

The Lebanese Republic

The Positions for the United Nations Conference on Trade and Development

I. Enhancing Trade and Development to Landlocked Developing Member States through Multinational Development Projects

The Lebanese Republic stands firmly with this honorable body in our recommendations for the enhancement of trade to Landlocked Developing Member States to ensure the internal economic growth of the affected nations and a higher standard of living for their people. **Domestically**, our government has actively worked in positioning ourselves as a global, coastal trading hub, through measures such as the unilateral reduction of import tariff rates between 2000 and 2003. A large portion of Lebanon's trade comes from a private sector that flourished under our competitive, free market system. As an emerging Arab economy, our nation has prided itself on its ability to export diverse goods to a variety of other countries. Specifically, the private trade of polymers, such as polyethylene and polypropylene, has thrived in a Post-Civil War Lebanon which, through government intervention, reestablished transportation routes across the country. Including polymers, our exports in 2015 totaled to \$2.44 billion with Precious Stones and Jewelry (\$313 million), and Electrical Industrial Machinery (\$19.4 million) making up a large percentage of our exporting goods. Due to our government's willingness to cooperate on multiple **regional** trade organizations, our nation is considered to be one of the most economically open nations in the Middle East and North Africa (MENA) region. In addition, Lebanon believes that in order to foster efficient and productive economic growth it must be an active pursuant of wider steps towards global economic integration through regional trade agreements. As such, Lebanon is a signatory to the *Taysir Agreement*, the governing document which established the *Greater Arab Free Trade Area* (GAFTA) among 17 other Arab nations and abolished tariffs between participating nations in 2005. As a result, members of GAFTA, including Lebanon, have been able to establish efficient trade routes within the region such as cross-border transportation and shipping, which in 2008, totaled \$743 million in imports and exports combined. **Internationally**, since 2001 Lebanon has been diligently negotiating the ascension of our nation into the World Trade Organization (WTO) from an observer member to a full-fledged WTO Member State. In 2016, as a sign of the progress in Lebanon's ascension into the WTO, a Reference Centre at the Ministry of Economy and Trade in Beirut was established by the WTO in order to have an ease of access to trade information of other WTO members, and to research and resolve trade issues with our nation and LLDCs. Additionally, in 2002, the Lebanese Republic and the *European Union* (EU) entered into an Association Agreement, which stipulates the progressive abolition of tariffs on European goods in Lebanon as well as duty-free access of Lebanese manufactured goods which totaled 400 billion Euros, into the *European Free Trade Association* (EFTA). Aside from our participation in the international market, we have expressed our dedication for the economic development of LLDCs through our support of multilateral United Nations (UN) actions such as the *Almaty Programme of Action (A/RES/58/201)* which enhances the global framework support for LLDCs in their transit trade development and the *Implementation of the Vienna Programme of Action for LLDCs (A/RES/72/272)*. Our commitment for the actions taken by the UN in support of LLDCs and our eagerness to stimulate Lebanon's economy through international trade, have influenced the Lebanese government to sign onto at least 30 bilateral trade agreements with European, Arab, and African nations, three of which (Armenia, Azerbaijan, and Chad) are considered to be Landlocked Developing Countries (LLDCs). Our agreements with LLDCs have challenged us to create fair, trade policies that would encourage the growth of our nation and the other nation involved. In particular, in 2016 bilateral trade negotiations with Azerbaijan and the Lebanese Ministry of Economy and Trade in the trade of natural resources such as oil and precious metals; as well as, a mutual cooperation in the development of information communication technology sectors in both our countries which is expected to forage a long-term trading relationship between our nations. As the world continues to globalize, it is imperative that all nations have an opportunity to develop stable and sustainable economies to improve the lives of their citizens. As such, this delegation has the following **recommendations** to this honorable body for the development of LLDCs. First, as a nation which relies so heavily on the conditions of our transport infrastructures we understand the importance of the conditions of these resources. Taking this into account, we call for the utilization of public-private partnership investments in LLDCs to redevelop road systems and railways to ease the facilitation of goods to coastal nations for exportation and keep costs low. Moreover, we encourage LLDCs to invest in the development of economic sectors that do not rely heavily on transportation costs such as the service sector. Lastly, we advocate for standardization of border and customs procedures as well as administrative streamlining between regional trading infrastructures in order to reduce

transport costs and encourage more trade between Member States. The Lebanese Republic supports any measure taken to improve trade and development in LLDCs through the cooperation of the international community.

