**United Nations** 



## United Nations Conference on Trade and Development

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**Trade and Development Board Twenty-eighth special session** Geneva, 17 June 2014

## **Report of the Trade and Development Board on its twenty-eighth special session**

Held at the Palais des Nations, Geneva, on 17 June 2014

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#### Introduction

The twenty-eight special session of the Trade and Development Board was held at the Palais des Nations, Geneva, on 17 June 2014. In the course of the session, the Board held two plenary meetings, the 1115th and 1116th.

The special session of the Board was convened by member States as part of a weeklong celebration of the fiftieth anniversary of the establishment of UNCTAD.

#### I. President's summary

## **Celebration of the fiftieth anniversary of the establishment of UNCTAD** (Agenda item 2)

1. The President of the Trade and Development Board opened the special session with welcoming and introductory remarks.

The following speakers made opening statements: the Secretary-General of the 2. United Nations, the Secretary-General of UNCTAD, the Vice-President of Switzerland, the Minister of Culture, Arts and Heritage of Qatar and President of UNCTAD XIII, the Minister of Foreign Affairs of Peru (by video), the former Prime Minister of Togo, the former Minister of Industry and Commerce of Uruguay and the former Head of the UNCTAD Research Division. Statements were then made by the representatives of the following delegations: Chad, on behalf of the Group of 77 and China; Algeria, on behalf of the African Group; Trinidad and Tobago, on behalf of the Group of Latin American and Caribbean Countries; Jordan, on behalf of the Asian Group; the European Union, on behalf of the European Union and its member States; Austria, on behalf of Group B; Paraguay, on behalf of the landlocked developing countries; the United States of America, on behalf of the JUSSCANNZ group; Belarus, on behalf of Group D; and Benin, on behalf of the least developed countries. Statements then followed by the representatives of Kuwait, the Sudan, Iraq, Kazakhstan, Peru, the Russian Federation, India, the Republic of Moldova, Brazil, the Islamic Republic of Iran, China, Egypt, Haiti, the Holy See, Jamaica, the United Kingdom of Great Britain and Northern Ireland, Argentina, the Republic of Korea, Trinidad and Tobago, Ecuador, the Plurinational State of Bolivia, Serbia, Albania, Indonesia, the Philippines, Myanmar, the Bolivarian Republic of Venezuela, South Africa, Uruguay, Barbados, Zimbabwe, Bangladesh, Thailand, Malaysia, Côte d'Ivoire, Kyrgyzstan, the Niger, Tunisia, Morocco, the State of Palestine and Ethiopia. Statements were also made by the Director of International Programmes of the Center for Economic and Policy Research and the Global Coordinator of the Social Watch Network.

#### 1. Opening statements

3. The President of the Trade and Development Board emphasized that the objectives and principles set out in the Final Act of the first session of the United Nations Conference on Trade and Development (UNCTAD I) were still relevant. He pointed out that there were at least three major opportunities for UNCTAD to accomplish more in the years to come: the articulation of the post-2015 development agenda, the third International Conference on Financing for Development and UNCTAD XIV. He encouraged UNCTAD not only to continue functioning as an incubator of ideas, but also to continue to be a nursery for action. He emphasized that constraints in the debates of recent years should give way to the free and open dialogue and consensus-building that had been the bedrock of UNCTAD since its foundation. He highlighted the importance of rededicating efforts to the true work

of UNCTAD, which was to bring about justice and equity in the global economic system for all of humanity.

4. The Secretary-General of the United Nations gave a brief account of the social and economic situation, past and present, of the world. Highlighting the fact that there were only around 500 days remaining to achieve the Millennium Development Goals, he urged the development community to build on past accomplishments and accelerate efforts to contribute to sustainable development. He stressed the need to have a bold, ambitious, inclusive and environmentally sustainable post-2015 development agenda with transformative solutions. Finally, the Secretary-General underscored the need to strengthen multilateral cooperation and global partnership and entrusted UNCTAD to play a vital role in sustainable development in the context of the post-2015 development agenda.

5. The Secretary-General of UNCTAD gave a brief overview of the role UNCTAD had played since its inception. He elaborated on the challenges of fighting poverty and emphasized the importance of fostering development that was sustainable – economically, socially and environmentally. He pledged UNCTAD's commitment to maintaining the spirit of adaptability and responsiveness to the needs of member States. He concluded by echoing the Secretary-General of the United Nations on the need to strengthen multilateral cooperation and partnership at UNCTAD in favour of prosperity for all.

