2017 ECOSOC Forum on Financing for Development follow-up

Expert Round Table D

"Trade, science, technology, innovation and capacity-building" (Action areas D and G)
Thursday, 25 May 2017, 9:30 – 11 a.m., Trusteeship Council Chamber, United Nations, New York

Tentative programme

Chair: H.E. Cristián Barros Melet (Chile), Vice President of ECOSOC

Moderator: Ms. Chantal Line Carpentier, Chief, UNCTAD New York Office

Panellists: Mr. Ratnakar Adhikari, Executive Director, Enhanced Integrated Framework, Nepal

Mr. Mark Henderson, Directorate General for Trade, European Commission

Ms. Sirimali Fernando, Chairperson, National Science Foundation, Sri Lanka

Mr. Joon Kim, Head of Global Trade, BNY Mellon

Background note

As noted in the Addis Ababa Action Agenda, international trade is an engine for inclusive economic growth and poverty reduction, and with the appropriate supporting policies can contribute to sustainable development efforts. The international trading system is also a main conduit for the spread of science, technology and innovation, which are at the heart of economic, environmental and social development. Synergies between the two areas are essential for progress.

This round table will discuss efforts to make international trade, science, technology and innovation contribute to achievement of the Sustainable Development Goals (SGDs). It will pay special attention to measures that can help countries and people furthest behind to benefit from trade and technology.

The decades before the 2008 global financial and economic crisis saw significant expansion in world trade. More recently, however, trade growth has slowed significantly, while scepticism about whether trade benefits all has increased. It is important to recognize that trade has distributional effects. To contribute to the SDGs, trade must become more inclusive and beneficial to all, and create wealth and decent jobs, especially for the poor. Meanwhile there has been important progress in access to many technologies globally, however, access remains uneven within and between countries. These inequalities are particularly pronounced in the gender and rural-urban divides.

While developing countries have steadily increased their share of global exports, increased uncertainty in world trade disproportionately harms least developed countries (LDCs) and small economies. Relatively richer countries have benefited the most from trade expansion, while vulnerable countries and countries in special situations lack the capacities or infrastructure needed to diversify their exports and industrialise effectively. The European Union has prioritised helping LDCs use trade to grow their economies, including through improving market access conditions and providing 100 per cent duty- and quota-free access to EU markets. Their experience can be useful to developed and developing countries alike that are considering granting more concessional market access.

To take best advantage of existing market access and potential future enhanced access, developing countries need support in building trade capacity, enhancing their infrastructure and improving their

ability to benefit from trade opening opportunities. Aid-for-trade, which in 2015 was valued at \$11.7 billion, is an important effort to provide such support. The Enhanced Integrated Framework (EIF) is the only global Aid-for-Trade programme dedicated to addressing the trade capacity needs of LDCs. Its joint work with LDC Governments helps provide analysis of the constraints to trade integration, and identify and fund potential institutional and capacity-building solutions. EIF can thus provide a first-hand assessment of how the changing global sentiments on trade may impact on LDCs and the potential course LDCs can chart to navigate these changes.

Knowledge and technology transfer from developed to developing countries is a necessary part of ensuring access to technology. Many technologies are initially developed in industrialized countries and then spread through different types of trade. At the national level, the impact of science, technology and innovation (STI) on sustainable development is closely linked to the quality of policy frameworks, innovation strategies and supporting infrastructure. The STI performance of a country, as well as the economic and social impact of STI, are affected by the quality and level of interactions and flows of knowledge between agents in the innovation system—such as firms, universities, research centres, public agencies and intermediate organizations. For instance, Sri Lanka developed a national STI strategy in 2011. It provides the framework for bringing all these actors together and guides enabling policy, regulatory and institutional reforms. After adoption of the 2030 Agenda for Sustainable Development, the country is adapting this STI strategy to focus on pragmatic research focussed on the SDGs and directing funding and effort towards innovations that can be commercialised and serve the needs of the people of Sri Lanka.

Guiding questions

- 1. How can the international community ensure that trade growth is inclusive, and that bilateral and regional trade agreements, do not further exacerbate the marginalization of LDCs or small and vulnerable economies in world trade?
- 2. What has been the progress and what are the remaining gaps in innovation and technological capabilities in developing countries?
- 3. What are the experiences in mobilizing long-term capital required to finance innovation? What policies and regulatory environments have helped incentivise investment into R&D?

Further reading

Note by the Secretary-General on "Financing for development: progress and prospects" (E/DDFD/2017/2), paragraphs 52-59 and 73-78. http://www.un.org/ga/search/view_doc.asp?symbol=E/FFDF/2017/2.

