



MULTI-YEAR EXPERT MEETING ON

# Trade, Services and Development

Leveraging services, including infrastructure services, to achieve the Sustainable Development Goals

23–24 September 2020, ONLINE, 2–4 p.m. CET

## Presentation of the background note

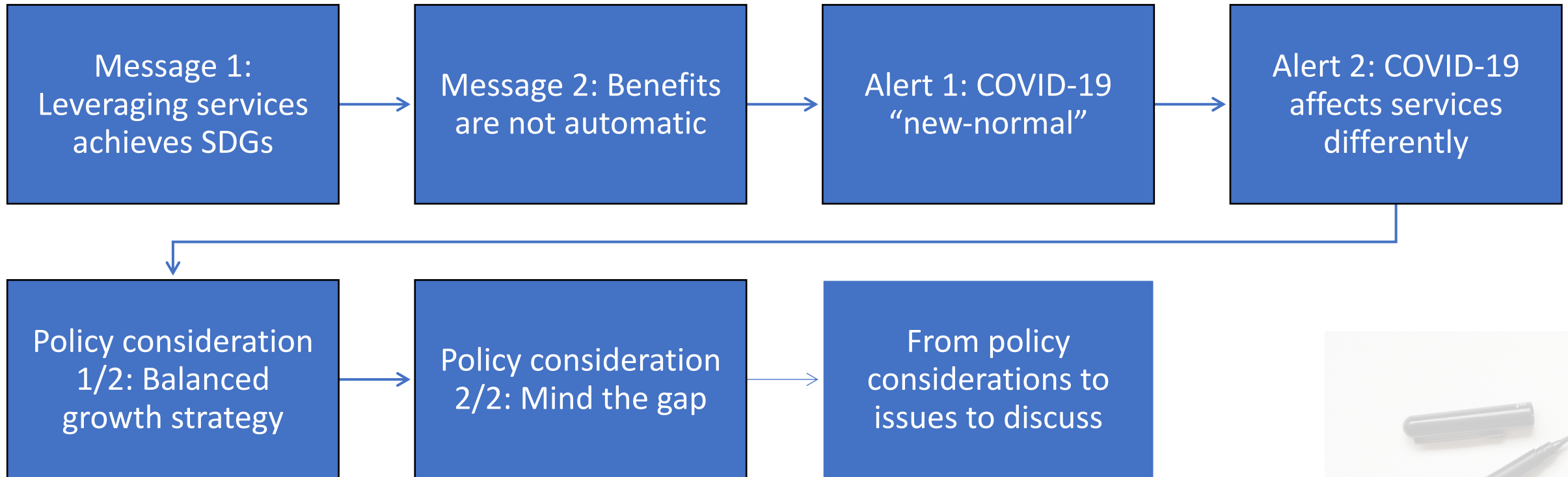
by

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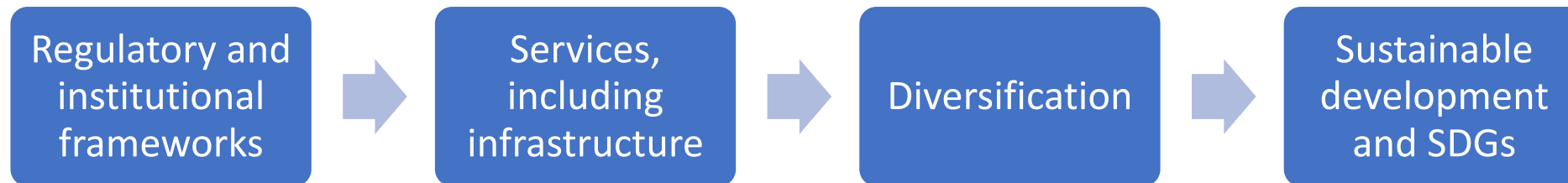
# Messages, alerts and policy considerations





# Key message 1: Leveraging services achieves SDGs

- Services substantially contribute direct/indirectly (**inputs to all sectors**) to reduce **vulnerability** & enhance economic **diversification**
- As a result, services development **support SDGs**. E.g. Goals 1,2,5–9,11 & 17 on increasing exports from developing countries/LDCs.

