



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

**Statement of the Group of 77 and China to be Delivered by
Mr. Robert K.V. Kahendaguza, Deputy Permanent Representative, Tanzania Permanent
Mission, at the 64th Executive Session of the Trade and Development Board
Geneva, 6 February 2017**

Mr. President.

1. At the outset allow me to say how honored I am to speak on behalf of G.77 and China at this very important, **64th Executive Session of the Trade and Development Board**. Let me also thank the Deputy Secretary General for his very illuminating statement and welcome the new Director of the Division for Africa, Least Developed Countries and Special Programmes. We look forward to working closely with you, especially as we enter the subsequent phases of implementing the Nairobi Maafikiano.

2. I also wish to thank you, Mr. President, for the excellent manner in which you have guided us in our work as we prepared for the TDB. I am very pleased that most outstanding tasks have been successfully addressed and that we are well placed to commence Phase II of the implementation of the Nairobi outcomes, namely the revitalization of the intergovernmental machinery which is perhaps the most important outcome from UNCTAD XIV. In this regard, I would like to pay tribute to the other groups and their respective coordinators for the very constructive and fruitful engagement we have had since Nairobi and their commitment to the full and faithful implementation of the Maafikiano. I am confident that working together in the prevailing positive spirit and constructive manner, we will accomplish our shared objective of strengthening UNCTAD.

Mr. President.

3. The G77 and China is pleased with this year's Least Developed Countries Report 2016 on the theme of "The path to graduation and beyond: Making the most of the process" and commends the Secretariat for presenting useful and viable policy recommendations for the Board's consideration. We encourage the Secretariat to continue this practice in parliamentary documentation, and especially in the other flagship publications.

4. The Group concurs with the main messages and policy recommendations of the Report, notably the need to aim at what the Report calls "graduation with momentum" and therefore the crucial importance for LDCs to view graduation as a milestone in the process of sustainable development.

5. The Report comes at an opportune time - mid-way between the adoption of the Istanbul Programme of Action and the target date for the accomplishment of the programme in 2020. The

statistics, analysis and the recommendations contained in the Report will be very useful for policymakers from Least Developed Countries and from partner countries to steer the LDC development process with the goal of graduation with momentum, and thereby maximizing the developmental impacts of this process.

6. However, the G77 and China notes with concern that so far only 4 countries (Botswana, Cape Verde, Maldives and Samoa) have graduated from the LDC category and that only 16 countries are likely to graduate from the category by 2024. The Group takes note that under current conditions and circumstances, the target set in the Istanbul Programme of Action that at least half of the LDCs should meet the criteria for graduation by 2020 will be largely unmet. The G77 and China further notes with concern that the still sluggish and uncertain pace and path of the recovery of the world economy is having adverse effects on the LDC economies. These effects are reflected in the slowdown in economic growth in the LDCs in 2015 to a level which is the lowest in this Century and about half the minimum threshold of average annual growth targeted by the Istanbul Programme of Action (IPoA).

7. As highlighted in the Report, efforts need to be significantly stepped up both at a national level and at an international level in order to give LDCs a boost to achieve their sustainable development objectives, including targets set both in the Istanbul Programme of Action and Agenda 2030. So far national policies have been constrained in their effective implementation and impact by capacity, institutional, technological and financial deficits.

8. The Group of 77 and China concurs with the Report's recommendation that LDCs are encouraged to plan their national development strategies beyond graduation and to place structural transformation, poverty eradication and inclusive growth at the heart of their policy objectives; The maintenance of peace and security and the upholding of developmental governance remain crucial to ensuring growing prosperity in LDCs.

9. Furthermore, the G77 and China notes with concern that international support measures (ISMs) so far have not had the desired impact on the development and graduation prospects of LDCs. Thus, the Group calls upon the international community to meet their commitments pledged under the Istanbul Programme of Action and to put in place adequate mechanisms, jointly with LDCs and other stakeholders such as UNCTAD, to ensure a proper monitoring and evaluation of the international support measures.

10. The G77 and China concurs with the view that technology has been the weakest link of the international support architecture in favor of LDCs and calls for the international community to take action in order to redress this shortcoming. The future operationalization of the Technology Bank and the Science, Technology and Innovation Supporting Mechanism dedicated to LDCs, as was proposed in the Istanbul Programme of Action (IPoA) is a step in the right direction. This must take place in a way that ensures the effective building of technological capacities in LDCs, and not place excessive emphasis on intellectual property protection as transfer of technology remains a major priority for LDCs.

11. Under the current international climate and amidst the rising tide of nationalist and protectionist sentiments, the G77 and China calls upon the international community, especially the developed countries to maintain and improve their trade, technology and financial international support measures for LDCs. The LDCs, now more than ever, need the support of the international community to avoid falling back into the traps of massive poverty, growing inequality, pervasive unemployment and environmental degradation.

12. In this connection and as I conclude this statement, I can't help but recall the Secretary-General's observation that "the LDCs are the battleground on which SDGs will be won or lost". This is why the G.77 and China wishes to underscore the imperative of support to the LDCs on the part of the international community lest we jeopardize global stability in the long run.

Thank you Mr. President.