Principles of Trade and Sustainable Development

Mario Apostolov, Regional Adviser, UNECE Trade
mario.apostolov@unece.org
Need to Link Trade to Sustainable Development

• New challenges of an expanding global market
• Unsustainable production methods & trade patterns
• Jobs replaced by technology
• Resource depletion and degradation
• Increased GHG emissions
• Pollution from international transportation
• Biodiversity loss
• Environmental footprint

⇒ rules/principles/standards for sustainable trade needed
Trade and Sustainable Development

Trade can become an engine for inclusive sustainable development and poverty reduction.

- Increase in employment
- Elimination of poverty
- Energy efficiency
- Better water management
- Sustainable transport
- Innovation
### Trade as driver for sustainable development

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
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<tr>
<td>Long-term investment in productive capacities</td>
<td>Adoption of appropriate regulation</td>
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<td>Environmentally sound trading practices</td>
<td>Elimination of trade subsidies disruptive for the environment</td>
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<td>National sustainability standards</td>
<td>New forms of PPP to support green trade</td>
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<tr>
<td>Reduction in inequality</td>
<td>Food Security</td>
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<td>International and regional trade governance frameworks</td>
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<td></td>
<td>Women’s empowerment</td>
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<td>Financing mechanisms for green trade</td>
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</table>
Trade as a vehicle for Sustainable Development

- Trade policies to be aligned with SDG 8: Promote sustained, inclusive, and sustainable growth, full and productive employment, and decent work for all; sustainable consumption and production.
- Encourage participation in international and regional supply chains; reallocate resources and improve resource efficiency; create new jobs;
- Help «green» international value chains;
- Integrate further into the international rules-based trading system; support the development of rules for sustainable trade;
- Encourage economic diversification – reduce dependence on extractives (more value added in exports);
- Reduce cost for environmentally sound technologies through economy of scale;
- Open markets for green goods and environmentally friendly technologies;
- Stimulate innovation for sustainable production and markets;
- Develop and harmonize environmental standards;
- Develop appropriate funding mechanisms to finance a shift to green trade;
- Promote social inclusion and economic empowerment of women;
- Integrate national and international initiatives for green trade and sustainable development;
- Capacity-building, including the development of partnership-based hubs.
Trade-related SDG targets (SDG 17)

**SDG 17.10**
- “Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organization, including through the conclusion of negotiations under its Doha Development Agenda”

**SDG 17.11**
- Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries’ share of global exports by 2020”

**SDG 17.12**
- “Realize timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries, consistent with World Trade Organization decisions.”
Other trade-related SDG targets

| SDG 2.b | “Correct and prevent trade restrictions and distortions in world agricultural markets, including through the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round” |
| SDG 3.b | “Support the research and development of vaccines and medicines for the communicable and non-communicable diseases that primarily affect developing countries, provide access to affordable essential medicines and vaccines, in accordance with the Doha Declaration on the TRIPS Agreement and Public Health…” |
| SDG 8.a | “Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries” |
Other trade-related SDG targets

**SDG 10.a**
- “Implement the principle of special and differential treatment for developing countries, in particular least developed countries, in accordance with World Trade Organization agreements”

**SDG 14.6**
- “By 2020, prohibit certain forms of fisheries subsidies which contribute to overcapacity and overfishing, eliminate subsidies that contribute to illegal, unreported and unregulated fishing and refrain from introducing new such subsidies, recognizing that appropriate and effective special and differential treatment for developing and least developed countries should be an integral part of the World Trade Organization fisheries subsidies negotiation”

Much in the SDGs is related to the promotion of a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the WTO. Yet the rules for sustainable trade are not yet developed.
How is Trade Facilitation related to SDGs

TF ≡ simplification, harmonization, standardization [and automation] of trade procedures and the accompanying information flows

• Objectives:
  1. Raising efficiency of trade transactions and official controls;
  2. Transparency: WTO TFA, TF Committees, Single Window ⇒ cutting bureaucracy, cutting waste of resources: people’s time, labour, paper, goods spoiled because of delays, etc.