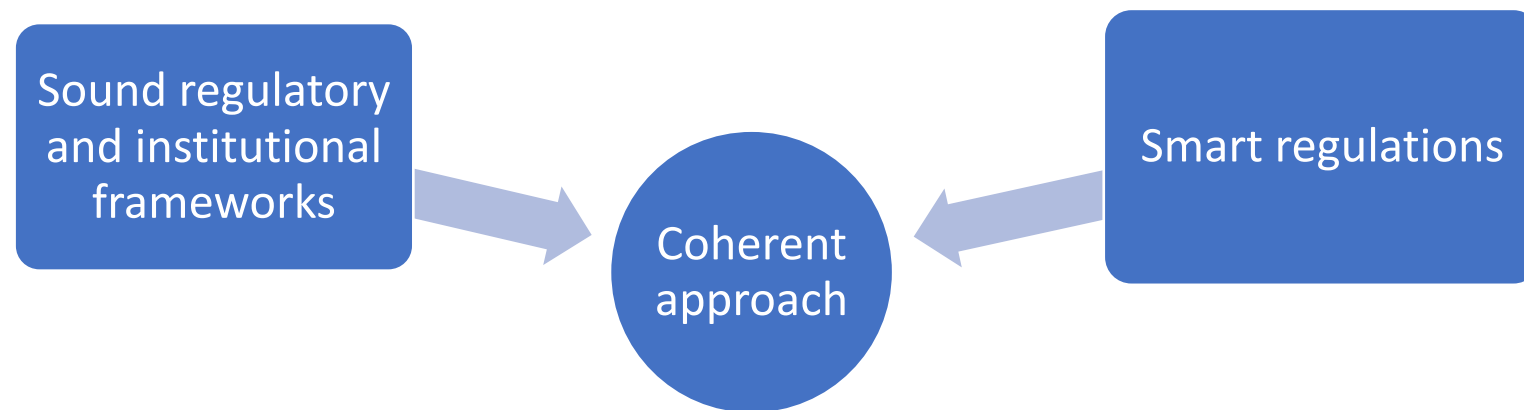




# Key message 2: Benefits are not automatic

It is necessary to enable services as an enabler of development:

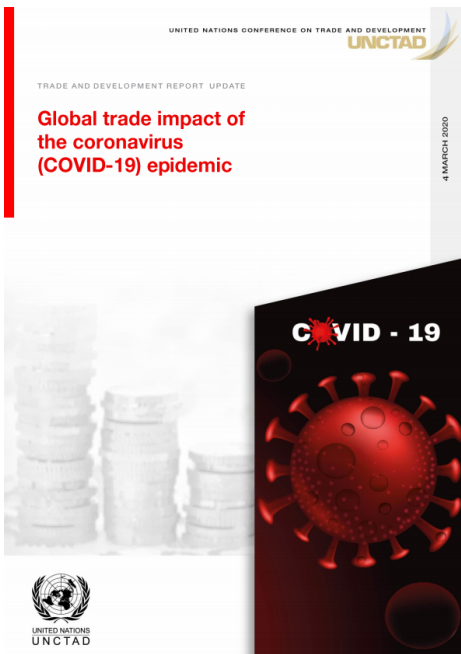
- **Sound regulatory/institutional frameworks** to create capacity on services & on the role of their inputs.
- **Smart regulations** to minimize trade impact & ensure policy goals.
- **Coherent/coordinated approach** to domestic policymaking, regulation & trade liberalization.





