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General statements by regional groups
Speaker: Asian Group

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Statement by
H.E. Ambassador Seyed Mohammad Reza Sajjadi,
Permanent Representative of the Islamic Republic of Iran,
on behalf of the Asian Group
at the 59th Session of the Trade and Development Board
Geneva, 17 September 2012

Mr. President,
Mr. Secretary General,
Excellencies,
Ladies and Gentlemen,

I have the honour to speak on behalf of the Asian Group. The Group aligns itself with the statement made by Indonesia on behalf of the G77 and China.

Mr. President,

Allow me first to express our congratulations on your election as president of the Trade and Development Board. We are confident that by your leadership and wisdom you will lead us towards a successful session and year.

The Group would also like to sincerely thank H.E. Ambassador Maroumping, our outgoing president, for his dedication and tireless efforts over the past year and in particular for his leadership which helped make UNCTAD XIII a success.

Last but not least I would like to express our gratitude to Dr. Supachai for his excellent leadership and stewardship of the UNCTAD secretariat and his commitment to the idea of “inclusive development” during his tenure. His tireless efforts and dedication put UNCTAD in a position to impact the broader development discourse.

Mr. President,

This is the first regular TDB meeting to be held after UNCTAD XIII and its successful outcome. The Doha Mandate which in fact is an addition to Accra Accord and could easily be referred to as “Accra plus” was a great achievement for all member states. This outcome paved the way for UNCTAD to continue its steady work and strengthen its three pillars. The task before us now is to show our commitment with good faith and keep this momentum through its full implementation. In particular, the TDB as the highest intergovernmental machinery after the Conference has a significant role and responsibility in this respect.

Now allow me to comment on the heavy agenda that we have in front of us for the next two weeks.

Mr. President,

As the Trade and Development Report shows, the world economy continues to suffer from the fallout of the financial crisis. It has not yet recovered

and downside risks are growing again and a problem of contagion remains serious. The report further states that, to some extent, because of the unreformed and unrepentant financial sector and macroeconomic policies, developing countries will not be able to sustain their own growth, let alone that of the global economy. Even Asian countries which have been the vanguard of the global recovery are experiencing slowdown in their economy.

In this context, lack of consensus on how to face the current crisis would have damaging consequences not only on the world economy but also on developing countries that are already experiencing declines in exports, GDP and in some cases alarming weakening of their balance of payments, which could lead to new debt crisis. The past 30 years experience also demonstrates that the structural reform policies in the developing world have reinforced the trend towards greater inequality, which has become a visibly damaging feature of finance-driven globalization.

Based on the above mentioned facts, in our deliberations on agenda items related to interdependence and development strategies in a globalized world, and in particular for the post 2015 era, we should seriously discuss reforms to the current international economic system and to create supportive institutional arrangements. In this respect, we believe UNCTAD, and other relevant UN bodies, should be more active and submit their inputs, recommendations and policy options at all levels before it gets too late.

With this trend and the current increase of unemployment we are of the view that in our high level segment we need to discuss the issue of job creation not only as a problem for Africa but a problem for all developing countries; a problem which originates mostly from the current recession and is a result of the ongoing financial crisis. In fact we will not be able to create more jobs as long as the current global economy is not conducive.

Mr. President,

While developing countries face the impacts of the global economic crisis as well as persisting and emerging challenges like climate change, volatile commodity prices and unemployment; it is unfortunate that they must also be made to suffer from other imposed challenges. The continued imposition of unilateral economic, financial and trade measures against developing countries by some developed countries is in violation of international law and the UN Charter. Such sanctions, as reaffirmed by the Doha mandate, impede the economic and social development of a nation and thus must be stopped.

In the area of investment, we underline that investment should not be seen as an objective by itself, but that investment should be considered as a tool to enhance productive capacity, job creation, transfer of technology and ultimately inclusive and long-lasting development. To this end, there is a need for a developmental state which follows this objective and invests and absorbs investment in the areas that will contribute to this purpose. Investment agreements between developed and developing countries should also be balanced and maintain the policy space of developing countries. In this context, UNCTAD can play an important role.

The other key issue is the role of trade and the international trading system as an engine for development. It is regrettable that the WTO's Doha Round is still at impasse. In this regard the development mandate of the Round is very important and must be reflected in any outcome. Needless to say that trade matters cannot, and should not, be isolated and concentrated in one institution.

It should also be underlined that the global trade is interlinked to the global financial and monetary systems and cannot be addressed in isolation. The United Nations with its universal membership and mandate should address issues of holistic importance and impact, and UNCTAD as the UN focal point for the integrated treatment of trade and development and interrelated issues in particular in the areas of finance is the most competent body which has the main role and responsibility in this area and must contribute actively to this debate.

In a broader context of development, UNCTAD should play an active role in the follow up to the outcomes of the major UN conferences and summits in the economic and social fields. We also look with particular interest at the debate about UNCTAD's contribution to the implementation of the Istanbul Programme of Action -- in particular, the LDC's graduation towards development.

In conclusion, Mr. President, the Asian Group emphasizes that the TDB should focus on its substantive work and issues like organizational matters should be supportive to the substantive work of UNCTAD and not distract us from our main task which is the contribution to the achievement of the broader global development agenda. In this regard, we expect that real commitment prevails over our deliberations and concerns over the proper function of intergovernmental machinery, created during the past months, be removed. In this context we express our concern that the JIU report which in fact should strengthen UNCTAD, has changed to an issue for paralyzing the intergovernmental machinery and call on all parties to show their commitments and to focus on our main goal which is global inclusive development.

Thank you Mr. President.