



Trade and Development Board
Sixty-ninth Annual Session
Opening Segment
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Speech by Rebeca Grynspan
UNCTAD Secretary General

President of Trade and Development Board, Her Excellency Maimuna Tarishi,
Your excellencies, distinguished delegates,
Ladies and gentlemen,

It is my great honour and pleasure to welcome you all to this great hall. I am very happy to see all of you again, and to note once more the great interest and expectations you have in this institution.

I want to thank the president of the Board, the bureau, all of you and my team for all the work that has preceded this meeting, and for the commitment and motivation that underlies it.

It has been almost four months since we last met. As I said in my opening speech in February, “change is the defining feature of the times we live”. But even so, I could not have imagined the great changes that have afflicted us since then.

There is much that we will discuss in this Trade and Development Board. A key item in the agenda, scheduled for tomorrow, will be my detailed progress report on the Bridgetown Covenant Implementation Plan, which is extremely important to us all, to the extent that we have set aside a whole segment for it.

But today, as I said, I would like to instead focus on three key issues, in recognition of the extraordinary times we are in:

FIRST, The current state of the world, and UNCTAD's role in it

SECOND, our vision of how an institution such as UNCTAD must engage in these complex times for multilateralism

and THIRD, A presentation of our annual report, which came out in March, and which is Agenda Item 4 for this session

I'll start with the current state of the world.

Last time we met, our shared concern was the fact that the post-2020 recovery was both fragile and uneven. Today, most countries in the world are concerned with how to avoid yet another crisis, in the context of a pandemic that is still not over, and a climate change and environmental crisis that keeps hitting us harder every year.

The war in Ukraine has built on the trends we were already observing, and the combination of these global shocks threatens to have massive ripple effects across the developing world in the form of a major cost-of-living crisis.

As you know, UNCTAD has reacted very quickly. In mid-March, we came out with a cross-divisional analysis, much used by member states, which warned what has now become evident to all: the possibility of a food insecurity crisis and the multiplying effects of the increase in energy prices and tightening financial conditions. We said that the trade disruptions would mean that supply chains would be unable cope. Food and energy prices would rise. Financial conditions would rapidly deteriorate. And the possibility of social unrest worldwide would increase.

And that is exactly what has happened. The UN Secretary General Antonio Guterres convened a Global Crisis Response Group on the War in Ukraine, supported by a Champions Group chaired by the UNSG, a steering committee group chaired by the DSG and a Task Team group with three workstreams on Energy, Finance and Food, whose coordination has been specially assigned to us here at UNCTAD. Since then, the Global Crisis Response Group has produced two briefs, which describe a very alarming situation for the world at large.

This situation can be summarized in a sentence – the world is on the brink of the most severe cost-of-living crisis in a generation

Crude oil is at 120 USD a barrel, and some even suggest it can reach 150-175 USD a barrel before the winter.

The FAO food price index is at historic heights, and hundreds of thousands of people are already facing famine as a result.

Developing countries, already struggling to pay their COVID-19 and climate change related debts, are now seriously at the doorstep of a major debt crisis.

Supply chains, already tight due to COVID, are in a violent process of decoupling and reconfiguration, where major old trade routes are shifting from one day to the next.

And, worse of all, COVID has depleted both households and countries capacity to respond to this crisis, which is made much more dangerous as a result. Today, 60 per cent of workers have lower real incomes than before the pandemic; 60 per cent of the poorest countries are in debt distress or at high risk of it; developing countries miss \$1.2 trillion per year to fill the social protection gap, and \$4.3 trillion is needed per year - more money than ever before - to meet the Sustainable Development Goals.

As I said before, the current cost-of-living crisis has three defining dimensions – rising food prices, rising energy prices, and tightening financial conditions. Among the three, alarming vicious cycles emerge – higher food and energy prices increase inflation, which increase interest rate pressure, which devalues developing country currencies, which makes imports of food and fuel more expensive, which increases the cost of fertilisers and reduces farm output, which in turn increase food and energy prices again and so on.

