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**Opening Plenary  
General Statements**

**Speaker: NGO Network for Development**

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## **Intervention by the Arab NGO Network for Development UNCTAD Trade and Development Board**

Monday 15th September 2014 (delivered Tuesday 16<sup>th</sup> of September 2014)

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Thank you Madam President for giving me the floor.

- I speak on behalf of the Arab NGO Network for Development, which works in 12 Arab countries, and is a member of the global Social Watch Network.

- The Arab NGO Network for Development has always stressed the importance of UNCTAD's analytic work and policy recommendations, especially in the areas of macroeconomic policies, finance, trade and investment.

- We also underlined the importance and added value of the Trade and Development Report, and recommended towards enhancing coherence in the work of UNCTAD's various divisions, including that working on trade, investment, and competition, through aligning their work with the analytic angle and recommendations that the TDR presents. We perceive such coherence as central for strengthening UNCTAD's role.

- On the post-2015 discussions, the Arab NGO Network for Development has held several regional consultations on the matter, including with ESCWA and the League of Arab States. These consultations have consistently stressed the need to avoid having the SDGs and post-2015 development agenda becoming an extension of the MDGs, and called for focusing instead on the global systemic reforms needed in order to address impediments to development and to secure an accommodating international environment and policy space for sustainable development.

- In this context, we perceive that UNCTAD's role extends beyond promoting the role of trade and investment as key enablers of inclusive and sustainable development. UNCTAD should critically pose the questions about the current impediments facing developing countries in reaping the benefits from the trade and investment policies they have adopted thus far, and the constraints on policy space resulting from these policies and treaties. Consequently, UNCTAD ought to prioritize nurturing the alternative thinking on how the multilateral trading system and the international investment regime could come to actually serve sustainable development.

- On investment policy and treaty making, developing countries have been increasingly facing the problematic implications of the unbalanced rules of international investment agreements on their policy and regulatory space. Through investor-state dispute settlement cases, states' regulatory efforts in areas of health, environment and climate change, public safety, water, labor rights, and agriculture among other areas have been challenged. Arab countries face a number of these cases. While several developing countries have already embarked on a review of their investment treaty policies, we consider that the primary role for UNCTAD's investment division should focus on increasing the knowledge among developing countries about the way out of impediments resulting from the

unbalanced provisions of international investment treaties, and in looking for alternatives.

- On the trade policy and negotiations front, we aspire towards a more active role by UNCTAD in supporting developing countries in defining the negotiations positions that achieve real economic value for them. We perceive that the stalemate thus far in the WTO negotiations, despite the outcome of the Bali Ministerial Conference, is primarily a result of the failure of the system to deliver on its original premise and promise to ensure developing countries a share in international trade commensurate with the needs of their economic development, and fulfillment of the special and differential treatment principle enshrined since the design of the GATT system.

- One of the important insights by the latest TDR notes that "facilitating trade flows by modernizing customs procedures will not address the main constraints on trade today... a lopsided emphasis on the cost of trade, prompting efforts to spur exports through wage reductions and an 'internal devaluation' would be self-defeating and counterproductive", the TDR adds. The TDR emphasized the need for robust domestic-demand, which we consider the adequate way forward for our countries, especially given the potential for expanding markets at the regional level through attending to regional productive capacities and strengthening regional labor markets.

- We consider that the main defining challenge for sustainable development in countries of the Arab region is the ability to revive industrial capacities and to promote structural change that is rooted in strategic integration in the global economy, and not liberalization for the sake of liberalization. Consequently this requires addressing the capacity for decent job generation, and attending to wage and income policies, and the role of women in the labor market. We consider these factors essential pre-requisites for addressing inequalities, and necessities to enable the State to fulfill its obligations enshrined under the international economic and social rights covenants, including the right to development.

- We also want to stress the important work that UNCTAD's Unit on Assistance to the Palestinian People undertakes and stress the importance of strengthening the capacities of the Unit to fulfill its original mandate to monitor and investigate the social and economic impact of policies of the Israeli occupation in the Palestinian territory.

I thank you.