



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

**Statement by the Group of 77 and China to be delivered by the  
Chairman of the Group of 77 and China in Geneva  
H.E. Ambassador Farukh Amil (Pakistan)**

**Agenda Item 2: Evaluation and review of UNCTAD implementation of the  
quadrennial conference outcome**

**Sixty-Fifth Session of the Trade and Development Board (Part-II)  
Geneva, 1-4 October 2018**

Mr. President, Ambassador Salim Baddoura (Lebanon),  
Secretary-General, Mr. Mukhisa Kituyi,  
Distinguished colleagues,

I have the honour to deliver this statement on behalf of the Group of 77 and China.

I would like to thank the Secretary-General and his team for the detailed report highlighting the Secretariat's role and contribution in the implementation of mandate received from the last Ministerial Conference.

The 14<sup>th</sup> UN Conference on Trade and Development held in July 2016 in Nairobi, Kenya should rightly be considered as an important milestone in the United Nations' multilateral work on trade and development and interrelated issues of investment, finance, technology and sustainable development. However, since then we have already witnessed enormous deterioration in the principles and practice of multilateralism as a whole and multilateral trading system in particular. Indeed, ideological and fiscal onslaughts on multilateralism and multilateral institutions could overturn the painstaking work done over the decades.

**Mr. President,**

The Group of 77 & China call for correcting inherent imbalances in the trade, economic and development systems that remain heavily tilted in favour of developed countries. We are still a long way from our overarching goal of providing enabling environment to developing countries to achieve their full economic potential. The need for constructive, structured and result-oriented dialogue between developed and developing countries has thus grown, not diminished, with even broader set of issues. Longstanding issues such as debt, illicit financial flows and Financing for Development still warrant our immediate attention as well as 21<sup>st</sup> Century challenges including climate change, environmental protection and the Fourth Industrial Revolution characterized by automation, robotics,

Internet of Things, artificial intelligence, 3D printing and big data. Without such dialogue the gap between developed and developing countries would only grow further to the detriment of both.

Today after three years of adoption of Sustainable Development Goals (SDGs), the progress in their implementation can best be characterized as mixed. Clearly, we need to step up our work for realization of these goals. As international cooperation and partnership were part of the SDG package, the Group calls for a robust mechanism to assess and follow-up the implementation of commitments made at international level. We want to see UNCTAD's robust role in the implementation of Agenda 2030 and Addis Ababa Action Agenda, as called for in the Nairobi Maafakiano.

**Mr. President,**

Nairobi Maafakiano had set the mandate for UNCTAD's work for four years and equally importantly provided policy analysis on trade, economic and development issues. The G77 & China had asked for undertaking a Mid-Term Review in order to assess the implementation of Ministerial Conference, take stock of progress made so far and suggest ways and means to improve our future work.

The Group of 77 & China would like to highlight few issues of general nature with regards to the Mid-Term Review of Nairobi Maafakiano. In subsequent sessions, the Group will provide detailed comments/observations on individual paragraphs/sub-themes of the document:

- i. At the global level, the developments since UNCTAD XIV in the areas of trade, investment, finance and technology demand constant and continuous attention from the international community; and some challenges in these fields have become more acute to many developing countries. Trade tensions are rising and the multilateral trading system is under severe stress. Productive investments appear to be in a negative cycle. The increase in many developing countries' public and private debt and a likely interest rate hike in advanced economies could lead to financial distress. Moreover, the role of technology in economic growth has further risen with digital economy, creating opportunities and challenges as "closing technological gaps" is becoming harder as the pace of innovation continues to accelerate;
- ii. The Group reaffirms important principles underpinning all of our work including policy space, special and differential treatment and right to development;
- iii. The G-77 & China reiterate the importance of right to development. We cannot think of fulfilling human rights without ensuring human dignity through economic opportunities, trade and development. Freedom from poverty is a human right too;
- iv. As we called for dialogue between developed and developing countries, we believe that there is immense potential in UNCTAD to provide necessary space and

platform enabling informed and confidence-building dialogue involving all stakeholders. With the “revitalization of intergovernmental machinery”, we tried to put fresh impetus to these efforts. Although that exercise did not yield optimum results, we are determined to continue our efforts for UNCTAD intergovernmental machinery to live up to its potential;

- v. We consider the establishment and operationalization of Intergovernmental Groups of Experts (IGE) on E-Commerce and Digital Economy and Financing for Development as one of the key successes of Nairobi Maafakiano. Overwhelming participation of relevant experts, concrete policy recommendations and visibility of these IGEs outside Geneva prove that with right conditions and political will, intergovernmental machinery can serve its intended purpose of building consensus on important longstanding and emerging issues. In fact, IGE on E-Commerce and Digital Economy is one of its kind in the UN system. Therefore, we would like these IGEs to continue and be further strengthened in the next Ministerial Conference;
- vi. We are pleased to note the progress made in several important areas as identified in the Nairobi Maafakiano. However, there is much to be desired for progress in many areas including on tax evasion, tax avoidance, transfer of technology, illicit financial flows, trade and Intellectual Property;
- vii. Member States should be better informed and consulted before and after important meetings where UNCTAD Secretariat takes part to present a collective view of the organization. By making it a regular feature of UNCTAD’s work would remove information gap and improve follow-up on important issues;
- viii. North-South Cooperation still remains the primary vehicle of international cooperation complemented but not substituted by South-South and Triangular Cooperation. With diverse backgrounds, varied economies and different levels of development achieved within the developing countries, there is a tremendous scope for cooperation on trade, investment and sharing experiences;
- ix. We have noted with concern the sharp decline in contributions from developed countries for important work done in the technical cooperation. If this trend is not arrested immediately, there is a concern that many important projects/initiatives could not be sustained;
- x. It’s also a matter of concern that full implementation of para 55 (dd) could not be made possible due to “budgetary constraints and limited extrabudgetary support”. We call for implementation of this important decision in support of Palestinian people and request the Secretariat to provide detailed proposal and the budget estimates required for fulfilling its mandate.

As this is an important exercise, the Group of 77 & China would be making detailed comments/remarks on each sub-theme as we progress in the meeting.

Mr. President, we assure you of our full cooperation for a successful session.

**I thank you.**