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Chairperson: Mr. Lundberg (Vice-Chairperson). (Finland)

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In the absence of Ms. Ochir (Mongolia), Mr. Lundberg (Finland), Vice-Chairperson, took the Chair.

The meeting was called to order at 3.10 p.m.

Agenda item 17: Information and communications technologies for development *(continued)*

(A/C.2/65/L.22)

Draft resolution on information and communications technologies for development (A/C.2/65/L.22)

1. **Mr. Al Hadhrami** (Yemen) introduced draft resolution A/C.2/65/L.22 on behalf of the Group of 77 and China.

Agenda item 20: Sustainable development *(continued)*
(A/C.2/65/L.17)

Draft resolution on the oil slick on Lebanese shores (A/C.2/65/L.17)

2. **Mr. Al Hadhrami** (Yemen) introduced draft resolution A/C.2/65/L.17 on behalf of the Group of 77 and China.

- (a) **Implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development** *(continued)*
(A/C.2/65/L.18)

Draft resolution on implementation of Agenda 21, the Programme for the Further Implementation of Agenda 21 and the outcomes of the World Summit on Sustainable Development (A/C.2/65/L.18)

3. **Mr. Al Hadhrami** (Yemen) introduced draft resolution A/C.2/65/L.18 on behalf of the Group of 77 and China.

- (e) **Implementation of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa** *(continued)* (A/C.2/65/L.21)

Draft resolution on implementation of the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly in Africa (A/C.2/65/L.21)

4. **Mr. Al Hadhrami** (Yemen) introduced draft resolution A/C.2/65/L.21 on behalf of the Group of 77 and China.

- (h) **United Nations Decade of Education for Sustainable Development** *(continued)*
(A/C.2/65/L.13)

Draft resolution on the United Nations Decade of Education for Sustainable Development (A/C.2/65/L.13)

5. **Mr. Al Hadhrami** (Yemen) introduced draft resolution A/C.2/65/L.13 on behalf of the Group of 77 and China.

Agenda item 22: Globalization and interdependence *(continued)* (A/C.2/65/L.20)

Draft resolution entitled "Towards a New International Economic Order" (A/C.2/65/L.20)

6. **Mr. Al Hadhrami** (Yemen) introduced draft resolution A/C.2/65/L.20 on behalf of the Group of 77 and China.

- (a) **Role of the United Nations in promoting development in the context of globalization and interdependence** *(continued)* (A/C.2/65/L.15)

Draft resolution on the role of the United Nations in promoting development in the context of globalization and interdependence (A/C.2/65/L.15)

7. **Mr. Al Hadhrami** (Yemen) introduced draft resolution A/C.2/65/L.15 on behalf of the Group of 77 and China.

- (b) **Preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption** *(continued)* (A/C.2/65/L.12)

Draft resolution on preventing and combating corrupt practices and transfer of assets of illicit origin and returning such assets, in particular to the countries of origin, consistent with the United Nations Convention against Corruption (A/C.2/65/L.12)

8. **Mr. Al Hadhrami** (Yemen) introduced draft resolution A/C.2/65/L.12 on behalf of the Group of 77 and China.

Agenda item 26: Agriculture development and food security (*continued*) (A/C.2/65/L.16)

Draft resolution on the International Year of Quinoa, 2012 (A/C.2/65/L.16)

9. **Mr. Barea** (Plurinational State of Bolivia) introduced draft resolution A/C.2/65/L.16.

Agenda item 18: Macroeconomic policy questions (*continued*)

(a) International trade and development

(*continued*) (A/65/15 (Parts I-IV), A/65/15 (Part IV)/Corr.1), and A/65/211)

10. **Mr. Panitchpakdi** (Secretary-General of the United Nations Conference on Trade and Development (UNCTAD)), introducing the report of the Secretary-General on international trade and development (A/65/211), said that emerging and developing countries were driving the world's economic recovery, which reflected a new multipolarity that the global economic governance system needed to take into account. However, the pace of the recovery was uneven, with developing countries outside of Asia experiencing limited growth and the volume of trade still falling short of pre-crisis levels. As the effects of stimulus and inventory rebuilding faded, growth would become more dependent on private sector demand, which continued to be hampered by high unemployment, low consumer confidence and stagnant incomes.

