



REPORT (2020) OF THE COMMITTEE ON TRADE AND DEVELOPMENT

1 INTRODUCTION

1.1. This report covers the work of the Committee on Trade and Development (CTD) in 2020. An overview is provided of the work of the CTD's Regular Session, the Dedicated Session on the Monitoring Mechanism on Special and Differential Treatment, the Dedicated Sessions on Regional Trade Agreements (RTAs), Preferential Trade Arrangements (PTAs) and Small Economies, the CTD's work on Aid for Trade, and the work of the Sub-Committee on Least Developed Countries.¹

2 REGULAR SESSION

2.1. Ambassador Mohammad Qurban Haqjo (Afghanistan) was elected CTD Chairman for 2020. Ambassador Monique T.G. Van Daalen (Netherlands) was re-elected Chairperson of the Sub-Committee on Least Developed Countries for 2020.

2.2. Three meetings of the Regular Session were held in 2020. Due to the COVID-19 outbreak, the 111th Session, which was held on 26 May 2020, was organized as a special virtual session. Members exchanged views and experiences on the impact of the COVID-19 outbreak on the trade of developing countries. Several Members highlighted the negative effects of the crisis on their economies. The minutes of this meeting are contained in document WT/COMTD/M/111. The 112th Session, which was held on 29 September 2020, focused on issues relating to technical assistance (TA). The minutes of this meeting are contained in document WT/COMTD/M/112. The 113th Session was held on 20 November 2020. The minutes of this meeting are contained in document WT/COMTD/M/113.²

2.3. At the 113th Session, Members agreed to continue to invite a number of intergovernmental organizations on an *ad hoc* meeting-by-meeting basis. A full list of intergovernmental organizations with observer status in the Committee is contained in document WT/COMTD/W/22/Rev.8. The CTD continues to have outstanding requests for observer status from the League of Arab States, the Organization of the Petroleum Exporting Countries (OPEC), the Gulf Organization for Industrial Consulting (GOIC), the Organisation internationale de la Francophonie, the Common Fund for Commodities (CFC), the Organization of Arab Petroleum Exporting Countries (OAPEC) and the Groupe de la Banque Africaine de Développement.

2.4. The principal areas addressed by the CTD in Regular Session during the period covered in this report included the following:

- Technical cooperation and training;
- Market access for developing and least developed countries;
- Trade and development - work in the Committee on the basis of the Chairman's concluding statement from the Eighth Ministerial Conference (MC8);
- Work Programme on Electronic Commerce;
- Duty-free and quota-free (DFQF) market access for least developed countries (LDCs).

¹ The Special Session of the CTD, dealing with the issue of special and differential treatment, has its own reporting channel.

² To be issued.

2.1 Technical Cooperation and Training

2.5. The Institute for Training and Technical Cooperation (ITTC) provided updates at the 111th and 112th Sessions on the evolving situation with respect to TA. The delivery of face-to-face TA activities was disrupted in mid-March 2020 by the COVID-19 outbreak. Meanwhile, WTO online training courses remained available in the e-Campus without limitations. At the 112th Session, the Committee took note of the 2019 Annual Performance Report on Technical Assistance and Training (WT/COMTD/W/256). According to the report, the implementation of the 28 recommendations formulated in the external evaluation of the WTO's TA was completed in 2019. A total of 14,500 participants were trained, which was a 37% drop compared to 2018. This decline was due to the halving of participation in online courses after the introduction of the new cloud-based e-Learning platform. However, the participation of women in TA activities continued to rise, reaching 48% in 2019. The Secretariat undertook 278 TA activities in 2019. In terms of performance, the overall proportion of targets met reached 58% - against 65% on average over the 2016-2018 period. The proportion of targets not met was below the 2016-2018 average. Also, at the 112th Session, the Committee took note of the TA Monitoring and Evaluation Plan (WT/COMTD/W/255), and was briefed by the ITTC on a new simplified procedure to request national TA activities online. At the 113th Session, the Committee was introduced to the new format for the Annual Performance Report on Technical Assistance and Training (JOB/DEV/63). The ITTC made a presentation on the electronic TA Dashboard.

