



# With digital conference covering the major topics in global trade, what matters for the world's poorest countries?

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October 7, 2020

As 2020 continues its turmoil, the global trade community is continuing to try and adapt, along with everyone else.

With the cancellation of the World Trade Organization's annual Public Forum due to COVID-19, Geneva Trade Week came to fill in the gap, creating a digital space for the dialogues that usually happen in person in the negotiation and meeting rooms, the halls and the courtyard spaces along Lake Geneva.

The topics of discussion are a snapshot of the major trade issues of the day and the various concerns of countries, institutions, experts and academics. The world's poorest countries – which continue to strive, succeed and struggle in the global trade arena – have their own perspectives on trade, that were variously highlighted and explored throughout the week.

What is affecting least developed country (LDC) trade the most? What are the main concerns? What promise and potential is there? What issues intersect with larger interests?

Moving forward, here are a few items that stand out.

## 1) Rebooting trade

Interpreted broadly, many discussions centred around the idea that the trading system needs to change. From the WTO to plurilaterals to the role of women to subsidies, people both reflected on what has worked well and made various suggestions for reforms.

Inu Manak of the Cato Institute made a fitting analogy during the Rebooting the WTO plenary, “We don't need to do a hard reset. We don't need to turn the WTO off and on again, so to speak. Perhaps it's time we installed those much-needed updates to our operating system.”

But where do LDCs fit in this reboot?

Manuk noted that developing countries are active at the WTO in the Technical Barriers to Trade (TBT) and Sanitary and Phytosanitary (SPS) committees, and co-panelist Simon Evenett flagged TBT and SPS as “bright spots” in the transparency that the WTO offers, while also noting that lack of transparency is a barrier to trade and investment.

In trade's potential "reboot", LDC-specific concerns, for example those related to global value chains, fisheries, MSMEs and access to finance must be considered and addressed.

The week's conversations covered approaches to developing countries and trade, with some nations having made great strides over the years, while others continue to require support. How can the world of trade adapt accordingly? That is a question that will persist as the world of global trade continues to evolve.

## **2) Digital everything**

Especially now in 2020, the trade world is in agreement that technology and digitalization are key to success. But LDCs are lagging behind, whether it is the infrastructure for internet or paperless customs procedures or the ability to engage in ecommerce.

In the How can E-Commerce Trade Policy Contribute to Inclusive Development for Disadvantaged or Under-Represented Communities? discussion, panellists focused on the question of creating inclusive outcomes for the most disadvantaged, including women, indigenous peoples and those living in rural and isolated places.

Traci Houpapa, Chair of the FOMA Federation of Maori Authorities, said of the current COVID world, "being remote, which was previously a barrier to business entry especially at the global level, is now simply seen as another way we do business." She spoke of the opportunity for people previously unconnected, of the potential relationships formed across countries and – importantly – across cultures.

As to how to do so, Crystal Hunt, Diversity and Belonging Specialist at Shopify, listed the ways the company quickly responded to COVID-19 to get more businesses online as quickly as possible, and their strategies for supporting underrepresented communities and MSMEs, including through creating culturally relevant education for merchants, initiating tailored access to their platforms, supporting inclusive hiring practices, and developing targeted support programs for the companies that need it – all practices that apply in LDC contexts.

The session Digital Trade and Services Trade – Are They Increasingly the Same? explored the services angle, and looked at what changes were needed in African countries. Rebecca Fisher-Lamb from the United Kingdom Department of International Trade discussed the diversity on the continent, and the diverse development trajectories. Noting a focus on goods rather than services in Africa, Fisher-Lamb flagged some successes with e-health and e-learning that could be models, while highlighting that the digital infrastructure and regulatory frameworks need to be done, right.

## **3) Action for the environment**

A host of sessions addressed the most essential issue faced by all – protecting the planet.

The Trade, Biodiversity & Natural Resources: What Role for Trade Policy in a New Deal for Nature? panel covered how trade and biodiversity protections can be aligned.

UNCTAD's Isabel Durant said in introductory remarks that, "40% of the world's economy is derived from the direct use of biodiversity." With biodiversity loss an environmental, economic and social issue, she stressed the need to measure the trade in biodiversity so as to better understand trade flows and act accordingly.

Neil Burgess, Head Scientist and Principle Investigator at the Trade, Development, and the Environment Hub of UNEP-WCMC, noted that biodiversity was in decline and that trade was one of the factors, while arguing that “it doesn’t have to be like that” and noting studies finding that we can bend back the curve of biodiversity loss without jeopardizing the other SDGs.

For LDCs, biodiversity loss is also a development issue that intersects with SDG achievement. In fact, earlier this month, the group of LDCs asked the UN Biodiversity Summit for international biodiversity public funding to LDCs to double by 2030, as 30-50% of all species in the world could be lost during the 21st century, with LDCs likely threatened by the worst effects.

#### **4) Making trade move**

The Ensuring Food Security, Sustainably: What Role for Trade? panel noted that 700 million people are going hungry, and that better progress needs to be made. While this progress could involve improving yields, better managing land and increasing wages, it also involves ensuring that food gets to the people that need it.

Jonathan Hepburn, Senior Policy Advisor at the International Institute for Sustainable Development (IISD) noted that the trade policies of major economies have an outsized impact on developing ones when it comes to the transport of essential items like food. And this has come to the fore during the pandemic. For LDCs, facilitating the movement of food across borders, via policy and customs, finance and facilitation, is essential.

The How can Blockchain help alleviate the impact of COVID-19 on supply chains? From threat to opportunity! discussion addressed the complete other side of this issue, looking at new ways to improve supply chains and moving beyond the paper-based trade that has been the norm. Panellists argued that the transparency offered by blockchain can help to improve the integrity and trust required in supply chains – and help to optimize them.

#### **Conclusion**

In the move to enhance trade, the particular issues that LDCs face should be foregrounded, for it is their 880 million citizens that have the most to gain and to lose if trade falters. From improved transparency to new regional trade networks to increasing rewards in going online, there is a lot of promise in the trade world. And the digital conference inaugurated last week is another great endeavor, with a space that allows anyone with an internet connection and an interest in trade to log on and dive in.