**Australia’s Response to the zero draft Outcome document of the Fourth International Conference on Financing for Development**

**III. D. International Trade as an Engine for Development**

* In P42, Australia supports the call for a recommitment to the multilateral trade system, and seek to strengthen the paragraph by replacing the language “upholds policy-space for sustainable development”, with “promotes sustainable development”.
* In P43, Australia requests removal of language on unilateral trade measures which implies that ‘unilateral measures’ are inconsistent with international law. Sanctions are a legitimate tool to encourage compliance with international rule-of-law. We request the text make clear that the Charter of the United Nations is part of international law and not separate. The text suggests that all trade-related environmental measures have negative implications for sustainable development and therefore we propose the last line of the paragraph is deleted.
* As outlined in P43 a), Australia strongly supports a universal, rules-based, non-discriminatory, transparent, open, fair, predictable, multilateral trading system with the World Trade Organization (WTO) at its core.
* In P43 d), we note that special and differential treatment should be targeted to the needs of individual countries and suggest strengthening language to include “to make it responsive to the individual needs of developing countries”.
* Regarding P43 g), h) and i): We note “policy space” is not an objective in itself. We propose including g) in the first subheading “Multilateral trading system through the WTO”. Parts h) and i) relate to bilateral or regional agreements and could be moved under the “Regional trade integration” heading.
* P43 k), can be strengthened to capture the positive contribution trade can make to combatting climate change and encourage stronger coherence between the relevant international multilateral regimes. Australia notes that any changes to trade rules must be through the WTO.
* Australia does not support P43 l) due to its reference to unilateral economic, financial or trade measures which implies that unilateral measures such as sanctions are not consistent with international law.
* Regarding P44 d), we note it is incorrect to assume the Financial Stability Board (FSB) could re-evaluate risk ratings as this would lie with the Basel Committee on Banking Supervision (BCBS). As it is not clear that FFD4 can mandate the BCBS to do this, we propose removing references to the FSB.
* In P44 e), we support the need for better data disaggregation, including in relation to gender.
* In P46 c), we emphasise the importance of strengthening the text to ensure we limit this to least developed countries and align with WTO Nairobi commitments on export competition.