11. Continued imbalances posed as much if not more systemic risk than the recent crisis. Surplus countries needed to shift from external to domestic demand, while deficit countries needed to increase savings and expand imports. Since 2006, UNCTAD had been warning against currency devaluation as a means of reducing current account imbalances. The recent United States proposal, within the framework of the Group of 20 (G-20), to limit trade imbalances to 4 per cent of gross domestic product, thereby pre-empting the competitive devaluation of currencies while achieving more market-determined exchange rate systems, would require coordinated management and could not merely rely solely on the market to produce the desired outcome. The re-examination of existing international rules, such as restrictions on local-content subsidies under the Agreement on Trade-Related Investment Measures and restrictions on capital

controls under the General Agreement on Trade in Services, might also be warranted.

12. The risks of interdependence would only be compounded by the lack of coherence in global economic governance. While the G-20 was a useful mechanism, the United Nations, which comprised 192 Member States, could coordinate trade, finance and investment within a more inclusive framework. Strengthened and globally coordinated market regulations were crucial in order to address structural flaws and enhance system-wide oversight.

13. In the area of trade, the Doha Round remained relevant, particularly given the need to enhance food security and increase agricultural investment. Sequencing liberalization commitments in negotiations on non-agricultural market access could also prevent de-industrialization while promoting diversification and competitiveness in post-crisis economies. At the Fourth United Nations Conference on the Least Developed Countries, to be held in Istanbul in 2011, particular attention should be given to the possibility of an early harvest of Doha Round measures to address the trade interests of the least developed countries. Rebalancing the international intellectual property system in favour of development and technology transfer could provide an immediate boost to the attainment of the health- and environment-related Millennium Development Goals (MDGs). Such measures might include both enhanced implementation of existing articles of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) concerning technology transfer, and ratification of the amendment to the TRIPS Agreement to allow for compulsory licensing for countries without a pharmaceutical manufacturing capacity.

14. The crisis had given new prominence to the role of Government in promoting infrastructure development, agricultural diversification and green technologies. Countries must be allowed to implement a new generation of industrial policies, of which two notable examples were the growth strategies being pursued by South Africa and Brazil. Fostering inclusive growth and equitable economic relations under an expanded system of global economic governance was crucial to achieving the MDGs, reducing poverty and preventing the current crisis from turning into a double-dip recession.

15. **Mr. Piantini** (President of the Trade and Development Board of the United Nations Conference on Trade and Development (UNCTAD)), introduced the reports of the Trade and Development Board (A/65/15, Parts I-IV and A/65/15, Part IV/Corr.1), which referred to the Board's deliberations at its forty-eighth, forty-ninth, fiftieth and fifty-seventh executive sessions. Those sessions had focused primarily on the global economic and financial crisis; development strategies in a globalized world; the evolution of the international trading system; investment for development; South-South cooperation; the situation in the Occupied Palestinian Territory; and implementation of the Accra Accord.

16. He recalled that the situation in Haiti was a lesson to other countries on the trade policies that should, or should not, be adopted. The trade liberalization policies imposed on that country had undoubtedly weakened its economy by exposing its agricultural sector to unfair competition from subsidized imports. Now the ultimate and final success or failure of Haiti was in the hands of the international community, which needed to put in place programmes for its short-, medium- and long-term recovery, based on job-creating investments.

17. Lastly, as part of the preparatory work for the Fourth United Nations Conference on the Least Developed Countries, he noted that the UNCTAD Trade and Development Board had examined the main challenges to the development of those countries. Furthermore, with a view to the United Nations Conference on Sustainable Development in 2012, UNCTAD had organized a preparatory event on the green economy. The latter concept faced a double challenge: on the one hand, to improve living standards in developing countries while reducing their environmental footprint and, on the other, to lessen the environmental footprint of developed countries without lowering their living standards. Achieving the green economy would be very complex, requiring a high degree of international cooperation.