• UNECE instruments that serve these purposes: standards and best practice recommendations on:
  – document harmonization (UN Layout Key), codes (UNLOCODE – e.g. METGD), EDI (UNEDIFACT), CCL
Trade Facilitation and Sustainable Development

- Saving precious resources for society: peoples’ work time, transaction costs, paper and other materials through more efficient organization of business processes and procedures.

- Raising efficiency of trade controls related to environmental protection (e.g. electronic CITES certificate, using int’l standards, FLUX standard)

- National TF Committees to become platform for interagency, public-private debate on possibilities to use TF to create markets for SD-friendly goods

- Special and differential treatment for dev. countries (TFA)
Areas for further work in SEE setting

Trade facilitation can help to

- Increase efficiency and reduce costs, waste and negative environmental impact;
- Streamline border-control and documentary procedures, avoiding wasted paper, gasoline and inputs used for production of goods;
- Facilitate and increase trade in environmental goods, services and technology

Support environmentally sound production and trading patterns

Diversification of the economies

Ensuring finance for green trade
Agricultural Quality Standards

UNECE argi quality standards taken by EU

• Reducing food loss.

• Tracking and tracing produce (food security).

• Capacity Building:
  how to align production and trade to international standards
  (e.g. SEE cross-border workshop for fresh fruit and vegetables,
  Thessaloniki, Greece, 22-24 Mar. 2017)
Some publications

UN/CEFACT and the SDGs
Harnessing the potential of trade facilitation and e-business for sustainable development

INFORMATION MANAGEMENT IN AGRIFOOD CHAINS:
Towards an Integrated Paperless Framework for Agrifood Trade Facilitation

Standards for Disaster Risk Reduction
Стандарты для сокращения риска бедствий
SDG 17.10

WTO’s 2017 Strategic Focus – Bosnia & Herzegovina

- WP Established 1999
- 12 WP meetings held (last one: June 2013)
- Final WP meeting planned for October 2017

Serbia – “Maintenance” status

- WP est. 15 Feb. 2005
- 13th Working Party meeting in June 2013:
- Now in «maintenance» status - no planned meetings in 2017

WTO Trade Facilitation Agreement (TFA)
TFA: Special and differentiated approach

### Substantive Rules: Section I

#### Assess readiness;
WTO notification (A, B, C);
Technical assistance projects

<table>
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<th>Category</th>
<th>Details</th>
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<td>A Category</td>
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<tr>
<td>B Category</td>
<td>Longer timeframe</td>
</tr>
<tr>
<td>C Category</td>
<td>Longer timeframe, Technical Assistance for implementation</td>
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</table>
Developing countries

Indicator dates

Definitive dates

Least developed countries

Indicator dates

Info on TA needs

Definitive dates

(*)This illustration shows maximum timeframes. It also does not show the various possibilities for extension of time periods.
WTO TF Agreement, 7 Dec. 2013
UNECE training on 4 articles, Nov. 2016

- **art. 10.1**
  - Elimination/decrease of document requirements

- **art. 10.3**
  - Use of international standards (UN Recommendations; UNTDED, WCO Data Model, etc.)

- **art. 10.4**
  - Single Window: «involvement of all relevant agencies»; use of IT, use of relevant international standards; step-by-step approach

- **art. 23.2**
  - National Trade Facilitation bodies

Source: WTO doc. WT/L/931 from 15 July 2014
Share of W. Balkan Countries and Moldova in World Exports

SDG 17.11

W. Balkan countries
Considerations for aligning trade development to sustainable development

- Incorporate Sustainable Development into trade policy and negotiations
- Ensure compatibility between trade agreements and MEAs
- Conduct environmental impact assessment for trade policies & agreements
- Strengthen enforcement mechanism on environmental provisions
- Build capacity for economic diversification and investments in renewable resources
- Improve transparency and public participation in trade policy making
- Maintain highest environmental and consumer protection standards
- Support countries identify sustainable, labour intensive products with a high export capability (with comparative advantage for countries’ exports)
Sustainable Trade & Global Governance

2009 Copenhagen Summit
Green economy and green trade as tools for sustainable economic growth

2012 Rio+20

July 2015 Financing for Development
Need for inclusive and sustainable Trade and Investment Agreement

Sept 2015 SDGs
Trade becomes a means of changing growth patterns towards more sustainability

Dec 2015 Paris Agreement
International community’s commitment to Trade becomes a means of changing growth patterns towards more sustainability

2017 G 20 & G7
Promote growth and recovery – trade is an engine for growth, but it should be fair and sustainable
Green Economy (UNECE definition)

Green economy is an economy that results in improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities.