As a result, incomes are being squeezed, and families are forced to decide how to allocate shrinking household finances.

Perhaps choosing whether to skip a meal, keep children in school, buy less nutritious food, keep a family business open or pay medical bills.

And so, with that, another vicious cycle starts; the cycle of increasing poverty and inequality, and social unrest leading to political instability.

Dear delegates! The situation is extremely worrying. Now, the obvious question is – what UNCTAD must, do to help.

Here I would like to say three things.

First, there is much that we are already doing. UNCTAD reacted rapidly and is now an important part of a whole-of-UN-effort, as part of a special assignment from UNSG Guterres. And member states have played an important role in this, always being open to our calls and taking the initiative to knock doors and ask how they could help. So, I want to thank you all, really, for all of this.

With decisive action, UNCTAD has proven to be an important organization in the UN system and a good citizen of multilateralism. In the process, many important aspirations of the Bridgetown Covenant – such as increasing UN-wide coordination and improving cross-divisional work within UNCTAD – have been fulfilled.

For example, the Bridgetown Covenant, in paragraph 110 states very presciently: “As the world changes and responds to a new reality, and as the international community strives to effect the necessary transformations, so too must UNCTAD become a more agile organization that can adapt to the spirit of the times and better respond to the needs and orientations of member States”. I think that our action these last four months have shown that we can become that more agile organization that Bridgetown called for.

It has been the interdivisional work of UNCTAD what has made a big difference. Understanding the mandates that this board and the Bridgetown covenant has given us. We are a trade and development institution, and this is a crisis transmitted through trade and developing countries are suffering disproportionately from this crisis.

Every time during these months that I meet you, your ministers, and your government officials, like happened this past week due to MC12, I hear the same plea.

Member states are worried about what is happening to their debts, how their currencies are depreciating, and how importing food and energy is getting more expensive.

Member states know how much trade disruptions are affecting them, how much more they are having to pay in freights rates, how delays are harming their vulnerable.

Member states are asking for the support of the multilateral institutions, alarmed by what may happen if their citizens must endure yet another major crisis barely two years since COVID, and if poverty and hunger rise with it.

But most importantly, member states are asking about who will advocate for them, who will make sure their concerns are being listen to, who can provide concrete answers in terms of what to do, who to call, how to navigate this crisis.

This is exactly what we are trying to do in through the Global Crisis Response Group,

– to advocate for concrete policies that can help developing countries. To engage with the Bretton Woods Institutions so that they can react in time to this situation, to make clear that this is a global crisis that must be address urgently.

I don't have time to go through the recommendations one by one, I really recommend the reading of the report for that because its policy recommendations are very concrete, very important and very doable if the political will can be mobilized.

Let me just stress two messages

First, what the UNSG Guterres said, and I quote: " an effective solution to the food crisis cannot be found without reintegrating food production in Ukraine, as well as food and fertilizers produced in the Russian Federation, into global markets, despite the war" As you know we at UNCTAD have been an integral part of this process

The second important message is that there is no answer to the cost-of-living crisis without an answer to the finance crisis in developing countries.

My last point, which follows directly from this, refers to Multilateralism. I remember at the beginning of the millennium, policymakers used to ask if a more multipolar world would also be more multilateral? This question remains open. We all know, this is a difficult moment for multilateralism, but it is clear that we must find a way to interact effectively and comprehensively, and engage in the solutions to these crises, despite how difficult they may be – because there is simply too much on the line.

The Bridgetown Covenant dedicates a whole chapter – 'Transforming Multilateralism' – to this issue. And it states, in paragraph 91, that despite recent challenges: "the constructive and cooperative approach to multilateralism based on the Charter of the United Nations, must remain paramount. "The Bridgetown covenant is so right!!

Because even at a time where geopolitics taints everything, multilateralism must find and defend spaces for cooperation and collaboration.

