



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

**Statement by Iraq on behalf of the Asia-Pacific Group
Trade and Development Commission
eleventh session
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Mr. President, Ambassador Khalil Hashmi, Permanent Representative of Pakistan,
Mr. Mukhisa Kituyi, Secretary-General of UNCTAD,
Mr. Pamela Cock-Hamilton, Director of the Division of International Trade and
Commodities.
Ms. Shamika Sirimanne, Director of the Division of Technology and Logistics

Excellences, Distinguished Colleagues,

I have the honor to deliver this statement on behalf of the Asia-Pacific Group. The Group would like to associate itself with the statement delivered by Ecuador on behalf of the Group of 77 & China. At the outset allow me on behalf of the Asia-Pacific Group to congratulate H.E. Ambassador Hashmi and the members of the Bureau on their election and also thank the Secretariat for organizing this important meeting and for the background documentation.

Mr. President,

Small Islands Developing countries face special development needs arising from their unique vulnerabilities; those needs have been recognised by the United Nations since the adoption of (Barbados Programme of Action) in 1994 called for improved and special measures to address them. The (SAMOA) Pathway in 2014 further reaffirmed that special status of SIDS. The background paper outlines those vulnerabilities that further disadvantaged those developing countries compared to others.

Debt dependence and sustainability are indeed a common and longstanding issue in SIDS. According to the recent figures, the share of official development assistance flows to SIDS has steadily declined as the relatively high-income level of many SIDS has made them ineligible for concessional finance. We believe that special economic, geographical and environmental vulnerabilities of SIDS should be considered when deciding on their eligibility to access concessional finance in order to reduce their exposure to commercial loans and private finance that could undermine their efforts to achieve sustainable development goals. In that regard, UNCTAD could have an important role in providing practical solutions on how the special vulnerabilities of SIDS should be measured and addressed in international policymaking processes.

Mr. President,

The Asia-Pacific Group shares the view expressed in the background paper that due to special vulnerabilities and high dependence on the international trade, SIDS have more causes for concerns regarding the uncertainties surrounding the functioning of the multilateral trading system created by heightened trade tensions. We emphasises the importance of regional integration through deepening market integration, regulatory harmonization and development cooperation within the framework of the Caribbean Community, Pacific Island Countries Trade Agreement and other sub regional, regional and interregional platforms, to partially mitigate the global trade adverse circumstances. However an open, rules-based, non-discriminatory multilateral trading system that guarantees transparency, predictability and stability of international trade remains the goal that all members of the international community should pursue.

Mr. President,

One other form of vulnerabilities common in developing countries is commodity dependence. According to the most recent UNCTAD data, 102 countries are commodity dependent and vulnerable to negative commodity price shocks and commodity price volatility, resulting in the accumulation of public debt, often in the form of an increase in external debt. This has led to an economic slowdown in 64 commodity-dependent developing countries, with several going into recession.

Furthermore, a commodity export earning boom could lead to what so called the “Dutch disease”, while export earnings uncertainty has an adverse impact on savings and investment decisions.

Commodity-dependent developing countries (including many SIDS and LDCs) are the most vulnerable to climate change, according to Commodities and Development Report 2019. They are also among the countries least prepared to adapt to climate change; thus, climate change reinforces the need for economic diversification and transformation in commodity- dependent developing countries.

Asia-Pacific Group reiterate that economic diversification is crucial to reduce commodity dependence vulnerabilities, as well as, a transparent and development orientated governance of international commodity markets, improvement of functioning of current international commodity bodies and study groups so as to empower developing country exporters and inform government policy of commodity dependent developing countries, capacity building programs, especially in terms of increasing profit sharing, improving resources governance and strengthening contract negotiation, and strengthening regional cooperation, especially South-South cooperation, in terms of creation and enhancement of regional value chains, among many other measures.

We appreciate the work of UNCTAD in these areas and hope it continues the improvement of its research and analysis, and technical assistance programmes devoted to tackle commodity dependence in the developing countries.

Mr. President,

One other important concern is the sustainability of transport systems, Transport and logistics are the backbone of globalization. They drive international trade and service value chains, while enabling deeper market integration; however they also contribute to the air and water pollution. On the other hand, many developing countries and LDCs are faced with persistent transport challenges that could be further exacerbated by heightened vulnerability. The vulnerability of transport and logistics is particularly apparent in many SIDS and landlocked developing countries,

The Asia-Pacific Group commends the efforts of the Division on Technology and Logistics in this area that spans around intergovernmental machinery, technical assistance programs, and research and analysis. In this context we welcome the publication of the recent UNCTAD report of (Review of Maritime Transport 2019) and hope developing countries benefit from the information and recommendations it provides.

Mr. President,

The Asia-Pacific Group also appreciates the tools and technical cooperation programmes provided by UNCTAD on trade facilitation, and thanks the Secretariat for their effective and valuable support that has been provided to a number of our members, providing technical assistance and capacity building programs in the field of trade facilitation.

Trade facilitation is of prime importance for enhancing developing countries capacities to achieve Sustainable Development Goals. Efficient trade facilitation reforms are key to reduce a country's exposure to vulnerabilities in trade when implemented successfully.

However, developing countries, including LDCs and SIDS, suffer from various gaps in their national trade reforms that need to be addressed. It will require significant political will to change, as well as policy and procedural reforms, simplification, good governance, human resources and significant investment, all in the context of trusted public-private partnerships, along with the effective support on the international level.

Emerging threats and vulnerabilities in the multilateral trading system present both challenges and opportunities to developing countries, including LDCs. Rising protectionism as well as heightened trade tensions in major economies put developing countries, including LDCs, in an increasingly uncertain position

Mr. President,

Finally, the Asia-Pacific Group appreciates the efforts made by the Department of International Trade and Commodities, and the Department of Technology and Logistics to facilitate many expert and Intergovernmental Group of Experts meetings that took place during the last year, the good choice of panels, quality of documents presented as background notes, and quality of discussions were all evidence of thorough thinking and planning that is worthy of acknowledgement.

I thank you Mr. President.