



**Statement of H.E. Mr. Marcelo Cima
Ambassador Extraordinary and Plenipotentiary Permanent Representative of the Argentine Republic
to the UN Office on behalf of the Group of 77 and China in Geneva
at the Sixty-third Executive Session of the Trade and Development Board**

*Item 4 - Trade and Development Report, 2016: Structural Transformation for Inclusive and Sustained Growth
Geneva, 28 September 2016*

Mr. President, Ambassador Alfredo Suescum (Panama),
Mr. Richard Kozul-Wright, Director, Division on Globalization and Development Strategies,
Ambassadors,
Ladies and gentlemen,

1. At the outset allow me to thank the secretariat for producing once again excellent research in the form of the Economic Development in Africa Report (EDAR) and Trade and Development Report (TDR). Taken in combination, these reports provide valuable food for thought on how to best address some of the key development challenges that we face.

2. In the next few minutes I will address in a general manner agenda item 4. The Group will of course expand on these ideas during the relevant sessions.

Mr. President,

3. This year's TDR once more highlights the importance of the developmental state as well as the need for a holistic approach to development that is based on a pragmatic mix of policies and approaches. The implication, once again, is that there is a fundamental need to revisit the conventional wisdom and escape the confines of the proverbial box.

4. Our preparations for UNCTAD 14 highlighted the need to work on shifting the global consensus away from the prevailing conventional wisdom, which has failed us, and to address the fundamentally difficult questions of whether we are on the path of doing development right and whether the global economic architecture is fit for purpose.

5. One of the first steps in addressing these questions is to take stock of the health of the global economy, and part of the answer lies in assessing how it has fared in recovering from the global financial and economic crisis. The answer is "not very well."

6. As the TDR points out, the global economy is fragile, and has been so for some time. The developed economies remain weak and expectations regarding the so-called emerging economies have failed to materialize.

7. We appreciate the conclusion of the report that the solution lies in a pragmatic policy mix designed to encourage the strengthening of productive capacity, the building of demand, and hence the need for industrial policies as part of an overall development strategy appropriate to the realities of today. These measures all require an active developmental state to give direction and purpose, as well as to mitigate market failures such as the excesses that resulted from deregulation culminating in the global economic and financial crisis.

8. The emphasis of industrial policy as part of a broader development agenda is especially important. As we have learned through painful experience, there is no panacea for development. Individual measures will inevitably fall short of expectations and desired results. As development is a multifaceted process and challenge, so too must solutions and approaches be multidimensional and mutually reinforcing. This means that while the responsibilities of individual countries should not be neglected, challenges at the global level, such as reforming global economic governance, also require action.
9. This is one important lesson that has been incorporated into the sustainable development agenda: the recognition that for development to be sustainable, it is not enough to address the symptoms; the core economic issues themselves have to be addressed.
10. Our preparations for UNCTAD 14 provided an excellent opportunity to address these issues, and the conference itself was an excellent platform for ministers and other high-level officials to engage in a dialogue at the global level on how to best address the development challenges that we face at all levels in order to do development right, or at least to do development better.
11. We appreciate the engagement of our partners in the preparatory process and the negotiations in Nairobi. One lesson learned is that the profound policy discussions that took place at the conference should actually be a continuing dialogue in UNCTAD's intergovernmental machinery. In this regard, we look forward to a deeper discussion at the Trade and Development Board, and our forthcoming deliberations on the TDR provide us with our first major opportunity since Nairobi to make good on our commitment to strengthen UNCTAD's intergovernmental machinery.
12. While we are aware that there is no consensus yet on broadening the topics to be covered by agreed conclusions by the TDB, we hope that this Executive Session will also include agreed conclusions to the TDR, in addition to the agreed conclusions on the Economic Development in Africa Report.
13. Should it not be possible to reach consensus in time for this session, we would expect that we would have these agreed conclusions at the forthcoming regular session of the Trade and Development Board in December.
14. We have agreed to revitalize the intergovernmental machinery. Not having agreed conclusions on the flagship publication of UNCTAD would be inconsistent with that agreement.

Thank you very much.