

**Statement by Pakistan  
On behalf of the Asia Pacific Group  
at the Sixty-Eighth session of the Trade and Development Board**

**Item 2(a) – High-level segment: Extraordinary times call for extraordinary measures:  
Preparatory meeting on the road to UNCTAD 15 and LDC5  
Impact of the COVID-19 Pandemic on Trade and Development  
21 June 2021**

President of the Trade and Development Board,  
Acting Secretary-General,  
Excellencies,  
Ladies and Gentlemen,

The Asia Pacific Group expresses its appreciation and gratitude to the Prime Minister of Barbados, H.E. Mia Motley for her insightful and thought-provoking remarks. Your remarks, Madame Prime Minister have set the stage for discussions during the session and on the way to UNCTAD XV.

We also appreciate Acting Secretary General, Ms. Isabelle Durant in steering the UNCTAD Secretariat to efficiently discharge its mandated task. Her presentation today has provided us a useful update on the current state of affairs and shed light on the roadmap towards UNCTAD XV.

**Madame President,**

The COVID-19 pandemic has gravely impacted the world economy with serious consequences for countries, regions, communities and individuals. The raging pandemic warrants our collective endeavors for a more resilient, more equal and more environmentally sustainable world in line with the ambitions of the Agenda 2030 for sustainable development. For this developed and developing countries need to work together in spirit of collaboration and cooperation and avoid silos and segregation. We must rekindle the spirit of North- South cooperation that binds us together at the UNCTAD.

**Madame President,**

Since the outbreak of the coronavirus disease of 2019 (COVID-19), more than 3 million people have lost their lives due to the pandemic, and the global economy contracted by a staggering 4.7 per cent in 2020. The virus has taken a heavy toll on poor countries and the poor in all countries.

According to World Bank, Global growth is expected to accelerate to 5.6% this year. This recovery however, would be uneven and it will largely reflect sharp rebounds in some major economies.

In many emerging market and developing economies, obstacles to vaccination will continue to weigh on activity. It is feared that the world's poorest countries will be left further behind.

The possibility remains that additional COVID-19 waves in developing countries, further vaccination delays, mounting debt levels, or rising inflationary pressures will pose serious setbacks.

**Madame President,**

Charting a sustainable course to recovery is not possible without transforming global approaches to trade and development. To achieve fair, equitable and sustainable recovery the Group would like to highlight the certain priority areas:

**First** and foremost, expanding vaccine distribution, availability and affordability, especially to developing countries, is a precondition to economic recovery. This requires overcoming obstacles in procuring and distributing vaccines including by redirecting excess vaccine supplies from some advanced economies to developing countries. This also entails expanding and diversifying vaccines production, lifting trade restrictions on vaccine inputs, and improving the transparency of vaccine orders, options and delivery schedules.

**Second**, attention to mounting debt levels in developing countries. The last decade saw the largest, fastest, and highest increase in debt levels around the world. The pandemic, which spurred an unprecedented buildup in government debt in many economies, amplified this trend. The resources required to service debt—due to high interest rates and elevated debt levels divert funds from investment in health, nutrition, education, and other critical development needs. It will take continued global cooperation—including greater participation by the private sector—to provide debt relief to the poorest countries and fund the investments needed to foster and sustain longer-term growth.

**Third**, Mitigating climate change – should be a common challenge for all. The Paris Agreement is major milestone in the global efforts to combat climate change. The commitments of Common but Differential responsibility are crucial for this pathway of mitigation. Climate finance is fundamental to ensure a transition towards more sustainable global economy while avoiding a loss of competitiveness by some developing countries. Special consideration should be given to all developing countries, according to the key principle of common but differentiated responsibilities. Climate finance should be in the form of new, additional, predictable, at scale and grant based contributions from developed to developing countries.

**Fourth**, Reform the existing global economic and financial architecture which has disproportionately affecting developing countries, in particular, in their efforts to implement the Right to Development. The UNCTAD’s work in this area is commendable. It has provided alternative ideas, and has stood up against the global motto that there is no alternative. UNCTAD is well placed in the UN system to contribute to international policy debate on reforming international economic and financial architecture.

**Fifth**, Stopping the drain of public finances through illicit financial flows from developing countries. To promote prosperity, inclusiveness and trust in the rule of law, international cooperation to stop illicit financial flows and reform the international taxation system is vital. The current international taxation system has failed to mobilize sufficient resources required to achieve sustainable development and poverty eradication particularly in developing countries. Creation of an intergovernmental body on tax matters under the UN to further enhance the inclusiveness of the current mechanisms and giving taxing rights to developing countries to tax the digital companies on basis of jurisdiction is a just and long-standing demand of the developing countries. The group appreciates the recent agreement within G-7 last month to overhaul international tax laws. The work needs to expedited.

**Madame President,**

The response of the Governments, the private sector, and international institutions to the challenges of poverty, inequality, and climate change as we emerge from the pandemic will mark the defining choices of our times. We need to act forcefully to address these challenges and be able to pursue resilient, and inclusive and sustainable development.

I thank you.