

## New Zealand Statement: General Council Debate on Aid for Trade

Thank you Chair

I would like to add New Zealand's thanks to the WTO for the opportunity to be part of this important review on Aid for Trade. And to affirm the importance with which NZ holds this issue – indeed Trade and Development was the subject of the NZ Agency for International Development's very first major policy after the agency was launched just five years ago. This was recognition of the standing of this issue for our trade and development partners, and its focus internationally, including in this institution.

In New Zealand's view [shared by many others, from comments made in this debate] Aid for Trade is not **a substitute for a Doha outcome that delivers a real development dividend across the breadth of the negotiations**, including meaningful market access in agriculture and subsidy reforms. We are of course committed to bringing the round to an early and successful conclusion, so as to ensure that we do deliver on this development promise.

But Aid for Trade is without question an **important complement** to such an outcome. This is aid not just for the sake of trade, but **aid for trade for the elimination of poverty and development**. The principal aim of all of NZ's trade-related programmes is to maximize the contribution that trade can make to sustainable development by ensuring that poor producers, farmers and workers can access the benefits of trade in ways that are sustainable and bring real changes to their lives. Aid for Trade is about **empowering** developing countries to take advantage of the benefits offered by the international trading system, as well as managing the challenges posed.

In order to achieve this, **strong country ownership is critical**. If trade is a priority for development in a country, then it should logically be reflected in national development strategies. This enhances the ability for coordination across government agencies, and also provides the foundation for donors to engage and prioritise Aid for Trade in their own programming decisions.

New Zealand's experience is that **all relevant country stakeholders need to be engaged in policy and planning processes around trade and development**. This includes the private sector and representatives of small producers, who are fully aware of the most critical barriers they face to expand or to export. It also includes the voices of civil society – consumers, community groups, NGOs, trade unions. Effective discussions amongst all relevant stakeholders on the priorities for trade-related assistance makes for better representation and reflection of local needs and interests.

What is clear is that the country or regional context is critical in taking forward Aid for Trade. In New Zealand's own region we are acutely aware of the vulnerabilities of the small island states of the Pacific. The Pacific is the region that after Sub Saharan Africa is the least likely to meet the MDGs. We encourage other donors not to ignore the

Pacific's needs with respect to Aid for Trade, and to ensure coordination amongst donors to avoid overburdening the limited capacity in the region.

The vast majority of New Zealand's Aid for Trade is focused in South East Asia and the Pacific through both bilateral and regional mechanisms. This is complemented by assistance delivered through multilateral channels. **A key challenge for us in our Asia-Pacific region is maximizing the synergies between regional and country approaches so that they are mutually reinforcing.** No doubt this is applicable in other regions as well.

In respect of multilateral support, New Zealand has recently taken decisions to commence support for the International Trade Centre and the Agency for International Trade Information and Cooperation. We also made another contribution to the WTO Global Trust Fund earlier this year.

New Zealand welcomes the attention that has been paid to **effectiveness of Aid for Trade.** We remain keen to ensure that **monitoring and evaluation supports country ownership** without creating undue burdens or layers of bureaucracy. The benefits of global monitoring must be apparent to developing countries for them to increasingly participate in the self-evaluation exercise.

**New Zealand remains interested to see whether existing mechanisms, such as the Trade Policy Review Mechanism, can be strengthened to improve monitoring and accountability.** For example, TPRM assessments of OECD countries could look at the development impact of their trade policies, as well as progress against any Aid for Trade commitments. And developing country TPRMs could consider mainstreaming of trade into national development strategies and utilization of Aid for Trade assistance.

To conclude Chair, we welcome this initiative and the opportunity for high level consideration to this most important topic of Aid for Trade.

Thank you.