6. The Vice-President of Switzerland commended UNCTAD for its vital role in the area of trade and development. She emphasized however that the world was very far from reaching the objective of fighting poverty. She stressed that economic development could not be sustainable if it benefited only the elite and highlighted the need to respect human rights and the rule of law in promoting development.

7. The Minister of Culture, Arts and Heritage of Qatar and President of UNCTAD XIII underscored the importance of the fiftieth anniversary of UNCTAD and stressed the importance of building on past achievements and having them serve as the motivation to meet the challenges of the future. He reiterated the role of UNCTAD as a development organization, not a trade organization. He maintained that the world needed more than ever a new culture of multilateral relations and cooperation. He commended UNCTAD actions to promote a new culture of diplomacy and multilateral relations, such as the Geneva Dialogues, and a spirit of constructive and frank engagement.

8. The Minister of Foreign Affairs of Peru commended UNCTAD for its important achievements over the years. She stressed the vital role that UNCTAD could play in the post-2015 sustainable development agenda and urged the organization to continue to live up to the expectation of tackling current and emerging problems related to development and of fostering cooperation in an inclusive manner.

9. The former Prime Minister of Togo and the former Minister of Industry and Commerce of Uruguay, both of whom had witnessed the establishment of UNCTAD, shared their insights into the situation with a focus on the international arena after the creation of the United Nations. They reflected on how UNCTAD emerged to fill the gap within the United Nations system in the area of fostering economic development and on the think tank role UNCTAD had played over the years. They both paid tribute to the late first Secretary-General of UNCTAD, noting the outstanding work he had done for UNCTAD and the development community. The former Head of the UNCTAD Research Division spoke on the development and evolution of the concept and identification of the least developed countries, and the vital role UNCTAD had played in this regard.

#### 2. Statements by member States and other participants

10. All speakers expressed their appreciation for UNCTAD's work and its role as the focal point within the United Nations system for the integrated treatment of trade and

development and interrelated issues and reaffirmed their support for the organization in this regard. Many noted that, while the world had changed significantly since the establishment of UNCTAD in 1964, the essence of UNCTAD's mandate had not changed.

11. Many delegations expressed their appreciation of efforts made by UNCTAD to help developing countries to integrate into the international economic and trading system and commended UNCTAD's role in advocating and bringing about justice and fairness in the global economic system. The representative of one regional group commended UNCTAD's role in fostering a more just and equitable world by helping the most vulnerable and marginalized. Several delegations highlighted in particular notable achievements of UNCTAD related to the Generalized System of Preferences and the subject of policy space, as well as the organization's role in supporting countries in addressing the outcomes of the global economic crises of 2008. Some delegates welcomed UNCTAD's capacity to react promptly in the interests of development. Several delegations also expressed appreciation for UNCTAD's work in the areas of technology transfer, finance, trade policies, trade facilitation, investment, commodities and assistance to the Palestinian people.

12. The representative of one regional group stressed that UNCTAD was a development organization, rather than a trade organization. The representatives of several regional groups underscored that it was important that UNCTAD should address development and trade through an integrated approach. One delegate noted that the three pillars of UNCTAD were unique and gave UNCTAD a competitive advantage over other United Nations entities in dealing with trade and development issues in an integrated manner. Several delegations underscored that UNCTAD could play an active and important role in tackling development challenges in the context of discussions on the post-2015 sustainable development agenda and through the third International Conference on Financing for Development and UNCTAD XIV in 2016.

13. A number of delegations underscored specifically that UNCTAD had an important role to play in the post-2015 sustainable development agenda. One delegate urged that, in defining the post-2015 development agenda, one objective should be to eliminate extreme poverty by 2030. He noted that UNCTAD had a role to play with regard to trade as a means of promoting sustainable development and reaffirmed his delegation's support for UNCTAD in this regard. Another delegate said that an international system that promoted sustainable development was needed, while some delegates called for a new culture of diplomacy and multilateral economic relations. Another delegate noted that in promoting sustainable development, each stakeholder, including national Governments, organizations and individuals, had a responsibility to shoulder. While trade could be an enabler of inclusive and sustainable development, the right enabling conditions, policies and infrastructure needed to exist at national and international levels. To this end, conditions of market access, productive capacity, skills, technology, finance and competitiveness with trade facilitation infrastructure needed to be in place. Another delegate called on UNCTAD to strive for a post-2015 development agenda that not only consolidated the Millennium Development Goals, but also enabled developing countries and the least developed countries to adequately respond to the development challenges of the twenty-first century.

