of Best Practices</u> (2019)

Trade Policy Reviews for Guyana (2021), Dominican Republic (2018), Panama (2017), Jamaica (2015)

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Multilateral Trading System

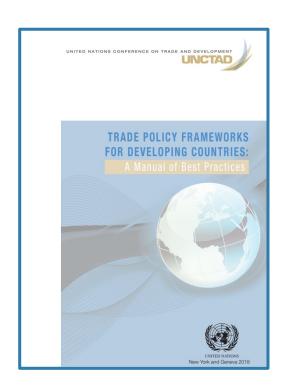


- Monitor and report on the evolution of the MTS from development perspective through:
 - Reporting to the Trade and Development Board
 - UN GA UN SG's International Trade and Development Report
 - Financing for Sustainable Development Report
 - UNCTAD submission to GA on unilateral (trade) measures against Cuba
- ▶ Support developing countries' engagement in WTO negotiations/discussions (e.g., industrialization and policy space, and technology transfer debates at the WTO).
- Support developing countries' WTO accession process, e.g. Iraq and the State of Palestine.



Trade Policy Framework





A trade policy framework (TPF) offers a structure for the many decisions that a country's negotiators, legislators, and litigators must make as they devise and implement policy.

TPF aims to reveal the principal challenges that a country faces in its trade policy, prioritize its objectives, and lay out a plan to achieve those goals.

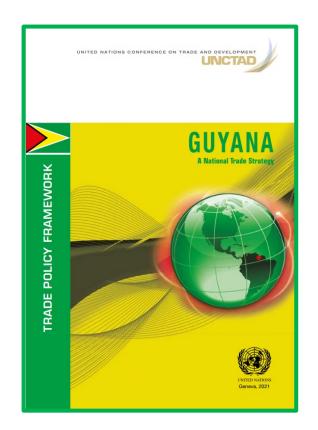
UNCTAD provides technical assistance to countries in the development of their TPFs.

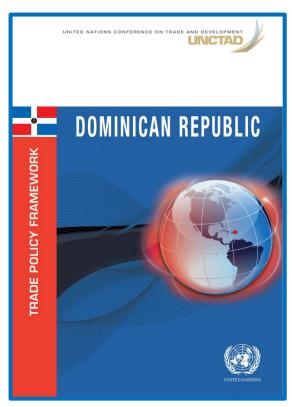
<u>TPF for Developing Countries - A Manual for Best Practices 2019</u> provides guidance in the development of a TPF based on lessons learned from past TPFs and challenges and experiences of developing countries.

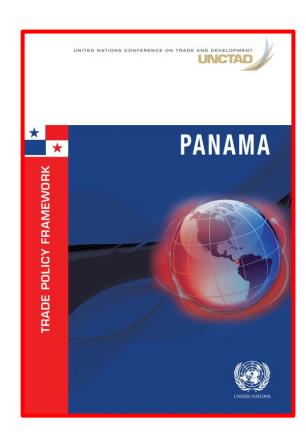


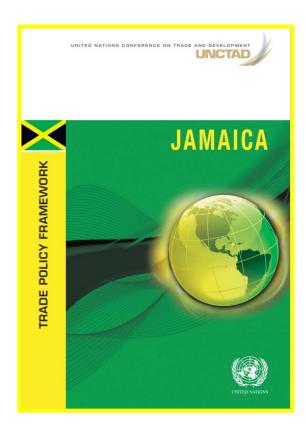
Trade Policy Frameworks in Latin America and the Caribbean













Global System of Trade Preferences



- ▶ The <u>Global System of Trade Preferences (GSTP) among Developing Countries</u>, signed in April 1988 and entered into force in 1989.
- Created by the G77 to promote South-South trade through preferential tariff reductions.
- GSTP could be extended to cooperation on technology transfer, health services, food security etc.
- ▶ UNCTAD SG: "GSTP can provide a valuable platform for advancing trade cooperation to achieve sustainable energy transition, decarbonization and greater food security."
- ▶ 42 participants (14 countries from Latin America and the Caribbean): Algeria, Argentina, Bangladesh, Benin, Bolivia, Brazil, Cameroon, Chile, Cuba, the Democratic People's Republic of Korea, Ecuador, Egypt, Ghana, Guinea, Guyana, India, Indonesia, the Islamic Republic of Iran, Iraq, Libya, Malaysia, Mexico, Morocco, Mozambique, Myanmar, Nicaragua, Nigeria, Pakistan, Paraguay, Peru, Philippines, Republic of Korea, Singapore, Sri Lanka, Sudan, Thailand, Trinidad and Tobago, Tunisia, the United Republic of Tanzania, Uruguay, Venezuela, Viet Nam, Zimbabwe and Mercosur.