2.2 Market Access for Developing and Least Developed Countries

2.6. In 2020, notifications were made to the CTD concerning Montenegro's DFQF scheme for LDCs (WT/COMTD/PTA2/N/1) and Kazakhstan's Generalized System of Preferences (GSP) scheme (WT/COMTD/PTA3/N/1).³

2.7. With regard to the Latin American Integration Association (LAIA), the Committee considered at the 113th Session a communication from Uruguay on behalf of LAIA (WT/COMTD/W/253). Also on the agenda of the 113th Session was the recirculated 1980 Treaty of Montevideo (WT/COMTD/RTA15/N/1) and related documentation – including a communication concerning the agreements concluded by member countries of LAIA under the 1980 Treaty of Montevideo (WT/COMTD/W/254), and the 223 addenda to the recirculated 1980 Treaty of Montevideo (from WT/COMTD/RTA15/N/1/Add.1 to WT/COMTD/RTA15/N/1/Add.223).

2.8. A reference to the RTA notification concerning the Gulf Cooperation Council (GCC) Customs Union remained on the agenda of the 113th Session. The communication from China, Egypt and India titled "Systemic and Specific Issues arising out of the Dual Notification of the GCC Customs Union" (WT/COMTD/W/175) also remained on the agenda.

2.3 Trade and Development - Work in the Committee on the basis of the Chairman's Concluding Statement from the Eighth Ministerial Conference

2.9. At the Eighth Ministerial Conference (MC8), Ministers, *inter alia*, reaffirmed the positive link between trade and development and called for focused work in the CTD. Ministers called on Members to fully operationalize the mandate of the CTD as a focal point for development work. At the 113th Session, the Committee continued its discussions on the outstanding proposals for work under the MC8 mandate. One proposal – by Barbados, Belize, China, Cuba, Ecuador, India and the African Group (WT/COMTD/W/208) – is for the CTD to report on development-related activities and development issues raised in other WTO bodies. The other remaining proposal – by China, Cuba, Ecuador, India and the African Group, and contained in document WT/COMTD/W/192 – is for the CTD to make a recommendation for the parties to RTAs to submit their notification and information requirements jointly. The Chairman encouraged continued engagement among Members in order to make progress on these proposals.

³ These notifications were reflected on the agenda of the CTD's 4th Dedicated Session on PTAs, which was held on 20 November 2020.

2.4 Work Programme on Electronic Commerce

2.10. At the 113th Session, Members' attention was drawn once again to the Ministerial Decision of 13 December 2017 on the Work Programme on E-Commerce (WT/MIN(17)/65 – WT/L/1032). The Chairman informed Members that, although there were no proposals from Members to consider in the CTD, a number of delegations had indicated their interest in this area.

2.5 Duty-Free and Quota-Free Market Access for LDCs

2.11. At the 113th Session, the Committee conducted its annual review of the steps taken to provide DFQF market access to LDCs. It was once again not possible for the Secretariat to issue its report on Members' DFQF market access for LDCs, as mandated in the Bali Ministerial Decision (WT/MIN(13)/44 – WT/L/919), because of divergent views among some Members on the scope and coverage of the report.

3 DEDICATED SESSION ON THE MONITORING MECHANISM ON SPECIAL AND DIFFERENTIAL TREATMENT

3.1. Due to the COVID-19 outbreak and the resulting suspension of all WTO meetings in the early part of 2020, only one meeting of the CTD's Dedicated Session on the Monitoring Mechanism on Special and Differential Treatment could be held in 2020. This meeting – the 13th Dedicated Session – took place on 20 November 2020, and was chaired by Ambassador Mohammad Qurban Haqjo (Afghanistan). The minutes of the meeting are contained in document WT/COMTD/MMSDT/M/13.⁴ The Chairman noted that, according to the Decision establishing the Monitoring Mechanism (WT/MIN(13)/45 - WT/L/920), the monitoring of special and differential provisions is to be undertaken on the basis of written inputs or submissions made by Members, as well as on the basis of reports from other WTO bodies to which submissions by Members could also be made. He observed in this regard that there were still no written submissions in the Monitoring Mechanism.