- a means to achieve a resilient economy that provides a better quality of life for all within the ecological limits of the planet.
- links the economic, environmental and social considerations of sustainable development so that long-term economic development is achieved by investing in environmentally friendly and socially equitable solutions.


Results in:

- Renewable natural capital
- Cleaner production
- Human capital with green economy skills
- Policies aimed at moving consumption and investment to sustainably produced goods and services
Trade can be the driver for the green economy

Trade and trade policy instruments can drive and facilitate the transition to a Green Economy

Opportunities for trade arising from the transition to a green economy
Policy options for trade and sustainable development
Adopt National Sustainable Development Plans (where not yet developed), which include trade

- National Strategic Sustainable Development Programmes to:
  1) define the national priorities for trade within Agenda 2030;
  2) embed the SDGs into the national context and policy priorities;
- Set timeline for achieving the SDGs, resources allocation, and developing key policy instruments to be applied;
- Based on proper analysis of the current situation and a definition of the desired outcomes;
- Sustainable development should take a central role in national trade development, R&D and other development programmes;
- Mainstream innovative approaches to trade development and growth, in order to align them to Sustainable Development;
- Undertake an awareness-raising campaign for the wide public to enhance the understanding of SDGs and trade.
Upgrade the national institutional capacity to pursue Sustainable Development in trade

- Identify a lead agency in the alignment of trade development to sustainable development objectives;
- Set up a structure for monitoring and measuring progress;
- Set up national task force to identify problems, needs & solutions;
- Define context-driven incentives to motivate the engagement of stakeholders in the process (Customs, trade and other ministries; other public and private stakeholders) and promote a participatory approach in the implementation of the trade-related SDGs;
- Establish national action plans for national capacity development of key stakeholders including policy learning;
- Establish Public-Private Partnerships to support sustainable trade;
- Support participatory local networks of local stakeholders to identify specific problems and solutions to key local problems,
Develop and introduce policies and instruments aimed to facilitate the transfer of technology, etc.

- Introduce incentives for the business sector (e.g. tax and tariff relief, access to subsidized credit, government guarantees, etc.) targeting the technological upgrade of production facilities, acquisition of technological equipment, supporting trade in goods and services in areas critical for sustainable development;

- Strengthen links to global technological value chains supporting sustainable development;

- Develop strategic approach to FDI by simplifying administrative procedures and offering additional incentives for FDIs linking trade and production to global technological value chains supporting sustainable development;

- Enhance the system of financing trade and production aligned with sustainable development.

- Eliminate trade subsidies detrimental to sustainable development.
Developing and implementing a Sustainable Development strategy

Continuous change management – Prepare organizational, technical, methodological, competencies, regulatory change throughout the trade modernization effort

As-Is situation

Current indicators
Trade created jobs; integration in the int’l rules based trading system; share in global exports, etc...

Implemented instruments
- e.g. Accession to WTO & implementing rules
- Increased regional trade ⇒ larger share in global exports
- Implemented agreements on regulating fisheries, cutting agricultural subsidies detrimental to the environment, etc.

To-Be situation

Carry out analyses of impact of trade on sustainable development

Desired indicators (in 1-5 years)
Increase trade related new decent jobs by 2
Increase share in global exports by 2, etc.

New instruments
- Develop and implement national, regional and multilateral rules for sustainable trade
- Regional cooperation projects;
- Accession to new international legal acts on trade and sustainable development, etc.

Consultative process – Engage the business community
Thanks!