II. Examining the Impacts of Additive Manufacturing on Global Trade

The Lebanese Republic appreciates the importance of examining the impacts of Additive Manufacturing (AM) on global trade as it is an industry that is expected to grow exponentially. AM, or 3D printing, is expected to grow to 45.7 percent from 2013 to 2018 making it a \$16.2 billion industry within our borders. In the Lebanese Republic, 3D printing is a new sector, but we theorize that this technology will increase productivity and lower the manufacturing costs by reducing the raw materials and personnel while also being self-sufficient; consequently, it will have positive effects on the global economy. **Domestically**, Lebanon is home to the biggest 3D printer in Middle East and North Africa (MENA), called Big Voxel, developed in June 2015. Big Voxel was made by small investors and private funds from *The Investment Development Authority of Lebanon (IDAL)* using low cost and sustainable materials. The ultimate goal of this innovative venture is to produce localized and durable goods such as furniture and more importantly sanitation systems that are easily accessible and cost effective. Our nation hopes to increase Big Voxel's capability by manufacturing more printers and expand its commercial uses. With this new industry we expect to have a growth in the specialized labor force, specifically in the engineering sector to operate the machinery. **Regionally**, we are in negotiations with nations in the MENA region to sell 3D printers to further enhance the capacities of manufacturing their sanitation systems in order to assist Member States in this region achieve *Sustainable Development Goal Six (SDG)* which targets sanitation and clean water for all global citizens. Recently, Big Voxel was used in Syria to manufacture sanitation systems to be used by their citizens. Moreover, as a member of the Arab League, Lebanon looks to the United Arab Emirates which has signed an agreement with Cazza, a private 3D corporation, in the construction of a 3D printed skyscraper. The use of additive manufacturing on sustainable infrastructure regionally can increase the ease of construction for new homes and commercial buildings, while also cutting the cost of such ventures. **Internationally**, in 2015, AM machines and services had a net worth of \$5.2B with a 26 percent expected growth. AM could transform the focus from trading physical objects into trading patterns. As it stands, Lebanon is a proud advocate of private and international investors into our country. We also incentivize investment in the manufacturing by having one of the world's lowest corporate tax at 15 percent. Furthermore, the Lebanese legal framework protects private ownership and grants both Lebanese nationals and foreign investors equal incentives and corporate rights. Additive manufacturing could revolutionize the manufacturing industry, which could leave positive and negative repercussions. Given that additive manufacturing is a relatively new industry, the Lebanese delegation **recommends** to this committee the creation of a research initiative that further assesses how to best implement additive manufacturing depending on varying economic leveled countries to fit their necessities and minimize the potential economic losses, while at the same time including some of the SDGs which will also contribute to a country's capability to focus on evolving rather than surviving. We also urge Member States to invest in this style of manufacturing in developing nations to stimulate the growth of countries that do not have the means to do it themselves. Moreover, Lebanon advocates for the creation of a study whose ultimate goal is to create possible strategies to compensate for the negative impacts from being a less economically interdependent world by re-assessing the importance of other sectors. Further, we invite other Member States to incentivize the involvement of private companies and encourage public-private partnerships in the AM industry. These investments will help to create faster growing economies, which has been successful especially in the technology sector. Furthermore, we recommend the creation of a UNCTAD sponsored convention two accomplish two goals: first to share the findings from the research initiative so that all Member States have the opportunity to analyze them, secondly to create a forum in which each Member State has the possibility to share how they have implemented AM and how they have dealt with the negative factors. Additionally, we encourage a gradual implementation of additive manufacturing printers to lessen the market shock. The Lebanese Republic supports the efforts of this body in order to fully understand the innovative effects of Additive Manufacturing on the world economy.