The most evident of these is, of course, humanitarian action. It is a defining feature of the work that is done at the UN, that all humanitarian efforts must be pursued even in the face of the starkest of human conflicts.

But cooperation and development must also be part of this. Poverty, malnutrition, and destitution are an issue no matter where in the world they take place. Children missing school or going hungry are an issue no matter where they live, how they pray, or who their parents are.

Finding solutions to global problems is by necessity a global affair also.

This is why, in a sense, the mission SG Guterres has given us is both special and not special. Special, because it is indeed a very high-stakes endeavor for UNCTAD

But it is unspecial in the sense that this is not new – this is what the UN is about. And this, dear delegates, is why we must defend the capacity of this Conference to engage and produce results.

I have taken the pause to spell these ideas out, because I know that transparency is very important, because these are very sensitive matters, and because your trust is essential.

I therefore ask for your support, to help me guide this institution during this complex global context. To revitalize our intergovernmental machinery – a key mandate of the Bridgetown Covenant – it will be important that we continue engaging each other effectively, with clear aims, and sound principles. And this is a task for us all. We need spaces of discussion like this one more than ever before.

Your excellencies, distinguished delegates, ladies, and gentlemen:

I now turn to the third and last part of my opening remarks, related to item 4 in the agenda, the presentation of our Annual Report

Please allow me to be brief here, as much of the content of the annual report will be discussed in the coming segments of this 5-day long TDB, and there will be a dedicated segment tomorrow on the progress report of the Bridgetown Implementation plan, where I will go much into detail of these important issues.

We launched the Annual Report this March, and there a few things I would like to highlight from it.

In 2021, UNCTAD undertook 204 projects in 70 countries, with the help of our 461 staff members and 195 member states. Last year we had a regular budget of 73 million dollars, with a technical cooperation expenditure of 46 million.

In 2021, we released six major reports – the Digital Economy Report, the Economic Development in Africa Report, the Least Developed Countries Report, the Review of Maritime Transport, the Trade and Development Report, and the World Investment Report.

We had three key events – the World Investment Forum in October, the UN Trade Forum in June, and the Raul Prebisch Lecture, given by Esther Duflo, the first woman to win the Nobel Prize in Economics, also in June –

We had five important forums – the Global Commodities Forum, the Youth Forum, the Civil Society Forum, the Gender and Development Forum, and the Creative Industries and Trade Digitalization Forum – and last but not least, we had our quadrennial

conference, held in Barbados, which resulted in a very strong and renewed mandated embodied in the Bridgetown Covenant.

Some important milestones were also achieved last year. ASYCUDA marked 40 years of keeping international trade flowing. We marked 5 years conducting consumer protection work and we developed a new e-learning platform for national trade facilitation committees. Finally, our communications and external relations generated impressive results in 2021.

Our website readership increased by 172%, reaching an average of over 150.000 monthly readers.

The number of visitors to our website increased by 47,2%.

Our social media followers increased by almost 30% in some platforms such as LinkedIn.

And we had a 230% jump in the number of press-clipping mentioning UNCTAD.

As I always say, I believe communications is part of mandate delivery, so you can be sure that we will pursue greater engagements this year – as we have done, in fact.

Your excellencies, ladies and gentlemen, dear friends:

These have been my opening remarks. We have five important days ahead, where the most important part is to hear you, where we will discuss key agenda items, and where we will agree on critical issues going forward.

I want to call to particular attention to agenda item 8, in relation to the implementation of the Bridgetown Covenant. In our previous TDB we made very important commitments, and member states asked for some concrete points. We have worked very hard to address them, and I am excited to show you a detailed progress report tomorrow in a dedicated segment.

Dear delegates – I really feel we have taken important steps going forward and that is thanks to the amazing support you have given us without fail. None of this would ever be possible without you. Or without my team, who have done a tremendous effort.

I now yield the floor, looking forward to your questions and statements.

Thank you.