

Statement by H.E. Mr. Federico Villegas Beltrán
Ambassador and Permanent Representative of Argentina on behalf of the
Group of Latin America and the Caribbean (GRULAC) at the sixty-eight Session of the Trade
and Development Board

Item 8: Report of the Intergovernmental Group of Experts on Financing for Development

Madam President of the Trade and Development Board, Ambassador Maimuna Tarishi of Tanzania,
UNCTAD Acting Secretary-General, Ms. Isabelle Durant,
Excellencies,
Distinguished delegates,

1. Madam President, I have the honor to present this statement on behalf of the Group of Latin American and Caribbean Countries (GRULAC), which will comment on the Report of the Intergovernmental Group of Experts on Financing for Development on its fourth session.
2. As a preliminary comment, we would like to welcome the broad representation of GRULAC countries at the fourth session of the Intergovernmental Group of Experts, which featured opening statements by high-level panelists from Barbados, the Plurinational State of Bolivia, and Guatemala. We believe that the fifth session of the Group ought to continue with this initiative, considering the important obstacles to growth that affect the region, especially the new challenges derived from the health and climate emergencies. Similarly, we would like to express our support for the agreed conclusions of the fourth session, as well as the topics and guiding questions included in the provisional agenda for the next session.
3. However, our intervention wishes to underscore two points that were raised as part of the meeting, and that will most probably carry considerable weight during the fifteenth session of the Conference. These are, first, the need to strengthen international cooperation and multilateralism, and second, the need to work towards a development-friendly international monetary and financial system.
4. Multilateralism and enhanced international cooperation were one of the main topics of the Report of the Intergovernmental Group of Experts. Perhaps the key lesson learned from the COVID-19 pandemic is that conflict and fragmentation cannot be the appropriate response to complex issues of an economic and social character, and that global solidarity is the only way to overcome global economic shocks, avoid uneven recovery and realize the 2030 Agenda. The provision of finance to developing countries is one of such issues that demand mutual interest and cooperation among all countries.
5. Reaffirming this position, participants to the meeting rightly warned of the dangers of inaction on international cooperation, which would deepen the economic marginalization of developing countries. Accordingly, panelists and delegates called for increased cooperation in mobilizing financing for development. Some delegates also referred to the need for inclusive and fair multilateralism in all trade and development policies, including taxation and investment regimes.
6. This consensus on the need to revive multilateralism cannot be left aside during UNCTAD XV. We consider that the next session of the Conference can act as an opportunity to reinforce the role of the Intergovernmental Group of Experts on Financing for Development in supporting the financing needs and interests of developing countries.

7. Additionally, it must be noted that the majority of experts concurred on the issue of rising debt burdens and the pressing need to rethink the international monetary and financial system.

8. In particular, one of the key messages of the report is that debt treatments may be needed to put some countries on the path to achieve debt sustainability, to recover from the pandemic and to create fiscal space and revive economic growth. Some panelists and delegates noted that the existing multilateral initiatives on liquidity and solvency problems were still insufficient to provide developing countries with the policy space required to face the health and economic crisis and recover better. Similarly, a general conclusion of the Report was that the current international debt architecture needed urgent reform as it does not help developing countries in navigating debt vulnerabilities, particularly due to the fact the system has no structured debt workout mechanism.

9. In preparation for UNCTAD XV, it is crucial to bear in mind the Sustainable Development Goal 17.4 on debt sustainability. As one of the main forums in which the voice of developing countries can be heard, the next session of the Conference is, precisely, the opportunity to advance this goal by strengthening UNCTAD's work on debt issues.

10. Since its establishment, UNCTAD has progressively evolved into an authoritative knowledge-based institution whose work has shaped current policy debates on development. Accordingly, we call on UNCTAD to continue its work to explore policy measures to reform the existing debt architecture and work towards a monetary and financial system that works for inclusive and sustainable development.

11. The Group of Latin American and Caribbean Countries is ready to support the organization in this endeavor.

I thank you, Madame President.