18. **Mr. Wolfe** (Jamaica), speaking on behalf of the Caribbean Community (CARICOM), which aligned itself with the statement made by the Group of 77 and China, said that CARICOM supported the Secretary-General's call for a greater degree of coherence in incorporating the development component into all areas of global economic governance. It was essential for the international community to redress the

imbalances which placed developing countries at a disadvantage in the multilateral trading system. Efforts must be redoubled to address the weakness of the development dimension in existing World Trade Organization (WTO) agreements and to allow developing countries, especially small, vulnerable developing economies, to secure an equitable share in international trade.

19. Trade agreements, whether bilateral, regional or multilateral, should serve to promote both trade and development. The development component should therefore be integral, not an afterthought. Within the framework of the ongoing WTO multilateral negotiations, CARICOM had constantly advocated for rules that took account of the concerns of developing countries, particularly the least developed countries, small vulnerable economies and net food-importing developing countries. It had also ensured that a development component was incorporated into the bilateral regional agreements negotiated recently with partners such as Canada and the European Union.

20. CARICOM would continue to argue in favour of allowance for the special challenges facing small vulnerable economies in the multilateral trading system. The lack of progress in completing the negotiations on a special safeguard mechanism was of particular concern to CARICOM, given that its adoption was essential to the pursuit of food security, rural development and poverty alleviation in the region. Such a mechanism could help to protect sensitive sectors from unfair competition, especially from unfairly subsidized imports.

21. Agriculture remained one of the principal areas of focus for the African, Caribbean and Pacific States, as well as for small vulnerable economies. In addition to greater flexibility in tariff reductions and the designation of special products, their other priorities included a 10-year implementation period for tariff reductions; flexibilities for developing countries' State trading enterprises; special provisions on the period for repayment of export credits; and flexible provisions for net food-importing developing countries.

22. The concept of Aid for Trade was predicated on the understanding that improved market access opportunities did not automatically guarantee penetration into global markets. CARICOM therefore regarded the Aid for Trade initiative as a vital and promising tool to help meet its development objectives.

23. CARICOM's participation in the services negotiations was driven mainly by the expectation of improved market access in sectors of strategic export interest. It maintained that effective market access under Mode 4 and a balanced outcome in the negotiations on domestic regulation were key development-oriented components of any outcome on services.

24. CARICOM was aware, from painful experience, that not all trade negotiations produced net tangible benefits, especially when competitive advantages were negated by the erosion of long-standing preferences and increasingly creative non-tariff barriers. Furthermore, losses of revenue through tariff liberalization must be offset by commensurate increases in market access and trade. Highly indebted developing countries with small, open and vulnerable economies required urgent consideration within the context of the development dimension of the current Doha Round of negotiations.

25. Despite the lack of progress in the negotiations, CARICOM, which remained committed to the timely completion of the Doha Development Round, encourage WTO members to take account of the difficulties of small vulnerable economies and to respond positively to proposals aimed at securing their integration into the multilateral trading system.

26. **Mr. Sharma** (Nepal), speaking on behalf of the Group of Least Developed Countries, said that those countries must become more resilient to external shocks in view of their declining comparative advantage for exports, rising import costs and difficulty integrating into the global financial and trading systems. Owing to their unique vulnerabilities and structural weaknesses, they were the most marginalized countries in the multilateral trading system. Limited market access for their products was further compounded by a lack of adequate domestic productive capacity and trade-related infrastructure and an unfavourable international trading environment. Even the WTO target of covering at least 97 per cent of tariff lines for duty-free, quota-free market access would have little development impact if key exports from least developed countries remained excluded from certain markets as a result of subsidies, the application of stringent rules of origin and non-tariff measures.

27. The least developed countries were experiencing declines in international trade, foreign direct investment inflows and remittances. Their competitiveness and productivity should therefore be improved and diversified into dynamic new products and services, and new comparative advantages and modern tradable activities should be encouraged to generate greater value added, forward and backward linkages, the dissemination of technology and capital formation.

