

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

Plenary on Item 3:
Beyond the curve: UNCTAD and new
patterns of growth for trade and development

General statements by regional groups
Speaker: G77 and China

Monday, 16 September 2013

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**GROUP OF 77 & CHINA
G E N E V A**

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

**Item 3- High-level segment: Beyond the curve: UNCTAD and new patterns of
growth for trade and development**

Monday, 16 September 2013

Thank you very much Mr. Chairman,

1. Allow me to begin by thanking the excellent presentations that we have heard today, in charge of Dr. Abdelwahab Matar, Minister of Trade and Handicrafts of Tunisia, Dr. Hamadoun Touré, Secretary-General of the International Telecommunication Union and Dr. Francis Gurry, Director General of the World Intellectual Property Organization.

2. In the current scenario of the global economy, with five years of a serious crisis in our shoulders, the role of UNCTAD is essential to propose options to strengthen trade and development. Obviously, we do not expect this organization to present the silver bullet to end the crisis, but that as a focal point of the United Nations system for trade and development and other interrelated issues, it encourages the discussion among countries about its causes and possible solutions, as well as direct research on these issues and develop technical cooperation projects to help mitigate its effects on developing countries.

Mr. President,

3. While some developing countries have managed to avoid some of the consequences of the crisis, they remain vulnerable to potential scenarios that could be unleashed if we do not take economic measures at global level to support the real economy. These measures have several edges, among which I would like to mention the following:

- We should discuss seriously the need to regulate financial flows, both at international and national levels, in order to diminish the risk of recurrence of bubbles that produce short periods of prosperity followed by large periods of turmoil. Having a consensus in recognizing the causes of the current crisis in the financial market excesses, it would be unacceptable that the recovery would be based on new bubbles and not on sound economic foundations.
- It is not possible to return to the path of healthy economic growth without boosting employment that includes wage levels that could sustain the demand. Some developing countries have adopted this trend, which can serve as an engine to a process of structural transformation while developing at the same time human capital and infrastructure. In this process, access to new technologies is a key factor that must be enhanced.
- We should not fall in the temptation to continue a race to the bottom in wages and in the degradation of the environmental conditions as a means to generate export competitiveness. In this regard, the healthiest strategy is to invest in increasing productivity, through the generation of technology and human capital.

- A key aspect of all these processes is inclusiveness. It should be given proper attention to the example of some regions of Africa, Latin America and Southeast Asia, which have combined economic growth with reduced internal inequality, based on good fiscal and industrial policies.
- The growth of trade and investment flows between developing countries must be promoted. Regional integration is an appropriate means to strengthen economies of scale, because it provides a safer environment than the international market, expanding the options for growth.
- Cooperation continues to play an important role in developing countries as it is a key means to expand their productive capacities, both in terms of infrastructure and human resources. While strengthening North-South cooperation, we should continue to explore the options provided by triangular, South-South cooperation and public -private partnerships.
- Also important is the need to work on diversifying exports of commodity-producing countries, seeking at the same time to eliminate the volatility of this market, as this phenomenon affects not only the development options of producing countries, but also the conditions of food security of a good part of humanity. An equitable distribution of the benefits of high commodity prices would be a necessary condition to support States to diversify and increase their productive capacity.

Mr. President,

4. This has been a very brief summary of a number of measures that could be deepened by UNCTAD in its analytical work and technical cooperation projects. Our role, as members of this organization, is to find areas of consensus that allow us to enhance efforts to strengthen the international economic system. I hope this contribution of the Group of 77 and China can be helpful in this process.

Thank you very much Mr. Chairman.

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