Global System of Trade Preferences



- Third round of negotiations, the São Paulo Round, launched in 2004 in Brazil and concluded in 2010: São Paulo Round Protocol.
- ▶ Through these commitments, existing tariffs on up to 70 % of products traded would be reduced by 20 % for the signatories that ratify the São Paulo Round Protocol.
- The São Paulo Round Protocol will enter into force after ratification by at least 4 of its 8 signatories: Cuba, Egypt, India, Indonesia, Malaysia, Morocco, the Republic of Korea and Mercosur (Argentina, Brazil, Paraguay and Uruguay), counted as one signatory.
- So far ratified by India (2010), Malaysia (2011), Cuba (2013), Uruguay (2017), Argentina (2018) and Brazil (2022). Since Mercosur is considered only one entity, ratification by all four members of Mercosur is required for the Protocol to be considered ratified by Mercosur as a group.



Global System of Trade Preferences



- **Committee of Participants** (COP) GSTP's highest decision-making organ oversees GSTP's implementation, with substantive and technical support from UNCTAD.
- **COP** met on 19 September 2023 for its 32nd session to revitalize the GSTP.
- ▶ GSTP economies in 2021 a market of more than \$16 trillion generated some \$4.4 trillion in import demand for goods almost 20% of global merchandise imports.
- ▶ GSTP is an important step towards stronger South-South integration and cooperation. In particular, the São Paulo Round Protocol covers over 47,000 tariff lines.
- ▶ UNCTAD estimates that by implementing the **São Paulo Round Protocol**, 11 current signatories could reap shared **welfare gains of \$14 billion**.





UNCTAD-EU-ANGOLA TrainforTrade II Programme

(2017-2023)

Commercial Diplomacy Component Outputs (2022-2023)

1. Trade Impact Assessment

- a. Study on the Economic Impact of Angola's Accession to the SADC-EU Economic Partnership Agreement
- Training modules and webinars

2. Training Workshops (online) for Angola

- a. Trade policy formulation and trade negotiations
 - Trade Policy Framework for Developing Countries
 - Skills and Techniques for Trade Negotiators: A Practical Guide Trade in services
- b. Intellectual property rights and WTO TRIPS Agreement
- Trade in service for development





UNCTAD-EU-ANGOLA TrainforTrade II Programme (2017-2023)

Commercial Diplomacy Component Outputs (2022-2023)

3. Experience and knowledge sharing study tour on 'Trade Remedies and Safeguards Measures' for **Angola and Mozambique**

27 - 31 March 2023, Cape Town In cooperation with UNIDO Mozambique Project and TRALAC







UNCTAD-EU-ANGOLA TrainforTrade II Programme Commercial Diplomacy Output Documents (2022-2023)

- Guidebook on Trade Impact Assessment (online)
- Trade Policy Framework for Developing Countries (online)
- Skills and Techniques for Trade Negotiators: A Practical Guide
- Manual on Trade in services
- Manual on Intellectual property rights and WTO TRIPS Agreement

Trade Negotiations Skills and Techniques



Skills and Techniques for Trade Negotiators: A Practical Guide

October 2022

This Guidebook was produced with the financial support of the European Union. Its contents are the sole responsibility of the author and do not necessarily reflect the views of the European Union.











Joint UNCTAD-UNIDO Project

"PROMOVE Comércio – Building Competitiveness for Exports: Supporting Trade and **Development in Mozambique**"

EU funded 4 years TA programme (2021-2024)

Objective: To support Mozambique to <u>establish a safeguards and trade remedies regime and to build the related human and</u> institutional capacities to address the multiple challenges arising from the SADC-EU EPA safeguard measures and to improve the Government coordination and implementation of the EPA trade safeguards.

- 4 training workshops/seminars: 2 for the public and private sector and civil society on trade remedies and safeguards in line with EU-SADC EPA trade defense-related provisions. 2 seminars on NTMS and trade statistics tools and data bases.
- 68 officials from Ministry of Industry and Commerce, other relevant government institutions, private sector and civil society representatives were trained.
- Experience and knowledge sharing study tour on Trade Remedies and Safeguards Measures for Angola and Mozambique, 27 - 31 March 2023, Cape Town.



Trade Policy – Capacity Building

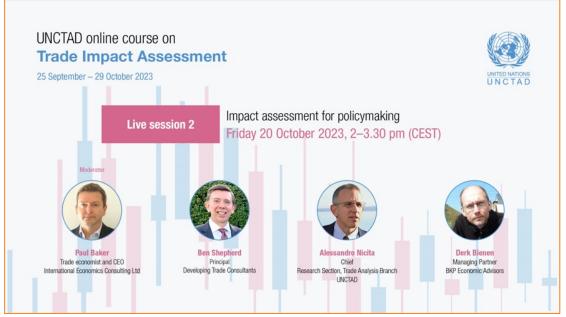


ONLINE TRADE POLICY COURSES

Upcoming Trade Policy Formulation and Trade Negotiations Course (Autumn 2024)

Trade Impact Assessment (September – October 2023)





Thank you!

