

UK statement on II. D. International trade as an engine for development, 13 February 2025

The UK recognizes the role of trade as an engine for inclusive and sustainable development. No country has lifted itself out of poverty without increasing its trade with the world, and the UK remains committed to supporting developing countries to harness the power of trade. Trade creates jobs, stimulates investment, attracts technology and generates foreign exchange to service debt and access global public goods. However, we must also recognize that these benefits have not been shared equally, and significant challenges remain in allowing developing countries to access the benefits of trade. Today, the poorest 3 billion people have minimal, if any, involvement with global trade, whilst Least Developed Countries account for only 1% of global goods trade, less than half the target set in the SDGs.

We support the call for World Trade Organisation members to fully implement agreements on Trade Facilitation, Fisheries Subsidies and Investment Facilitation for Development, all of which will have positive development impacts, as well as the references to services and digital trade and the focus on LDCs.

Para 42: The context in which '*policy space*' is used here is overly political, and we don't support its inclusion.

Para 43: The term '*obsolete*' is not clearly defined, raising questions about its meaning and applicability. Our investment agreements reflect the negotiated priorities and intentions of state parties

Para 43 a): We propose changing the end of the paragraph to read: '*We celebrate the enlargement of the WTO and recognise the contribution of accessions to strengthening the multilateral trading system.*'

Para 43 d): The language here is outdated and should be updated to text from MC13 agreed in 2024.

Paras 43 e) g) h) i): Could remove these paragraphs to streamline.

Para 43 j): Should be aligned with the Nairobi Ministerial Decision.

Para 43 k): Should include a reference to international solutions to carbon leakage.

Para 46 c): We note the substantial increase in discussion of trade in critical minerals and commodities since Addis and note that this could be streamlined.

Annex A: UK language proposals for II. D. International trade as an engine for development

Para 42: Open, fair and predictable multilateral trade is increasingly under threat as tariffs and trade restrictions are on the rise globally. Digital technology is creating new trading opportunities and reshaping traditional export-based development models. Developing countries with limited productive capacities and trade infrastructure have challenges integrating into value chains. This calls for concrete measures to improve developing countries' capacities to trade and generate value-added with a focus on the furthest behind, including from trade in commodities and critical minerals. It also calls for a recommitment to multilateralism and to sustainable development within a rules-based, non-discriminatory, transparent, open and fair system.

Para 43: A universal, rules-based, non-discriminatory, transparent, open, predictable and fair multilateral trading system is a key driver of inclusive economic growth and sustainable development. Recent economic shifts, rising trade tensions and restrictions, and divergent interests among members have stalled multilateral negotiations at the World Trade Organization (WTO). To promote such a multilateral trading system, countries should refrain from imposing unilateral economic, financial or trade measures not in accordance with international law and the Charter of the United Nations. There are also potential implications of unilateral trade-related environmental measures on trade prospects for LDCs and developing countries.

Para 43 a): We recommit to a universal, rules-based, non-discriminatory, transparent, open, fair, predictable, multilateral trading system with the WTO at its core. We celebrate the enlargement of the WTO and recognise the contribution of accessions to strengthening the multilateral trading system.

Para 43 b): We call on WTO members to fully implement WTO agreements on Trade Facilitation, Fisheries Subsidies, E-Commerce and Investment Facilitation for Development, including through capacity building to developing countries.

Para 43 d): We encourage WTO members to continue to work on improving the application of special and differential treatment in a precise, effective and operational way for developing countries, in particular LDCs, LLDCs and SIDS. We commit to a review of the rules of origin with a view to streamline and simplify them, to enable developing countries to take full advantage of preferential trade.

Para 43 h) alt: We resolve to advance efforts to reform the investor-state dispute settlement system to address legitimate concerns through a multilateral approach and continue deliberations on establishing an Advisory Centre on International Investment Dispute Resolution, with special attention to the priorities of developing, particularly least developed countries.

Para 43 j): We call on members of the WTO to advance negotiations on reforming global agriculture trade rules on all key files of interest to Members, including a permanent solution to the issue of public stockholding for food security purposes and call for the elimination of all forms of distortionary agricultural export subsidies aligned with the Nairobi Ministerial decision.

Para 43 k): We call for discussion in the relevant multilateral fora and agencies on trade-related environmental measures and international solutions to carbon leakage and their impact on the trade and development prospects of developing countries, including on scaling up aid for trade.

Para 44 d): We encourage public development banks to expand trade finance facilities, including for MSMEs, women and youth-owned and led businesses, to better integrate them in regional and global value chains

Para 45 d): We aim to scale up aid for trade infrastructure and facilitation with the objective of doubling Aid for Trade to LDCs by 2031 from 2018 levels with at least 50 per cent dedicated to building trade-related infrastructure.