Mario Apostolov
Regional Adviser UNECE Trade
Palais des Nations, Room 431
CH-1211 Geneva 10, Switzerland
tel.: +41 22 9171134
fax: +41 22 9170037
e-mail: mario.apostolov@unece.org
www.unece.org/trade & www.unece.org/cefact
Trade specific SDG targets (SDG 17.10, 17.11): state of play in the Western Balkans
Trade facilitation and sustainable development
Principles for sustainable trade

Mario Apostolov, Regional Adviser, UNECE Trade
mario.apostolov@unece.org
Target 17.10: Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organization, including through the conclusion of negotiations under its Doha Development Agenda

Target 17.11: Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020
Western Balkan countries started including trade and Sustainable Development in their voluntary SDG reports and adopt sustainable development strategies, some of which contain green economy and sustainable trade elements

- Montenegro’s Voluntary National Review at the HLPF 2016 gives a detailed presentation of the basic principles of financing for sustainable development, including international trade as a development engine and as a possible source of support for sustainable development

- Projections to improve the “country’s position in international economic relations (international trade), as well as the capacity for the mobilization of funds

- Plans to reduce import dependency, strengthen priority sectors of economy, reduce trade and CA deficit
Challenges for Western Balkan countries

• Small populations, small markets, some are landlocked
• Insufficient integration into broader European value chains
• Low level of economic diversification
• Lack of infrastructure
• Need to catch up with more developed EU members

➢ High potential to move to greener development
➢ Requires policy, regulatory changes and increased investment in green sectors and strengthening of environmental and social protection measures
➢ Link sustainable trade to the EU accession process
Trade Facilitation and Sustainable Development

Trade facilitation enhances both efficiency of business transactions and of official controls: two sides of the same coin

- Saving precious resources for society
- Providing more efficient trade controls
- National TF Committees to support sustainable trade and trade facilitation
- Implementing the TFA: Special and differential treatment
Trade Facilitation and Sustainable Development

• Today, NTBs ≡ most important obstacles to trade.
• Unpredictable & inefficient trade procedures cause delays, loss of value and opportunities.

⇒ huge potential gains from trade facilitation:
• e.g. 1% reduction of trade costs would generate welfare gains of about USD 40 billion worldwide

Yet special attention to be paid to specific issues related to trade facilitation: e.g. loss of jobs as a result of automation
Saving resources

• Full implementation of the WTO TFA can reduce trade costs by an average 14.3%
• facilitate more rapid movement of goods across borders:
  – Every extra day required to ready goods for import or export decreases trade by around 4%.
  – Every 4 days of delays of exports/imports = decrease of GDP per capita growth by 0.1%
• electronic Customs declaration (automation) saved 588 trees in Sweden in 2008
Enhancing food security and TF: agro food developments

- Sustainability
- Food safety
- Market access

- Traceability
- Transparancy
- Evidence-based production
The e-Cert project will bring about:

- safety of food and agricultural trade, transparency of B2B transactions
- better use of resources in ports by providing advance notice on imports
- real time data exchange on SPS in compliance with the new WCO requirements on preshipment notification
- easily accessible (online) verification system for e-certificates
- easy downloading and integration of data into the existing import management systems.
e-CERT position in the supply chain
CITES certificate

- Doc. Resolution Conf. 12.3 (Rev. CoP17) Conference of the parties to CITES
- Includes box completion guidelines
- Electronic version developed and aligned to international standards
Introduction to the UN/CEFACT FLUX standard
Team of Specialists for Sustainable Fisheries

Promotion of a tool in sustainable fisheries and combatting IUU
The UN/CEFACT FLUX standard

Fisheries Language for Universal eXchange:

A standard to provide a harmonized message to automatically access the electronic data from fishing vessels needed for stock management, such as vessel and trip identification, fishing operations (daily catch or haul-by-haul) or fishing data (catch area, species & quantity, date & time, & gear used).

UN/CEFACT FLUX is a single language for all fishery data exchanges promoting sustainable fishery management. It allows Fishery Management Organizations (FMOs) to automate the collection and dissemination of fishery catch data. This enables them to plan more sustainable management processes and detect and combat illegal, unreported and unregulated fishing.