4 DEDICATED SESSION ON REGIONAL TRADE AGREEMENTS

4.1. Two meetings of the CTD's Dedicated Session on RTAs were held in 2020, both chaired by Ambassador Mohammad Qurban Haqjo (Afghanistan). The 11th Dedicated Session on RTAs was held on 29 September 2020. The general minutes of this meeting are contained in document WT/COMTD/RTA/M/11. At the meeting, the Committee took note of the Chairman's report on the status of the preparation of factual presentations of RTAs (WT/COMTD/RTA/W/4). The Committee then considered four agreements, as per the provisions of the 14 December 2006 General Council Decision on a Transparency Mechanism for RTAs (RTA TM).⁵ The four agreements considered were: the Preferential Trade Agreement between MERCOSUR and the Southern African Customs Union (SACU) (Goods) (WT/COMTD/RTA11/N/1, WT/COMTD/RTA11/1, WT/COMTD/RTA11/2)⁶; the Free Trade Agreement between the Association of Southeast Asian Nations (ASEAN) and the Republic of Korea (Goods) (WT/COMTD/RTA13/N/1, WT/COMTD/RTA13/1, WT/COMTD/RTA13/2)⁷; the Preferential Trade Agreement between India and Afghanistan (Goods) (WT/COMTD/RTA14/N/1, WT/COMTD/RTA14/1, WT/COMTD/RTA14/2)⁸; and the Accession of Egypt to COMESA (Goods) (WT/COMTD/RTA16/N/1, WT/COMTD/RTA16/1, WT/COMTD/RTA16/2/Rev.1).⁹

4.2. The 12th Dedicated Sessions on RTAs was held on 20 November 2020. The general minutes of this meeting are contained in document WT/COMTD/RTA/M/12.¹⁰ At the meeting, the Committee took note of a notification concerning the agreement between Indonesia and Pakistan (WT/COMTD/RTA12/N/1), and of the Chairman's report on the status of the preparation of factual

⁴ To be issued.

⁵ WT/L/671.

⁶ The minutes relating to the consideration of this agreement are contained in document WT/COMTD/RTA11/M/1.

⁷ The minutes relating to the consideration of this agreement are contained in document WT/COMTD/RTA13/M/1.

⁸ The minutes relating to the consideration of this agreement are contained in document WT/COMTD/RTA14/M/1.

⁹ The minutes relating to the consideration of this agreement are contained in document WT/COMTD/RTA16/M/1.

¹⁰ To be issued.

presentations of RTAs (WT/COMTD/RTA/W/5). The Committee then considered two agreements, as per the provisions of the RTA TM. The two agreements considered were: the Economic Complementarity Agreement between Mexico and the Plurinational State of Bolivia (Goods) (WT/COMTD/RTA8/N/1, WT/COMTD/RTA8/1)¹¹; and the Comprehensive Economic Partnership Agreement (CEPA) between India and the Republic of Korea (Goods) (WT/COMTD/RTA17/N/1, WT/COMTD/RTA17/1, WT/COMTD/RTA17/2)¹².

5 DEDICATED SESSION ON PREFERENTIAL TRADE ARRANGEMENTS

5.1. The CTD's 4th Dedicated Session on PTAs was held on 20 November 2020, and was chaired by Ambassador Mohammad Qurban Haqjo (Afghanistan). The minutes of this meeting are contained in document WT/COMTD/PTA/M/4.¹³ The Committee took note of a notification by Montenegro concerning its DFQF scheme for LDCs (WT/COMTD/PTA2/N/1), and of a notification by Kazakhstan concerning its Generalized System of Preferences (GSP) scheme (WT/COMTD/PTA3/N/1). The Committee also took note of the Chairman's report on the status of the preparation of factual presentations of PTAs (WT/COMTD/PTA/W/2).

6 DEDICATED SESSION ON SMALL ECONOMIES

6.1. The CTD's 40th Dedicated Session on Small Economies was held on 2 November 2020, and was chaired by Ambassador Mohammad Qurban Haqjo (Afghanistan). The minutes of this meeting are contained in document WT/COMTD/SE/M/40.¹⁴ At the meeting, Members heard presentations from the International Trade Centre (ITC), the United Nations Conference on Trade and Development (UNCTAD) and the WTO on the opportunities and challenges for small economies in attracting investments. Presentations were also made by El Salvador, Guatemala and Saint Lucia – members of the Group of Small, Vulnerable Economies (SVEs) – on their national experiences in attracting investments. The presentations, and the subsequent discussion, pointed to the importance of investments for the growth and development of small economies. A discussion was also held on the impact of the COVID-19 outbreak on the trade of small economies. A number of members of the SVE Group highlighted the negative impact of the pandemic on their economies. Some ideas were shared on what could be done to allow small economies to be in a better position to deal with the negative effects of the crisis.