14. Several delegations noted that developing countries faced challenges to sustainable development, such as increases in food prices, energy and climate change, which each required adequate solutions that should be studied at the global level. They noted that the research and analysis work of UNCTAD was fundamental, particularly for developing countries to better understand the drivers of change in the world economy and in order to develop appropriate responses, and specifically expressed appreciation for UNCTAD was more important today than ever before, as developing countries were still grappling with the aftermath of the crisis of 2008 and also in the face of rising inequalities in society and in

the world today. They noted that national policymakers were looking for strategies for development-centred globalization that was inclusive and environmentally sustainable, and UNCTAD had an undoubted role to play in this area.

15. The representatives of several regional groups noted that UNCTAD's convening power as a forum on trade and development matters had served well in promoting the exchange of different views and experiences and in fostering independent thinking and debate. Several delegations praised the Geneva Dialogues recently introduced by the Secretary-General of UNCTAD as a positive mechanism for advancing such discussions, particularly on contributing towards definition of a post-2015 development agenda. One delegate stressed the need to see the impact of these discussions in New York. Another delegate noted that the consensus-building pillar was what made UNCTAD unique as its intergovernmental machinery turned ideas into intergovernmental action. Another delegate stressed the importance of restoring balance in consensus-building, with the full voice, representation and participation of developing countries in discussions and decisionmaking. Some delegations noted that member States had a responsibility to strengthen this pillar of work.

16. Many delegations commended UNCTAD's technical assistance work, which allowed member States to build capacities and transform their economies, and urged UNCTAD to continue providing such assistance in a way that was appropriate to the needs of countries. One delegate noted that providing effective trade-related technical assistance and capacity-building that was tailored to the specific needs and constraints of developing countries was crucial to upholding a universal, rule-based and equitable multilateral trading system that contributed to growth, sustainable development and employment, particularly for developing countries. To this end, many delegations urged development partners to consider increasing their support for UNCTAD technical assistance activities.

17. The representatives of several regional groups called for the strengthening and revitalization of UNCTAD. The representatives of two regional groups requested that UNCTAD focus on issues where it had a comparative advantage and where it could provide the most added value to its members. The representatives of several regional groups called on UNCTAD to continue paying particular attention to the needs of the least developed countries and to address the new challenges they faced. The representatives of several regional groups called on UNCTAD to continue its work on trade facilitation and its assistance to developing countries in accession to the World Trade Organization. The representative of one regional group requested UNCTAD to deepen its analysis of the consequences of the proliferation of non-tariff barriers, as well as work to promote costeffective solutions to problems associated with commodity trade. The representative of another regional group recalled UNCTAD's work in private sector development as a good foundation for economic development and poverty reduction and recognized its role in helping developing countries to promote trade facilitation and regional economic integration. The representatives of two regional groups stressed the importance of UNCTAD continuing to work to identify key barriers to investment and to assist developing countries to improve their performance in attracting foreign investment. The representatives of two regional groups urged UNCTAD to enhance cooperation with other development partners, including United Nations entities and other international organizations. The representative of one regional group called on UNCTAD to better translate its ideas into concrete actions in the future.

18. The representatives of several regional groups expressed their appreciation of the efforts made by the Secretary-General of UNCTAD to strengthen UNCTAD and the impact of its work, for example through initiatives such as the Geneva Dialogues, and his efforts to enhance UNCTAD's relevance, improve coordination, increase efficiency and deliver clear results. The representatives of two regional groups requested UNCTAD to continue its

efforts to improve management and administration in order to increase the effectiveness and efficiency of UNCTAD activities within available resources. The representative of one regional group specifically requested UNCTAD to focus on the principles of transparency and accountability and invited the secretariat to continue monitoring the implementation of its workplan within the context of the follow-up process to the management and administration review. One delegate urged UNCTAD to pursue three specific actions: first, to work towards the revitalization of its function as a leading development think tank, by identifying policy areas to promote the active participation of developing countries in global value chains through capacity-building; second, as the work of the World Trade Organization, the United Nations Development Programme and UNCTAD became more interlinked, it was essential for UNCTAD to re-energize itself, by identifying strategic niche areas where UNCTAD could make distinctive contributions and strategic and value added interventions on core economic issues; and, third, to restart its efforts to finance efficiency and effectiveness, by strengthening its independent evaluation capacity.