Exchanging messages from catch to first sale:

- Including catch; processing on board; landing, transshipment, transport, first sale; inspection, vessel position; vessel information; vessel licences.
- Excluding trade after first sale

Contact: Marjoleine Karper, Wim van Koningsveld
The objective of eCITES is to improve the implementation of the CITES Convention by using ICT to simplify compliant trade and to combat illegal trade. Electronic CITES permits together with simplified and automated trade procedures help government agencies to better target their inspections and identify those actors that break the laws.
CITES e-certificate

- Enhance official controls;
- Facilitate legitimate movements of goods

CITES Resolution containing the certificate, eforms and procedures

Principles of sustainable trade

International trade can help achieve many SDGs, especially if the following principles are respected:

1. Encourage long-term investment, diversification and innovation in productive capacities and trade, aligned to sustainable development;

2. Adopt appropriate regulation, so that trade can facilitate the transition to more sustainable and equitable growth, more trade in environmentally preferable goods and services, increasing resource and energy efficiency, and by generating economic and employment opportunities for all;
Principles of sustainable trade

3. Foster productive employment and decent work conditions through trade policies and practices;

4. Reduce inequality by letting poorer countries and people accede to markets, investments, new technologies and higher working standards;

5. Support environmental preservation through environmentally sound trading practices;

6. Identify and harness trade opportunities associated with transition to a green economy;

7. Eliminate trade subsidies negatively affecting the environment;

8. Increase food security through subsidies;
Principles of sustainable trade

8. Invest in food security by providing access to agricultural products for a larger portion of society;

9. Promote international and regional trade governance frameworks that foster sustainability and green trade;

10. Develop national sustainability standards for trade, related to international standards and best practices (connect standards in exporting and importing countries);

11. Encourage new public-private partnerships to support parallel advancement of trade and the green economy;
Principles of sustainable trade

12. Further women’s empowerment, involving women in managing trade and advancing sustainable trade;

10. Further develop financing mechanisms to support the shift to green trade, including capacity-building; and

11. Cultivate a new ethics in the trading community that would support the overall achievement of the sustainable development goals.
Indicators of current performance and grounds for improvement
Target 17.11: Significantly increase the exports of developing countries, in particular with a view to doubling the least developed countries' share of global exports by 2020

Indicator 17.11.1: Developing countries' and least developed countries' share of global exports

Organization(s) collecting data: ITC; UNCTAD, WTO

Definition: Exports by developing countries and LDCs as a share of global exports of goods and services

Comment: Export shares need to be analyzed from different angles in order to infer whether a particular country or region made improvements in its trade performance.


- Calculation of trade in goods statistics is based on well-established international and national practices.
- For trade in goods refer to the manual on International Merchandise Trade Statistics (IMTS) http://unstats.un.org/unsd/trade/methodology%20imts.htm
- For trade in services: http://unstats.un.org/unsd/tradeserv/TFSITS/msits2010.htm
Share of W.Balkan Countries and Moldova in World Exports

W. Balkan countries
How we calculated these figures:

• The numbers on the share of the Western Balkan countries and Moldova in World exports are based on UNCOMTRADE database and WTO Statistics database. They were calculated as a ratio of each country’s exports to the World to the total World export for every indicated year.
### Trade among Western Balkan countries + Moldova (US$ mln 2016)

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<th>Albania</th>
<th>Bosnia Herzegovina</th>
<th>Serbia</th>
<th>TFYR of Macedonia</th>
<th>Rep. of Moldova</th>
<th>Montenegro</th>
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<tr>
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<td>Export</td>
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<td><strong>World</strong></td>
<td>4,669</td>
<td>1,962</td>
<td>9,130</td>
<td>5,327</td>
<td>19,231</td>
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<td><strong>Total W. Balkan</strong></td>
<td>0,307</td>
<td>0,266</td>
<td>1,153</td>
<td>0,700</td>
<td>0,767</td>
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<td><strong>Total W. Balkan %</strong></td>
<td>6.58</td>
<td>13.57</td>
<td>12.63</td>
<td>13.14</td>
<td>3.99</td>
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<td>29,238</td>
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<td>Serbia</td>
<td>192,752</td>
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<td>1,971</td>
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<td>Montenegro</td>
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**SDG 17.11**

