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UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

**COMPILATION OF AVAILABLE GENERAL STATEMENTS MADE
DURING THE TWENTY-SECOND SPECIAL SESSION OF THE
TRADE AND DEVELOPMENT BOARD***

Geneva, 18 July 2005

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Statement by H.E. Ambassador Clemencia Forero Ucros
Permanent Representative of Colombia

at the

Twenty-second special session
of the Trade and Development Board

Geneva, 18 July 2005



Libertad y Orden

ANTE LA OFICINA DE LAS NACIONES UNIDAS
Y LOS ORGANISMOS INTERNACIONALES
GINEBRA

MISION PERMANENTE DE COLOMBIA

julio 18/05

DECLARACIÓN DE COLOMBIA EN LA SECCION - TDB

Gracias señora Presidente,

Permítame comenzar por expresarle la satisfacción de mi Delegación por ver realizada y participar en esta sesión especial de la Junta de Comercio y Desarrollo de la UNCTAD. Esperamos que el aporte que al final de este ejercicio sea remitido por usted al Presidente de la Asamblea General en Nueva York sea debidamente tenido en consideración e implementado efectivamente en lo pertinente, ya que es la manera en que Ginebra contribuye con su experiencia y pericia, para alcanzar los Objetivos contemplados de la Cumbre del Milenio.

La Delegación de Colombia se adhiere por completo a la amplia y comprensiva declaración formulada por el Grupo de los 77 y China, y por esta razón no nos extenderemos de manera reiterativa sobre lo elocuentemente expuesto ya.

Señora Presidente

Reconociendo, como se ha hecho en la declaración del G-77 y China, que los principales responsables por su propio desarrollo son los países en desarrollo, es conveniente recordar también que en múltiples foros se ha reconocido igualmente que su capacidad para implementar las metas de desarrollo internacionalmente acordadas debe ser apoyada por la creación de un entorno propicio por parte de la comunidad internacional, particularmente por los países desarrollados.

Con fundamento en la anterior premisa deseamos enfocarnos particularmente en el tema de la lucha contra la corrupción, visto como una herramienta para facilitar el desarrollo de nuestros pueblos y de promover la solidaridad entre países desarrollados y en desarrollo en la búsqueda e implementación del llamado “Buen Gobierno”.

En efecto, tal como lo señala la Resolución A/RES/59/155 de la Asamblea General:

“ La prevención de la corrupción y la lucha contra ella son una responsabilidad común y compartida de la comunidad internacional que requiere cooperación en los planos bilateral y multilateral”

La misma Resolución subraya que en dicha tarea: “Todos los Estados deben cooperar entre sí, con el apoyo y participación de particulares y grupos ajenos al sector público, como la sociedad civil, las organizaciones no gubernamentales y las organizaciones de base comunitaria, si desean que sus esfuerzos por prevenir la corrupción y luchar contra ella sean eficaces”

En tal sentido consideramos que, como mecanismo eficiente para facilitar el logro de las metas de desarrollo del milenio, los países en desarrollo deben establecer un mecanismo de cooperación por medio del cual se comprometan a no contratar con ninguna empresa transnacional que sea debidamente sancionada por promover o realizar actos de corrupción en cualquier país en desarrollo.

Por su parte los países desarrollados deben adoptar las medidas pertinentes, incluida la tipificación como delito de las actividades encaminadas a promover o aprovecharse de actos de corrupción, aún aquellos veladamente desarrollados bajo el pago de comisiones o cualquier otra contraprestación ilegal.

En la América Latina se han dado importantes pasos al respecto, en la Primera Cumbre de las Américas en 1994 se suscribió un gran pacto contra la corrupción y dos años más tarde en 1996 se adoptó la Convención Interamericana contra la corrupción en el seno de la Organización de los Estados Americanos OEA. Pero ningún instrumento será suficientemente efectivo para combatir a las empresas corruptoras si en su base no existe un esfuerzo internacional, solidario y colectivo.

En otras palabras, que es preciso perseguir con igual celo al sobornador y al que financia el soborno como al sobornado, o como lo dijera el famoso poema español de Sor Juana Inés de la Cruz, “al que peca por la paga y al que paga por pecar”.

Muchas gracias



GROUP OF 77 & CHINA
GENEVA

18 July 2005

Statement by H.E. Ambassador Antoine Mindua Kesia-Mbe
Permanent Representative of Democratic Republic of Congo
on behalf of the Group of 77 and China

at the

Twenty-second special session
of the Trade and Development Board

Palais des Nations, Geneva

Madam President:

Introduction

On behalf of the Group of 77 and China, let me first begin, by congratulating you on the arrangements for this special session. My group has full confidence that under your able stewardship, this meeting will make a valuable input to the High Level Plenary that is scheduled to take place in New York in September.

At the recently concluded second South Summit, our leaders articulated a clear vision of the development process. On behalf of our Group, I have therefore officially requested the UNCTAD secretariat to circulate the final documents of the Doha summit for consideration in the present deliberations.

Contribution of UNCTAD to the implementation of internationally agreed goals, including MDGs.

At the outset, let me emphasize that our Group attaches great importance to the work of UNCTAD including, its role in promoting development and in supporting developing countries in their efforts to implement the internationally agreed development goals, including those contained in the Millennium Declaration.

We would like to place on record that UNCTAD's intergovernmental work has helped member States to develop consensual policy responses to a number of international trade and development issues of particular interest to developing countries. Faced with the globalization of trade and investment flows, we particularly appreciate UNCTAD's contribution in building the capacities of developing countries to enable them to participate more effectively in international economic decision-making and norm setting, and in making international trade and the multilateral trading system effective instruments in ensuring development gains. Such work is crucial in assisting countries in meeting the commitment enshrined in the Millennium Declaration on "an open, equitable, rule-based, predictable and non-discriminatory multilateral trading and financial system".

UNCTAD's flagship reports, including the Trade and Development Report, the World Investment Report and the Least Developed Countries annual report provide cutting edge policy analysis on trade and development issues. They supply the intellectual underpinnings for deliberations by its intergovernmental bodies, thus helping to mobilize consensus and foster development solidarity. Over the years this consensus has spawned major initiatives such as the Generalized System of Trade Preferences, several International Commodity Agreements, the adoption of a Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices, which are of particular value to our Group.

UNCTAD's unique three pillars - i.e. consensus building, policy analysis, technical assistance and capacity building - have, moreover, supported the implementation of the internationally agreed development goals, including the Millennium Development Goals (MDGs), by building a more solid base for concerted international action within UNCTAD's competence and mandate.

Our Group would also like to express our strongest support for UNCTAD's work on behalf of countries with special needs, including the Least Developed Countries. In this regard, we welcome the recent UNCTAD report on a "Trade Marshall Plan for LDCs" and the useful practical suggestions it contains. At the same time, we must not lose sight that the development and advancement of all developing countries must remain central to UNCTAD's mission.

Implementation of the Millennium Declaration

Madam President,

Let me now turn to the broader issue of the implementation of internationally agreed goals, including the MDGs.

Five years ago, our world leaders adopted the Millennium Declaration which contained a number of important goals and targets for collective action by the international community to address the worst manifestations of socio-economic deprivation of our people, including hunger, shelter, poverty and related health issues. A number of other interrelated international development conferences including Monterrey, Johannesburg, Brussels, UNCTAD XI, and Mauritius fashioned equally ambitious goals for development cooperation.

Status of Implementation

It is a matter of grave concern for our Group that recent reviews of the status of implementation of internationally agreed goals from recent major development conferences, including the Millennium Summit show that progress towards the goals has been woefully inadequate:

- ❖ Hunger continues to be a daily reality for 852 million people;
- ❖ Almost one third of Third World children suffer from growth retardation and have sub-normal sizes and weights emanating from undernourishment.
- ❖ Additionally, 13 million children continue to die every year from preventable diseases;
- ❖ Nearly a billion illiterate adults and 325 million children do not receive schooling;

While developing countries have primary responsibility for their own development, it should be recalled that their capacity to implement internationally agreed development goals is contingent on support from the international community, including through an enabling international environment for development. Unfortunately, the international environment has been anything but enabling.

- ❖ Official development Assistance (ODA) is now still less than one third of the 0.7 percent target, agreed 35 years ago;
- ❖ Since 1998, developing countries have emerged as major net transferors of capital flows to developed countries;
- ❖ Direct foreign investment remains largely concentrated on a few countries;
- ❖ Developing countries remain marginalised especially in respect of global economic governance.

We therefore urge the international community to redouble their efforts in honouring their commitments undertaken in various global conferences to support developing countries' implementation efforts.

New Initiatives

In this context, we fully applaud the initiative of the President of Brazil to mobilize innovative sources of finance to address the issue of hunger and poverty.

We must, similarly, commend our partners in the European Union who have decided to double its ODA by 2010 and to reach the 0.7 target by 2015.

We also welcome the resource and debt relief initiatives emanating from the recent G8 summit. But these initiatives can only be of real value if they result in additionality in resource flows, respect national development priorities of recipient countries and are provided without conditionalities.

Global compact for Development

Madam President,

The above initiatives, while very much welcomed by our Group, do not suffice on their own. A redoubling of political will and commitment - based on the principle of collective responsibility and global partnership - are imperative if the development agenda is to be accomplished within the stipulated time-frames. Indeed, we view the September High Level event as an opportune occasion to place development squarely in the forefront of the global agenda by launching the process of elaborating a truly global compact for development, based on the positive experiences of the past, and solidly grounded on the principles of MDG8.

