

# TRADE CAPACITY FOR ACCEDING LDC'S

SPEAKING NOTES FOR PATRICIA FRANCIS

<p>Globalization and Development</p>	<ul style="list-style-type: none"> <li>• Not a question of whether to engage, but how</li> <li>• For globalization to be more inclusive and equitable, it is necessary to have the institutional mechanisms to oversee the market economy and the appropriate policies</li> <li>• WTO membership is a critical tool for participation in the multilateral trading system as identified by LDCs as far back as the Brussels LDC IV conference - appears as a priority objective in the Brussels Plan of Action</li> <li>• It is necessary to supplement the logic of market efficiency with renewed attention to conditions that favour development: policies and resources need to drive inclusive development</li> <li>• Constructive dialogue between the government and the country's private sector is an essential component of setting the agenda</li> <li>• There are challenges, of course, but also great prizes to be won."</li> </ul>
<p>Accession why?</p>	<ul style="list-style-type: none"> <li>• Gradual opening of domestic markets to international trade, with justifiable exceptions or with adequate flexibilities, allows the achievement of sustainable development, raising people's welfare, reducing poverty, and fostering peace and stability – <i>Pascal Lamy to WTO GC 2009</i></li> <li>• Governments negotiate improved market access to enable businesses to convert market access into trade opportunities.</li> <li>• Direct and tangible implications for the business community, including small and medium-sized enterprises</li> <li>• Ability of the private sector to benefit from the system and exercise these rights depends to a great extent on its knowledge and understanding of the trading environment governed by WTO agreements.</li> <li>• ITC can assist the business community, including the small and medium sector, in understanding the commercial and other implications of WTO accession and empower enterprises to articulate their interests and priorities to trade negotiators to ensure that these are robustly defended during the negotiations.</li> </ul>
<p>Accession how?</p>	<ul style="list-style-type: none"> <li>• Domestic reform: e.g. investment rules, technical regulations, administrative procedures, IPR. Reform must be irreversible</li> <li>• Building a consensus: convince the private sector, media, academic world, civil society</li> <li>• Best approach – transparency to build confidence at home and abroad,</li> </ul>

	<p>reduce mistrust, misunderstanding, uncertainty</p> <ul style="list-style-type: none"> <li>• Policy commitment: empower negotiators, prevent turf wars, neutralize vested interest lobbies</li> <li>• Prepare for post-accession: legal and administrative; avoid damaging disputes.</li> </ul>
The new programme	<ul style="list-style-type: none"> <li>• Responds to demand from the LDCs - e.g. Phnom Penh round table called on EIF, ITC, WTO for assistance to support accession</li> <li>• Open to all with Observer status: initial launch in Ethiopia, Lao PDR, Liberia, Yemen, Samoa</li> <li>• Built on the conviction that by improving the understanding of all parties of the business implications of WTO membership – opportunities, benefits, challenges – conditions for a vibrant export-oriented business environment can be established, and the business community can be prepared to reap the benefits of accession.</li> <li>• Beneficiaries: government and private sector</li> <li>• ITC focus – private sector capacity development; information; advocacy</li> <li>• WTO – Reference Centres, capacity of accession negotiating teams; documentation</li> <li>• Funding – could fall within EIF area of interest</li> </ul>
Expected outcomes	<ul style="list-style-type: none"> <li>• Overall – speed up the process. Some small countries have become bogged down: lack of capacity, lack of trust – risk of sending mixed signals abroad</li> <li>• improved ability of private sector to take advantage of post-accession opportunities</li> <li>• government negotiators able to act in full understanding of business implications</li> <li>• Build partnerships and dialogue between government and private sector</li> <li>• ensure sustainability – in it for the long term</li> <li>• build understanding of benefits – how will increased trade contribute to development and poverty reduction</li> <li>• ensure greater coherence in inter-agency delivery of TRTA and capacity building</li> </ul>
Conclusion	<ul style="list-style-type: none"> <li>• The world economy is faced with fundamental changes: powerful new players on the international scene, new emerging markets, new issues to address: investment, energy, climate change</li> <li>• As the world economy pulls itself out of the financial and economic crisis of 2008/2009, real risk that LDCs may be left behind</li> <li>• Boosting and diversifying export trade can help ensure this does not happen: WTO membership can make a real contribution</li> </ul>



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