Trade among the W. Balkan countries in detail (in thousands US dollars 2016)
Target 17.10: Promote a universal, rules-based, open, non-discriminatory and equitable multilateral trading system under the World Trade Organization, including through the conclusion of negotiations under its Doha Development Agenda

Indicator 17.10.1: Worldwide weighted tariff-average

Organization(s) collecting data: ITC; UNCTAD, WTO

Definition: Value in percentage of weighted average tariffs applied to the imports of goods in HS chapter 01-97.

- **Rationale:** The average level of customs tariff rates applied worldwide can be used as an indicator of the degree of success achieved by multilateral negotiations and regional trade agreements.

- **Concepts:** Weighted average: In order to aggregate tariff value for country groups it is recommended to make use of a weighting methodology based on the value of goods imported.

- **Comment:** Tariffs are only part of the factors that can explain the degree of openness and transparency in the international trade arena. However, accurate estimates on non-tariff measures or of transparency indicator do not exist.
WTO’s 2017 Strategic Focus – Bosnia & Herzegovina

- WP Established 1999
- WP Chair: Rajmund Kiss (Hungary)
- WP meetings: 12 meetings held (last one: June 2013)
- Status: Advanced
- Outstanding issues (July 2017): Law on Internal Trade; Bilateral MA negotiations
- Next steps: Circulation of draft Accession Package (current)
- Final WP meeting planned for October 2017
Serbia – “Maintenance” status

• Working Party on Serbia's accession est. 15 Feb. 2005
• WP Chair Amb. Marie-Claire Swärd Capra (Sweden)
• 13th Working Party meeting in June 2013:
  – On 13 June 2013, Amb. Swärd Capra called for completion of bilateral negotiations and enactment of outstanding legislation to finalize Serbia’s accession
  – Serbia has concluded 11 bilateral negotiations. On-going bilateral negotiations on market access for goods and services.
  – Serbian delegation led by Ms Bojana Todorović, Chief Negotiator and Assistant Minister of Economy and Regional Development
  – Examination of the revised draft Working Party Report - the text “technically mature”

• Serbia now in «maintenance» status - no planned meetings in 2017
Goal 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture

Target 2.b: Correct and prevent trade restrictions and distortions in world agricultural markets, including through the parallel elimination of all forms of agricultural export subsidies and all export measures with equivalent effect, in accordance with the mandate of the Doha Development Round

Indicator 2.b.1: Agricultural export subsidies

Description: The WTO is receiving WTO Members notifications and compiling the information contained in these notifications to report on this indicator. If no notification, no data (The quality of the indicator depends on WTO Members' timeliness and accuracy of the countries’ notifications).

- AL – no commitments; MN – commitment only on DS


- Data Availability: Cf. WTO document G/AG/GEN/86/Rev.24 (table under section 2.4 – Members with shaded cells) for a detailed description of data availability for export subsidies notified by Members with export subsidy reduction commitments.
Goal 3: Ensure healthy lives and promote well-being for all at all ages

Target 3.b: Support the research and development of vaccines and medicines for the communicable and non-communicable diseases…, in accordance with the Doha Declaration on the TRIPS Agreement and Public Health… regarding flexibilities to protect public health, and, in particular, provide access to medicines for all

Indicator 3.b.2: Total net official development assistance to the medical research and basic health sectors

- **Organization(s):** OECD.
- All countries at the seminar are covered as Upper Middle Income Countries
- **Description:** The OECD/DAC has been collecting data on official and private resource flows from 1960 at an aggregate level and 1973 at an activity level through the Creditor Reporting System (CRS data are considered complete from 1995 for commitments at an activity level and 2002 for disbursements).
- The data are reported by donors according to the same standards and methodologies ([http://www.oecd.org/dac/stats/methodology.htm](http://www.oecd.org/dac/stats/methodology.htm)).
Goal 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Target 8.a: Increase Aid for Trade support for developing countries, in particular least developed countries, including through the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries

Indicator 8.a.1: Aid for Trade commitments and disbursements

- **Organization:** OECD.
- All countries at the seminar are covered as Upper Middle Income Countries
- **Definition:**
  
  Aid for Trade commitments and disbursements is the gross disbursements and commitments of total Official Development Assistance (ODA) from all donors for aid for trade.
  