Among the key elements which could figure in such a development compact are:

- ❖ A coordinated effort to eliminate systemic inequities especially in the rules relating to trade, finance and technology to allow developing countries to benefit from opportunities within the global economy.
- ❖ Full integration of development dimensions into international rule making and allowance for flexibility and national policy space for countries while assuming international obligations. In this connection, we notes that MDG 8 is a good way of addressing, inter alia, the issue of national policy space in a manner that ensures that the global economic system is one that allows developing countries to approach development in the most effective and focused manner, taking into account country specific circumstances and priorities.
- ❖ Efforts to address systemic biases in the multilateral trading system including through the Doha Round of negotiations;
- ❖ Concomitant efforts to enlarge market access and facilitate fuller market entry for products of strategic importance to developing countries, including those of new and dynamic sectors, phase out trade distorting subsidies, tighten the rules for the use of trade remedy procedures, such as

antidumping and countervailing measures, and of standards and regulations that impede exports from developing countries;

- ❖ Full and effective realization of the development dimension of the Doha Work programme and its successful and expeditious conclusion consistent with the development needs and priorities of developing countries. This is conditioned on enhanced market access for goods and services of export interest to developing countries to the markets of developed countries as well as special and differential treatment for the developing countries, balanced rules and well targeted and sustainable technical assistance and capacity building programmes for developing countries;
- ❖ Good governance at the global level including reforms of the international financial architecture and reforms of the BWIs to complement efforts to strengthen good governance at the domestic level. Developing countries participation in international economic and financial decision-making and norm setting processes must be consonant with their growing importance in global trade and financial relations;
- ❖ Arrangements to strengthen the management of globalization at the international level, through enhanced international policy coordination, reform of the international financial architecture, including measures to prevent financial crises.
- ❖ Developed countries' commitments to raise ODA must be linked to efforts to improve the quality and effectiveness of aid, through better coordination, closer integration with national development strategies, greater predictability and stability, and genuine national ownership, taking into account the requirements and priorities of developing countries;
- ❖ Measures to provide an expeditious, comprehensive, development oriented and lasting solution to the debt problems of developing countries including debt cancellation to HIPC as well as extending the HIPC initiative and resolving the debt problems of LDCs, low and middle income developing countries that are not otherwise eligible for debt relief under HIPC. Debt relief should be explicitly linked to national development plans and efforts aimed at achieving the internationally agreed development goals, including the MDGs;
- ❖ An effective international arrangement to address the problem of weak and volatile commodity prices which pose a serious constraint on sustained development in a majority of commodity dependant poor countries;

Reform of the United Nations

Madam President,

At the forthcoming High Level Plenary in September, the issue of United Nations reform will be high on the policy agenda. From the perspective of our Group, the critical message which must be conveyed through this TDB session is that any reform process should, as a matter of priority, restore development to its rightful, pivotal place in United Nation's agenda and that the relevant funds and programmes of the UN system must be strengthened and empowered to support that priority.

UN reforms must concomitantly deepen and enhance UNCTAD's role as the focal point for the integrated treatment of trade and development to allow UNCTAD to fully discharge its mandate. In this regard, we expect nothing short of the full implementation of the Sao Paulo Consensus which should then set the stage for an even stronger development focused mandate in UNCTAD XII.

Madam President,

Our Group has a number of recommendations on how UNCTAD's role should continue to evolve.

UNCTAD has, historically, been at the forefront of developing common development denominators for all developing countries. However, at times, attempts have been made to undermine and downplay such common development denominators, thus pre-empting a coherent development strategy from being presented in key areas of interest to developing countries in international negotiations and policymaking. UNCTAD, through its consensus building role, should continue to serve as a forum for mobilizing consensus on the common development objectives of all countries and for fostering development solidarity for poverty eradication through trade.

UNCTAD should continue its work on bridging conceptual and perceptual gaps between developed and developing countries and other stakeholders alike. The aim is to promote a coherent and holistic perspective on development based on a collective multistakeholder ownership and partnership so as to lend greater legitimacy and credibility to the development process and in a manner which truly takes into account the real needs and concerns of developing countries.

We also attach great importance to UNCTAD's continuing role in building the capacity of developing countries to enable them to face up to the challenges of meeting their trade and development objectives and to secure financing for development. But to be effective, technical cooperation must be demand-driven, equitably distributed among developing country geographical regions and tailored to the specific needs of beneficiary countries and/or regions. Such assistance will also need to be sustainable to allow for the long term development of domestic capacities.

We would also like to encourage UNCTAD, in its technical assistance activities, to develop and identify innovative ways of nurturing triangular cooperation as a means of simultaneously promoting South-South and North-South cooperation.

We recall that the President of the TDB flagged the need to revisit the timing of the regular session of the Board so that it could better feed into the processes of the General Assembly. In that regard, we note that this presents an excellent opportunity to begin a dialogue on ways of further enhancing the TDB, and of making the TDB more relevant including in arriving at consensus on substantive issues through its deliberations. Indeed, we stress the importance of strengthening the link between the TDB and the General Assembly on trade and development issues. In that context, we suggest that the TDB-Second Committee joint meeting on the GA's agenda item on trade and development be revived.

As the focal point in the United Nations system for the integrated treatment of trade and development, UNCTAD also has a critical role as advocate for development in other multilateral fora including the World Trade Organization. This aspect of UNCTAD's work must be strengthened if international trade is to truly serve as an engine of development and poverty alleviation.

In that regard, we look forward to UNCTAD's work on areas of interest to developing countries including the liberalization of Mode 4 of trade and services including analysis of the developmental impact of circular migration. We also encourage work on the nexus between international migration and development, and the need to deal with the issue in a coordinated and coherent manner with a view of addressing the challenges and opportunities that migration presents to countries of origin, destination and transit, in order to harness its positive effects. This work should integrate with and contribute to related processes in other multilateral fora, especially in Geneva, in order to promote a more coherent, nuanced, and multidimensional approach to the issue.

UNCTAD could also contribute meaningfully to other development related processes including the Right to Development. In that regard, the TDB could explore the feasibility of making a substantive contribution to the process, including to the restored consensus in the Commission on Human Rights' Working Group on the Right to Development, as well as the implementation of its recommendations, as endorsed by the Commission on Human Rights.

UNCTAD can also contribute to further promoting strategies for technology transfer for development. There is a need for the global community to launch a concrete, realistic, and time-bound global initiative to support research and development. One proposal that could be explored is work towards an international agreement on technology exchange.

Finally Madam President,

Our Group would like to recommend that the report of this TDB session be transmitted to the General Assembly on two tracks: one through the President of the General Assembly and the other to all regional groups who should then be asked to distribute it to their entire membership. We believe that this will help to enhance the impact of our deliberations on the debate in New York.

I wish also to request that the full text of my statement should be circulated and placed on record.

Thank you Madam President.

Statement by the Representative of the
Dominican Republic

at the

Twenty-second special session
of the Trade and Development Board

Geneva, 18 July 2005



Misión Permanente de la República Dominicana ante la Oficina
de las Naciones Unidas y Organismos Internacionales.
Ginebra, Suiza.

UNCTAD
Junta de Comercio y Desarrollo
22º período extraordinario de sesiones
Ginebra, 18 de julio de 2005

INTERVENCION DE REPÚBLICA DOMINICANA

Señora Presidenta:

En primer lugar, señora Presidenta, la delegación de la República Dominicana celebra que estemos reunidos hoy aquí considerando las contribuciones de la Junta de Comercio y Desarrollo al seguimiento de las conferencias pertinentes de las Naciones Unidas en materia de desarrollo, especialmente la Cumbre del Milenio. Igualmente, desea felicitarla y agradecerle, como lo han hecho otras delegaciones que nos han precedido en la palabra, por convocar a la celebración de esta sesión especial.

Agradecemos las palabras expresadas al inicio de esta sesión por el Sr. Carlos Fortín, Funcionario Encargado de la UNCTAD, así como también, por el Dr. Osman M. Osman, distinguido Ministro de Planificación de Egipto.

La delegación de la República Dominicana desea también dejar constancia de que apoya en su totalidad la declaración hecha por su Excelencia el Embajador Antoine MINDUA, de la República Democrática del Congo, en nombre del Grupo de los 77 y China. Declaración que expresa las preocupaciones que embargan a todos los países en desarrollo en los temas relacionados con el comercio y el desarrollo. No vamos, por tanto, a extendernos sobre los mismos temas en nuestra intervención.

Señora Presidenta, atendiendo a la premisa de que el desarrollo es una responsabilidad compartida y que, por tanto, cada Estado debe asumir su compromiso respecto a ella, la República Dominicana ha establecido, en octubre de 2004, la Comisión Presidencial sobre los Objetivos del Milenio y Desarrollo Sostenible, con el fin de monitorear y evaluar el progreso del país en el cumplimiento de los Objetivos de Desarrollo del Milenio; esta entidad de naturaleza interinstitucional y multisectorial, pretende aprovechar y potenciar las capacidades del país; promover la mayor participación de todos los sectores en la implementación de los Objetivos del Milenio; mejorar el vínculo entre los niveles local y nacional; asegurar un respaldo de alto nivel -del Jefe del Gobierno- para superar los obstáculos y desafíos burocráticos; y facilitar la coordinación local entre el sistema de Naciones Unidas - el proyecto del Milenio - y el Gobierno dominicano.

La República Dominicana como uno de los ocho países pilotos del Proyecto del Milenio de Naciones Unidas quiere aprovechar este foro para ofrecer, como único país de América Latina, único de medio ingreso y único con una Comisión Presidencial sobre los Objetivos del Milenio y Desarrollo Sostenible, a los demás países en desarrollo y, especialmente, a los

países menos adelantados, la experiencia adquirida gracias a dicha condición, y en ese sentido, asistencia técnica con espíritu de cooperación Sur-Sur, respecto a la ejecución de una evaluación de necesidades de los Objetivos de Desarrollo del Milenio, un análisis de costo de las intervenciones requeridas para cumplir con dichos Objetivos, identificación de las inversiones necesarias para alcanzarlos, una estrategia financiera y una política macroeconómica basada en los Objetivos de Desarrollo del Milenio, entre otras actividades realizadas a partir de la Comisión Presidencial de la cual hablamos.

Finalmente, señora Presidenta, esperamos que todas las consideraciones que se han emitido en esta sesión especial contribuyan a la obtención de unos resultados de gran alcance en la Reunión de Alto Nivel programada para septiembre de este año en New York.

Muchas gracias, señora Presidenta.

