

**Statement by Pakistan on behalf of the Asia-Pacific Group
Trade and Development Board
Sixty-Seventh Executive Session
Geneva, 4–6 February 2019**

**Mr. Chair,
Distinguished colleagues,**

I have the honour to deliver this statement on behalf of the Asia-Pacific Group. The Group would like to associate itself with the statement delivered by Ecuador on behalf of the Group of 77 & China.

Allow me on the outset to join other regional groups in applauding the Secretariat for the Least Developed Countries Report 2018 on “*Entrepreneurship for structural transformation: Beyond business as usual*”. We value the sound research and analysis which has resulted in the evidence-based policy recommendations that the report brings to bear on development policy making in the least developed countries.

It is encouraging to note that Asian regional investors have shown greater interest in moving towards higher-value-added functions to local firms. However, we note with concern the low interest among investors to engage in long-term investment in skills and innovation, except those that improve the lower ladders of production chains. This has entrenched a pattern of low knowledge transfer and high labour turnover among businesses.

We also note, with concern, the limited integration of LDCs in global value chains. In this regard, the Asian LDCs' integration in global value chains remains heavily dependent on domiciled foreign firms whose role is largely upstream. While they provide an initial impulse to structural transformation, further upgrading and stepping to higher forms in the supply chains is generally stymied by existing contractual arrangements and power relations within GVCs. Crucially, it would require supporting at various levels, local entrepreneurs that have established networks with global value chain actors, as pointed out by the report.

**Mr. Chair,
Distinguished colleagues,**

Many developing countries including LDCs will miss out on a population dividend unless they begin to take significant interest in benefiting from the

youth bulge through among others entrepreneurship policies that target the youth and novel start-up businesses. Most of the start-up businesses are owned by the youth, and although they are not always creating as many jobs as established businesses, their innovative guile and fearless attitudes towards risk are what would take developing countries to the path of sustainable development.

We also take note of the high number of bilateral investment treaties and other investment provisions favouring a limited number of sectors in LDCs. We urge LDCs to review these treaties considering the recommendations emanating from the informative work by UNCTAD.

Finally, the stalemate in multilateral trade negotiations remains a concern. Efforts on reviving the processes need to consider the heightened trade tensions arising from nationalism and regionalism emanating from the traditional and non-traditional trading partners, and how these will impact on efforts to develop a dynamic entrepreneurship landscape in LDCs that engages meaningfully at a global level.

We join other regions in calling upon UNCTAD to strengthen its support to policymaking in LDCs, especially in the areas of entrepreneurship, development of productive capacities and structural transformation. We also call upon partners to consider increasing official development flows to support LDCs' efforts in nurturing an entrepreneurial ecosystem that would contribute decisively to their structural transformation and economic diversification.

I thank you.