28. The Group attached high importance to the early conclusion of the Doha Development Round, the outcome of which should be ambitious and equitable and provide a strong development dividend for all. Agreement should be reached on an early harvest package for the least developed countries incorporating provisions on duty-free, quota-free market access, flexible rules of origin and special provisions on the service sector. In addition, developed countries should immediately fulfil their pledges of development aid, aid for trade, debt-relief packages and other capacity-building measures in line with agreed international compacts and commitments, including those set out in the Monterrey Consensus of the International Conference on Financing for Development. Aid for Trade must be additional and substantive and should aim to enhance the trading capacity and international competitiveness of the least developed countries. The scope and funding of the Enhanced Integrated Framework for Least Developed Countries should also be significantly increased. Such measures were essential for generating growth and resources to combat poverty, hunger, illiteracy and disease.

29. International financial institutions, particularly the World Bank and the International Monetary Fund (IMF), should ensure that new facilities were inclusive, well-funded and easily accessible, imposed fewer conditionalities and recognized the special status and vulnerability of the least developed countries. Developing countries should also have a greater role in international economic and financial decision-making processes.

30. **Mr. Quinlan** (Australia), speaking on behalf of the Cairns Group, with the exception of the Plurinational State of Bolivia, emphasized that liberalizing trade, while imposing only a minimal fiscal burden on Governments, played a vital role in facilitating economic growth, sustainable development, improved welfare and job creation, as well as in

achieving the MDGs and addressing food security through support for innovative and environmentally sustainable agriculture, thereby bringing benefits to poorer farmers in developing countries.

31. History had shown that reverting to protectionism during an economic downturn would only exacerbate a crisis. However, the burden of competition from heavily subsidized products and tariff and non-tariff barriers to agricultural trade persisted. The Cairns Group urged all WTO members to demonstrate the political will required to complete the Doha Round; lock in the positive progress already made in order to eliminate all forms of export subsidies by 2013; substantially reduce and further discipline trade-distorting domestic support; and substantially improve market access for agricultural products. According to the World Bank, 70 per cent of the world's poor living in rural areas derived their income from agriculture. It was therefore essential to reach an ambitious and balanced Doha Round outcome on agriculture in line with the Round's development mandate.

32. **Mr. Loulichki** (Morocco), speaking on behalf of the Group of Arab States, said that a fair international trade system that respected the principle of special and differential treatment was essential to overcoming the economic crisis and achieving the MDGs. Developed States needed to make good on their commitments with regard to market access, debt relief and Aid for Trade in accordance with international agreements and the Monterrey Consensus. A successful conclusion to the Doha Round was more urgently needed than ever. Developed countries should stop subsidizing their agriculture sectors, while developing countries should receive preferential treatment for their products in order to protect them from the potential negative effects of trade liberalization.

33. Greater coordination between WTO and the United Nations, and in particular UNCTAD, was needed to restore balance to the global trading system. He called for facilitated accession to the WTO, of which only half the Arab States were members, and for the introduction of Arabic as a working language of that organization. Unilateral measures imposed by some developed countries against Arab States undermined the global trading system and were in violation of General Assembly resolution 64/189 on unilateral economic measures as a means of political and economic coercion against developing countries.

34. **Mr. Dos Santos** (Paraguay), speaking on behalf of the Group of Landlocked Developing Countries, said that the economic performance of those countries remained uneven and fragile, and that the moderate increase in agricultural commodity prices was insufficient to promote the robust recovery of their economies. Despite the impressive export growth achieved by landlocked developing countries during the current decade, they remained largely marginalized in the global economy and accounted for less than 1 per cent of world trade in goods. Their structural weaknesses, particularly their low productive capacities and heavy reliance on a few low-value, high-bulk commodities, placed them at a disadvantage.

35. It was therefore increasingly important to ensure the full and timely implementation of the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries. With the support of the donor community, countries in both those groups must revise their regulatory and policy frameworks governing transit trade and improve their trade-related infrastructure in order to establish efficient transit transport systems.