**Rejuvenating the Development Challenge:
Some Thoughts and Reflections from a Developing
Country Perspective,
TDB 22nd Special Session, 18 July 05
UNCTAD,
Geneva,**

by

*Dr. Osman M. Osman,
Minister of Planning,
EGYPT*

*Madam Chairperson,
Excellencies, Distinguished Guests & Colleagues,
Ladies and Gentlemen,*

- First, please let me thank the TDB President Ambassador Fernando and the secretariat of UNCTAD headed by Mr. Carlos Fortin, for the efforts in organizing this timely meeting, and to express my pleasure for sharing the High Level Segment with you.
- This meeting comes at an opportune time. Indeed, the Millennium Summit has invigorated a series of worldwide deliberations, dialogues and conventions on the effects of globalization, and set the Millennium Development Goals (MDGs).
- The importance of today's meeting lies in its preparatory nature for the High Level Plenary scheduled for coming September, which has a wide ranging agenda that includes *inter alia*:
 - Commitment to the realization of the MDGs including the principals and values underpinning international relations, such as freedom, equality, solidarity, tolerance, and shared responsibility; and the implementation of the UN development mandate with special emphasis given to the MDGs
 - The UN mobilization of the international community to achieve global development in the economic, social, human rights, environmental and related fields;
 - The restructuring of the role of the UN to achieve progress in the areas of development, security and human rights;
 - The encouragement of dialogue between civilizations and cultures to foster tolerance, and respect of the other as a vehicle to promote international peace and security.
- With this background in mind, the TDB is worthy of a warm congratulation for its decision to hold this meeting. This is not only attributed to the key role the UNCTAD tackles at present, yet on the role that it is challenged to assume in the future.
- In addition, the participation of the WTO (Director General) in this meeting confirms the strong linkage between trade and development within the context of a revitalized United Nations.
- A month ago, the Second South Summit culminated on the approval of the Doha Declaration and Doha Plan of Action which touched upon a number of key issues directly related to the Millennium Declaration.
- The Doha Declaration (2005) identified that:
 1. South-South Cooperation has to be strengthened with particular emphasis on the trade, science, investment, technology and ICT fields.
 2. South-South Cooperation in the area of eradicating poverty and achieving economic growth and development is to be underscored with a fortified role of the UNCTAD and NEPAD.

3. North-South Cooperation has to be fostered to promote global development and achieve internationally agreed development goals, particularly the MDGs.
4. The initiative of H.E Emir of Qatar to establish the South Fund for Development and Humanitarian Assistance to foster cooperation between countries of the south for development.

*Madam Chairperson,
Excellencies,
Ladies and Gentlemen,*

- It is a privilege that we are gathering today to reflect on the centrality of development, and to realize the evolution in the understanding of it.
- Also, globalization reflects on development and our perspectives of it.
- Generally speaking, no one would deny that development is a shared goal. Once packaged with the appropriate tools and mechanisms, development is about the realization of the aspirations of citizens of the world around the globe through tackling challenges of globalization and seizing its opportunities.
- As the divide between the developed and the developing nations, the rich and poor, and the chain of have and have nots collapse, the global economy will be able to share the fruits of freedom, openness, solidarity, peace and prosperity.
- We know that the UN has placed development at a vanguard position in its working agenda for half a century now.
- We could only recall the First Decade of Development in the Sixties, which required developing countries to achieve an annual GDP growth of no less than 5%, and pledged 1% of the developed nations GNPs towards ODA.
- We all followed the efforts of the multilateral institution (including the UN) in facing the development challenges in the different areas of trade, investment, international debt during the 1970s and 1980s.
- We all supported the new paradigm introduced by the UNDP at the early 1990s that should have reflected our strong belief that human development should be the objective and the means of enlarging people's choices; and haven't we conceded, accordingly, that economic 'growth' is not sufficient by itself for the achievement of the basic entitlements of humans.
- We acknowledged by then that the decisive factor for the success of any human development strategy necessitates a firm consolidation and coordination of efforts among the national, international and among the entire set of multilateral institutions.
- And, we have started a new millennium with a consensus among world leaders embedding the MDGs in the Millennium Declaration.
- Today, we are assembled in this special Session to take stock of what has been achieved, and what has gone wrong. Not only that, we are gathered to find solutions, share experiences and set roadmaps for the years ahead.

*Madam Chairperson,
Excellencies,
Ladies and Gentlemen,*

- Let's again pose this question on where we are with a decade to go towards the 2015 deadline.
- Global reports have shown us that progress on the MDG track has been far from uniform across the world and from the goals, with Sub-Saharan Africa at the epicenter of the development crisis.
- Other discouraging achievements were also witnessed in the area of undernourishment, gender inequality; slowing child and maternal mortality controls; HIV/AIDS infections of 40 million lives; low sanitation levels; and substantial environmental degradation, among others.
- I am alarmed to share with you that the dilemma we are faced up at the moment extends far beyond:
- As you are all aware and as appeared from the preparatory documents for the High Level Plenary is characterized by two new features:
 - The first is an expansion of the agenda from reviewing development achievements and challenges into embracing a broad range of concerns. These concerns include peace and collective security; human rights and the rule of law as well as strengthening the United nations; and
 - The second feature is the movement from the sole focus on MDGs into a concern with achieving the wide array of internationally agreed development goals adopted in the many historic United Nations conferences and summits held in the 1990s and 2000s. These international forums reflected a much broader in depth and shared vision of development challenges than those incorporated in the Millennium Declaration and captured more fully the need for an integrated framework of action cutting across a vast array of interlinked issues.
 - These two new features are clearly highlighted in the Secretary General report for the September Summit, and are welcome as they recognize that development goes beyond addressing the critical needs of the vulnerable and also cannot be separated from global governance and conflict resolution.
 - Please allow me to stress that these features introduce both a challenge and an opportunity.
 - Let us remind ourselves that the Millennium Summit succeeded in galvanizing an exceptional momentum to meet the needs of the development.
 - Let us make sure that the September Summit builds and adds to that momentum.
 - Our deliberations today and the outcome of this special session are clearly crucial in building on Sao Paulo Consensus and the many activities done in UNCTAD in moving the development agenda forward.
 - The opportunities provided by widening the scope from Millennium goals to all UN relevant conferences are manifold.

- First and foremost, such an expansion would allow us to ensure that our aspirations for development are pursued not through welfare mechanisms but through progress on the economic and social front that allow the poor to prosper and the country to achieve its potential.
- Second, it has to be emphasized that, in general, there is no conflict between, peace, security, human rights on the one hand, and sustainable economic development on the other hand. However, they should not be tied altogether by an additional set of conditionalities imposable over the developing world.

*Madam Chairperson,
Excellencies,
Ladies and Gentlemen,*

- If we agree on this understanding and stay tuned to the realization of the MDGs goals without diversion to any other issues that extend beyond, I then feel much obliged to share few recommendations which are seen of some relevance to Developing Countries, *vis-à-vis* the realization of the MDGs by 2015:
- First, we have to have faith that we can realize the MDGs by 2015 from where each of us stands today.
- Second, we have to incorporate MDGs within our annual and periodic national development plans and enmesh them within our vision for development from now on.
- Third, we have to have sustainable monitoring and evaluation mechanisms that would re-align to targets in cases of deviations have to be instituted.
- Forth, developing countries success stories have to be shared in order to benefit from lessons learnt and avoid prospective pitfalls.
- Fifth, we have to have regular meetings among ourselves to mobilize and engrain the practice of sharing experiences, progress and to assist with the necessary data and information for the preparation of regional and global MDG reports.
- Sixth, we have to retain special expertise on the design and implementation of statistical policies in our countries.
- Seventh, we have to invest additional effort to harmonize data, information and indicators documented in national MDG tracking reports with their global and regional counterparts.
- Finally, it is advisable to set higher, feasible development aspirations that surpass quantitative MDGs targets in order to cushion for global, national and regional risks and uncertainties.

*Madam Chairperson,
Excellencies,
Ladies and Gentlemen,*

- Having addressed issues of relevance to developing countries in general, I would like to briefly share with you the experience of Egypt: what have we achieved; and whether we are on track?

- Since 2000, Egypt managed to complete two MDG-tracking reports in 2002 and 2004 which I will be happy to provide to you for digital distribution to the UNCTAD delegations, and is embarking on the third. It has finalized two poverty reduction strategies in 2002 and 2004, and finalized a poverty action plan in 2005 for implementation over the coming three years.
- As much as both (PRSPs and MDGs) were embedded as indispensable components in the annual and 5-year medium-term national development plans, as much as it was remarkably pinpointed that Egypt is on track for achieving many of the MDGs by 2015.
- Health, education, clean water, empowering women and improving living conditions for the vulnerable and disadvantaged are integral to our national planning, and reflect directly on national policies and programs.
- The MDG tracking reports flagged to the nation where it stood and where it should go about its development challenges. They also acted as developmental tools by the mere fact that they are early-warning tools.
- The tracking reports showed areas where we have done well (such as, reducing child & maternal mortality; access to safe water; and improving general health).
- They also signaled a stable growth in the areas of education and poverty mitigation.
- And, they have informed that we are challenged to invest further in the domains of women empowerment and environmental preservation.
- To sum up on this, the MDGs tracking reports have alerted that we are in need of putting more efforts and public investments in the areas where we are short.
- In addition, they pointed to where we are in need of generating revised development indices to facilitate the accurate measurement of poverty, mortality rates and to combat major diseases.
- The reports also triggered us to revisit government-sponsored social reform programs as a result.
- We are confident that using our home-grown, country-led approach, while engaging the civil society, private sector and donor community, will enable us make our 2015 target come true.
- Not only that, we are completing this year a comprehensive vision for developing Egypt 2015 using scenario analyses which set targets up-scaling the MDGs within the frame of the country's annual human development reports' series.

