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**Item 7: Evolution of the international trading system
and its trends from a development perspective**

General statements by regional groups
Speaker: Paraguay on behalf of the LLDCs Group

Tuesday, 25 September 2012

*Not checked against delivery **

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**Statement by the Delegation of Paraguay on behalf of the Group of Landlocked
Developing Countries (LLDCs)**

59th Session of the Trade and Development Board

Item 7: Evolution of International trading system

Tuesday, 25 September 2012

Allow me to begin by thanking the Secretary General and the Panelists for their very interesting presentations

Mr. President, on behalf of landlocked developing countries let me welcome the report elaborated by the secretariat on the evolution of the international trading system and its trends from a development perspective. It is a useful tool to raise our awareness and prepare our self to face the development challenges and opportunities.

The LLDCs trust that the joint work in this international machinery would lead us to reverse the desaccelarated prospect in growth trend. We cannot address this body today without referring to the fact that global economic growth may surpass its desaccelerated trend just in 2013. This affects our efforts to achieve sustainable development, the creation of decent jobs and the reduction of poverty. But the fact that we have activated analytical machinery and that we are discussing these issues give us the hope that we might be able to overcome it.

Let me address some issues we find relevant in the report. It is friendly structured to give us an overview of the way ahead and the work of UNCTAD.

We reiterate that all members of WTO need to explore new ways of moving from the current impasse and achieve progress with the Doha Round agenda and the improvement of WTO agreements, addressing its development objective. We share the view that the extra systemic costs of a failed Round could be considerable in terms of undermining the predictability and stability of international trade.

The LLDCs also share the concern on the measures that diminished market access, with the imposition of new non-tariff measures add to the existing ones. Many developing countries face difficulties with the “nominally non-discriminatory NTMs”, as the reports shows its effects can be *de facto* discriminatory, as they are frequently applied to product groups of particular export interest to developing countries. We recall the fact that on average, NTMs’ contribution to market access restrictiveness is over double that of tariffs.

With regards regional agreements, we stress its contribution especially to LLDCs as a way of promoting previsibility and cooperative environment that allows the flow of our production.

In the Fourth Meeting of Trade Ministers of landlocked developing countries recently held in Almaty, we addressed the need for structural diversification, taking the services sector as one of the best alternatives, as a way of avoiding transport costs and as a tool to promote technologic transfer. We share the view reflected in the report, that this sector allows specialization, creation and diffusion of knowledge, and exchange productive capabilities and participation in the global supply chain.

We welcome the analysis made on the agricultural services opportunities as a way to extent gains of farmers from producing exports crops destined to international markets, we ask UNCTAD to further study this sector.

Our vision on international trade as a tool for boosting employment, promote the access to knowledge, skills and technologically advance capital goods is reflecting in the report as well. But trade must be accompanied with complementary measures and reforms in order to create decent jobs and not to create unemployment.

In that way we keep recalling on cooperation to achieve productive transformation in a way to stop depending on commodity exports and give value addition to our products. In this regard we follow with interest the debate on Global value chains. To be part and take full profit of it, we must improve our education, training and skill development.

The LLDCs welcome the coordination between UNCTAD and other international organizations.

We appreciate that the outcome of Rio+20 “The future we want” invites Member States, as well as the United Nations organizations and other relevant international, regional and subregional bodies, to speed up further the implementation of the specific actions in the five priorities agreed upon in the Almaty Programme of Action. We welcome that UNCTAD has started work in this sense, launching a technical assistance on the implementation the outcome of Rio+20 Conference.

Thanks you Mr. President