



***SOUTH AFRICAN STATEMENT TO BE DELIVERED DURING THE
HIGH-LEVEL DIALOGUE: IS THE WORLD INTEGRATING OR
DISINTEGRATING***

64TH SESSION OF THE UNCTAD TRADE AND DEVELOPMENT BOARD

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GENEVA

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Mr President
Secretary General
Distinguished Delegates,

My delegation would like to express its thanks to the UNCTAD Secretariat for the note provided to lead the discussions of this high-level dialogue. We also wish to thank the panellists for their availability to provide their expert contributions to the topic at hand.

South Africa feels privileged to join you in this forum, one which reflects our collective thoughts concerning new and emerging challenges, which threaten to collapse the momentous development outcomes of 2015. Simultaneously, older and more persistent challenges associated with the on-going financial and economic crisis continue to overwhelm the global economy. Furthermore, the orthodox understanding of globalization, as a vehicle towards economic growth and integration through trade, investment, technological innovation and the free movement of goods and people, is changing rapidly. As the Secretariat Note rightly points out, regional integration is losing its foothold in the current landscape, as countries opt to go it alone and look inward. This exacerbates the effect of shortening opportunities for developing countries to participate in global value chains.

Mr President,

For my delegation, it seems as though the optimism and unity that characterised the adoption of the 2030 Agenda for Sustainable Development has been replaced by uncertainty and a dissipation of the requisite unanimity among the global community to sustain the development agenda. This is particularly visible in terms of financing development and the renegeing of development assistance commitments made by the Global North. This disintegration could undo laudable economic gains, particularly in developing countries.

Low levels of intra-Africa trade, largely due to low levels of industrial development, in turn, severely limit the potential for intra-Africa trade and perpetuate a rather grim cycle. Manufactured goods that are imported by African countries are not being manufactured within the region or the Continent. Given Africa's consistent prioritisation of infrastructure investment and regional integration as growth enablers, industrial development and diversification are, therefore, essential complements to enable African countries to trade amongst themselves and so benefit from free trade agreements.

Mr President

In the midst of a disintegration of the world, we would appreciate the panellists' considered opinions on how developing countries can draw from the existing regional trade agreements, to maximise transformative benefits within regions, particularly in the context where they do not produce the very manufactured goods that the domestic market itself needs? Additionally, what is the likelihood that regional integration will lead to shared prosperity in Africa, in view of recent developments in Europe and with the rising trend and threat of protectionism?

In conclusion Mr President,

My Government's interaction with its partners is governed by the African philosophy of UBUNTU, which loosely translates to the interconnectedness of all people- a way of looking at the world as a community. This calls for a joining of hands and consolidating all our efforts to strengthen economic performance in all our economies, despite the narrowing of interests. Thus, South Africa would like to caution against the intensification of what is fast becoming a hostile climate of exclusionary trade politics that will inevitably derail development and economic growth.

Thank you.