*Madam Chairperson,
Excellencies, Distinguished Guests & Colleagues,
Ladies and Gentlemen,*

- In this respect, we, developing countries, should also invest a good part of our energies in, first, securing that the role of the players in the development process is assigned clearly, and second, that the necessary financing of the MDGs venture is accessible in order to realize them.
- And, we should be focused on those two components mainly in order to insure that we are on track.
- I wish to reemphasize, our eyes should always be focused on the achievement of the MDGs. This is a concern that has to be agreed in this important gathering.

- Going back to the first domain of my argument. This falls in the revisiting of the role of the UN and its specialized agencies, the Bretton Woods institution, WTO, national government, the civil society and the private sector. A point that we will get to in more detail later.
- At the other end we need to work together to mobilize the recommendations that came in the Millennium Project report presented to the UN General Secretary this year.
- In this I wish to use the words of the Brazilian President Lula Da Silva in his speech before the conference ***“Making Globalization Work for All” (2004), he said: “Those commitments must now be put into practice. The Millennium development Goals must be achieved – this opportunity to truly advance in fostering international development must not be lost.”***
- *The investing in development: A Practical Plan to Achieve the Millennium Development Goals*(2005) is a ready to implement action plan, no doubt.
- Many of its recommendations are pertinent and touch, among others, on financing issues. For this, I wish to point to the importance of developing MDG-based poverty reduction strategies; high-income countries are urged to increase official development assistance (ODA) from 0.25% of donor GNP in 2003 to around 0.44% in 2006 and 0.54% in 2015 to support the MDGs, particularly in low-income countries, with improved ODA quality (including aid that is harmonized, predictable, largely in the form of grants-based budget support). Each donor is urged to reach 0.7% no later than 2015 to support the Goals and other development assistance priorities. Debt relief should be more extensive and generous; developing countries are encouraged to align national strategies with such regional initiatives as the New Partnership for Africa's Development and the Caribbean Community (and Common Market), and regional groups should receive increased direct donor support for regional projects; and high-income countries should open their markets to developing countries exports through the Doha trade round and help Least Developed Countries raise exports competitiveness through investments in critical trade-related infrastructure, including electricity, roads, and ports; the UN Secretary- General and the UN Development Group should strengthen the coordination of UN agencies, funds, and programs to support the realization of MDG's at headquarters and country level. The UN Country Teams should be strengthened; and the Millennium project estimates the total needs to rise to approximately \$7 billion a year by 2015.
- Other voices from the UN (Dr. Kemal Dervis, the UNDP Administrator to be in one of his recent publications, 2005) called for a funding allocation of US\$35 billion a year in development assistance.
- The issue is not limited to assistance, however. Trade is indispensable. Trade Distorting Subsidies make it impossible for developing countries to benefit from their competitive advantage in the Multilateral Trading System. It is estimated that if Africa gained 1percent more of the world's share of exports, it would be worth five times the total amount of foreign aid it receives.

*Madam Chairperson,
Excellencies,
Ladies and Gentlemen,*

- Development assistance is key to the realization of the MDGs, but is it sufficient?
- In order to achieve the MDGs, we need to fix aid effectiveness and work on reforming development partnership relations.
- This can happen as the developing partners take the following measures in cooperation with ODA recipient countries:
 - 1) Purpose- and process-related Issues: formulate MDG-based aid processes; support demand-driven aid by recipient countries; and support countries that put forward 3-5 years poverty reduction strategies that are anchored in a 10-years needs-based framework towards 2015.
 - 2) Technical support Issues: offer technical support that would focus on supporting governments to develop and implement nationally owned MDG-based poverty reduction strategies
 - 3) Development Finance Issues: ODA should be tied to the MDG financing gaps outlined in the MDG-based poverty reduction strategies; effect a genuine debt relief through the Paris Club mechanism that would enable the realization of the MDGs for developing countries; ODA should take the form of budget finance support through the donor agencies commitments outlined in the Rome Harmonization agenda.
 - 4) System Issues: multilateral agencies should coordinate their support to recipients on MDG-based aid processes; ODA should focus on areas of country-based capacity building in the different areas of science, environmental conservation, regional integration, sexual and reproductive health, and cross-border infrastructure; and development partners should evaluate their development landmarks, finance, foreign, and trade policies for coherence with respect to supporting the MDGs. Development partners should subject themselves to at least the same standards of transparency as they expect of developing countries, with independent technical reviews.

*Madam Chairperson,
Excellencies,
Ladies and Gentlemen,*

- After having spoken of development aid and its effectiveness, our focus should now go to the institutions which offer aid.
- We should question whether they succeeded so far in generating an enabling environment for development, and whether such institutions encouraged the achievement of MDGs in particular the way they stand.
- Many voices claim that the UN and the international institutions system require an immediate facial lift. And, affirm that the realization of the cause of development has to go in tandem with the consolidating the development mandate of the UN, its affiliate institutions and the Bretton Woods multilateral community.
- Fortunately, this issue happens to be one of the topical subjects on the forthcoming High Level Even of the UN General Assembly meeting in September 2005.

- The point that was not missed by the UN Secretary General, Kofi Anan (2003) in his inaugural speech to the UN General Assembly figured the need for such reform; Mr. Anan said: “... *we have come to a fork in the road. This may be a moment no less decisive than 1945 itself, when the United Nations was founded ... The United Nations is by no means a perfect instrument, but is a precious one. I urge you to seek agreement on ways of improving it.*”
- Needless to say, the ongoing economic and political events generated a worldwide debate on the UN. These events have moved the question of good global governance and international cooperation to the forefront.
- There are myriad periodic calls for change of the international system, but they did not translate into action. Now that the item of restructuring is placed on the UN GA High Plenary Meeting, there seems to be a better chance for prompt reforms, rather than being secluded to the mode of ‘rethinking’ the international system (without having proposed concrete actions) as was the case over the past decade and earlier. This year we should be moving from mere “thoughts” to “actions.”
- A strengthened United Nations should provide a unifying framework for global governance in both the political and economic spheres.
- The UN concept has global legitimacy not only in narrow legal sense but also in terms of the perception of a vast majority of humanity and in the ability of maintaining peace, security and upholding human rights.
- The UN has to reflect the global community of nations and people, serve as a source of international legality and legitimacy, and secure global participation.
- The UN bodies have to set global priorities and would make certain key decisions such as encouraging efficient use of resources for promoting such global “public goods” as peace and financial stability and avoiding such global “bads” as armed conflict, environmental degradation, and disease. The entire world should be engaged in these decisions, and all countries should be entitled to effective representation in global economic governance.
- Coordinated activities among the UN institutions on the one hand, and other multilateral agencies and donors on the other hand have to be insured. Instead of tipping over each others development pet project, closer coordination and harmonization of efforts are inescapably required.

*Madam Chairperson,
 Excellencies, Distinguished Guests & Colleagues,
 Ladies and Gentlemen,*

- Developing countries have not missed on reforming the UN and we stress the need to strengthening its role in development and particularly through UNCTAD.
- In this, I wish to highlight:
 - any UN reform process has to be affected with an eye that development has to be placed on its appropriate place on the UN agenda and that the relevant funds and programs in the UN system must be strengthened and empowered to support the pivotal priority that has been placed;

- UN reforms should work in tandem with deepening the UNCTAD's role as the focal point for the integrated handling of trade and development issues and to fully discharge it with its mandate;
- UNCTAD should continue to be a consensus platform on common development objectives of all countries and for fostering development solidarity for poverty eradication through trade;
- UNCTAD should continue its role in bridging the gaps between developed, developing countries and other stakeholders;
- UNCTAD should continue its role in building capacity of developing countries through demand-driven strategies, sustainable long-term technical cooperation which is to be fairly distributed among countries and regions on demand;
- UNCTAD should work on promoting South-South and North-South cooperation.
- UNCTAD should continue with its collaborative work with the WTO to strengthen international trade that would serve as an engine of development and poverty alleviation.

Closure

- Finally, we have to admit that the road to sustainable economic development is long and unwinding. It is the years that will continue to challenge us all.
- Yet there are achievable goals that we can meet in our life time. We have to work hand in hand to realize the MDGs and their practical plan; we should work perseveringly in the direction of realizing aid effectiveness; and we have to ensure that the UN structure is strengthened to meet the needs of developing countries aspirations for development within a frame of global governance and legitimacy.
- Thank you for your attention, and thank you again Mme. Chairperson for presiding such a timely event in anticipation of the Millennium Review Summit to be held in New York this September.

Statement by the Representative of Egypt
on behalf of the African Group

at the

Twenty-second special session
of the Trade and Development Board

Geneva, 18 July 2005

(Please check Against Delivery)

Elements for the African Group Statement
TDB 22nd special session, 18 July 2005

- Endorse the G77 statement and ask for it to be annexed to Chair's summary.
- I would like to express appreciation for the Board in taking up the topic of its contribution to the follow-up to the relevant United Nations development conferences, including the Millennium Summit. It is important for the Board and UNCTAD to make a mark on the UN-wide process to reviewing progress achieved in the last 5 years and proposing ways forward in which innovative, out-of-the-box thinking, national actions and international development solidarity can be elaborated to eradicate poverty and give development a boost in developing countries.
- Highlight the importance of the topic of the meeting to Africa and that one of the ways that reflects this is the participation of one of the members of the group on a ministerial level, evidenced by the Minister of Planning of Egypt.
- Welcome the effort in the last Commissions to examine the interface between various aspects of trade and follow-up to the Millennium Declaration and internationally agreed development goals.
- Thank UNCTAD Secretariat for providing available documentation in the room but ask that it be put on UNCTAD website since it was not available till morning of meeting.
- Given the success of these exchanges, the African Group would like to propose that the upcoming Commissions again take up the subject, especially in the context of any follow-up that could be considered to decisions taken by the 60th session of the UN General Assembly.
- Africa, it is now widely and internationally agreed, is the continent that is least integrated into the international trading system and confronted with a multitude of development problems impeding its capacity to attain key Millennium development Goals. The numbers reveal this malaise afflicting Africa:
 - Africa recorded a real annual growth of 4.6 per cent in 2004, the highest almost in a decade, but this falls short of the 7 per cent per annum growth rate necessary for attaining the MDGs. The target growth rate was met only by 6 countries in 2004.
 - Africa's merchandise exports stood at US\$ 174 billion in 2003, accounting for a modest share of 2.3 per cent of world exports. This share represented a decline from 3.1 per cent in 1990 as a result of a slower pace of export growth during the same period. Despite preferred access into its major developed country markets, Africa's exports continue to be hindered by a host of non-tariff barriers and excessive market entry requirements, including standards and environmental norms and regulations, that nullify the market access granted under preferential tariff regimes.

