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**Item 3: High-level segment Tackling inequality
through trade and development: A post-2015 challenge**

Speaker: South Africa

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61st SESSION OF THE UNCTAD TRADE AND DEVELOPMENT BOARD (TDB)

**STATEMENT BY SOUTH AFRICA ON AGENDA ITEM 3,
THE HIGH-LEVEL SEGMENT: TACKLING INEQUALITY THROUGH TRADE AND
DEVELOPMENT: A POST-2015 DEVELOPMENTAL CHALLENGE**

15 SEPTEMBER 2014

Mr President

South Africa aligns itself fully with the statement made by the distinguished Representative of Chad, on behalf of the Group of 77 and China.

My delegation is grateful to the UNCTAD Secretariat for the most insightful and very useful report on “Tackling inequality through trade and development in the post-2015 development agenda”.

Mr President, the eight Millennium Development Goals adopted in 2000 set bold targets for development and were instrumental in forging a global cooperation framework for development. As we are rapidly approaching the 2015 target date set for reaching these Goals, the focus has moved towards preparing an ambitious global development agenda beyond 2015. However, for South Africa it remains crucial to accelerate resources and efforts towards the achievement of the MDGs by 2015 and this should remain the main global development priority in the time remaining.

Mr President, my delegation welcomes the awareness created by the report of the fact that tackling inequality through trade and development is thus an integral part of the quest for a more sustainable and inclusive development agenda beyond 2015. We therefore welcome the discussion in the report on the complexities associated with inequalities, both within and between countries. We also welcome the emphasis placed in the report on the linkages between the different but interrelated dimensions of economic inequality, including income inequality, access to education and basic services and lack of opportunities and social mobility, which have severe economic, social and even political consequences.

Highlighting as it does the dramatic consequences of inequality, the report convincingly makes the case for a post-2015 UN development agenda which comprehensively addresses the needs and priorities of developing countries.

My delegation notes with deep concern the assertion in the report that “Africa, alongside Latin America, is the world’s most inequitable region” and that, in 2010, 6 out of 10 countries with the most unequal income distribution in the world were in sub-Saharan Africa. My delegation therefore concurs with the report’s conclusion that inclusive and sustainable development cannot be achieved without an integrated policy framework, with growth-promoting and job-generating macro-economic policies and developmental industrial policies as the main pillars.

Policy coherence at the national, regional and global levels is also very important for an enabling environment for sustainable development. To increase the chances of developing countries catching up with developed countries, and therefore reducing global inequality, coherent macro-economic, industrial, trade, environmental and social policies that reinforce each other need to be implemented.

In this regard, South Africa wishes to emphasise that it is important to acknowledge that countries have different starting points, national priorities and regional circumstances. Therefore, in accordance with the need for policy coherence at both the national and international levels; they should be provided the necessary policy space to implement their national development strategies, in accordance with their needs. To this end, Mr President, for inequality to be effectively addressed, the Rio Principles of Common But Differentiated Responsibilities (CBDR), along with Equity and the Right to Development, must be the basis on which the post-2015 development agenda is built.

My delegation further notes the report’s assertion that to address the issues of inequality between countries, the development prospects of developing countries should be strengthened. In this regard, South Africa believes that the UN development agenda beyond 2015 must incorporate the necessary means of implementation, including financial assistance through continued Overseas Development Assistance (ODA). Developed countries must honour their historic obligations and responsibilities, as part of the commitments made in the context of the global partnership for development, which itself also need to be expanded and strengthened. Any post-2015 development

agenda that does not directly and adequately address the means of implementation, both as a goal as well as through individual goal-specific means of implementation, would be hollow and devoid of any credibility. Developing countries' strategies for sustainable and inclusive development, which is a pre-requisite to address inequality, must be supported with predictable sources of finance.

Mr President

South Africa concurs with the observation of the UNCTAD report that income inequality may also affect a country's social and political stability. Therefore, to address this issue, it is important for the development agenda beyond 2015 to integrate the three dimensions of sustainable developmentnamely, inclusive economic growth, social development and environmental sustainability, in a balanced manner.

From a regional perspective, the post-2015 development agenda should be closely aligned with regional priorities. With regard to Africa, it is important that it should complement existing continent-wide initiatives, such as NEPAD, whose programmes are closely aligned to the MDGs and will continue to remain relevant in terms of continental development objectives. Additionally, the eradication of poverty and hunger, as well as combating inequality at all levels, remain the primary objectives for the creation of a more prosperous and sustainable future for all.

South Africa welcomes the report of the Open Working Group on Sustainable Development Goals which was finalized through painstaking negotiations. As called for in the Rio+20 outcome, "The Future We Want" the Sustainable Development Goals that were painstakingly negotiated in New York in July 2014 should give concrete expression to, and complement, the overall post-2015 UN development agenda, which should be agreed through a transparent and fully inclusive inter-governmental process.

In conclusion, given the centrality of the need to address inequality in the post-2015 development agenda, as UNCTAD continues to add value to the global discourse, my

delegation would recommend that the Secretariat, in accordance with UNCTAD's mandate, in the areas of research and policy analysis and capacity-building, strengthen and expand existing work in these areas to focus on assisting developing countries to develop and implement appropriate and mutually reinforcing policies for the purposes of addressing inequality.

Thank You!