

**Statement read on behalf of UNCTAD Secretary-General at the Trade and
Development Commission**

Excellencies,

Ladies and Gentlemen,

I bid you welcome to this 10th session of the Trade and Development Commission, and express my sincere regret that I am unable to join you today at this forum.

I also express my apologies for not to being with you at this first Trade and Development Commission under the leadership of our new Director of the Division of International Trade and Commodities, Ms. Pamela Coke-Hamilton. Pamela, whose last position was Executive Director of the Caribbean Export Development Agency, took up her post in mid-September, and brings with her a wealth of expertise and practical experience having worked on the real challenges that developing countries face every day with respect to international trade and I trust she will help us become more effective and efficient in how we help countries support their own development through their trade policy choices. I extend my warmest welcome to Pamela from the entire UNCTAD family.

This Commission can play a useful role in advancing our understanding of the current trade climate, and can help formulate responses and actions to the most pressing issues facing development countries today with respect to international trade. In these uncertain times, we cannot afford to let worries over international trade put the 2030 Agenda at risk. At UNCTAD we will continue to do all we can to help countries put trade to work for their development, even as global prospects appear uncertain.

Recent global growth estimates have been lower than previously forecast and show deceleration in the global economy. Developing economies are holding out better, but forecasts for the medium term are being revised downwards and the number of countries appearing to be in financial distress has increased.

Adding to this uncertainty, in the past decade since the global crisis, we have seen the patterns of global production networks begin to shift, due to technological changes and declining returns to foreign direct investment. This redrawing of the map of globalization may be only just beginning.

Tensions over tariff escalations and a brewing “trade war” compound this uncertain environment. The tensions between major trading nations could go on much longer than many expect, because at a fundamental level what we are witnessing as a “trade war” today, is in fact a global struggle for leadership at the technological frontier.

Since September 2018, when a total of 260bn US\$ in additional tariffs were imposed, there have been attempts to reconcile positions on both sides of the “trade war”, but so far to no avail. The G20 meeting taking place in Argentina between 30th November and 1st December represents an opportunity, albeit a small one, to push for further progress. But the adverse consequences of the trade conflict are already widely felt, and the spillovers threaten to affect many other countries.

Trade tensions especially concern small and open economies, which are sensitive to international trade trends, and firms that are more integrated into US and Chinese global value chains. Indeed, many developing countries are particularly sensitive to changes in global growth, currency markets, and investment flows.

The backlash against global trade and equity concerns has also added momentum to critics of trade integration and globalization. And, frankly, these concerns deserve to be addressed for they remind us that trading relations have not led to benefits that are shared by all.

Addressing these concerns fully means taking steps both nationally as well as at the international level, and this will require a sea change in thinking about we derive development benefits from trade. Nevertheless, the need for developing countries to put international trade to work for development remains extremely urgent, especially as they face the momentous challenge of the Sustainable Development Goals.

There are many things countries can do, despite the uncertainty, which we face. For example, re-energizing existing regional trade agreements, and supporting emerging ones, will be key to furthering trade integration due to the current global landscape. This may also help developing country exporters find opportunities created by current trade tensions and actions. The AfCFTA is an important way to do this for Africa, for example.

In addition to moving forward with regional integration efforts, greater emphasis on complementary policies will also be fundamental to facilitating adjustment related to trade and mitigating the costs to society for technological change.

In many respects, we must get back to basics to reinvigorate approaches to international trade and its importance for development, as we search for a “trade peace”. But the bottom line is that we must not forget a basic truth about the benefits of trade, captured in the simple but powerful saying: *“those who don’t trade with their neighbors, ultimately trade their neighbors.”*