- Commodities dominate the trade of African countries. For example, 4 main commodities tend to account for between 50 to 95% of the total exports of several African countries. Such commodities include cotton, live animals, sesame seeds, green beans, coffee, tea, hides and skins, sugar, wood, fish, groundnuts, groundnut oil, vanilla, fuels, palm oil, copra etc.
 - The bulk of LDCs, 34 from among the 50, are in Africa. LDCs merchandise exports to the world stood at \$44.2 billion in 2003 accounting for 0.59 per cent of world's merchandise exports as compared to 0.56 percent in 1990.
 - In trade in services Africa's share in world's commercial services exports declined from 2.5 per cent in 1990 to 2.1 per cent in 2003, while that of LDCs also declined from 0.49 percent in 1990 to 0.45 per cent in 2003. For Africa and LDCs, the services economy is yet to become a driving force of economic growth, competitiveness and development as in other developing countries and in developed countries.
- There is now international consensus in the context of the implementation and attainment of internationally agreed development goals, including the MDGs, that Africa's problems must be ambitiously, decisively, specifically and concretely dealt with and with new initiatives that build and expanding existing ones.
 - For example, the UN SG The UN Secretary-General's report, *In larger freedom: Towards development, security and human rights for all*¹, as well as the United Nations Millennium Development Project report (*Investing in Development: Practical Plan to Achieve the Millennium Development Goals*), advocated that special attention be given to addressing the unique and serious development challenges facing African countries. In respect of trade, the UN SG has proposed that as a first step towards fulfilling the development promise of the Doha round, WTO "Member States should provide duty-free and quota-free market access for all exports from the least developed countries." This recommendation was further reiterated in the Cairo Declaration and Roadmap adopted by the AU Trade Ministers on 9 June 2005 and the Livingstone Declaration adopted by LDC Trade Ministers on 26 June 2005.
 - These initiatives were welcomed and it is underscored that such a commitment should be made "binding" in the WTO, be granted and implemented immediately, on a secure, long-term and predictable basis, with no restrictive measures introduced. Taking up such a commitment at the 6th WTO Ministerial Conference and implementing it could have a major positive impact on the trade and development prospects of some of the poorest African countries. The recent useful UNCTAD report on "Towards a new Trade "Marshall Plan" for LDCs" clearly articulates the economics, legal issues, and potential benefits that could flow to LDCs from the provision of WTO bound duty-free and quota-free treatment for all products of LDCs. This is an objective and target of the MDGs and now is the time to redeem this promise, made at the turn of the century.

¹ A/59/2005.

- The Report of the Commission for Africa is commendable. We should have a more dedicate session to look into its recommendations more closely and see the interface with work by UNCTAD. It articulates a novel and comprehensive approach to the revival of development in Africa that takes up trade, aid and debt together and interrelated aspects of competitiveness and supply capacities. Some of its initiatives were considered and launched at the G8 meeting in Gleneagles. We need to examine how these recommendations can be implemented in the context of the Board and UNCTAD. These related, for example, to the "aid for trade" initiative; addressing the commodities problematique and in this context operationalizing the International Task Force on Commodities launched at UNCTAD XI; more trade and fairer trade for Africa that includes the policy that "African governments have to be allowed the space to make their own decisions." Such space and flexibility in trade agreements is required both in the Doha round and in the ACP-EU negotiation of economic partnership agreements; improving African's capacity to trade; and removing distortions in trade put by developed countries. South-South trade in the context of regional integration groupings is an important pillar of development for Africa, under the aegis of the African Union. It must be strengthened.
 - Africa is calling for a "fair deal for Africa" that enhances its production and trade capacity and competitiveness, provides it with effective and favourable market access, secures it genuine market entry opportunities, and responds to its specific trade and development concerns such as those relating to cotton, commodities, trade preferences, food imports, and flexibility in undertaking liberalization at a pace and level consistent with its trade, development and financial needs. Improving Africa's supply capacity is critical and this includes commodity product and diversification, and development of new and dynamic sectors of international trade including in novel areas like biotrade. It requires a deal that would make serious inroads into alleviating poverty and Africa's continued marginalization. A fair deal for Africa rests on a genuine "development round" and a development-oriented sustainable and dynamic trading system. This necessitates an approach in the negotiations is based on MDGs and the São Paulo Consensus, emphasizing fairness, equity and development solidarity.
 - Some of the specific areas in which Africa is seeking a fair deal from the Doha round at Hong Kong can be gleaned from the Cairo Declaration and Roadmap. The LDC's Livingstone Declaration is also endorsed by African countries. The Second South Summit in Doha adopted on 16 June 2005 a declaration and plan of action that also underscores that special emphasis be placed on Africa development including in the context of the implementation of NEPAD priorities. It also endorses a South agenda for the 6th WTO Ministerial Conference which advance priorities raised by Africa.
 - We will be drawing upon the UNCTAD Secretariat in the coming days to ensure that the Board and UNCTAD makes an important contribution to raising the profile of trade in development in this year of development and, in this context, secure a fair deal for Africa that can raises the prospects and hopes of the continent for development and for eradicating poverty during this generation.
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On The potential role of **investment and technology**

Science and technology is critical element for economic and social development to achieve the MDGs, particularly poverty alleviation. Eradicating poverty drive, and is in turn driven, by the other MDGs, namely universal primary education, gender equality, health, environmental sustainability and a global partnership for development. The MDGs, therefore, cannot be achieved without scientific knowledge and technological tools including modern agricultural practices, awareness of environmental sustainability, and the adoption of information and communication technologies.

- UNCTAD must continue and expand its efforts to reach, introduce and instil the benefits of modern science and technology into the lives, countries and regions of the developing world. As a contribution to the debate on strategies for the achievement of the MDGs, UNCTAD, in collaboration with the United Nations Commission on Science and Technology for Development (CSTD), examined approaches for the effective promotion and use of science to meet the MDGs at the occasion of the 7th and 8th session of the CSTD Commissions.

- UNCTAD must also continue analytical work and the exchange of information and experiences in the area of positive corporate contributions to the social and economic development of host developing countries, as foreseen by the São Paulo Consensus, including in paragraph 45, in what can be termed "Corporate Developmental Responsibility". As the participation of transnational corporations in multilateral affairs is expanding, so must their responsibility for development. Rights must be accompanied by duties.

The role of **enterprise development** and UNCTAD's support:

The important contribution that the SME sector can make to job creation, economic growth and achieving the Millennium Declaration Goal of poverty reduction.

The internationalization of enterprises is one of the essential ways for strengthening the competitiveness of developing country firms. That includes strategies addressing structural weaknesses, integrated forms of production and distribution networks, such as TNC-SME linkages, clusters and global value chains, and direct outward investment from developing country firms. UNCTAD should further analyze policy options for enhancing the competitiveness of developing country firms through their internationalization, including by developing linkages with larger international firms, integration into global value chains, and engaging in direct outward investment.

The Commission requests the secretariat to undertake a preliminary study on the possible development of a competitiveness analysis framework and relevant indicators to support progress in building a sound SME sector in developing countries.

Investment and Improving the competitiveness of SMEs through enhancing productive capacity:

- *The report of the United Nations Millennium Project Task Force argues that massive new investment, both public and private is essential for poor countries to achieve the MDGs. The African economies in need must be enabled to move from subsistence to commercial agriculture and from dependence on primary commodities to internationally competitive industries and services.*

- *UNCTAD's work on policy analysis in the area of enterprise competitiveness constitutes an important contribution to the Millennium Development Goals. Firstly, the role of the SME sector is essential in creating jobs, fostering economic growth and thus achieving the goal of poverty reduction. Secondly, analysis of policy options is a prerequisite to enhance the competitiveness of developing country firms through their internationalization, including by developing linkages with larger international firms, integration into global value chains, and engaging in direct outward investment.*

On the Area of ICTs and e-business for development

The proximity between the Millennium +5 Summit and the second phase of the World Summit on the Information Society, both scheduled for the second half of 2005, provides a unique opportunity to better identify and exploit synergies between efforts to address the digital divide and the work on the MDGs for African developing countries.

While ICTs are directly relevant to goal 8 of the Millennium Declaration on a Global Partnership for Development, as mentioned in Target 18 ("In co-operation with the private sector, make available the benefits of new technologies, especially information and communication technologies."), they have a large potential to contribute to the achievement of several other MDGs that deal with the reduction of poverty (Goal 1), education (Goal 2), gender equality (Goal 3), and health and environment (Goals 4, 5, 6, and 7).

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Conclusions:

- The centrality of the UN in development must be enhanced and emphasized.
- UN agencies and bodies, such as UNCTAD, are partly deliberative bodies rather than debating forums, and hence their output oriented nature and consensus building task must be consolidated.
- Any amendment to the role of the UN in development must ensure a strengthened role for its focal point on trade and development, UNCTAD, and the relation between NY processes and Geneva UNCTAD deliberations must ensure mutual support and cross linkages.

Statement by H.E. Ambassador Fisseha Yimer
Permanent Representative of Ethiopia

at the

Twenty-second special session
of the Trade and Development Board

Geneva, 18 July 2005

Thank you Madam President,

Madam President,

Five years ago the world community signed up to an historic document, namely, the Millennium Declaration which embodied the Millennium Development Goals which promised, inter-alia, that by 2015 every child would be at school, that by 2015 avoidable infant deaths would be prevented, that by 2015 poverty would be halved.

