

**Remarks for the presentation to the 74<sup>th</sup> Working Party**  
**28 November 2016**

My remarks will cover items 4, 5, and 6 of the agenda.

Starting with **Item 4**, the proposed UNCTAD biennial plan for the period 2018-2019. For Subprogramme 1, Component 1: "Globalization, interdependence and development" the stated overarching objective is "to enhance economic policies and strategies at all levels for sustained growth, inclusive and sustainable development, full employment and decent work for all, and poverty eradication in developing countries, especially the least developed countries, including through North-South, South-South and triangular cooperation".

The next step in the logical framework is to specify expected accomplishments. These are: First, an improved understanding of the global economic environment and of policy choices for inclusive and sustained development at the national, regional and international levels; Second, enhanced understanding of the interplay between successful development resource mobilization, debt sustainability and effective debt management as it relates to achieving progress towards a durable solution to the debt problems facing developing countries.

There is also an important third objective of improving Palestinian policymaking and institutional capacities, and strengthened international cooperation for alleviating the adverse economic and social conditions imposed on the Palestinian people and for building an independent Palestinian State.

For Subprogramme 1, Component 2, "Statistical monitoring and support", the objective is "to strengthen the linkages between economic and development policy and decision making through the provision of high quality and timely statistics and support services on trade, investment, debt, macroeconomics, finance (including debt sustainability), globalization, south-south cooperation and sustainable development"

The expected accomplishment is "improved access to and use of reliable and timely statistics and indicators highlighting the interlinkages between trade, investment, debt, macroeconomics, finance, including debt sustainability, globalization and development to support decision-making on economic policies and development strategies and monitoring of Sustainable Development Goals"

Let me now move to **Item 5**. The meta-narrative for Subprogramme 1 is addressing the interlinkages, interdependencies and spillovers in the global economy, and the impact these have on development trends and prospects, including through the international governance framework. More specifically, from the perspective of the Division, the focus of the narrative is on the

macroeconomic, financial and structural aspects of the integrated treatment of trade and development challenges.

The Nairobi Maafikiano, the Agenda 2030, and the AAAA provide the basis of the list of outputs to be delivered in 2018-2019 by the Subprogramme 1. In the case of Component 1, those mandates are clearly reflected in the list of topics for expert group meetings: inclusive growth and SDGs; coherence between international economic rules, policies and processes, and national policies and development strategies; interdependence between trade, finance, investment, technology and macroeconomic policies; coherence of macroeconomic trade, social, industrial, fiscal and financial policies against poverty for sustainable development; illicit financial flows and domestic resource mobilisation for financing development and implementing the SDGs; developing country debt sustainability, debt relief, sovereign debt restructurings and SDG implementation.

A major new item in our proposed work programme is servicing of the Intergovernmental Group of Experts on Financing for Development. This is requested by the Nairobi Maafikiano, and also responds to the AAAA, given UNCTAD's role as one of the five major stakeholders in the FfD process.

To ensure the effective implementation of the FfD outcomes and objectives, and to be able to adequately respond to the challenge of servicing the IGEG, in the absence of additional resources, a reallocation of resources from other parts of the subprogramme will be needed.

Turning to Subprogramme 1, Component 2, a major change is monitoring of the SDGs. We are planning to work on these issues and present the results as a recurrent publication (UNCTAD SDG Monitor) during the 2018-2019 biennium. We will also strengthen the work on the World Economic Macro Modellers database, as it will result in a better understanding of the current trends in the global economy and the issues stemming from the growing interdependence. Finally, we are planning to expand the technical cooperation component of the Subprogramme 1, Component 2, in order to help developing countries to reinforce their national statistical capacity

Let me now move to **Item 6** of the agenda, and explain how we have begun to reflect the Nairobi Maafikiano in the programme narrative for the current budget.

There are four areas in the Maafikiano where member states explicitly asked for strengthening. These are (i) work on LDC issues, (ii) e-commerce and digital economy, (iii) mainstreaming of gender, and (iv) Assistance to the Palestinian People. The first two fall more, though not exclusively, in the domain of work of other subprogrammes, so I will not comment on them.

With regard to mainstreaming of gender, particularly in relation to macroeconomic and financial issues, we will include a chapter in the next TDR on a macroeconomic perspective on gender and

inclusive growth. However, mainstreaming gender across the wider subprogramme will require additional resources if this is to be done properly.

The Nairobi Maafikiano in paragraph 55(dd) requested UNCTAD to examine obstacles to trade and development in the Occupied Palestinian territory with a view to alleviating the adverse economic and social conditions imposed on them by occupation. The critical role played by UNCTAD program of Assistance to the Palestinian People is also recognized by the UN General Assembly in resolutions A/RES/69/20 and A/RES/70/12 with calls for additional work on the costs of occupation. The government of Qatar is providing extra-budgetary resources to help strengthen this work. However, UNCTAD's program of Assistance to the Palestinian People has had only two regular budget professional posts from its establishment and the increasing workload will not be fulfilled with existing resources.

In addition, a major new element stemming from the Maafikiano is the Intergovernmental Group of Experts on Financing for Development. As I have discussed that previously, let me just mention that the aim to begin this next year will be a drain on existing resources and we plan to take out three ad hoc expert group meetings to undertake this new work. At the same time we have added one expert group meeting on inclusive growth and SDGs, to reflect both the Nairobi Maafikiano and the Agenda 2030.

Given the significant and ongoing changes in the international trading system, the Nairobi Maafikiano proposes a new programme of work to advance an integrated approach to trade policy making, requesting the UNCTAD secretariat to support developing countries in the formulation and implementation of trade policy linked to financial, macroeconomic and structural issues (paras 38 w and y and 55 c and 76 h and k)

This has, on occasion, been addressed in the Trade and Development Report, as well as, on an ad hoc basis, through Development Account projects. We have also established a working relationship with the OECD Development Centre around their Policy Dialogue on Global Value Chains and will launch the Production Transformation Policy Review series next year. We plan to consolidate this work within the South South unit given that we see sharing policy lessons to be an important component of this work. However, to advance this new programme of work on a more systematic basis additional resources will be required.

The Nairobi Maafikiano has both direct and indirect implications for component 2. Statistics are themselves identified in the mandate and therefore are impacted directly. In the main, the direct implications for statistics arising from Nairobi Maafikiano were requests to strengthen statistical activity rather than identifying entirely new work areas. Nevertheless, strengthening our activity will mean developing new products and services, including in debt statistics (para 38i); measuring SDGs (para 38aa and para 100j); progress and vulnerability indices for trade and

development (para 55gg); and trade, economic diversification, industrial and mobilization of financial resources statistics (para 76a). Some work along these lines has already started.

However, given the ongoing restructuring of Statistics in UNCTAD, we have not proposed changes as yet, as it is not clear what resources will be available to this component, and what will be its future direction.