7 AID FOR TRADE

7.1. The CTD held its 48th, 49th, and 50th sessions on Aid for Trade in 2020, on 11 February, 7 July, and 5 October, respectively. At each session, Members reviewed the implementation of the 2020-2021 biennial Work Programme which was finalized at the 48th Session of the CTD Aid for Trade on 11 February 2020.¹⁵ The meetings were chaired by Ambassador Chad Blackman (Barbados) in February, and by Ambassador Mohammad Qurban Haqjo (Afghanistan) in July and October. The minutes of the meetings are contained in documents WT/COMTD/AFT/M/48, WT/COMTD/AFT/M/49 and WT/COMTD/AFT/M/50¹⁶, respectively. On 11 February 2020, the CTD also organized a dedicated thematic Aid-for-Trade workshop on "Transformation and promoting rural economy". A report of the workshop was then presented at the corresponding CTD Aid-for-Trade meeting on the same day. In addition, on 27 May 2020, an Aid-for-Trade webinar was organized on "Supporting COVID-19 response and recovery".

7.2. At the CTD Aid for Trade 48th Session, the Russian Federation and China reported on their recent work in the area of Aid for Trade. The Organisation for Economic Cooperation and Development (OECD) reiterated its commitment to the Aid-for-Trade Initiative and its role in delivering the monitoring and evaluation exercise. Peru and Lao People's Democratic Republic updated the Committee on their recently completed Trade Policy Reviews (TPRs). The Enhanced

¹¹ The minutes relating to the consideration of this agreement are contained in document WT/COMTD/RTA8/M/1 (to be issued).

¹² The minutes relating to the consideration of this agreement are contained in document WT/COMTD/RTA17/M/1 (to be issued).

¹³ To be issued.

¹⁴ To be issued.

¹⁵ WT/COMTD/AFT/W/81.

¹⁶ To be issued.

Integrated Framework (EIF) informed the Committee about its most recent efforts in assisting LDCs to improve their trading environment for conducive and sustainable growth. The Standards and Trade Development Facility (STDF) updated the Committee on its new strategy for 2020-2024. The Secretariat provided an update on a workshop organized by the Economic Community of West African States (ECOWAS) on 17-18 December 2019, which aimed at building the capacity of in-country Aid-for-Trade Focal Points and EIF Coordinators to identify, formulate, review and develop bankable Aid-for-Trade projects. The ITC noted that it had delivered its largest ever portfolio of trade-related TA. The United Kingdom recalled its financial support to the ITC and its belief in the role of Aid for Trade in support of the global trading system.

7.3. At the CTD Aid for Trade 49th Session, the Chairperson began the meeting with an update on the consequences of the COVID-19 pandemic for the implementation of the Aid-for-Trade Work Programme for 2020-21. He provided some thoughts on how to reflect the challenge of COVID-19 into the Work Programme, including by extending its implementation period and rescheduling the Global Review to 2022.¹⁷ He also suggested a possible addendum to the Work Programme to reflect on the impact of the pandemic, and invited Members to consider activities they wished to see included in an addendum to the Work Programme and to COVID-19 related work. Multilateral and regional development banks provided updates on their activities and details on the support they provided. A number of Members provided details on their engagement as part of the Aid-for-Trade Initiative. The United Nations Industrial Development Organization (UNIDO) highlighted progress in implementing its innovative Programme for Country Partnership model for accelerating inclusive and sustainable industrial development. UNCTAD gave an overview of its recent publications on trade and commodities. The EIF, the STDF and ITC updated the Membership on recent activities. The representative of Chad, on behalf of the LDC Group, reiterated the importance of Aid for Trade and expressed appreciation to donors.