36. Even with several preferential tariff schemes benefiting landlocked developing countries, those countries showed the lowest rate of preference utilization compared to other groups of countries. Trade facilitation negotiations were important in order to generate gains from international trade, which should be a tool for poverty eradication. Aid for Trade should serve as a complement to, not a substitute for, the Doha Round or official development assistance. The developed countries should demonstrate flexibility and the political will required to conclude the Round. The negotiations on trade facilitation should be an early harvest of the Doha Round, and as such should not be delayed by the rest of the Round.

37. Lastly, the international community should address the special development concerns and needs of the landlocked developing countries through increased, timely and sustainable financial support to help them accelerate progress towards the achievement of the MDGs and strengthen their capacity to mitigate and adapt to climate change.

38. **Ms. Wang Hongbo** (China) said that the external environment for the participation of developing

countries in international trade remained fraught with uncertainties. Trade was an important engine for development and a major source of financing for developing countries, and an open global trading system was essential for the timely attainment of the MDGs. She urged the international community to work vigorously to achieve substantive progress in the Doha Round at an early date. The parties concerned should uphold the Doha development mandate, maintain gains already achieved and work on the basis of the current negotiating text to reach a comprehensive and balanced outcome, which should have a development focus and reflect the needs and special concerns of developing countries.

39. The international community, especially the developed countries, must also firmly oppose all forms of trade protectionism and strictly honour their commitment not to introduce new restrictions on commodities, investment and services. It must also increase trade financing resources, reduce financing costs, devise innovative modes of financing and, in particular, increase support for small and medium-sized enterprises.

40. Furthermore, the international community should improve market access for commodities from the least developed countries, landlocked developing countries and small island developing States. It should also help those countries upgrade their industrial infrastructure and diversify their exports in order to enhance their capacity to benefit from trade preferences.

41. China was committed to the establishment of an open, fair and non-discriminatory international trading system. Over the past two years of global economic difficulties her country had rejected all forms of trade protectionism and had vigorously expanded imports, thus making significant contributions to the global economic recovery and the growth of international trade. It had become the world's second largest importer and paid particular attention to trade with developing countries, including African countries and the least developed countries.

42. **Mr. Quintaes** (Brazil) said that, although the world economy was expected to show positive growth in 2010 and trade flows seemed to be recovering across the globe, the recovery remained uneven, fragile and uncertain. An early conclusion of the Doha Round would provide much-needed impetus to the economic recovery and strengthen the foundation for sustained,

equitable and inclusive growth. A universal, rules-based, open, non-discriminatory and equitable multilateral trading system was essential for sustainable development. While WTO members had generally resisted broad protectionist measures, the risk posed by such barriers would persist until the recovery was fully consolidated and unemployment had been substantially reversed. In order to avoid a relapse of protectionism, political commitments must be accompanied by adequate supervision and transparency.

43. Brazil remained fully committed to a balanced, ambitious and development-oriented outcome of the Doha Round. The elimination of agricultural export subsidies, a substantial reduction in domestic measures of support by developed countries and enhanced market access would be the most significant contribution that developed countries could make to promote development. International efforts to promote local agricultural production in developing countries were unlikely to succeed unless all forms of agricultural trade protectionism were duly addressed.

44. While his delegation was encouraged by the broad substantive trade discussions held in Geneva in recent months, the negotiations should continue to be guided by the development mandate and should build upon progress already made, particularly with regard to modalities. Renewed political commitment by all parties was needed to overcome the current deadlock.

45. **Mr. Abay** (Ethiopia) said that it was essential to ensure the sustainability of the nascent global economic recovery and provide the developing countries with the means to promote development. If international trade was to play a significant role in poverty reduction, trade liberalization and enhanced market access must be accompanied by meaningful special treatment for the least developed countries.

46. Ethiopia had achieved high levels of growth, had maintained relatively stable inflation rates both before and after the global economic and financial crisis and was one of the five countries in the world currently experiencing rapid economic growth. In pursuing its development goals, Ethiopia had benefited from the experience and expertise of international institutions, as well as financial support and assistance from the international community. It now urged the international community to support its swift accession to WTO.

