

Statement of Mr. Toufiq Islam Shatil, Counsellor, Permanent Mission of Bangladesh, at the Sixty-third Executive Session of the Trade and Development Board, on behalf of the LDC Group

Item 4 - Trade and Development Report, 2016: Structural Transformation for Inclusive and Sustained Growth

Geneva, 28 September 2016

Mr. President, Excellencies, Ladies and Gentlemen,

Good afternoon to you all. I have the honour to deliver this statement on behalf of the LDC Group.

Mr. President,

At the outset, I would like to express our sincere appreciation to UNCTAD Secretariat for once again publishing UNCTAD's flagship Trade and Development Report (TDR), which vividly depicts the trade and development challenges of the South, and also for the presentation today. We align ourselves with the statements made by Argentina on behalf of the G77 and China.

Mr. President.

The TDR 2016 rightly concludes, in our view, that multilateral support is needed to ensure that governments have the requisite fiscal revenues and policy space to create decent employment and shared prosperity in order to transform people's lives. This is more true for LDCs, specially in the context of attaining the 2030 SDGs. The Report has also cautioned us that the world economy is in a fragile state, with growth likely to dip below the 2.5 per cent registered in last two years. Moreover, the Report rightly underscores that industrialization through trade is not being able to generate high-wage employment, and is consequently failing to contribute to economic development through shared growth. This has to be addressed to ensure that trade really works as the engine of growth and development for the developing countries. In this connection, we reiterate our concern that 2% export-target for the LDCs needs to be given further emphasis, as was agreed in Nairobi.

Mr. President,

As the TDR 2016 recommends, structural transformation is necessary to address stalled and premature industrialization in developing countries and to ensure productivity and employment. This requires realistic development policy supported by strong investment push, high level aggregate demand, strong R&D and Technology transfer, ensuring tax revenue through closing loopholes and ensuring strong backward and forward linkages. All these require, apart from required policy space at national level, an overarching multilateral consensus and subsequent actions in relevant areas so that developing

economies, including the LDCs, can rip the benefit. We believe that the 2016 TDR, as like previous years, is a good reference document in this regard.

Mr. President,

The ongoing downturn of the global commodity market, as identified in the TDR, is one of the reasons of increasing borrowing cost and debt-to-GDP ratios for many developing countries, apart from currency depreciations and worsening growth prospects. This is especially true for commodity-dependent African countries and LDCs. The volatility of the commodity market is needed to be immediately addressed by the international community through, among others, effective multilateral actions.

Mr. President,

Finally, with the purpose of bringing the decision, taken in Nairobi to revitalize UNCTAD's intergovernmental machinery, into concrete action, the LDC Group restates the position of the G77 & China that agreed conclusion to the TDR 2016 is needed to be reached, if not in this Executive Session, then in the main TDB session in December 2016.

I thank you Mr. President.