

# DITC talking points for the Trade and Development Commission

15<sup>th</sup> February 2021

## Introduction

Over the past year, the Division of International Trade and Commodities has proved itself both flexible and effective in delivering a work programme across the three pillars not only in the context of the **unprecedented challenges posed by the pandemic** but also despite the **ongoing liquidity crisis** facing the organisation and the associated recruitment freeze.

The Division has made swift changes in order to continue to deliver to member States, for example from moving meetings as large as the 8th Conference on the UN Set to accessible digital platforms to producing timely analysis on the effects of the pandemic on key economic sectors.

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The COVID-19 pandemic has highlighted the importance of trade information and trade related regulations and standards. **The Trade Analysis Branch** has shown how trade and regulations played a role in fighting the COVID-19 pandemic:

- trade in medical products followed the waves of the pandemic helping the supply of medical products during the pandemic, and
- over 140 countries used technical regulations that protect health, safety and the environment, called non-tariff measures.

The integration of all three pillars starts with a consensus on a common language, *the International Classification of NTMs*, developed by UNCTAD with partners such as UN agencies, OECD and WTO, and acknowledged by UN member States.

It continues with *the coordination of the global transparency initiative in NTMs with 30 country updates in 2020*. The data are the basis for transparency efforts such as the Global Trade Helpdesk launched by UNCTAD, ITC and WTO, that is supported by the informal MSME group at the WTO. The data are also used by thousands of researchers in governments and universities. UNCTAD published statistics for all RCEP countries that were used during the negotiations.

*The new Global Trade Update informs policy makers about up-to-date trends in trade*, so they can react according to the circumstances. Our latest issue, which include the most updated figures on trade in 2020 was just published last week.

*As a result of COVID-19, there has been increased interest to obtain a better understanding of where product comes from.* Voluntary sustainability standards are important tools. By using UNCTAD's VSS analytical toolkit, policy makers will be able to identify strategies and bottlenecks faced by farmers, producers and government officials to maximize VSS as a development tool and access to lucrative markets. We support developing countries, through their National Platforms, working with India, China, Brazil, Mexico, regions like CARICOM and ANDEAN.

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Interest in the issue of **consumer product safety** has been growing for some time but has been heightened by the pandemic as policymakers around the world look to enhance the safety and welfare of consumers and their trust in markets. This has been a focus for **the Competition and Consumer Protection Branch** since 2017, producing numerous publications and in 2018, establishing a Working Group on Consumer Product Safety to highlight best practices, to facilitate information exchange and consultations. At UNCTAD's [Ad Hoc Expert Meeting on Consumer Protection: Product Safety](#) of 24 June 2020, member States reached consensus on the need to adopt a global recommendation on consumer product safety. On 23 October 2020, the [Eighth United Nations Conference on Competition and Consumer Protection](#) adopted the [Recommendation on Preventing Cross-Border Distribution of Known Unsafe Consumer Products](#), sponsored by Australia and Colombia, which is UNCTAD's first on the issue of consumer product safety. The recommendation aims to prevent rogue traders to further distribute consumer products that have been withdrawn from one market, due to non-compliance with consumer product safety requirements, to other jurisdictions where that non-compliance has not been assessed or acted upon, thus endangering the physical safety of consumers in that country.

Dispute resolution for online consumers is an issue of growing interest for policymakers around the world as means to increase consumer trust in digital markets. CCPB publications have highlighted current trends in providing consumers with online dispute resolution and proposing policy options and quality criteria

against which consumer dispute resolution and redress may be evaluated and regulated. The Intergovernmental group of experts on consumer protection law and policy, in its [third](#) session, discussed different successful models of consumer online dispute resolution such as in Brazil, China and the United States.

In 2019, [UNCTAD signed a Trust Fund Agreement with the China Silk Road Group](#) to launch a pilot technical cooperation project to deliver blockchain-based online dispute resolution for consumers for two beneficiary countries as means to improve international trade and electronic commerce (BODR Project). The project will begin its field activities in the first quarter of 2021, in particular to identify best practices and policy options to promote consumer online dispute resolution and to define the legal, technical and infrastructure requirements for the development of online dispute resolution systems, through the use of new technologies, including blockchain.

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The **Trade, Gender and Development Programme** builds its capacity- and consensus-building activities on its research work.

The Programme conducts in-depth analytical work on the gender impact of trade liberalization and trade integration through country and regional studies. Such studies become the basis for online courses. *Since 2015, the online courses on trade and gender have trained around 1,200 stakeholders from 152 countries.* The courses contribute to improving the capacity of policy makers to incorporate gender considerations in trade policy formulation and implementation; of academics to include gender issues in their research and teaching work; and of representatives of civil society to build their advocacy work on solid bases. *The courses provide a timely response to the increased need for digital solutions and online capacity-building opportunities during the health crisis and remain a unique learning instrument.* In 2020, the programme delivered iterations of the "standard" course, the regional course devoted to MERCOSUR and an iteration of a thematic course devoted to the trade and gender impact of technological upgrading in agriculture.

