

**HIGH-LEVEL INTERNATIONAL WORKSHOP ON “WTO AGREEMENT ON TRADE
FACILITATION: IMPLICATIONS FOR LLDCs”
Preparatory Process for the Second UN Conference on LLDCs
Ministry of Foreign Affairs, Ulaanbaatar
2 June 2014**

Opening remarks by Ms. Sezin Sinanoglu, UN Resident Coordinator

Your Excellency Mr. BOLD, Minister of Foreign Affairs, Government of Mongolia

Your Excellency Mr. Gyan Chandra ACHARYA, Under Secretary-General and High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States

Your Excellency Mr. Robert SICHINGA, Minister of Commerce, Trade and Industry, Zambia and Chair of the Global Coordination Bureau of the Group of LLDCs

Your Excellencies: Ms. Bota, Mr. Martinez

Mr. RATNAYAKE, Director of Trade and Investment Division of ESCAP and representing the Executive Secretary of UNESCAP

Distinguished Participants,

On behalf of the UN Family in Mongolia, I warmly welcome you to Mongolia. I also congratulate the Government of Mongolia, OHRLLS and the International Think Tank for LLDCs for organizing this very important workshop.

The focus of this Workshop is the WTO Agreement on Trade Facilitation, but I would like to use this opportunity to bring forth a few additional thoughts – some thoughts on trade and human development.

It is widely recognized that international trade and investment play an important role in reducing poverty and enhancing human development by helping raise productivity, generating employment and boosting economic growth.

However, LLDCs are unable to fully benefit from global trade and continue to fare poorly in comparison with their maritime neighbours on both economic and human development outcomes.

Much has been said about what LLDCs require to break the barriers and more will be discussed over the next two days, but I would like to highlight 4 other considerations:

First and foremost: to be able to trade, you need **to have a good product to sell!** The product needs to be of good quality, up to international standards and competitively priced. No matter how many agreements a country has, how much infrastructure it has established, unless it has something worth selling – its trade will be limited. Many LLDCs rely on exports of a few commodities – they need to innovate and diversify their economies. At the end of the day it is small businesses producing a variety of goods that will create jobs and bring people out of poverty. And, unless there is an analysis of the market and the value chains for that product, their success in getting the goods to international markets will be limited – regardless of any other investment in trade.

Second: trade **needs to be integrated into countries' larger national development policy and planning efforts.** It needs to be integral to the broader development objectives of poverty reduction and human development. There need to be clear linkages and targets to ensure improved trade indeed results in human development gains. Similarly, trade will need larger institutional and administrative reforms, for instance to ensure streamlining border management practices and procedures.

Third: there is a **need for alliances that work together**. This block of LLDCs is an excellent one, but there are many more that can be established. LLDCs need to be leaders for regional and global integrations efforts. There is also room for other innovative alliances, such as those between cities – especially those that share borders in neighboring countries and would jointly benefit from trade. Innovative alliances such as those among cities that can broker partnerships among businesses and trade should be welcome and encouraged.

Finally, there is a **need for research, innovation, knowledge and an evidence base of what works and what doesn't** -- all with the goal of developing stronger negotiating positions, helping guide trade, transit and transport agreements and reduce non-tariff barriers.

The LLDC International Think Tank based on Ulaanbaatar can play a major role in this.

The idea of setting up a Think Tank had emerged because of a felt need to strengthen analytical capability of the LLDCs to assess their problems, propose solutions, and coordinate their efforts to negotiate common positions at regional and global forums. There is considerable variation within the LLDCs and countries can learn from each other, and the Think Tank can be a great conduit to promote the exchange of such experiences and best practices.

I am particularly happy to be present at the first big event being organized by the International Think Tank for LLDCs which was formally launched by the United Nations Secretary-General Ban Ki-Moon together with Mongolia's Foreign Minister in Ulaanbaatar in 2009. UNDP is a partner to the Think Tank and supports both its aspirations to provide services to the global LLDC community and in translating that knowledge to actionable policies for Mongolia.

I would like to acknowledge the significant cash investment that the Government of Mongolia has made into the LLDC Think Tank – the first such

government cost sharing contribution also to a partnership with the UN in Mongolia and thank them for their cooperation.

Ladies and Gentlemen:

Let me conclude by wishing you a successful workshop and an enjoyable stay. And, let me once again thank the Ministry of Foreign Affairs and the UN OHRLLS in organizing the workshop and wish the International Think Tank much success in its future endeavours. You can be certain the UN system will be at its side on this journey.

Thank you.