7.4. At the CTD Aid for Trade 50th Session, discussions focused on the proposed addendum to the Aid-for-Trade Work Programme 2020-2022. The purpose of the addendum was to collect, discuss and disseminate Members' Aid-for-Trade needs and responses to the challenges triggered by the pandemic. Its central focus is a stocktaking event that will be held in early 2021. The Chairman circulated a draft text, which was subsequently agreed.¹⁸ Bilateral donors and South-South cooperation providers made statements highlighting their recent resource mobilization activities. A number of Members provided information on their Aid-for-Trade support. The meeting enjoyed participation by several international financial institutions. The EIF also informed Members of its recent survey initiative, and the SDF highlighted its role in promoting and supporting the transition to paperless SPS systems.

8 SUB-COMMITTEE ON LEAST DEVELOPED COUNTRIES

8.1. Due to the COVID-19 outbreak and the resulting suspension of all WTO meetings earlier in the year, only two formal meetings of the Sub-Committee on Least Developed Countries (hereafter the Sub-Committee) could be held in 2020. These meetings, which were held on 30 June (88th Session) and 11 November (89th Session), were chaired by Ambassador Monique T.G. Van Daalen (Netherlands). The minutes of the meetings are contained in documents WT/COMTD/LDC/M/88 and WT/COMTD/LDC/M/89¹⁹, respectively.

8.2. The Sub-Committee took up the following subjects pursuant to the WTO Work Programme for the LDCs (WT/COMTD/LDC/11/Rev.1): (i) market access for LDCs; (ii) trade-related technical assistance and capacity-building initiatives for LDCs; and (iii) accession of LDCs. The Sub-Committee further engaged in a dedicated exchange of views on trade-related impacts of the COVID-19 pandemic and support measures of relevance to LDCs, and considered a briefing by the Secretariat on the EIF WTO project on LDC graduation. The delegation of the Chad has been the Coordinator of the LDC Group in 2020.

¹⁷ A revision to the Work Programme was subsequently issued that extended the implementation period to 2020-2022 and rescheduled the Global Review (WT/COMTD/AFT/W/81/Rev.1).

¹⁸ WT/COMTD/AFT/W/81/Rev.1/Add.1.

¹⁹ To be issued.

8.1 Trade-related impacts of the COVID-19 pandemic and support measures of relevance to LDCs

8.3. At the 88th Session, UNCTAD and the World Bank made presentations on the trade-related impacts of the COVID 19 pandemic, illustrating the severe consequences of the crisis for the LDCs. Members engaged in a substantive exchange of views, underlining the importance of facilitating trade in medical supplies and essential goods as well as expressing their support to help the LDCs recover from the pandemic. The LDCs stressed the need for global cooperation to help the LDCs rebound from the crisis, including through assistance to health care systems and economic recovery. The Secretariat had issued an information note titled "The COVID-19 pandemic and trade-related developments in LDCs" on 8 June 2020.

8.2 Market Access for LDCs

8.4. At the 89th Session, the Sub-Committee considered the Secretariat's 2020 LDC market access Note (WT/COMTD/LDC/W/68), which included an analysis of the developments in LDC trade during the first half of 2020 to gauge the short-term impact of the COVID-19 pandemic.

8.3 Trade-related Technical Assistance and Capacity-building Initiatives for LDCs

8.5. At the 89th Session, the Executive Secretariat of the EIF provided an update on recent progress in the EIF, highlighting efforts to implement activities in support of the LDCs amidst the pandemic. At the same session, the Secretariat of the STDF briefed the Sub-Committee on the Facility's recent activities relating to LDCs, underlining that project implementation continued during the pandemic with LDCs and other low-income countries benefitting from 71% of project funds.

8.4 Accession of LDCs

8.6. At the 89th Session, the Secretariat provided a report on the status of eight ongoing LDC accessions (Bhutan, Comoros, Ethiopia, Sao Tomé and Príncipe, Somalia, South Sudan, Sudan and Timor Leste) as well as recent TA and experience-sharing activities for acceding LDCs.

8.5 LDC Graduation

8.7. At the 88th Session, the Secretariat briefed Members on progress made in the implementation of the EIF-WTO project on LDC graduation, including on the findings of the report "Trade impacts of LDC graduation", which had been published on 8 May 2020. Members noted the work being undertaken to enhance the understanding of the trade-related implications of graduation. The LDCs called on Members to be responsive to the needs of graduating LDCs including to allow for a smooth transition from LDC status.
