



The Integration Of Trade Agreements into The UN 2030 Agenda

TN Note: Global corporations are fully on board with the United Nations' 2030 Agenda, Sustainable Development Goals and Climate Change policies. The completed Trans-Pacific Partnership Agreement (TPP) and the soon-to-be-completed Trans-Atlantic Investment and Trade Agreement cover almost 100 percent of global trade. Do these Agreements harmonize with 2030 Agenda? *Yes*. In fact, they will provide the enforcement language and punishment mechanisms for those who refuse to comply.

Trade is reflected throughout the new global sustainable development agenda, both in "Transforming Our World: The 2030 Agenda for Sustainable Development," and in the outcome document from the Third International Financing for Development (FfD3) conference known as the "Addis Ababa Action Agenda." These outcome documents are

intended to guide and balance social, economic, and environmental objectives over the next 15 years. Follow-up and review of the agenda as a whole is essential, although delicate because the Sustainable Development Goals (SDGs) are aspirational objectives, not legally binding obligations. In themselves, the SDGs will not directly change policy, but the review process might.

Most of the action needed on sustainable development is national and even local. Follow-up and review mechanisms will allow national and local-level policymakers, as well as civil society, to review both effort and outcomes. And by learning from the experience of others, adjustments can be made. The purpose of review mechanisms is thus not “evaluation” but the sharing of experiences as a way to facilitate learning and policy improvement. The 2030 Agenda is also universal, as the goals and targets apply to all countries, whatever their level of development. Regional and global review as well as national review will help, as countries in different regions or at the same level of development may face similar challenges, and hence have lessons to share.

Trade is part of the 2030 Agenda in each of the three dimensions of sustainable development, but its diffuse contribution means that follow-up and review will be challenging. Unlike other aspects of the SDGs and FfD3, international trade is covered by numerous bilateral, regional, and multilateral agreements, which have their own review mechanisms. Some trade-related targets in the SDGs are goal specific, others feature trade as a cross-cutting “means of implementation” (MoI) relevant to the achievement of the framework as a whole. For example, SDG 14 on oceans conservation refers to the WTO fisheries subsidies negotiations, while the final SDG 17 identifies the principles upheld by the WTO and conclusion of the Doha Round negotiations as an overarching supportive effort. The FfD3 outcome includes some trade-related targets similar to those identified in the SDGs as well as several other unique trade issues – such as on regional economic integration – that are useful complements. The SDGs regrettably focus predominantly on expanding exports; while they recognise, if only implicitly, the importance of maintaining an open trade regime that would allow domestic firms

access to low-cost inputs, they do not explicitly address the central role that services play in accessing global value chains (GVCs). The SDGs are also limited in devoting insufficient explicit attention to things like trade costs that are important for participation in GVCs, although some of these elements such as trade facilitation and trade finance are part of the FfD3 outcome.

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A universal, rules-based, open, non-discriminatory, and equitable multilateral trading system, as well as meaningful trade liberalisation, in the words of the FfD3 outcome document, can serve as an engine of economic growth, not least by encouraging long-term private and public investment in productive capacities, reduce poverty, and promote sustainable development. With appropriate supporting policies, infrastructure, and an educated work force, according to the AAAA, trade can promote employment, decent work and women's empowerment, reduce inequality, and contribute to the realisation of the SDGs.

With this context in mind, trade's contribution to sustainable development ought to be reviewed as part of the broader policy framework. In a longer paper originally published last June, which includes current thinking on possible trade indicators and where the necessary data is already being collected, the trade-related elements in the draft SDGs and FfD3 outcome were grouped into six clusters: subsidies and commodities trade; access to water, energy, medicines; economic diversification, GVCs, and trade facilitation; illegal extraction and trade in natural resources, trade in hazardous chemicals and waste; multilateral trading system, regional trade, and investment agreements; and policy coherence for sustainable development. The purpose of the rest of this article is to describe where trade-related review and follow-up mechanisms already exist that could help policymakers compare experiences.

Trade policy review at the WTO

Various peer review mechanisms, ranging from multilateral reviews to regional mechanisms that could review groups of UN members, to regional economic integration organisations, offer forums where policymakers could discuss progress against specific trade-related elements of the 2030 Agenda. The WTO provides an obvious starting point for this survey, given its centrality in the system of rules of the global trading system, its transparency and accountability mechanisms will be critical for review and follow-up of the 2030 Agenda.

One way that WTO members could enhance the work the secretariat does for them is by asking it to facilitate an integrated discussion of how those mechanisms could contribute to achieving the trade-related objectives of the SDGs and FfD. Moreover, while many existing WTO processes could contribute to review and follow-up, it might also make sense for the chair of the General Council to write to the chairs of all WTO bodies asking how they intend to internalise the SDGs in their work.

For example, the Committee on Trade and Environment (CTE) could play a key role in the review of trade-related SDGs, given its broad mandate and the fact that it is not linked to any WTO agreement. In recent years, it has discussed the trade-related aspects of illegal logging, fossil fuel subsidies, energy efficiency, carbon footprinting and environmental labeling, to list just a few. It could also monitor negotiations on green goods and services, and it could commission an annual report on the environmental dimension of trade-related SDGs, perhaps based on its database of all environment-related WTO notifications.

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