

**Report of H.E. Mr. Khalil Hashmi, Ambassador and Permanent
Representative of Pakistan and Chairman of the Trade and Development
Commission at its 11th session
to the 69th Executive Session of the Trade and Development Board
Geneva, 6 February 2020, room XVII**

Mr. President

Excellencies,

Distinguished delegates,

Ladies and Gentlemen,

I have the honour to report on the work of the Trade and Development Commission at its eleventh session, which took place from 25 to 28 November 2019. The Commission session provided an opportunity for member States and other stakeholders to discuss key issues related to trade and vulnerability. As per practice, the Commission focused on the substantive items of the agenda and its informal consultations led to the adoption of its agreed conclusions. The Commission successfully completed the task assigned to it and it is with pleasure that I present to the Board the report of the Trade and Development Commission on its eleventh session, as contained in the document TD/B/C.I/49.

During the opening plenary the Secretary-General of UNCTAD referred to the environmental, economic and social vulnerabilities posed by climate change, fluctuating commodity prices, rising debt levels and inequality. It was deemed a priority for trade to enhance resilience for all, especially for those most at risk. Collective action through international cooperation in trade, development, finance and environmental policies was identified as a viable option to tackle vulnerabilities of member states.

During subsequent discussions, the representatives of regional groups and delegates highlighted issues related to income volatility, commodity dependence, climate change, transport, and trade facilitation. The unique challenges associated with small island developing states (SIDS) were

stressed by several member states. UNCTAD was urged to continue efforts and pursue research in areas such as climate resilient transportation systems, foreign direct investment, WTO services waiver, analysis of modalities of trade, development and investment between SIDS and other regions, mainstreaming of climate change issues into trade policy, and capacity building for trade facilitation at the national level.

Under agenda item 3, the Commission took note of the reports of the eighteenth session of the Intergovernmental Group of Experts on Competition Law and Policy and the fourth session of the Intergovernmental Group of Experts on Consumer Protection Law and Policy and endorsed the agreed conclusions as contained therein. It also took note of the reports of the following expert meetings:

- Multi-year Expert Meeting on Commodities and Development, eleventh session
- Multi-year Expert Meeting on Trade, Services and Development, seventh session
- Multi-year Expert Meeting on Enhancing the Enabling Economic Environment at All Levels in Support of Inclusive and Sustainable Development, and the Promotion of Economic Integration and Cooperation, third session
- Multi-year Expert Meeting on Transport, Trade Logistics and Trade Facilitation, sixth session and seventh session

Under agenda item 4, the multi-year expert meeting held three panel discussions under the theme of Trade and Vulnerability.

Under the panel discussion entitled “Small Island Developing States: small countries, big challenges”, the vulnerability of SIDS to economic and environmental shocks was brought to the fore. The increased incidences and intensity of natural disasters such as hurricanes were considered a significant threat to the economic prosperity and self-sufficiency of many SIDS. Access to finance in a post-disaster scenario was a chief concern, which was also negatively impacted graduation. As a result, delegates called for improved statistics to help design a vulnerability index for financial purposes and the need for increased export diversification to boost economic resilience.

Within the panel discussion entitled “Commodity dependence: A Vulnerable State”, discussions addressed the high susceptibility of commodity dependent countries to external shocks. This vulnerability was further compounded by global issues such as climate change and trade tensions. As such, delegates put forward solutions to limit vulnerabilities to trade in commodity-dependent developing countries, including horizontal and vertical diversification, and market based financial instruments, to name a few.

During the special session on “Addressing Multifaceted Vulnerability: Trade and Transport Facilitation”, the Director of the UNCTAD Division on Technology and Logistics presented the key finding of the Review of Maritime Transport 2019, conveying the central message that maritime trade was entering a “new normal” that permeated demand, supply, markets, infrastructure and the regulatory framework, creating both opportunities and challenges for developing countries. On the issue of vulnerabilities in trade logistics, the specific cases of LLDCs, SIDS and LDCs were highlighted. Challenges faced by landlocked developing countries include high trade and transport costs and the need for appropriate policies and trade facilitation reforms. Small island developing states are particularly highly exposed to natural hazards, and the implications of extreme weather events due to climate change on the seaports and airports. The Commission also learned about regional perspectives of ASYCUDA and infrastructure. In the ensuing discussion, many delegates highlighted that vulnerabilities related to transport and trade facilitation were major challenges that were affecting the integration of developing countries in international trade. They underlined the need for promoting reforms and continued cooperation with UNCTAD in those areas, including through supporting national trade facilitation committees and through implementation of ASYCUDA, by supporting regional programmes that facilitated the faster movement of goods through customs reforms, regional customs transit guarantee schemes, transit corridors and electronic cargo tracking. Many delegates and panellists noted the quality of the UNCTAD Review of Maritime Transport, as well as other research and analytical work and publications addressing issues of transport and trade facilitation and related legal and regulatory issues.

Under agenda item 5, the Commission provided the UNCTAD secretariat the opportunity to present the progress reports on promoting and strengthening synergies among the three pillars. The

Director of the International Trade and Commodities Division presented the initiatives conducted, spanning several regions and trade-related areas. Delegates expressed their support for the Division's work and encouraged further intervention, highlighting areas such as structural transformation, commodity dependence, blue economy, climate change, consumer protection and competition policy, services trade, African Continental Free Trade Area negotiations, and gender. The importance of the multilateral trading system was also emphasized, and the role of UNCTAD as a point of convergence to discuss multilateral trade issues and consider the interests of developing countries. The UNCTAD secretariat expressed their appreciation for the support from delegates and indicated that increased efforts would be made to boost communication and promotional activities with delegates.

The Agreed Conclusions of the Commission commended the work of UNCTAD secretariat with regard to trade and development. Highlighting the United Nations Trade Forum and in-depth policy and research, the commission called upon the UNCTAD secretariat to continue its work on trade and development with a focus on climate change. With regard to economic vulnerability, the pervasive nature of commodity dependence among developing countries was identified as a significant development challenge. The rise of protectionism and threats to the multilateral trading system also raised concerns about the future of trade for developing countries. In this regard, the UNCTAD secretariat was encouraged to continue to monitor and report on trade trends, policy and tensions within the multilateral trading system. The UNCTAD Secretariat was also requested to continue its policy-oriented analytical work and capacity building activities to support implementation of the 2030 Agenda for Sustainable Development.

In concluding my report on the work of the eleventh session of the Trade and Development Commission, I would like to express my sincere appreciation and thanks to all member States that contributed immensely to the success of this meeting.

In conclusion, Mr. President, may I commend to the Board the report of the Trade and Development Commission and the outcomes of its eleventh session for necessary action.

Thank you, Mr. President.