

Trade and Development Board, sixtieth session
Geneva, 16–27 September 2013

**Plenary on Item 7:
Evolution of the international trading system
and its trends from a development perspective**

Speaker: G77 and China

Monday, 23 September 2013

*Not checked against delivery **

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Statement by Ecuador, on behalf of the Group of 77 & China, at the sixtieth session of the Trade and Development Board Trade and Development Board

**Item 7 - Evolution of the international trading system and its trends
from a development perspective**

Monday, 23 September 2013

Ambassador Triyono Wibowo, President of the Trade and Development Board,
Mr. Mukhisa Kituyi, Secretary-General of UNCTAD,
Mr. Guillermo Valles, Director, Division on International Trade in Goods and Services, and Commodities,
UNCTAD,
Dear panelist,
Excellencies, Distinguished colleagues,

1. First of all, allow me to thank the Secretary- General of UNCTAD, Dr. Mukhisa Kituyi, for his introductory remarks, which have given us a clear summary of the trends in international trade in recent years, as well as his expectations regarding the work of UNCTAD in generating the post-2015 development framework, which have the full support of the Group of 77 and China.. Also, I want to extend my words of appreciation for the excellent presentations in this session, which have given us elements to the debate that we will begin later.

Mr. President,

2. UNCTAD has a broad mandate to work on a variety of topics, as it is showed on the agenda of this session of the Trade and Development Board. However, it is always necessary to remember that this Conference was created to analyze the links between trade and development, in order to identify measures to allow trade to contribute to the achievement of development.

3. It is for this reason that the issue before us today is of special importance. UNCTAD should be alert of the international trade trends, to assess the contribution that trade makes to development. This will permit to highlight positive trends, modify the negative elements and identify new practices that can contribute to that goal. UNCTAD's analytical work is very important in this regard, as it will allow the technical cooperation pillar to generate identify programs that best support the efforts of developing countries in this field.

Mr. President,

4. We thank the document prepared for this meeting by the Division of International Trade on Goods and Services and Commodities, which show us relevant elements for today's discussion, such as trends in global trade flows and, above all, potential areas in which trade can contribute to the generation of the post-2015 development framework.

5. On the first point, I would like to stress that developing countries now account for nearly half of global exports. This gives us signs of optimism about the potential for developing countries to contribute to the growth of international trade. However, we must recognize that this potential is not widespread and we still must work actively to make international trade more inclusive, especially regarding the countries that are most in need.

6. Such inclusiveness is not only about generating traditional commercial spaces, because this path reproduces the same exporting trends that have shown very little sustainable, such as models of integration in the world market based in the export of commodities. The inclusiveness to which I refer is related to the improvement of cooperation, in all its forms, to help developing countries to strengthen their structural transformation processes, allowing them to participate in the international market with greater product diversification and added value.

Mr. President,

7. During several sessions of this meeting of the Trade and Development Board, we have discussed the advantages of diversifying income sources. At this meeting, it is also relevant to take into account that when we are talking about trade we mean not only international trade, but we also make reference to the development of domestic demand, which allows more stable and predictable sources of growth. As we have stated on previous occasions, domestic demand does not offer a complete solution, but combined with the strengthening of regional integration processes, it can provide means especially for the most vulnerable countries to strengthen their economies.

8. Other topic that has been presented and discussed in this session is the integration of developing countries in global value chains. As the Group of 77 and China has stated in the past, developing countries are already integrated in these chains, that is why we have to discuss ways to improve the level of incorporation of our countries, especially the most vulnerable, so that they can have presence not only in the base of these chains, but especially in levels with more aggregate value and diversification.

9. An important element in this objective is the need to push forward for the conclusion of the Doha Development Round, with a view to meet the expectations and objectives related to development. We watch with concern that the next WTO Ministerial Conference has a reduced package unbalanced against development, so we appeal to not lose sight that this round of negotiations is devoted to development and, as such, must take into account the expectations of developing countries.

Mr. President,

10. The G77 and China would like to stress once again that the objective of gaining competitiveness through the reduction of social and environmental standards must be rejected. We cannot be talking about sustainable development, when the economic pillar, in this case the pursuit of economic growth, can leave out the social and environmental pillars. Economic growth and trade do not fulfill their social function if they do not take into account important variables such as social inclusion and protection of nature.

11. In this sense and already dealing with the second substantive point of this meeting, it is very important to discuss how international trade can contribute to the generation and achieving of the post-2015 development framework. We welcome that this is one of the main issues being discussed in this session. UNCTAD's role in this process cannot be sufficiently highlighted, as with almost fifty years of experience can contribute substantially on it. We are satisfied to see the actions taken by the Division of International Trade on Goods and Services and Commodities in regard of this important issue, for what it can count on the support of the Group of 77 and China.

Mr. President,

12. Next year we will celebrate the fiftieth anniversary of this organization and we must seize this opportunity to reaffirm the principles and objectives for which it was created: the trade as a means for development. This meeting has been very productive in that sense and the Group of 77 and China look with great enthusiasm that this can be continued at the next meeting of the Trade and Development Commission and the special meeting of the Trade and Development Board to commemorate the fiftieth anniversary of UNCTAD.

Thank you.

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