# Key alert 1: COVID-19 “new normal”

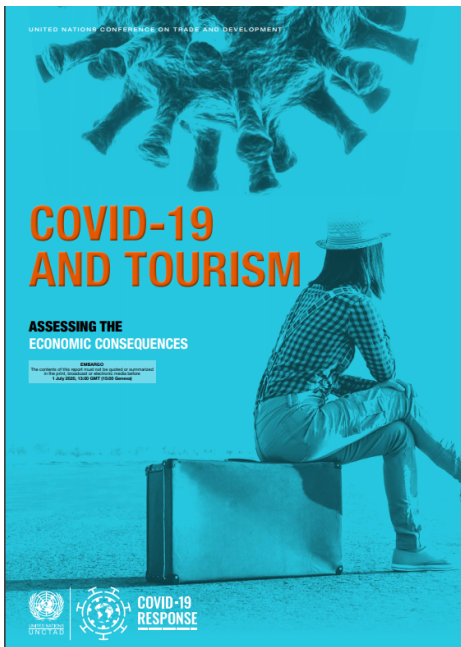
- Reinforced the potential of services for **resilience**, shock **recovery** & progress in **SDGs**.
- Calls for the pro-development services sector.



<https://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=2714>

# Key alert 2: COVID-19 affects services differently

- **Threats:** Tourism services fell, relevant to many SIDS, young, women.
- **Opportunities:** ICT services for resilience & post-pandemic recovery.



Coronavirus deals severe blow to services sectors

<https://unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=2327>

Securing access to financial services during COVID-19

<https://unctad.org/en/pages/newsdetails.aspx?OriginalVersionID=2327>

[https://unctad.org/en/PublicationsLibrary/ditcinf2020d3\\_en.pdf](https://unctad.org/en/PublicationsLibrary/ditcinf2020d3_en.pdf)

# Policy considerations 1/2: Balanced growth strategy

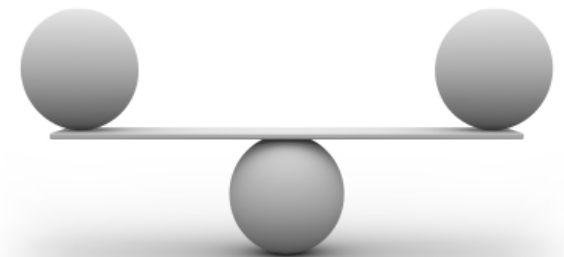
UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

UNCTAD



Under the COVID-19 “new normal”:

- Consider potential of services inputs to **transform economy/trade** & improve productivity & export competitiveness.
- Servicification can be key for modern farming and industrialization.
- Outcome of this option depends on coherent/best-fit mix of trade/industrial policies to promote **key services inputs**.





# Policy considerations 2/2: Mind the gap

- Mind the **structural gap** between developing & developed countries.
- Consider mix of trade/industrial policies to upgrade within services.
- Outcome of this option depends on: **policy mix, international coop., preferential treatment**, adjustment costs, first mover advantages.

A logo consisting of a thick red circle with a white center. A dark blue horizontal bar is superimposed across the middle of the circle, containing the text "MIND THE GAP" in white, bold, uppercase letters.

**MIND THE GAP**





# From policy considerations to issues to discuss

- **Segment 1.** Services, resilience to economic shocks & econ. recovery
  - How can services trade contribute to post-pandemic economic recovery/resilience?
  - What are the specific challenges facing developing countries and LDCs?
- **Segment 2.** Services-enabled digitization: potential & challenges
  - What are the regulatory/institutional frameworks to maximize benefits of ICT-enabled services trade?
  - What is the role of international cooperation for inclusive digitization & impact on services trade?
- **Segment 3.** Role of UNCTAD on leveraging services to achieve SDGs
  - How can UNCTAD intensify assistance to leverage services trade for structural transformation & SDGs?





# Thank you!

More on trade, services and development:

<https://unctad.org/en/Pages/DITC/Trade-in-Services.aspx>

More discussions on these topics at the Global Services Forum at UNCTAD15:

<https://unctad.org/en/Pages/DITC/Services/Global-Services-Forum.aspx>

