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Interdependence and development strategies in a globalized world

FINAL

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- CHECK AGAINST DELIVERY –

Madam President, dear Secretary General, Excellencies, distinguished Delegates,

I have the honour to speak on behalf of the European Union and its Member States.

We take note of the 2021 Trade and Development Report. We note the useful compilation of statistics and trends presentation, as well as several important recommendations. For instance, we very much support the call for boosting productive capacities and investment conducive to structural transformation, which can establish more climate resilient economies. As noted by the Report, targeted national policies are needed to build a diversified, low-carbon and circular economy. This requires a strong, climate-conscious developmental state, characterized by transparency and accountability, and a strong involvement of the private sector, as well as external and domestic resource mobilization. Indeed, as noted by the report through examples, effective and accountable public institutions, which are willing and able to dialogue with the private sector, are perhaps the key factor in determining the success of a national development agenda.

The EU and its Member States, as the biggest provider of development aid, are strongly committed to these goals and actively support developing countries by means of a comprehensive approach, which includes external financing commitments, as well as domestic and multilateral policy development.

The recently launched Global Gateway strategy is a very concrete example on how we pull together, as Team Europe, on these objectives. Global Gateway, which pursues sustainable connectivity aligned with the SDGs, will mobilise up to 300 billion euros towards global infrastructure and in support of green and digital transition. And it will do so by upholding our shared values enshrined in key multilateral outcomes, such as the 2030 Agenda and the Paris Agreement, as well as the Bridgetown Covenant.

Through Global Gateway we aim to partner up with the rest of the world, jointly designing sustainable and quality projects in full transparency and without creating dependencies or unsustainable levels of debt, thus delivering lasting social and economic benefits to the local communities. Digital, climate, energy, transport, health and research are to be the key thematic focus. These elements confirm Team Europe's commitment to support an effective and efficient developmental state in line with, and beyond, many of the recommendations of the 2021 Trade and Development Report.

Unfortunately, the 2021 Trade and Development Report also continues to elaborate some arguments and draw certain conclusions that are arguably oversimplified, do not represent the global realities or are contrary to broader membership views and decisions. For instance, implying that developing countries are forced to enter bilateral or plurilateral trade and investment agreements, or how such agreements make global economy more vulnerable, are not just unwelcome but arguably inaccurate or even flawed assertions. Especially considering that many such agreements are negotiated between developing countries themselves. For instance, the AfCFTA, to mention just one very recent and highly important example, is expected to significantly contribute to the stability of the African economies. Characterising Carbon Border Adjustment Mechanism as a simple protectionism measure taxing developing countries, or the thus far agreed debt related actions as “mostly symbolic”, or trying to paint the global climate efforts in the WTO and beyond as a developed vs. developing countries issue, are all unjustified and unsubstantiated or, at best, unfortunate oversimplifications.

As already commented on some of the previous Trade and Development Report editions, these sort of analysis and conclusions impact the credibility of the Report and of the Secretariat as a whole. And most importantly, do not contribute, and are arguably even detrimental, to the objectives of all three pillars of UNCTAD’s work, thus limiting the potential of many highly relevant messages and recommendations defined by UNCTAD.

As explicitly called for by the Barbados Covenant in paragraph 114, we hope for an enhanced peer review for future editions of this Report, and for ensuring synergies, complementarities and coherence with the work done and decisions made within relevant UN and other multilateral entities.

To this end, and in response to the call in paragraph 127 (vv), we would recommend that the next Trade and Development Report focuses on how countries can use the characteristics of the multilateral trading and development system to strengthen their development state and deliver on their national priorities of the 2030 Agenda. And how development partners can best support such endeavours.

Thank you.