However, five years on assessment of progress reveals that those noble ambitions are receding into the distant dream with Africa, home for the majority of LDCs, falling far behind the target on reaching all the goals. In fact, it is feared that with current trends the continent would achieve the fifty percent reduction in the extreme poverty only in 2150, not in 2015, ie, 135 years later.

Madam President,

The MDGs are achievable, what they need is a concerted action. Poor countries, such as those in Africa and the LDCs, can hardly achieve them with their own efforts alone as they have several challenges that impose a limit on what they can do even though they have the commitment, the will as well as the responsibility. These challenges, just to mention a few, include:

First, these economies are trapped in a vicious circle of low income – low saving – low investment which leads to low productivity and low growth. Without growth significant dent into poverty cannot be made.

Second, despite their over two decades of unabated efforts to create an enabling environment for investment and even a race to the bottom the countries were unable to attract sufficient FDI. Wherever there are few success cases, the spill over effects of those private flows to the rest of the economy in the form of employment generation, export diversification, and in technology transfer, leave much to be desired.

Third, the circular decline in the price of the primary commodities and the deterioration in terms of trade resulted, among others, in debt overhang whose servicing meant siphoning-off scarce resources which could otherwise have been used to fight poverty. In terms of market access while there is no doubt that the major problems of these countries are linked to weak supply side capacities, even where there are few capacities their exports are encountered with tariff and non-tariff barriers.

Finally, the inadequate volume and in particular the poor quality of ODA compromised the true potential of such resource resulting in a misguided perception that aid does not work. The vital role that increased and improved ODA could play in poor countries in building their human capital and productive capacities cannot be overemphasised.

Madam President,

Any effort to attain the MDGs which, needless to say, constitute both an end in themselves as well as a means for further development requires addressing the aforementioned constraints. This in turn requires a strong and effective partnership. In this connection, we welcome the

recent decision by the G8 leaders to double the level of ODA, to cancel 100% of outstanding debts of eligible HIPC's to the IMF, IDA and African Development Bank and to ensure the developing countries' ownership of their development policies in line with their development strategies, among others.

Madam President,

Records to date clearly show that there is an alarming gap between commitments and actions. No wonder therefore there were sceptics in some quarters with respect to delivery on current promises. However, we cannot afford to fail to achieve the MDGs. In this interconnected world what is happening positively or negatively in one part of the world could easily be transmitted to the rest of the world. As such the prosperity and the improved standard of living in today's poor countries could make them an attractive market and investment destinations as well as stable sources of supplies. On the contrary, their continued stagnation and impoverishment could breed instability, conflicts, exert a powerful pressure for legal or illegal migration, spread diseases, create a fertile ground for resentment and hence spread of terrorism and crime. Hence, the stakes involved are high. In view of the shared interests to be served by the successful achievement of the MDGs, in the spirit of solidarity and to give credibility to ones decision we would like to call upon the world leaders to translate their commitment into action thereby to bolster the efforts our countries are making with their limited means so as to create safe and secure future for all mankind.

Finally, Madam President, allow me to express my delegation's support to the statements made by the G77 and China and by the African and LDCs groups. We would also like to thank Mr. Carlos Fortin, Deputy Secretary-General of UNCTAD for his introductory remarks and the key note speaker, H.E. the Minister of Planning of Egypt for his thought provoking statement.

Thank you.

Statement by the Representative of Mauritius

at the

Twenty-second special session
of the Trade and Development Board

Geneva, 18 July 2005

Thank you Madam Chair,

Let me first of all thank the UNCTAD for convening such an important meeting in view of contributing to the Millennium + 5 Summit process. Before making my statement, I would like to fully associate with the statement made by the Ambassador of Democratic Republic of Congo on behalf of the G77 and China and the representative of Egypt on behalf of the African Group.

Madam Chair,

Let me at the very outset stress the importance of trade as a key component towards the achievement of the Millennium Development Goals (MDGs). It is in fact a strategic variable in the development equations.

It is without doubt that trade liberalisation should be seen as assuring development gains to all, including the MDGs. It is, however, unfortunate that small and vulnerable economies like mine are often confronted with a plethora of challenges in the process of multilateral trade liberalisation. Besides, being faced with a myriad of natural imbalances, small economies are also confronted with a multitude of trade disadvantages such as supply capacity constraint, the inability to reap the benefits of economic of scale, amongst others. As a result, this has led to a decline in our competitiveness level in the international market.

As rightly reflected in Sachs' report, the process of liberalisation should be duly complemented by measures in support to LDCs, landlocked countries and small and vulnerable economies.

Such measures should therefore address issues related to trade adjustment funds, Special and Differential Treatment, improvement in supply capacities, the operationalisation of the concept of policy space amongst others, that are compatible to sustainable development.

In the same vein, Madam Chair, preference erosion is another matter of grave concern to our economies. Effective preferences to small and vulnerable economies should be seen as a positive element in providing a level playing field in the Multilateral Trading System (MTS) as well as contributing towards achieving the MDGs. To that end, therefore, it is imperative for the MTS to fully address the concerns of small economies and provide the prerequisite conditions to enable their meaningful and effective participation in Multilateral Trading System.

I thank you Madam Chair.

Statement by the Representative of Mexico

at the

Twenty-second special session
of the Trade and Development Board

Geneva, 18 July 2005

Intervención de la Delegación de México en el 22º periodo extraordinario de sesiones
de la Junta de Comercio y Desarrollo.
18 de julio de 2005

Contribución de la Conferencia de las Naciones Unidas sobre Comercio y Desarrollo al
seguimiento de las conferencias pertinentes de las Naciones Unidas para el
desarrollo, incluida la Cumbre del Milenio

Señora Presidenta,

Es un honor para mi delegación intervenir en tan importante reunión de la UNCTAD, ya que la búsqueda del desarrollo económico, a la par de la seguridad y la promoción y defensa de los derechos humanos son componentes indispensables para un mundo más seguro.

En este sentido, el Gobierno de México reconoce en el sistema multilateral la herramienta básica para el diálogo y la toma de decisiones que procuren un desarrollo justo y equitativo para todos. La UNCTAD desempeña un papel importante en este contexto, ya que sus mecanismos de diálogo y búsqueda de consensos son uno de los medios para asegurar que nuestros países obtengan los beneficios de la globalización y la interdependencia económica.

Desde nuestra perspectiva, la UNCTAD es un foro valioso en el que inciden, además de los gobiernos, los actores asociados para el desarrollo, como lo son los representantes del sector privado, de la sociedad civil y los organismos y agencias internacionales especializadas. Este diálogo permanente es un reflejo de la responsabilidad compartida y de la búsqueda de soluciones sólidas y consistentes para enfrentar los retos del combate a la pobreza y la búsqueda del bienestar de nuestros países.

En este contexto, consideramos que la contribución de la UNCTAD para el seguimiento de las grandes conferencias y, en especial, de los Objetivos del Milenio, debería seguir teniendo su base en el análisis del sistema comercial internacional desde una perspectiva del desarrollo y en la cooperación técnica para la creación de capacidades.

Estos aspectos deberían a su vez estar vinculados con acciones y mecanismos de Financiamiento al Desarrollo que se desprenden de la Cumbre de Monterrey, de tal manera de complementarlos y contribuir con ello a la consolidación de un sistema multilateral coherente que permita asegurar una mayor correspondencia entre las estrategias de desarrollo nacional y el proceso económico global. Esta vinculación se hace indispensable cuando reconocemos que la apertura comercial y la liberalización de los mercados financieros, así como los ajustes que los países en desarrollo han hecho en sus economías nacionales no han sido suficientes, por sí mismos, para alcanzar los Objetivos del Milenio.

México considera que la UNCTAD podría participar de manera activa, en coordinación con las agencias y programas del Sistema de las Naciones Unidas, los múltiples asociados para el desarrollo y los gobiernos, en la consolidación de un esquema de responsabilidad compartida y de diálogo productivo.

Muchas Gracias

Statement by H.E. Ambassador Enrique A. Manalo
Permanent Representative of the Philippines
on behalf of the Asian Group of the G-77 and China

at the

Twenty-second special session
of the Trade and Development Board

Geneva, 18 July 2005

Madam President,

1. At the outset, I would like to extend to you the Asian Group's appreciation for your efforts in organizing this meeting. I would also like to congratulate and thank Mr. Fortin for his very lucid and important presentation this morning, as well as for the Secretariat's valuable contributions to the substantive preparations for this meeting. I would also like to take this opportunity to fully align myself with the statement made by the distinguished Ambassador of the Democratic Republic of Congo on behalf of the Group of 77 and China.
2. As time is limited and as I understand we have a lengthy speakers' list, I will read an abridged version of my full statement, and request that my full statement be included in the record for purposes of the outcome document from this meeting. I also join the Chairman of the G-77 in suggesting that the full statements as submitted by delegations be appended to the Chair's summary, and posted on the UNCTAD website.

Madam President,

3. This debate of the TDB takes place at an important time for development. This meeting is intended to provide a substantive input from the Trade and Development Board to the substantive deliberations for the High-Level Plenary of the General Assembly. For developing countries, this meeting takes place after a historic summit in Doha where our leaders made clear their vision on the development process.
4. We are therefore approaching this session of the TDB confident that we can, as an institution, make a valuable and meaningful contribution to development and the on-going discussions in New York.

**UNCTAD and the Implementation of the Internationally Agreed
Development Goals including the MDGs**

Madam President,

5. In his remarks, Mr. Fortin gave an eloquent and valuable overview of UNCTAD's work in contributing to the accomplishment of the internationally agreed development goals. As member states, our task here is to assess our work as an intergovernmental process, and identify ways to move forward constructively. Indeed, UNCTAD's intergovernmental work on trade and development and related issues has helped member States to collectively survey, reflect on, and develop consensus on cooperative policy responses maximize development gains.
6. Faced with the globalization of trade and investment flows, a particular focus has been on the need to strengthen the capacities of developing countries to enable them to participate more effectively in international economic decision-making and norm setting, and in making international trade and the multilateral trading system effective instruments for development. Such work is crucial to assisting countries in meeting the commitment enshrined in the Millennium Declaration on "an open, equitable, rule-based, predictable and non-discriminatory multilateral trading and financial system".

