Ministerial Round Table
The Trillion Dollar Question:
How to Kick-Start Trade and Output Growth?

July 20, Wednesday, 16:30-18:00
Kenyatta International Conference Centre, Nairobi

DESCRIPTION
Following an initial bounce back from the Great Recession, global trade growth has been anemic, even lower than world output growth, and much below its breakneck pace of more than 7 per cent in the pre-crisis period. If this persists, it could pose a very serious constraint on developing country efforts to meet the Sustainable Development Goals (SDGs). Furthermore, intense debate about the late impact of trade policies in income distribution and poverty reduction in the exporter developing countries has also emerged as a result of the slowdown.

In the Round Table on The Trillion Dollar Question: How to Kick-Start Trade and Output Growth?, panelists will try to disentangle the possible causes of the slowdown, sharing their views to not only unveil macro-economic factors but also provide evidence of the business behaviors at the micro level. They will discuss possible structural constraints that could hinder a return to more robust growth over the medium term and propose measures to kick-start and sustain trade and output growth as an essential part of an enabling environment in support of the 2030 agenda for sustainable development.

KEY ISSUES
Eight years after the Great Recession the world economy is still struggling. Many economies have never fully recovered as economic growth has remained fragile – with great implications for international trade. While international trade historically grew at a substantially faster rate than global output, after 2012 it grew at similar pace, and now even lower.

Trade slowdown is of utmost importance because international trade has been instrumental for economic growth, technological upgrading and rising productivity, all of which are an essential part of SDGs. An enduring period of
declining trade growth implies that export-oriented development strategies which have been successful in the past may no longer work in the future.

Trade growth has slowed down because of the delay in commodity cycles and investment decisions, and deep structural changes in the economies of emerging countries. It is noteworthy that the emerging countries, especially in East Asia, are shifting to internal demand driven economies, delinking the economic interdependence.

However, there still exists a way to revamp international trade and meet SDGs. South-to-South trade and intraregional trade have a large room to benefit from advancing economic interdependence, while services trade has a high potential to grow. Therefore, countries need to explore the capabilities of these trades as an alternative to traditional trade, and as a key to sustainable development. Also, a forward-looking trade agenda fostering the participation of small and medium enterprises, and more and better social safety nets could strengthen trade’s impact to SDGs.

PARTICIPANTS
Panelists
- Mr. Joshua Setipa, Minister of Trade and Industry, Lesotho
- Mr. Paulo Ferreira, Deputy Minister of Economy and Secretary of State of Commerce, Portugal
- Ms. Arancha González, Executive Director, International Trade Centre
- Mr. Jay Ireland, President and CEO of General Electric Africa
- Mr. Darshan Chandaria, Group CEO and Director of Chandaria Industries Ltd.

Moderator
- Mr. George Njenga, Dean, Strathmore Business School

CONTACTS
Santiago Fernandez De Cordoba,
Economist,
Trade Analysis Branch
UNCTAD
+41 21 917 5081
Santiago.FernandezDeCordoba@unctad.org