Statement by
Her Excellency Mrs. Martha Lungu Mwitumwa
Ambassador and Permanent Representative of the Republic of Zambia
Chairperson of the Group of 77 and China
at the Sixty-Seventh Session of the Trade and Development Board

Item 13 - UNCTAD contributions to the implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic and social fields

President of the Trade and Development Board Ambassador Federico Villegas (Argentina),
Deputy Secretary-General of UNCTAD Isabelle Durant,
Excellencies,
Distinguished delegates,
Ladies and gentlemen,

1. The Group of 77 and China would like to congratulate UNCTAD for its work across its various programmes of work in addressing the plight of developing countries in their quest to development, especially during this unprecedented challenging time of the COVID-19 pandemic.

2. The Group of 77 and China wishes to recall UNCTAD’s mandate, enshrined in the Nairobi Maaafikiano and the Addis Ababa Action Agenda, to exercise its important role as the focal point within the United Nations system for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment, and sustainable development. UNCTAD therefore plays a crucial role in addressing the development aspirations of developing countries and in the achievement of the Sustainable Development Goals (SDGs).

3. Today, developing countries are not only more vulnerable to the adverse effects of the COVID-19 pandemic, but many have witnessed years of progress towards the achievement of the SDGs being corroded in a short period of time, as earlier indicated during our intervention on agenda item 3.

4. In this regard, the Group urges UNCTAD to step up its efforts in assisting developing countries attain their development aspirations, to get back on track towards the achievement of the SDGs after the pandemic. In doing so, UNCTAD should pay special attention to the particular needs of all developing countries, and the special conditions that render LDCs, SIDS, LLDCs, and middle-income countries vulnerable.

5. Indeed, as we prepare for the Fifth United Nations Conference on the Least Developed Countries, the Group recalls the overarching goal of the Istanbul Programme of Action (IPoA) of overcoming the structural challenges faced by LDCs in order to eradicate poverty, achieve internationally agreed development goals and enable graduation from the least developed country category. Most notably, the IPoA offers integrating provisions to be built into national policies and development frameworks, with regular reviews with the full involvement of all key stakeholders, which is a useful addition that provides a clear role for UNCTAD’s contribution. The Group would like to see UNCTAD’s role in support of LDCs reinforced through the outcomes of the UNCTAD 15 and LDC V conferences.
Mr. President,

6. A sustainable financial situation is an indispensable ingredient for development, as has been clearly captured in the SDGs, particularly SDG 17. As we are all aware, most developing countries had been facing unsustainable debt burdens already before the pandemic, a situation that has been clearly exacerbated by a combination of foregone revenues, mounting needs for public expenditure and reduced remittances in many developing countries. Moreover, with increasing deregulation of its capital markets, coupled with an increase in the rise of shadow banking, financial sectors of many developing countries are not robust enough to effectively deal with the current situation. UNCTAD should therefore strengthen its support to developing countries for early warning of financial stress, and to find suitable solutions to the debt challenges many countries are facing.

Mr. President,

7. The situation we have today in the world has highlighted the importance of technology and innovation for development and illustrated the logic behind the prominence of this issue in the SDGs, the Addis Ababa Action Agenda and the Nairobi Maafikiano. The capacity to innovate and produce in the medical and sanitary field during the pandemic not only played a role in reducing the loss of human life, but also allowed countries to soften the economic impact of the pandemic through a more swift management of the cycles of the disease. The Group of 77 and China recognises UNCTAD’s work in the area of science and technology, as most recently reflected in the 23rd Session of the Commission on Science and Technology for Development (CSTD), among others, through its focus on the impact of rapid technological changes on the achievement of the Sustainable Development Goals and our ability to effectively leave no one behind. UNCTAD has helped developing countries realize the transformative and disruptive potential of such rapid technological changes and the need for appropriate science, technology and innovation strategies and policies in developing countries. As clearly indicated in previous reports of the Secretary-General, the right policy mixtures and systematic approaches to innovation are necessary to stimulate research and development, build local skills, ensure affordability, and create a supporting regulatory environment in our economies. Hence the need for continued support from UNCTAD to provide appropriate guidance to ensure that science, technology, and innovation policies are internally consistent and aligned with national priorities and development plans of the developing countries.

Mr. President,

8. The SDGs and aspirations of the Addis Ababa Action Agenda cannot be reached without transformative changes in the economic structures in developing countries. The Group of 77 and China therefore underscores the importance of UNCTAD’s work, particularly through the research and analysis pillar, in addressing the economic diversification, transformative, productivity and competitiveness agendas for our economies, especially in the challenging times we live. UNCTAD should continue to provide developing countries with timely analysis and policy recommendations through its research and analysis pillar, to help developing countries enhance their productive capacities, achieve structural transformation and build economic resilience to better withstand current and future global economic shocks, including those generated by the COVID-19 pandemic. Additionally, UNCTAD should continue to support North-South, South-South and trilateral cooperation and promote the sharing of best practices among countries which is crucial for the economic recovery and resilience after the pandemic.

Mr. President,

9. The Group of 77 and China would also take this opportunity to highlight the work of UNCTAD through its programmes on investment and enterprise, trade facilitation and commodities. The worrying trends recently highlighted by the 30th Anniversary edition of the World Investment Report,
focused on *International production beyond the pandemic*, and prospects for global and regional investment flows in developing countries offer valuable insights to feed into developing countries’ investment for development policy making. As we have read in this Report, the impact of the COVID-19 pandemic has led to significant fall in FDI in developing countries. The Report has indicated that global FDI flows are forecasted to decrease by up to 40% in 2020, from their 2019 value of $1.54 trillion. This would bring FDI below $1 trillion for the first time since 2005. Furthermore, early indicators confirm the immediate impact on developing economies in the form of the biggest fall in FDI flows, exacerbated by the excessive reliance on investment in global value chain (GVC)-intensive and extractive industries, which have been disproportionately affected by the pandemic. The Group believes UNCTAD needs to continue strengthening its support to developing countries on investment for development and on the reform of the international investment regime in support of development.

10. To wrap up, we call on the UNCTAD Secretariat, through all five subprogrammes of work, to assist developing countries in tackling the unprecedented challenges posed by the COVID-19 pandemic and to avoid further escalation of poverty levels, further increase in unemployment, and further economic deterioration, which pose a grave threat to the achievement of the commitments of major UN Conferences and summits such as the SDGs and the Addis Ababa Action Agenda.

Mr. President,

11. We should nevertheless not only look solely at the UNCTAD Secretariat for the much-needed impetus in achieving various commitments that have been agreed upon by all Member States. We have a critical mass of development and economic expertise in the Geneva community that we can utilize to enrich this discourse, which we must not neglect. It is our duty to harness through UNCTAD’s intergovernmental machinery to contribute to relevant intergovernmental processes and to the implementation of related internationally agreed development goals. Therefore, as we embark on the road to Barbados, the Group of 77 and China aspires to building better links to New York based processes, in particular to the work of the Second Committee, which is currently undergoing a revitalization exercise, as well as to see an expansion in the number of UNCTAD intergovernmentally-considered items that result in agreed conclusions.

I thank you, Mr. President.