7. For example, the UNCTAD flagship reports, especially the Trade and Development Report, the World Investment Report and the LDCs Annual report, continue to provide cutting edge policy analysis on the trade and development nexus on the basis of which Board discussions and other intergovernmental deliberations take place and foster development solidarity. The resulting development consensus has in the past led to such initiatives as the Generalized System of Trade Preferences, a number of International Commodities Agreements, the adoption of a Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices, and many other initiatives.
8. These initiatives, as operationalized through UNCTAD's three integrated pillars for action (intergovernmental deliberations and consensus building, policy analysis, technical assistance and capacity building) have helped in the implementation of the internationally agreed development goals by building a more solid base for concerted international action in the areas within UNCTAD's mandate and competence. This was recently and clearly articulated at UNCTAD XI. As the Sao Paulo Consensus arising from that Conference represents the latest international consensus on trade and development, we stress that it should be fully and faithfully implemented, and highlighted at the forthcoming High-Level Session of the General Assembly.

Trade

Madam President,

9. No stocktaking of UNCTAD's work would be complete without addressing its on-going work on ensuring that the multilateral trading system will truly be an engine of development. UNCTAD realized early on that addressing trade in isolation is not enough. Rather, trade and related elements must be approached in a coherent and integrated manner. Indeed, the focus should be on making globalization work for development. We therefore emphasize that trade liberalization cannot be pursued for its own sake but must be fostered in the context of maximizing development gains for developing countries.
10. In the current environment, we look to UNCTAD, as the voice of the United Nations on trade matters, and the conscience of development in the WTO process, to ensure that the development dimension is fully addressed in addressing the Doha Work program of the WTO. There are indeed significant development gains to be derived from trade. It has been estimated by UNCTAD, for example, that the liberalization of trade in goods and services of interest to developing countries can generate an additional financial flow in the range of US\$310 billion, providing needed finances for the timely implementation of MDGs.
11. We note, however, that we still have some way to go in reaping those gains. The multilateral trading system has not yet adequately addressed the concerns and interests of developing countries. There remains an urgent need to address some of the systemic biases in the trading system by, for example, enlarging market access and facilitating fuller market entry for products of strategic importance to developing countries including those of new and dynamic sectors, and liberalize Mode 4 of trade in services trade. There is also the need to phase out trade distorting subsidies, tighten the rules for the use of trade remedy procedures, such as antidumping and countervailing measures, and of

standards and regulations that impede exports from developing countries. Furthermore, in order to foster an enabling and development friendly international environment it is necessary for developing countries to enjoy the necessary policy space to enable them to accomplish their development objectives at a pace and level consistent with their trade, development and financial needs.

12. We also emphasize that the development dimension in the WTO can be better addressed by ensuring the full participation of countries in the relevant discussions. In that regard, the accession of developing countries to the WTO should take place in conformity with the relevant rules adopted by the WTO member states, and these terms should not be more onerous than the obligations of current members. These countries should be provided with extended technical assistance in all stages of the negotiations and in the post-accession phase.
13. UNCTAD also has an important role in ensuring fostering the full and faithful implementation of the Modalities for Negotiations on Trade Facilitation that provide adequate financial and technical assistance and capacity building including support for infrastructure development of developing countries. Thus, developed countries should provide meaningful resources to help developing countries build institutional frameworks and structures to engage in multilateral trade negotiations including through existing institutions involved in trade and development. In this way, UNCTAD, WTO, and other relevant institutions, with donor support, could provide focused and sustained trade integration and adjustment support to developing countries, in building developing countries' capacity to negotiate trade agreements, to implement them, and to undertake the necessary adjustment to compete and trade.
14. We are also concerned that environmental and related health requirements are becoming more frequent and stringent in key export markets for developing countries, including on their exports of environmentally preferable products. We therefore urge that such requirements should take into consideration developing country environmental situations, trade concerns and developmental priorities. UNCTAD's activities in this area including UNCTAD's Consultative Task Force on Environmental Requirements and Market Access for Developing Countries and the UNCTAD-UNEP CBTF (capacity Building Task Force) are invaluable tools for the participation of developing countries in the setting of such standards.
15. We also note the need to continue to address trade and competition issues negatively affecting developing countries. We therefore welcome and support Fifth United Nations Conference to Review all Aspects of the United Nations Set of Principles and Rules for the Control of Restrictive Business Practices, to be held under UNCTAD auspices, in Antalya, Turkey from 14-18 November 2005.

Reform of the International Financial Architecture and other Systemic Issues

Madam President,

16. Trade negotiations are inextricably linked to monetary and financial issues. UNCTAD has done much valuable work in this regard, and indeed its work on the inter-related issues is reflected in, among others, the Monterrey Consensus.

17. My region has had first-hand and painful experience of the inter-relationship of the trading and financial systems, and the resulting impact on development. The effects of the Asian Financial Crisis on output growth, employment and real incomes caused severe setbacks in economic development, reduced the scope for public investment in health and education, and increased poverty in the affected countries.
18. We therefore consider as a matter of priority the development of an internationally agreed mechanism that could help prevent financial crises in the future and lead to more equitable burden sharing between debtors and creditors and between the public and the private sector in crisis situations. The creation of a framework to deal effectively with international sovereign debt of developing countries owed to private creditors thus remains a matter of urgency.
19. The wide global current account imbalances that have become a central feature of the world economy also increase the risk of disruptive movements in the exchange rates of the major currencies and interest rates, and a coordinated and cooperative approach is needed to address these imbalances in order to improve the global environment in pursuing the development goals. This requires better macroeconomic policy coordination among the major industrial countries and mechanisms that contribute to greater stability of exchange rates among the major currencies, including enhanced surveillance by the IMF and increased participation of developing countries in global economic decision-making and governance, since they risk de facto exclusion in the present system of global economic governance.
20. UNCTAD's work has therefore shown that there is a need to strengthen the management of globalization at the international level, through enhanced international policy coordination, reform of the international financial architecture including measures to prevent financial crises, and a comprehensive approach to deal with present and potential debt problems of all developing countries. UNCTAD should therefore be developed into an element of a future UN-architecture that frames globalization to make it serve the internationally agreed development goals and the MDGs.

Investment

Madam President,

21. UNCTAD's policy analysis on investment has shown that for countries having access to international capital markets, the main concern is how to manage the inflows and outflows of external capital and avoid destabilizing effects on the domestic economy. In this regard it is urgent to devise measures at the global level to prevent speculative capital flows from destabilizing the international financial system, and to protect the autonomy of developing countries in managing capital flows and choosing their capital account regime.
22. To take advantage of market access opportunities and enhance their competitiveness and export earning potential, developing countries must first build their productive and supply capacities. The State has to play an active role in support of sustained capital formation and productivity increases, by providing appropriate incentives to the private sector, improving infrastructure, education and national strategies. UNCTAD's work on FDI, and its contribution to development, would be enhanced by a common understanding

about the need for greater policy space in the area of trade, investment and industrial policy, which would allow developing countries to apply similar policy instruments that today's advanced economies successfully applied at earlier stages of their development.

23. There is also a need to foster an enabling international environment to facilitate external private financial flows/investment, as an engine of development, including in those sectors that promote technology generation and technology transfer. At the international level, information on national conditions including, *inter alia*, sovereign risk assessments made by the private sector, should be based on strict, objective, and transparent parameters, to mobilize international resources for development. Related to this is the need for establishing an international facility for mitigating investment-related risks, in particular in LDCs, in collaboration with existing international institutions that provide such services.
24. Yet generating FDI flows are only part of the FDI-development nexus: there is also a need to continue progress towards a stronger ethos of corporate developmental responsibility and good corporate governance of trans-national corporations to ensure that the business sector will be a positive agent of development, and this can be reinforced through the policies and actions that home countries of investors can introduce to encourage private flows and technology transfer to developing countries.
25. Finally on investments, we stress the necessity of addressing the concern of developing countries regarding the multiplication of proceedings with regard to existing Investor-State dispute settlement system and the negative impact they could have in terms of development

Debt

Madam President,

26. UNCTAD's invaluable pioneering policy analysis on debt made, in our view, possible the recent initiative on debt relief for a number of developing countries including many in Africa.
27. We welcome the initiative and the other development-related initiatives of developed countries including those arising out of the recently concluded Gleneagles G-8 Summit. As UNCTAD's own work has highlighted, however, we must be careful that debt relief and other development-related initiatives serve to free resources for development, are additional to aid to be received, and that these initiatives are with a view to enhancing and strengthening national capacity building for development.
28. In that regard, we highlight the need to support indebted developing countries, including low- and middle-income countries that are not eligible for the HIPC Initiative, in their search for a durable solution to their external debt problems, including through debt relief from developed country creditors. We therefore urge multilateral and bilateral donors to fulfill their commitments to those developing countries faced with unsustainable debt burdens, and develop and implement initiatives to reduce outstanding indebtedness and to encourage further international measures including debt cancellation and other arrangements particularly for those countries belonging to the Heavily Indebted Poor Countries Initiative.

29. We also urge international financial institutions and developed country creditors to relate debt sustainability criteria directly to the financing requirements for achieving development. Debt sustainability criteria should be widened in order to take account of the need to attain development objectives. Debt sustainability should be redefined as the level of debt that allows a country to achieve development objectives without an increase in its debt ratios.
30. There is also a need to continue deliberations on the creation of a framework to deal effectively and credibly with international sovereign debt of developing countries owed to private creditors.
31. Achieving and maintaining debt sustainability in the medium to long term while at the same time achieving development objectives also depends on the level and type of future flows of official development assistance. In order to meet the development objectives, flows of official development assistance (ODA) will need to be raised in the form of bilateral grants to the countries most in need, in addition to those that are accounted for by debt forgiveness.