According to end-of-course evaluations, 58% of participants rated the courses as excellent, 31% as very good and 11% as satisfactory. The main findings of the analytical work were also presented to Geneva-based delegates in October 2020 within the series of Short courses on key international economic and development issues.

In 2020, the Programme published *four Policy Briefs addressing the impact of the pandemic on women* in general and more specifically on women working in the tourism sector in the SIDS, and on women involved in informal and small-scale cross-border trade in sub-Saharan Africa. The gist of the analysis was presented to different audiences, for example to the participants in the 2020 International Summit on Women and Business, and to country delegates in an event jointly organized by UNCTAD, ITC and the WTO in May 2020.

*Capacity building activities started in Malawi, Tanzania and Zambia on women in informal/small-scale cross-border trade under COVID-19 DA funds*, building upon the successful of a previous project on the same issues. MSMEs are experiencing some of the most severe effects of the economic slow-down and this is particularly the case of small informal businesses. The Programme's training package on trade rules and customs procedures and on entrepreneurship is providing a useful tool for women small-scale/informal traders to restart their businesses.

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In 2020, the **Trade Negotiations and Commercial Diplomacy Branch** launched a new platform for policy discussion entitled “**UNCTAD Trade Policy Dialogue**”, which seek to create synergies between the three pillars by creating organic linkage.

To date, the following Trade Policy Dialogue was held:

1. The multilateral trading system in the post-pandemic “new normal” (25 September 2020) in cooperation with Organization of the ACP States (OACPS)
2. Towards model RTA provisions for trade in essential supplies in times of crisis (28 October 2020) (in cooperation with UN ESCAP)
3. Elements of a policy mix for trade-led recovery: Services, creative economy, and making the best of trade agreements (16 November 2020) (in cooperation with G77 and China)
4. Welcoming the International Year on Creative Economy for Sustainable Development: Creative Economy for Inclusive Development and Global Recovery (25 January 2021) (in cooperation with Indonesia and Oman)

The platform has proved to be highly successful in generating high interest in DTIC’s work and mobilizing a large audience. For instance, the latest Trade Policy Dialogue on the international year of creative economy for sustainable development (25 January) was attended by 436 people.

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Synergies among the three pillars are well exemplified by the work of the **Trade and Environment Branch** on biodiversity, including the blue economy and plastic pollution in particular, and BioTrade, including its terrestrial and blue dimensions.

Several analytical pieces have addressed the impact on, and responses by, the blue economy sectors to the COVID-19 crisis, with the first ever issue of “Oceans Economy and Trade Strategies”, for Belize and Costa Rica, and also on the *survey conducted on the COVID-19 implications for the trade of biodiversity-based products and services including the blue and green sectors*.

A series of capacity building events and trainings have been held on trade and biodiversity, e.g., for blue economy stakeholders. The events focused on topics such as Blue BioTrade and marine biodiversity, the fight against plastic pollution, *blue pathways to move forward in a COVID-19 context and beyond*, as well as on trade and biodiversity.

On the consensus building front, these lines of work materialized in a submission by: (a) UNCTAD to the WTO Committee on Trade and Environment, entitled «Trade in Plastics, Sustainability and Development», with emphasis on oceans pollution, and (b) UNCTAD and partners to the post 2020 global biodiversity framework under the auspices of the Convention on Biological Diversity on the positive contribution of sustainable trade to biodiversity conservation. Additionally, the 2007 *Bio-Trade Principles and Criteria*, a set of guidelines for governments and companies to conduct biodiversity-friendly trade, *was updated and launched in November 2020*.

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Another example of the synergy between Research, Capacity Building and Consensus Building, the **Commodities Branch** is implementing the **project “Integrating Landlocked Commodity Dependent Developing Countries into Regional and Global Value Chains”**, until December 2021. This project is funded by the 2030 Agenda for Sustainable Development Sub-Fund of the United Nations Peace and Development Trust Fund.

The aim is to support integrated value chain development in four landlocked commodity-dependent developing countries (**Ethiopia, Laos, Mongolia, and Uzbekistan**) through enhancing their capacities in development of policies and strategies to promote better integration into Regional and Global Value Chains. The value chains of interest are: roasted coffee in Ethiopia, maize in Lao PDR, meat in Mongolia, and dried fruits in Uzbekistan.

Improved integration of these important value chains into regional and international markets requires research-based consensus building between the public and private sector. The project has supported consensus building by first conducting field research on the commodities concerned in each country, and organized national workshops. Capacity building exercises related to this research and consensus building have been conducted in Lao PDR and Mongolia and are planned during 2021 in Ethiopia and Uzbekistan. Training will strengthen the capacity of the authorities and the private sector of each country to better integrate into regional and international value chains.