



Agenda item: 7

General debate

Statement by:

Pakistan on behalf of the Asia Pacific Group



**Asia Pacific Group Statement to be delivered by
Ambassador Khalil Hashmi (Pakistan) at the
15th Ministerial Meeting of the United Nations Conference on Trade and Development
(UNCTAD)
(4 October 2021)**

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**Madam President,
Secretary General UNCTAD,
Excellencies,
Distinguished delegates,**

I have the honour to address this Ministerial Conference on behalf of the Asia Pacific Group.

We congratulate and thank the Government of Barbados for hosting this important Conference. We extend our warm congratulations to Ms. Rebeca Grynspan on her appointment as the new Secretary General of UNCTAD and assure her of our full cooperation.

We commend the UNCTAD Secretariat for its hard work in organizing the conference amidst the challenges posed by COVID-19 pandemic.

Madam President,

The APG reaffirms its commitment to UNCTAD as a vital institution within the UN system. It has a critical role in advancing the trade and development mission of the United Nations in a holistic manner, based on the principles and purposes of its Charter.

This Conference is taking place in the backdrop of several extraordinary challenges, foremost among them are the wide ranging public health and economic challenges linked to the COVID-19 pandemic.

This quadrennial Conference is therefore an opportune time to discuss the impact of these challenges on the wider issues of trade and development and how can UNCTAD help in outlining a menu of response solutions and strategies through consensus-building, research and analysis and technical assistance.

Madam President,

Developing countries have particular needs in view of the past and present challenges characterized, inter alia, by reduced fiscal space and liquidity, commodity dependence, lack of productive capacities, environmental degradation and the related loss and damage, contraction in international trade and investment flows, growing debt burdens, illicit financial outflows, among others.

The APG looks forward to UNCTAD XV in building momentum towards addressing these challenges and tapping into potential opportunities for those most in need and vulnerable to exogenous shocks.

Madam President,

COVID-19 pandemic has ravaged economies, destroyed livelihoods and inflicted huge human suffering.

Since the pandemic outbreak, more than 1.5 million people have lost their lives; the global economy contracted 3.5 per cent in 2020. While all countries have been affected by the pandemic,

yet the developing countries have faced disproportional socio-economic and public health impacts. The World Bank has forecast global growth at 5.6% this year. This recovery, would however, be uneven and largely reflect sharp rebounds in some major economies.

In many emerging market and developing economies, impediments to timely availability of vaccination will continue to weigh negatively on economic recovery efforts. These risks, combined with the possibility of virus variants, growing debt burdens and inflationary pressures, would affect the world's poorest people and countries. Absent bold and timely interventions, they are likely to be left further behind.

Madam President,

Charting a sustainable course to recovery would remain a daunting task for developing countries unless transformational approaches to trade and development are pursued in earnest. To achieve an equitable and sustainable recovery, UNCTAD XV Outcome Document must identify concrete actions to achieve 'prosperity for all'.

The Group is of the view that the 2030 Sustainable Development Goals, the Addis Ababa Action Agenda, the Tenth Ministerial Conference of WTO, and the Paris Agreement collectively provide the required direction to UNCTAD in promoting its core mandate for the next four years.

The Group underscores the pursuit of following priority areas:

First, enhancement of UNCTAD's capacity to assist developing countries as they work towards achieving progress on SDGs. The Group recognizes UNCTAD as a major institutional stakeholder in the area of financing for development in support of follow-up to the 2030 Agenda for Sustainable Development and other recent international agreements;

Second, reiteration of the significance of a fair, open, transparent, rules-based and development-oriented international trading system that ensures market access, and enhanced participation of developing countries in global economic governance;

Three, vaccine equity is vital. Expanding vaccine production, distribution, timely availability and affordability, especially to developing countries, is a pre-requisite for their economic recovery. This requires expanding and diversifying vaccines production, lifting undue patent restrictions on vaccine inputs, and improving the transparency of vaccine orders, options and delivery schedules;

