

**Opening Statement, by the President of the Trade and
Development Board of UNCTAD, Amb. Federico Villegas,
2/7/2020**

As I embrace the great responsibility that you have entrusted to me, I would like to begin by expressing my appreciation to the members of the Trade and Development Board for the trust they have placed in me to serve as President of the Board, especially my group for nominating me for this position and honor. This Presidency takes place at a very important year, which includes our preparations for the milestone in multilateralism that we hope and expect that UNCTAD XV will be.

I would also like to thank and recognize the wise and able leadership of my immediate predecessor, Ambassador Michael Gaffey. I hope that we can continue to count on his wisdom and active engagement in our important work. Thanks to him, our journey to history at Bridgetown has begun on a strong footing. Under his wise and able leadership, we moved closer towards a shared vision of the future by approving the theme of the Conference and establishing the PrepCom for UNCTAD XV.

The various groups and delegations have embarked on their substantive preparations and are on the eve of finalizing their position papers, a task that was both delayed and complicated by the historic shutdown we experienced as a result of the COVID pandemic. The challenges we collectively face in adjusting to

the shutdown represent the tip of the iceberg in terms of the world that is unfolding around us. Indeed, as we regroup and adjust our preparations for UNCTAD XV we need to accept that the world of the future will be very different in ways that we not yet fully understand.

Rebuilding our world calls on us to be courageous and step beyond our respective zones of comfort, as we reassess the world around us including by challenging the underlying assumptions that colored our world view. We need courage in this difficult time for humanity, and move beyond our individual interests to embrace the need to promote a common good and future for all.

This session of the Trade and Development Board and our work ahead towards UNCTAD XV take place in the background of momentous challenges posed to multilateralism as a whole and international trading system in particular. We need to collectively face the forces that are seeking to overturn the painstaking accomplishments realized by multilateralism over the decades – a multilateralism which is deeply anchored into hard-won principles.

We must have the confidence in the good will of our partners. This also calls on us to be candid and fair, and to listen and embrace the concerns of others. I have been told that a predecessor of mine under similar circumstances emphasized to the members of the board to be mindful of the needs and concerns

of others. I echo this call and encourage us all to embrace “otherness” as one of our core values for the post-COVID world. I believe in a constructive dialogue -among all UNCTAD Member States- for the strengthening of international cooperation and the promotion of economic growth and sustainable development. The dialogue – reflecting mutual interdependence – should be based on common interests and benefits to both developed and developing countries. Shirking from such a constructive engagement would further erode the trust and confidence reposed to international trade and economic system in general and multilateral institutions in particular.

This is especially crucial as we begin to realize how much more integrated we are than we appreciated.

The crisis highlighted the vulnerabilities of our health systems, as well as the structures and mechanisms that our economies depend on. The human cost of the pandemic and the chain of unexpected and unintended consequences of policy choices further underscored the need for international cooperation and coordination. One hopes that we have realized that we collectively underestimated the various existential threats that we face.

Amidst many challenges to the world economy and to international trade, upholding multilateralism which can deliver for all is absolutely critical.

As many have said in the very substantive conversations in the last few months before the shutdown, we therefore need to address the fundamentals of development and the systemic basis of the global economy and development itself. The United Nations Conference on Trade and Development was established 56 years ago to fulfil the demands of developing countries in confronting obstacles and barriers at international level, to realize their economic potential. While there have been some improvements, many developing countries are still facing challenges -at all levels- due to the uncertainty and difficulties characteristic of the global economic environment and of trade regimes. We must thus find ways to redress systemic imbalances that inhibit developing countries from fully participating beneficially in international trade. It is critical that we ensure a conducive and supportive global economic environment and architecture, yet we also need to emphasize the importance of improving domestic conditions so as to enhance sustainability.

This has taken on added meaning and importance since the pandemic struck. UNCTAD XV will be one of the most important multilateral conferences on development of the post-pandemic world, and will constitute an ideal opportunity to go back to basics, and ensure that UNCTAD makes its necessary contribution to rebuilding a post-COVID world, thus being faithful to the legacy of Raúl Prebisch and the visionaries that gathered in this same Palais des Nations in 1964.

The contribution of UNCTAD is definitely invaluable in support of all countries. I would like UNCTAD to continue focusing on longstanding issues including debt and international finance, investment, structural transformation and industrialization, transport and logistics, gender, trade facilitation, trade trends and regulations as well as emerging issues of technology, innovation and the growing role of e-commerce and the digital economy, just to mention a few issues.

Moreover, against the backdrop of the global economic crisis in which the COVID-19 health pandemic resulted, and the looming sovereign debt crises that it gave rise to, it is more urgent than ever to cooperate internationally to resolve the problem of unsustainable debt burdens. Finding an orderly, coordinated and multilateral way of restructuring countries unsustainable debt-burdens is truly in the interest of all, since otherwise, the international community and the International Organizations that conform the backbone of the International Financial Architecture, will see themselves overwhelmed with a cascade of sovereign defaults. While I applaud the efforts already undertaken to alleviate the most pressing debt-related problems of the poorest countries in the context of the G20 Debt Service Suspension Initiative, more needs to be done to ensure the medium and long term debt-sustainability for all countries.

To view development holistically, and as we need, requires taking an expansive view of the inherent right of Member States to pursue their development objectives. This right has been threatened by the pandemic and we need to do our part to establish conditions that are conducive to our quest for prosperity for all. We, therefore, should look forward to UNCTAD continuing its work on how all levels of the development equation can best be nurtured and accelerated. Most importantly, we need to revisit a debate that has always been at UNCTAD's core: the role of the State in the economy and consequently in development.

If there is one lesson we should have learned from the financial crisis of 2008 and from the crisis resulting from the pandemic it is that response and recovery require effective state action. Indeed, the needed innovative policy approaches to tackle a complex combination of global dynamics and their localized impact require the reach, legitimacy and tools that only the state can provide. The road to UNCTAD XV will hopefully present us the means to devise practical ways and means to deliver on the developmental needs and aspirations of humanity, particularly, the achievements of the Sustainable Development Goals (SDG).

With this context in mind, I look forward to our work together in preparing for UNCTAD as the first major development

conference after the pandemic. I am working closely with the Secretary-General in adjusting the work of the Prepcom, as well as with the membership. I intend to conduct consultations with the various groups in order to better understand their priorities and expectations especially in this initial stage after the lockdown, and intend to share with you as soon as possible my ideas on how to advance on to the next stage of our work.

It is with great humility and anticipation that I therefore humbly accept the task you have entrusted to me. You can count on my best efforts and engagement during my tenure to achieve mutually agreed and effective outcomes of our deliberations. I in turn look forward to our collective effort and journey to ensure that UNCTAD XV lives up to its promise and as we demonstrate to the world that we are up to the historic task before us.

I thank you for your attention and would now like to continue with the next item on our agenda.