47. Since the poor in developing countries were dependent on agriculture and labour-intensive manufacturing, there was a pressing need to eliminate all forms of trade protectionism and anti-competitive practices and to facilitate access to trade financing. A true partnership for development could be achieved only through a combination of investment, trade, aid, debt relief and global economic governance reforms. It was therefore necessary to mainstream trade and development concerns into international poverty reduction strategies; increase financial and technical assistance to enhance domestic production and capacities; and establish a more fair and equitable multilateral trading regime. The conclusion of the Doha Round in an environment open to flexibility and constructive engagement was more urgent than ever.

48. **Ms. Gervasi** (Peru) said that international trade continued to be an important engine of global economic growth, despite the economic and financial crisis. It was essential for trade flows to continue so that all countries, particularly the developing countries, could maintain the levels of income necessary to combat the crisis and achieve a strong and sustained recovery. To that end, the international community must eliminate all forms of protectionism, reaffirm the multilateral trading system and successfully conclude the Doha Development Round. Her delegation underlined the importance of international trade in promoting sustainable economic growth and development for countries such as Peru, which were in the process of expanding and diversifying their external markets.

49. Peru was implementing a domestic trade and development strategy designed to enhance and prioritize the benefits of trade liberalization and investment. In so doing, it was seeking to identify best practices to ensure that those benefits were shared equally among all sectors of society, with a special emphasis on small and medium-sized enterprises and farmers.

50. Such national efforts should be complemented by effective international cooperation between developed and developing countries on labour and environmental issues related to trade, in the interests of promoting sustainable development and social inclusion. The United Nations, owing to its inclusive nature, was uniquely placed to play a facilitating role in that respect.

51. **Ms. Bubnovskaya** (Belarus) stressed the need for the international community to adopt coordinated measures to promote international trade, with a special emphasis on trade preferences for developing countries within the framework of the Generalized System of Preferences and through individual arrangements with developed countries. There must be an end to protectionism and barriers of all kinds affecting trade with developing and middle-income countries. The latter were particularly vulnerable as they struggled with the impact of the global financial and economic crisis. Expansion of trade with middle-income countries would help their Governments to move closer to attainment of the MDGs.

52. Energy security was a paramount concern and the intergovernmental energy dialogue in the United Nations should be continued and expanded.

53. Belarus was pursuing the goal of trade liberalization through bilateral, regional and multilateral channels. A customs union joining Belarus, Kazakhstan and the Russian Federation had recently become operational.

54. At the multilateral level, a way must be found to enable developing and middle-income countries to enjoy a fair share of the advantages of trade liberalization. The Doha Round could do much to achieve that goal but the current lack of progress was a serious obstacle to strengthening the global partnership for the achievement of the MDGs.

55. The organizations in the United Nations system, and particularly UNCTAD and WTO, should analyse the impact on international trade and development of national financial instruments used by Member States to support their economies. Belarus commended the work being done by UNCTAD to monitor trade and investment measures and to analyse the interests of the developing countries and countries with economies in transition in that context. It welcomed the Investment Policy Review of the Republic of Belarus conducted by UNCTAD and urged potential donors to provide additional resources for UNCTAD country projects concerning investment policy.

56. The international agencies were doing effective work to help developing and middle-income countries to implement crisis prevention measures. Enhanced cooperation between developed and developing countries was important for the successful recovery of the world economy.

57. **Ms. Díaz** (Cuba) recalled that her delegation was once again compelled to make the same points and legitimate demands, essentially those shared by all developing countries, as world trade continued to be increasingly monopolized by developed countries locked in a struggle for control over essential raw materials and markets.

58. Despite promises, there was still no open, just, equitable, non-discriminatory and transparent multilateral trading system, nor did developing countries have a real voice in decision-making. Although trade was a key driver of economic growth and sustainable development, the fact that many developing countries had yet to benefit from it had widened the gap between industrialized and poor countries. The global economic and financial crisis exposed the urgent need for reform of the world economic system, including its multilateral trading system.