19. Several delegates expressed their appreciation for the hard work of the UNCTAD secretariat and the dedication of its staff. Many delegations called for UNCTAD to be strengthened. One delegate called on member States to guard against efforts to marginalize the role of UNCTAD. She called for a renewed interest and efforts from all member States to strengthen all three pillars of the organization. Several delegations urged the mobilization of sufficient resources in order to allow the secretariat to further its important work, particularly its technical assistance activities, which had been essential in building the capacities of developing countries.

#### II. Procedural and related matters

#### A. Opening of the session

20. The plenary session was opened by the President of the Trade and Development Board, Mr. Triyono Wibowo (Indonesia).

#### B. Adoption of the agenda

(Agenda item 1)

21. The Board adopted the provisional agenda contained in document TD/B(S-XXVIII)/1 (see annex I).

# C. Report of the Trade and Development Board on its twenty-eighth special session

(Agenda item 3)

22. The Trade and Development Board authorized the President and the Rapporteur, Mr. Thomas Fitschen (Germany), to finalize the report on its twenty-eighth special session after the conclusion of the meeting.

## Annex I

# Agenda for the twenty-eighth special session of the Trade and Development Board

- 1. Adoption of the agenda
- 2. Celebration of the fiftieth anniversary of the establishment of UNCTAD
- 3. Report of the Trade and Development Board on its twenty-eighth special session

### Annex II

#### Attendance\*

1. Representatives of the following States members of the Trade and Development Board attended the session:

Albania Haiti Algeria Hungary Argentina India Austria Indonesia Bangladesh Iran (Islamic Republic of) Barbados Iraq Belarus Ireland Benin Israel Bhutan Italy Bolivia (Plurinational State of) Jamaica Bosnia and Herzegovina Japan Jordan Brazil Burkina Faso Kazakhstan Cambodia Kuwait Kyrgyzstan Canada Chad Lebanon Libya Chile Lithuania China Colombia Luxembourg Congo Madagascar Côte d'Ivoire Malaysia Croatia Mexico Cuba Monaco Cyprus Morocco Czech Republic Myanmar Democratic People's Republic Nepal of Korea Netherlands Democratic Republic of the Niger Nigeria Congo Djibouti Oman Dominican Pakistan Republic Paraguay Ecuador Peru Egypt Philippines El Salvador Poland Ethiopia Portugal Finland Qatar France Republic of Korea Germany Republic of Moldova Romania Greece **Russian Federation** Guinea

<sup>\*</sup> This attendance list contains registered participants. For the list of participants, see TD/B(S-XXVIII)/INF.1.

Senegal Timor-Leste Serbia Togo Singapore Trinidad and Tobago Slovakia Tunisia Turkmenistan Slovenia Solomon Islands Ukraine South Africa United Arab Emirates United Kingdom of Great Spain Sri Lanka Britain and Northern Ireland Sudan United States of America Swaziland Uruguay Sweden Venezuela (Bolivarian Republic of) Switzerland Thailand Zimbabwe The former Yugoslav Republic of Macedonia

#### 2. The following Member of the Conference was represented at the session:

Holy See

3. The following non-member observer State was represented at the session:

State of Palestine

4. The following intergovernmental organizations were represented at the session:

African, Caribbean and Pacific Group of States African Union Eurasian Economic Commission European Union South Centre

5. The following United Nations organs, bodies and programmes were represented at the session:

United Nations Secretariat

6. The following specialized agencies and related organizations were represented at the session:

Food and Agriculture Organization of the United Nations United Nations Industrial Development Organization World Trade Organization

7. The following non-governmental organizations were represented at the session:

General category

Center for Economic and Policy Research International Network for Standardization of Higher Education Degrees Organisation Camerounaise de Promotion de la Coopération Économique Internationale en faveur des Peuples Autochtones World Vision International