Four, debt sustainability has assumed high importance for developing countries. The last decade saw the largest, fastest, and highest increase in debt levels around the world. The pandemic has spurred an unprecedented buildup in government debt in many economies. The resources required to service debt—due to high interest rates and elevated debt levels—divert substantial funds away from critical investments in poverty eradication, health, nutrition, education, and other vital development needs. It will take continued global cooperation—including greater participation by the private sector—for meaningful debt relief to the poorest countries and fund the investments needed to foster and sustain longer-term growth;

Five, countering the devastating effects of climate change remains an urgent priority. The Group reaffirms the centrality of the principle of Common but Differentiated

Responsibility. Mobilization of climate finance and fulfilment of commitments to raise US\$100 billion annually remains crucial. Climate finance should be in the form of new, additional, predictable, at scale and grant based contributions from developed to developing countries;

Six, the enormity of existing social, economic and public health challenges, further exacerbated by the pandemic for developing countries, has underlined the importance to seriously consider the reform of the existing global economic and financial architecture. The realization and operationalization of the Right to Development has assumed urgency. UNCTAD has done commendable work and provided valuable insights, ideas and inputs. The Group is of the view that UNCTAD is well placed in the UN system to contribute to international policy debate and solutions to the reform of international economic and financial architecture;

Seven, the APG remains concerned over the continued drain of public finances through illicit financial outflows from developing countries. International cooperation to tackle these flows and reform the international taxation system are vital. The current international taxation system does not offer adequate avenues for participation of developing countries. Creation of an intergovernmental body on tax matters under the UN auspices is a priority to allow opportunities for developing countries to tax the digital companies on the basis of jurisdiction. The Group appreciates the recent agreement within G-7 last month to overhaul international tax laws. This work needs to be expedited;

Madam President,

The Group believes concerted, coherent and result-oriented efforts and actions are needed to advance the trade and development goals in the months and years ahead. The Group calls for effective participation and integration of APG countries into the multilateral trading system and commends the support provided by UNCTAD in this regard.

The APG lends its support to the on-going work on investment, in particular the role of Foreign Direct Investment (FDI) as a key means to promote sustainable development. A sound investment climate is necessary to attract FDI flows and domestic investment. It is essential that investment instruments and policies match the evolving concerns and priorities of governments, citizens and investors.

The Group is of the view that formulation and implementation of a reformed approach to investment protection, with clear safeguards for the governments' right to regulate and a fair, more balanced and transparent investment dispute resolution system, remains critical. With regard to investment dispute resolution, future reforms should not only be implemented within bilateral inter-state relationships, but also multilaterally, with as many of us around the table as possible.

Madam President,

The Group shares the view that structural economic transformation through diversification into more modern and technologically-advanced activities and higher value products is a pre-requisite for resilience-building and sustainable long-term growth. Therefore, the significance and salience of developing productive capacities is an essential element for such transformation.

UNCTAD's technical cooperation activities have acted as powerful tools for tackling the challenges that the developing countries face. The Group firmly believes that UNCTAD needs to

be better equipped and resourced to meaningfully assist developing countries in their endeavours towards structural transformation and enhancement of productive capacities.

The Group considers South-South and Triangular cooperation as important avenues for enhancing the trade and development potential of developing countries in this critical time of multiple challenges. These cooperation mechanisms should complement North-South cooperation.

UNCTAD has a key role to assist developing countries in the implementation and monitoring of progress vis-à-vis the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda. UNCTAD should use its signature expertise on trade and development to promote inclusive and sustainable growth in developing countries and support the achievement of specific targets across the relevant SDGs.

The APG supports UNCTAD's main focus on the Least Developed Countries. UNCTAD should continue with its engagement on LDC graduation, and the technical assistance provided in support of this goal.

In conclusion, the Group urges the Conference to adopt concrete measures to empower UNCTAD in ways it can further increase its support to developing countries on a range of trade, development and the inter-related issues of finance and technology issues as well as debt restructuring, inclusive finance, sustainable exploitation of marine and natural resources, and repatriation of illicit financial flows, among others.

I thank you.