Financing for development: Progress and prospects, 2017 report of the Inter-agency Task Force on Financing for Development, chapters III.D and III.G, pgs. 77-88 and 107-116. http://developmentfinance.un.org/financing-development-progress-and-prospects-2017.

Online annex of the Inter-agency Task Force on Financing for Development, International trade as an engine for development, http://developmentfinance.un.org/international-trade-as-an-engine-for-development.

Online annex of the Inter-agency Task Force on Financing for Development, Science, technology, innovation and capacity-building, http://developmentfinance.un.org/science-technology-innovation-and-capacity-building.

SPEAKER BIOGRAPHIES



H.E. Mr. Cristián Barros Melet was appointed Permanent Representative of Chile to the United Nations in April 2014. Prior to his appointment, Mr. Barros was his country's Ambassador to India, concurrently accredited to Sri Lanka, Bangladesh and Nepal. A career diplomat of 40 years' standing in Chile's Foreign Service, Mr. Barros served as Ambassador to Italy, Peru, United Kingdom, Ireland and Denmark. He has served also as Permanent Representative to the Food and Agriculture Organization, Director-General for Foreign Policy, Director-General for Administrative Affairs, and as Head of Cabinet to the Director-General for Foreign Policy. He was educated at the Law School of the Universidad de Chile and the Andres Bello Diplomatic Academy.



Ms. Chantal Line Carpentier was appointed Chief of the UNCTAD New York Office in July 2014. She brings to UNCTAD about 25 years of strategic leadership and programme management experience. Ms. Carpentier has rich experience in intergovernmental negotiations and stakeholder engagement. Her wide-ranging development experience traces back to field assignments twenty years ago in the Brazilian Amazon, in Oaxaca and Chiapas in Mexico, and in rural areas of Peru. Ms. Carpentier is a published scholar and a frequent public speaker. An economist by training, she holds a PhD from Virginia Tech and a Masters and B.Sc. from McGill.



Dr. Ratnakar Adhikari has been serving the Executive Secretariat for the EIF at the WTO as its Executive Director since October 2013. Previously, he was the Chief Executive Director of South Asia Watch on Trade, Economics and Environment, a Kathmandu-based regional think-tank. Previously he served, among others, as a Senior Adviser to the National Planning Commission, Government of Nepal, and as a Trade Programme Specialist for UNDP, Asia Pacific Regional Centre in Colombo, Sri Lanka. Dr. Adhikari has conducted extensive research and published in the areas of international trade, regional economic integration, Aid for Trade, competition policy and intellectual property rights, particularly from the perspective of the Least Developed Countries. He obtained his PhD from the University of Warwick, UK; his Masters of International Law and Economics from the World Trade Institute, Switzerland; and his Masters of Commerce from the University of Delhi, India.



Mr. Mark Henderson works as a negotiator for the Directorate General for Trade of the European Commission on a portfolio covering trade and sustainable development with a focus on aid for trade, the World Trade Organisation and the 2030 Agenda for Sustainable Development at the UN. Priorities of his work include: ensuring the nexus of trade and development are correctly articulated in multilateral negotiations including the UN 2030 Agenda on Sustainable Development, WTO, UNCTAD and the Istanbul Programme of Action for LDCs; negotiating trade and sustainable development chapters with EU Free Trade Agreement partners; and aligning trade policy priorities with development funds through aid for trade to meet commitments, bilaterally, regionally and multilaterally, specifically in support of the WTO Trade Facilitation Agreement.



Ms. Sirimali Fernando was appointed Chairperson of the National Science Foundation of Sri Lanka in 2004. She continued in that capacity till 2013 and was reappointed to that post in June 2015. Prof. Fernando is also a member of the STI Advisory Board to the Executive Secretary of the UN Economic and Social Commission for Asia and the Pacific (UN-ESCAP). During the period of 2006 -2014, she was appointed by the Cabinet as the Science Advisor to Minister of Science and Technology, the Senior Minister for Scientific Affairs and the Sector Specialist in Scientific Affairs. Prof. Fernando conceptualized and initiated the development of the National Nanotechnology Initiative in 2005, and the National Science Technology and Innovation Strategy of Sri Lanka in 2010.



Mr. Joon Kim is the Global Trade Product and Portfolio Head in the Treasury Services Product Management group. In his current role, he is responsible for managing, developing and executing Trade Product and Distribution strategy, working with all Treasury Services Global Market segments and Global Sales organizations to grow the business and ensure risk and compliance measures are met. Mr. Kim has over 25 years of experience, and has held various senior positions at Standard Chartered Bank and American Express Bank, most recently as Managing Director and Head of Transaction Banking Sales for Corporate and Commodities for the Americas region.