New Geography of International Economic Relations

Madam President,

32. UNCTAD has contributed invaluablely to other important policy areas for development. Its work on the new geography of trade and economic relations, in which the South is becoming an important producer, consumer and trader in global markets and in the South-South context, has highlighted the role of South-South cooperation in the overall context of multilateralism.
33. One way to strengthen South-South cooperation is through the GSTP's third round of negotiations, which are currently underway. UNCTAD's support, and that of the international community, is critical as GSTP is an effective means of enhancing interregional South-South trade. Such trade has increased steadily and substantially to presently account for some 40 % of total developing country exports and some 13 % of total world exports.

Policy Space and International Economic Governance

34. UNCTAD's work on policy space has likewise brought to the fore the need for the developing world to play a more active and assertive role in the development process. We therefore stress the need for international rules to respect national sovereignty and allow policy space for development and policy flexibility for developing countries, as they are directly related to national development strategies. We also emphasize the need for policy space to formulate development strategies that take into account national interests and differing needs of countries that are not always taken into account by international economic policy making in the process of integration with the global economy.

Making Globalization Work for Development

Madam President,

35. UNCTAD XI through the Sao Paulo Consensus recognized recent developments in the United Nations system that have enhanced the overall approach to development through a multi-stakeholder approach, highlighting in particular the usefulness of broad-based and participatory approaches of the Monterrey and Johannesburg processes. There is also a need to re-emphasize that development can best be promoted by ensuring a joint sense of ownership of development by the global community including the inter-governmental process.
36. In this regard, we underscore that the leaders of the G-77 at the recent South Summit highlighted the need for an approach to development that is anchored on partnership and joint ownership. A true partnership, or compact for development, should thus be elaborated as one of UNCTAD's contributions to the implementation of the internationally agreed development goals. This partnership would build on UNCTAD XI, the positive experiences of other processes including FfD and WSSD, and the spirit of MDG 8, which calls for global partnerships in specific areas.
37. A broader development partnership, to encompass the totality of the development agenda, could entail, among others, a recommitment by the international community to make globalization work for development. What is required, then, is not so much to engage developing countries in adopting new strategies, but rather to make the international climate more supportive of existing strategies. The process of elaborating a global compact for development could be launched as part of the Millennium + 5 process, and implemented through the engagement of all countries in the development process through their respective regions through the adoption of regional compacts for development.
38. In that regard, we welcome the initiative of the Government of Indonesia to host an ESCAP regional ministerial meeting on the MDGs on 3 to 5 August 2005, which is intended to contribute to the September High-Level Plenary of the General Assembly. It is hoped that the Jakarta ministerial will set the basis for elaborating a regional compact for development for the ESCAP region.
39. UNCTAD's role in the refinement of a partnership-based approach to development that expands ownership of the development process would be critical. It has been at the forefront of developing common development denominators for all developing countries. Such an approach would help foster a coherent development strategy in key areas of common interest for developing countries in international negotiations and policymaking. UNCTAD should therefore serve as a forum for reinforcing the common development objectives of all countries and engendering development solidarity for poverty eradication through trade.

Strengthening UNCTAD

Madam President,

40. We believe that a partnership for development would necessitate, indeed lead, to a strengthening of UNCTAD. In that regard, we would like to flag some issues for further consideration by the TDB.
41. We recall that the President of the TDB flagged the need to revisit the timing of the regular session of the Board so that it could better feed into the processes of the General Assembly. In that regard, we note that this presents an excellent opportunity to begin a dialogue on ways of further enhancing the TDB, including ways of making the TDB more relevant including arriving at consensus on substantive issues through the TDB deliberations. Indeed, we stress the importance of strengthening the link between the TDB and the General Assembly on trade and development issues, and in that context, suggest that the TDB-Second Committee joint meeting on the GA's agenda item on trade and development be revived.
42. As the focal point in the United Nations system for the integrated treatment of trade and development, UNCTAD also has a key responsibility and a critical role of serving as the advocate for development in other multilateral fora including the World Trade Organization. This aspect of UNCTAD's work must be strengthened and enhanced if the multilateral trading system in particular and the international trading system generally is to truly serve as an engine of development and alleviation of poverty.
43. In that regard, we continue to look forward to UNCTAD's work on areas of interest to developing countries including the liberalization of Mode 4 of trade and services including studying the developmental impact of circular migration. We also look towards work on the nexus between international migration and development, and the need to deal with the issue in a coordinated and coherent manner with a view of addressing the opportunities and challenges that migration presents to countries of origin, destination and transit, in order to harness its positive effects. This work should be related and contribute to related processes in other multilateral fora in Geneva, as this is where most of the migration-related specialized agencies are based, in order to promote a more coherent, nuanced, and multidimensional approach to the issue.
44. We also reaffirm our strongest support for UNCTAD's work on behalf of LDCs and once again as a group express our deep concern with the marginalization of LDCs in the global economy. We therefore welcome UNCTAD's report on a "Trade Marshall Plan for LDCs" and the useful practical suggestions it contains. At the same time, we once again stress in the strongest possible way that UNCTAD is an organization for the development and advancement of all developing countries. The G-77 will therefore support any and all measures that will strengthen UNCTAD's broad mission, but will strongly resist attempts to narrow the scope and mandate of UNCTAD's work.

45. UNCTAD could also contribute meaningfully to other development related processes. One such process is the Right to Development process. In that regard, the TDB could explore the feasibility of making a substantive contribution to the process, including contributing to the restored consensus in the Commission on Human Rights' Working Group on the Right to Development, and making a contribution on how to implement its recommendations, as endorsed by the Commission on Human Rights.
46. UNCTAD can also contribute to further promoting strategies for technology transfer for development. There is a need for the global community to launch a concrete, realistic, and time-bound global initiative to support research and development in this regard. One proposal that could be explored is work towards an international agreement on technology exchange.

Thank you Madam President.

Statement by the Representative of the United Kingdom
on behalf of the European Union and the acceding countries
Bulgaria and Romania

at the

Twenty-second special session
of the Trade and Development Board

Geneva, 18 July 2005



Trade and Development Board, Special Session 18 July

'Contribution of the Trade & Development Board to the follow-up to the relevant United Nations development conferences, including the Millennium Summit'

Presidency speaking notes (check against delivery)

I am speaking on behalf of the European Union and the acceding countries, Bulgaria and Romania.

The European Union is strongly committed to the implementation of the Millennium Declaration and the Millennium Development Goals (MDGs).

Development assistance

In their recent European Council meeting in June, the heads of states and government of the EU have agreed a timetable to reach the 0.7% target for the EU as a whole by 2015 and to fix a new common target of 0.56 % of GDP to be reached by 2010. This decision will bring a significant increase in overseas development assistance (ODA) by the EU over the next decade.

The Council has also emphasised the need to improve the quality and effectiveness of ODA, as well as the importance of ensuring the outcomes of development assistance are sustainable.

The EU underlines the link between achieving the MDGs and implementing the outcomes of the UN international conferences and summits in the economic, social, environmental and related fields.

The EU believes that attainment of the MDGs will require sustained and equitable economic growth, and economic integration that benefits developing countries. The EU considers development in Africa to be a top priority and will intensify its efforts to support African countries in particular in attaining the MDGs.

The DDA

Looking forward to the 6th WTO Ministerial in Hong Kong in December 2005, the EU is strongly committed to ensuring a development friendly, sustainable and ambitious outcome of the Doha Development Agenda (DDA) that maximises development gains and thus contributes to the achievement of the MDGs. An ambitious outcome would provide new market access opportunities for goods and services from and between developing countries and new and improved trade rules which would contribute to a more efficient and equitable world trading system. The special needs of weak and vulnerable developing countries, including the LDCs, should be fully reflected in the outcome of the negotiations including through special and differential treatment provisions.

The poorest developing countries need to have the capacity to better defend their interests in the WTO and to implement their commitments.

Capacity-building

The EU is aware that not all developing countries may have been able to take advantage of existing trade opportunities or may be able to take full advantage of those new opportunities that will be created by a successful outcome to the DDA. In this spirit the EU has committed itself to further improving and better co-ordinating trade-related assistance programmes and – in view of possible trade integration costs faced by developing countries - providing additional support for trade adjustment and integration into the global economy. The EU will therefore continue to provide support to developing countries to enable them to seize trading opportunities, in particular by assisting them in integrating production, trade and economic growth into their national development strategies and poverty reduction strategies, and in securing the necessary domestic reforms.

The EU recognises the importance of good governance, strengthened democratic institutions and action against corruption for sustainable development, and that each country has the primary responsibility for its own economic and social development.

The profound challenges facing LDCs in increasing their exports, attracting crucial foreign investment and building the public institutions are essential for competitiveness and innovation must be a major focus for UNCTAD's work.

It is in this context that the EU sees UNCTAD playing its part in helping our developing country partners build the institutional capacities to reap the benefits from global trade and investment by supporting their development process and poverty reduction efforts.

UNCTAD's role

This work is at the heart of UNCTAD's mission, and should be fully reflected in all its activities, and implemented in co-operation and complementarity, not only with the other institutions in the UN family, but also with the WTO, the World Bank and the IMF, as well as regional organisations including regional financial institutions. Such capacity building should also address supply-side constraints, the coherence of national strategies and regional integration.

UNCTAD can make a significant contribution to the achievement of the MDGs in three concrete areas:

1. Firstly in continuing to deliver high quality technical assistance and capacity building to developing countries, including providing advice on institutional reforms;
2. Secondly, assisting the policy development of developing countries through the policy analysis provided by the UNCTAD Secretariat;
3. Finally, by continuing to facilitate a dialogue on international trade and development, outside of the formal negotiating arenas. Civil society have an important role in such a dialogue in seeking to ensure that all groups in society share from the development benefits of trade.

The resources at UNCTAD's disposal are not limitless. To maximise UNCTAD's contribution to the achievement of the MDGs will require difficult decisions on priorities and maintaining high standards across the breadth of UNCTAD's portfolio.

The need for assistance to help developing countries to exploit the opportunities of increased trade and investment has never been greater.

UNCTAD has the potential to make a real difference to developing countries and the EU supports it in fulfilling its mandate and its potential.