

Second Geneva Dialogue on post-2015 Sustainable Development Agenda
10:00–13:00 hrs., Room XXVI, Palais des Nations
4 April 2014

Background Note

The theme of the Second Geneva Dialogue is “**The Post-2015 Sustainable Development Agenda: The road from Bali**”.

A critical year in terms of two intergovernmental processes

This year, member States of the United Nations and members of the World Trade Organization (WTO) face two important processes that would shape the global governance agenda. One is the formulation of the post-2015 sustainable development agenda, and the other is the WTO post-Bali process.

- The Open Working Group (OWG) on the Sustainable Development Goals has been steering the formulation of the proposal on sustainable development goals (SDGs) which is to be submitted to the 69th session of the UN General Assembly. From March 2013 to February 2014, a total of eight sessions the OWG was conducted on the various themes identified in the Rio+20 outcome document. After the conclusion of the 8th session (3-7 February 2014), the OWG Co-chairs released a list of nineteen focus areas¹, noting at the same time that “(the focus areas) do not preclude inclusion of other issues discussed within the context of the thematic clusters”.² The OWG continues its formal and informal consultations towards the mid-July 2014.
- Following the conclusion of the WTO’s 9th Ministerial Conference (3-7 December 2013) in Bali, the WTO members are to prepare a clearly defined work program on the remaining Doha Development Agenda by the end of 2014, while continuing with the implementation of various decisions and agreements reached in Bali, e.g. the agreement on trade facilitation. The post-Bali process on the Doha work program would be conducted with “development as a central pillar” along other driving parameters.³

Economic factors in the MDGs

Economic factors are critical foundations for inclusive and sustainable development, but they were treated only in a limited way in the original formulation of the Millennium Development Goals (MDGs). As regards international trade, the crisscrossing of the processes of the MDG formulation and the pre-Doha process at the World Trade Organization (WTO) at the end of 1990s resulted in the MDG Target 8A in support of the launching of the WTO Doha Development Agenda

¹ <http://sustainabledevelopment.un.org/content/documents/3276focusareas.pdf>

² Letter from the OWG Co-chairs (dated 21 February 2014), <http://sustainabledevelopment.un.org/content/documents/3272cochairsletter.pdf>

³ “Azevêdo urges members to make 2014 the year to implement Bali and put Doha back on track”, WTO 2014 News Item, https://www.wto.org/english/news_e/news14_e/tnc_infstat_06feb14_e.htm

(DDA) in 2001.⁴ In this connection, the need of an “early and successful conclusion of the DDA” has continually been referred in the monitoring of the MDGs progress.

The development impact of international trade however depends not only on the multilateral trading system but also on interregional, regional and bilateral arrangements, national trade policy imperatives, among other conditions.

Back to basics: Trade as an enabler of inclusive and sustainable development

The pace of economic growth and the distribution of gains from growth are essential in supporting various aspects of human development targeted under the MDGs. In this regard, international trade can be a powerful instrument – or an enabler - to stimulate and spread economic progress via e.g. job creation and increased investment in infrastructure, productive capacity and human resources.

Trade can raise the economy’s income-generating opportunities by opening a “vent-for-surplus”, i.e. allowing a country to make a more profitable use of its resources that were previously unused or underused domestically. Trade-induced income changes can increase an economic incentive e.g. to enter the formal labour force, which can have a positive impact upon socio-economic inclusiveness, such as in the area of gender. Trade can reduce the cost of goods and services that are not domestically available at reasonable prices, hence can enable new production which otherwise would not have been feasible in the country. Also, by transmitting environmental preferences of firms and consumers in world markets, trade can enhance the diffusion of environmental goods, services, technologies, and sustainable and socially equitable methods of production across countries.

Issues to be addressed

Realizing the enabling impact of trade however requires certain conditions, which include not only an “open, rule-based, predictable and non-discriminatory” trading system but also policy coherence at the national level. In the narratives towards arriving at the goals in both processes - the UN post-2015 sustainable development agenda and the WTO post-Bali - trade cannot be disconnected from development, and vice versa.

That would require: (i) identify the types of national policies and international contexts that will harness the "enabling" power of trade for achieving inclusive and sustainable development goals; and (ii) design a framework of global partnership that will support the implementation of a coherent policy mix required for arriving at such goals.

The Second Geneva Dialogue will discuss areas where the synergy between the two processes would be most beneficial in this endeavor. [END]

⁴ The MDG Target 8.A states: Develop further an open, rule-based predictable, non-discriminatory trading and financial system.