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## **Shaping the Future: The Impact of Negotiable Cargo Documents on Trade Finance, Regional Connectivity and Digital Evolution**

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**Keynote Address by H.E. Mr. Maurice Makoloo**

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Madam Secretary of UNCITRAL, Excellencies, Distinguished Delegates, Colleagues, and Friends,

Let me begin by expressing my sincere appreciation to the Secretariat of UNCITRAL for convening this timely and important conference. I also extend gratitude to our esteemed partners—the International Trade Centre, the United Nations Centre for Trade Facilitation and Electronic Business, and the United Nations Economic and Social Commission for Asia and the Pacific—for their collaboration in advancing this agenda.

We meet at a moment when the role of trade—across all dimensions—has taken on renewed urgency. While there may be ongoing debates about who benefits most from international trade, there is near-universal agreement that trade must serve all. Moreover, to imagine and shape the future of trade, we must sometimes draw insight from the past.

When the United Nations General Assembly established UNCITRAL in 1966, it did so with a clear and far-sighted mandate: to consider the interests of all peoples, and particularly those of developing countries, in the progressive development of international trade law. It is from this foundational principle that we must begin our reflections on today's discussions—a conversation both urgent and timely.

Recent figures from UNCTAD indicate that global trade reached an unprecedented US\$33 trillion in 2024—a 3.7% increase over the previous year. This was driven by a notable 9% rise in services trade and a 2% increase in the trade of goods. Notably, merchandise exports from developed countries to the Global South significantly outpaced flows in the other direction. At the same time, trade among developing countries—South-South trade—grew by 5%, signalling

a deepening of intra-regional economic ties and a strengthening of cooperation within the Global South.

Let me now turn briefly to four key macro-trends that, I believe, are shaping the global trade and development landscape:

1. The Inequality Paradox
2. Technology as a Disruptor
3. Natural Resources and Environmental Imperatives
4. Youth Demographics

On the first, we see a paradox: while global wealth and technological capabilities have advanced, inequality has widened—both within and between nations. This deepening disparity poses a major challenge to shared prosperity and inclusive development.

Second, technology has emerged as a powerful disruptor—both positively and negatively. It has enhanced productivity, accelerated innovation, and facilitated business operations. Yet, the same technologies—particularly Artificial Intelligence and automation—have also led to dislocations, misinformation, and systemic vulnerabilities.

Third, the global economy remains deeply reliant on natural resources, many of which are located in the Global South. However, environmental regulations introduced in response to climate imperatives, though necessary, sometimes inadvertently create barriers to trade for developing countries—impeding their access to key markets.

Fourth, and perhaps most promising, is the youth demographic. The Group of 77 and China represent over 80% of the world's population. Africa alone will be home to 2.5 billion people by 2050, with a median age of just 19. This young population is digitally fluent, entrepreneurial, and brimming with potential. It represents not only a vast market but also a formidable labour force.

In this context, the African Continental Free Trade Area (AfCFTA)—the largest in the world by number of participating countries—holds great promise. It is a catalyst for intra-African trade, industrialization, and unified engagement in global markets. Complementary initiatives such as the African Union's "Digital Economy for Africa" and the "African Digital Compact" are already laying the groundwork for improved digital connectivity, infrastructure, and innovation.

## **Excellencies,**

With these developments in mind, how can we shape a trading system that better serves the aspirations of developing countries—one that honours the original vision of UNCITRAL?

First, we must ensure that instruments such as cargo documents are designed to support equitable participation in global trade. The proposed convention on Negotiable Cargo Documents is a critical step forward. For too long, documents issued for land, air, and rail transport have lacked negotiability—meaning they cannot be freely transferred between parties as security. Unlike maritime bills of lading, these documents do not support the mobilization of trade finance, particularly in landlocked and remote regions.

This situation exacerbates financing constraints for Micro, Small, and Medium Enterprises (MSMEs), limits market access, and hinders logistics providers from offering integrated, door-to-door solutions.

The draft convention under consideration addresses this by introducing a legally recognized, negotiable document applicable to all modes of transport. By enabling such documents—termed Negotiable Cargo Documents (NCDs)—to function as transferable security, the convention has the potential to unlock trade finance, streamline logistics, and facilitate commerce across borders.

Equally important, the convention supports digital transformation. By recognizing NCDs in electronic form, it accelerates the digitalization of global supply chains. This shift reduces transaction costs, improves processing efficiency, and mitigates risks such as fraud or document loss.

Digital infrastructure will allow for real-time tracking, enhanced customs clearance, and improved coordination among supply chain actors. For many developing countries, this presents an opportunity to bypass legacy paper-based systems and leap directly into a digital future—one where they are competitive, visible, and active players in the global economy.

For the G77 and China, where MSMEs constitute the backbone of our economies, the implications are far-reaching. More efficient, inclusive trade processes contribute to growth,

job creation, and the realization of sustainable development goals. The proposed convention is thus not only a legal instrument but a practical tool for fostering inclusive economic transformation.

**Distinguished Delegates,**

This is why I call upon all members of the Group of 77 to engage actively in the ongoing work of UNCITRAL, and to give full consideration to the finalization and adoption of this important convention. Developing countries need to be close partners and participants in the co-creation of that future in a true spirit of multilateralism. While it may not always deliver the best results all the time, history tells us that international cooperation based on mutual respect provides more sustainable and win-win results. It aligns closely with the Group's long-standing commitment to a rules-based international order that supports the development needs of the Global South.

Let us ensure that the trading system of tomorrow is one that reflects the realities and aspirations of all nations—a system grounded in equity, opportunity, and mutual benefit.

I thank you for your kind attention and wish you a productive and insightful conference.

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