- **Collection process:** A statistical reporter is responsible for the collection of DAC statistics in each providing country/agency. This reporter is usually located in the national aid agency, Ministry of Foreign Affairs or Finance etc.
- **Data collection:** Data are published on an annual basis in December for flows in the previous year. Detailed 2015 flows will be published in December 2016.
Goal 10: Reduce inequality within and among countries

Target 10.a: Implement the principle of special and differential treatment for developing countries, in particular least developed countries, in accordance with World Trade Organization agreements

Indicator 10.a.1: Proportion of tariff lines applied to imports from least developed countries and developing countries with zero-tariff

Organizations: ITC, UNCTAD, WTO

Definition: Proportion of total number of tariff lines (in per cent) applied to products imported from least developed countries and developing countries corresponding to a 0% tariff rate in HS chapter 01-97.

Comment: Accurate estimates on special and differential treatment for developing countries do not exist, thus the calculations are limited to tariffs only.

Data Sources: The main information used to calculate indicators 10.a.1 is import tariff data. Information on import tariffs might be retrieved by contacting directly National statistical offices, permanent country missions to the UN, regional organizations or focal points within the customs, ministries in charge of customs revenues (Ministry of economy/finance and related revenue authorities) or, alternatively, the Ministry of trade. Tariff data for the calculation of this indicator are retrieved from ITC (MAcMap) - http://www.macmap.org/ - WTO (IDB) -
Conclusion

- Subregional cooperation to adopt rules and practices promoting both trade and sustainable development - achieve a more efficient shift to sustainable trade policies and practices.
- focus on:

1. Possible input to policy decisions in Western Balkan countries’ efforts to achieve the SDGs.

2. Identification of next steps, in terms of national (sustainable) development plans and voluntary reviews; work programmes, cooperation plans, exchange of best practices, standards and tools for sustainable trade, water management and food security, in order to achieve the SDGs in the region.

3. Definition of areas, in which subregional projects would be likely to attract funding for these next steps (in Environment: the Drin basin project).

- Explore possibilities to carry out studies on cases for balancing trade and sustainable development and on the possible effects of increasing regional trade.
Further recommendations

• Cooperate on the integration of all W.Balkan countries into the WTO system (SDG 17.10), implement rules supporting sustainable development.

• analyze the effects of potential growth of intra-regional trade in the W.Balkan countries on their share in global exports (SDG 17.11), for their integration into international supply chains, more access to environmentally friendly technologies, growing employment and decent jobs.

• identify next steps, in national sustainable development plans and voluntary SDG reviews, work programmes, cooperation plans, etc.

• Develop national policies supporting imports and exports of green technologies, environmental goods and services, market access for sustainably certified products. Carry out studies to support this.

• Create market for environmentally friendly goods.
Further recommendations

• Identify and harness trade opportunities associated with green economy.
• Promote international and regional trade governance frameworks that foster sustainability.
• Abstain from introducing new and eliminate existing trade subsidies that negatively affect the environment.
• Ask National Trade Facilitation Committees to include alignment of trade facilitation and sustainable development into their work programmes.
• Define areas, in which subregional projects would be likely to attract funding for these next steps.
Thanks!

Mario Apostolov
Regional Adviser UNECE Trade
Palais des Nations, Room 431
CH-1211 Geneva 10, Switzerland
tel.: +41 22 9171134
fax: +41 22 9170037
e-mail: mario.apostolov@unece.org

www.unece.org/trade  &  www.unece.org/cefact