SUMMARY OF HIGH LEVEL SESSION

SESSION TITLE: OUT OF THE BOX: INNOVATIVE PARTNERSHIPS FOR INCLUSIVE TRADE

SESSION DATE: 27 September 2017

SPEAKERS:

Marten van den Berg, Director-General for Foreign Economic Relations, Ministry of Foreign Affairs, The Netherlands

Arancha Gonzáles, Executive Director, International Trade Centre (ITC)

Aik Hoe Lim, Director of the Trade and Environment Division, World Trade Organization (WTO)

Dan Rees, Director, Better Work Programme

Steven Stone, Chief of the Resources and Markets Branch, UN Environment

Peter White, Vice President and COO, World Business Council for Sustainable Development (WBCSD)

(moderator) Eliza Anyangwe, Writer, editor and moderator, The Guardian/The Nzinga Effect

QUOTES FROM EACH SPEAKER

Marten van den Berg, Ministry of Foreign Affairs, The Netherlands

- Trade and investment are interconnected concepts; when talking about responsibility in trade we also talk about responsibility in investments.

- The Netherlands have conducted 6 responsible business conduct agreements to identify risk at a sectoral level. The aim is to start a multi sector dialogue to understand the inherent risks in supply chains to ensure more responsibility and sustainability.

- It is essentially impossible to achieve the SDGs without involving the private sector. We need to make business cases for the SDGs in order to assist companies to achieve the goals while ensuring profit.

Arancha Gonzáles, ITC

- We tend to have a silo mentality when it comes to the three pillars of sustainability (social, environmental and economic). We need to work on all three, not just one in isolation.

- The T4SD team of ITC has been working for several years with the SAI platform. T4SD has built an IT tool that allows brands to understand their social, environmental and economic achievement. On the public sector side, ITC works with UN Environment in China to help the private and public sector to better understand the business case for sustainable production in the food and fabrics industries. Our role is to provide technical expertise of sustainability issues and using this information to reduce inefficiencies in the value chains.

- In the spirit of the SDGs there is a need to include not only those in more traditional coherence mandate but also others such as the private sector, civil society and other UN organisations.
Aik Hoe Lim, WTO

- In WTO we have partied with ITC to create an online system. Everyone can register and you will get a notification every time technical barriers to trade (TBTs) or sanitary and phytosanitary measures (SPS) requirement gets notified to the WTO. It is an effort to try to improve transparency and build trust. The system was launched in 2016 and it has subscribers from 146 countries.

- A big challenge is quality infrastructure, which is the whole range of procedures: requirements, inspections, testing, and certification. We could do more to assist countries that do not have adequate quality infrastructure and help them meet the requirements.

- We must work top down as well as bottom up. Top down are the SDGs and forums like this, bottom up is to enable individuals to benefit from trade. They need knowledge, capacity, and information and they won’t get it from big declarations but it is possible by investing in quality infrastructure.

Dan Rees, Better Work Programme

- Better Work Programme is a partnership between ILO and IFC that focuses on compliance to international labour laws and standards in the garment and footwear industry. The aim is to improve business competitiveness and working conditions. We work with 180 global companies and 1500 garment manufactures.

- The programme has launched a report that showed that supporting decent working conditions can be a pathway to inclusive and sustainable growth. It showed that there is a significant profitability improvement, up to 8 %, of companies that are committed to improving labour conditions. It also revealed that empowering women is essential to making these improvements.

- We need partnerships in supply chains to enable businesses to work more productively while supporting better working conditions. We have to go beyond formal work and into the many SMEs that are valuable to the big businesses.

Steven Stone, UN Environment

- Fundamentally trade should be about creating prosperity not just growth in GDP. We need partnerships in sustainability to make this happen to everyone.

- Un Environment’s partnership with ITC is very important as we work with countries around the world in trade to build local capacity and overcome barriers.

- Technology is changing and concentrating so quickly that it disrupts the economic structure. It creates a lot of vertical trade but the benefits are not evenly shared. It requires us to think smarter and act smarter.

- It is time to think systemically. The SDGs apply to everyone. What we consume in high income countries impacts life in low income countries.

Peter White, WBCSD

- The ‘Better Business Better World’ report shows that delivering the SDGs would unlock up to $12 trillion a year for businesses and for economies. But to do this requires transformative action; no actor can do it alone – collaboration is key.

- The food system is broken as there is malnutrition on both ends and 1/3 of food production is wasted. A radical transformation is needed. Coalitions must be formed to discuss how to redesign food systems.

- We have to get to a point where companies are judged not only by their financial performance but also by what they are doing in terms of creating or destroying natural capital.
QUOTES FROM THE FLOOR

- Interdependence is great but the question is how to ensure that the narrative of the developing countries is in this debate.
- Trust and transparency are important. In Latin America trust is a huge problem, especially with the growth of online shopping.

CONCLUSION:

We need to translate the SDGs into business cases to ensure inclusive and sustainable trade that benefits everyone along the supply chain. We have to work towards redefining the value of corporations from economic growth to prosperity. Partnerships are key to this, but they must be based upon trust and transparency.

RECOMMENDATIONS

All relevant stakeholders must be involved in the dialogue in order to achieve more inclusive and sustainable trade in the future. We have to generate the sense that the sectors together can achieve much more than individual actors. Partnerships are the essence of this.

Talking about partnership for inclusive trade, it is important to find the business case for driving change. There has to be a link between the SDGs, trade and the private sector. We will never achieve the SDGs without the commitment from the private sector.