59. Although the prompt conclusion of the Doha Round was alleged to be the solution to the problems of trade, developed countries were not demonstrating the political will and flexibility needed to make that possible. A successful conclusion meant achievement of the Round's development goals, through a balanced and equitable agreement on access to markets for agricultural and industrial goods, while allowing less than full reciprocity so that developing countries could implement domestic policies.

60. Also essential were significant reductions in trade-distorting domestic support, special and differentiated treatment, and flexibilities for developing countries. Small and vulnerable economies must be able to effectively participate in world trade. Furthermore, there must be no demagoguery or double standards in the fight against protectionism. Since developing countries could not use subsidies under WTO agreements, tariffs were the only policy instrument available to them.

61. A return to the original Doha mandates was therefore necessary. Cuba believed that a response to the current crises needed the special safeguard mechanism, an agreement on special products, effective access for sensitive goods such as cotton and bananas, attention to the issue of erosion of preferences and flexibility to give food-importing countries access to the necessary funding. Future agreements must

protect producers from unfair competition while safeguarding food security and development.

62. **Mr. Alimov** (Russian Federation) said that the multilateral trading system developed by WTO was an integral part of the global system of economic governance and fostered an atmosphere of predictability. However, it was currently confronted with a development deficit. The failure to conclude the Doha Round made it impossible effectively to stabilize the system and to balance the interests of all participants.

63. The Russian Federation adhered to the principles and rules of WTO and was endeavouring to become a full member of that Organization. The accession process was near completion and his country's domestic legislation was being brought into compliance with WTO standards and rules. The Federation Council had approved amendments to the Civil Code of the Russian Federation concerning intellectual property rights. The creation of a customs union joining the Russian Federation, Kazakhstan and Belarus was not an impediment to WTO membership and merely required alterations to the instruments of accession.

64. Trade was closely linked to the issue of sustainable development, one aspect of which was the "green economy". In that connection, there was a risk of new trade restrictions and increased trade protectionism, particularly regarding goods and technologies not covered by that concept. Before that initiative was actively promoted, international organizations, including UNCTAD, should therefore evaluate its possible negative impact on international trade.

65. In conclusion, he emphasized the important role played by UNCTAD, especially in the analysis of trade and investment policies, and the significance of the Accra Accord adopted at the twelfth session of UNCTAD.

66. **Mr. Khair** (Sudan) said that it was unfortunate that while developing countries had borne the brunt of the economic crisis, the developed countries were failing to fulfil their commitments with respect to development assistance and market access. African countries in particular were encountering many obstacles in their efforts to achieve the MDGs. Climate change was a matter of particular concern for countries threatened by drought and desertification. His country

had formulated a comprehensive programme that focused on using petroleum and other resources to increase agricultural production.

67. While his country had made great strides in meeting the standards set by WTO, its decades-long effort to gain membership of that Organization continued to encounter obstacles. Political considerations were winning out over the internationally accepted principle of special treatment for least developed and post-conflict countries. Commitments with respect to development aid, debt relief and technical assistance were going unfulfilled, and new conditionalities were being introduced into established arrangements such as the Cotonou Agreement. Successful integration of the developing world into the global economy was in the interest of developing and developed States alike.

68. **Ms. Dastidar** (India) said that developing countries, particularly the least developed among them, were unable to optimize their share in international trade owing to difficulties in market access and a lack of trade capacity, concessional finance and credit.

69. It was essential to maintain a balance between domestic and overseas demand for sustainable economic growth. In order to offset the negative impact of export-led growth, countries must pursue export strategies favouring the diversification of markets and products. Diversification into the services sector, would be conducive to building economic resilience and reducing excessive dependence on commodities. Solutions must also be found to add value to developing country exports instead of simply perpetuating the role of those countries as providers of raw materials.

70. In that context, the outcome of the Doha Round must be ambitious, fair, balanced and equitable, and it must correct current imbalances and truly reflect a development agenda. Trade barriers and protectionism must be shunned. Food security was a major concern, particularly in poor countries. It was essential to adopt the special safeguard mechanism and maintain a balance between agriculture and non-agricultural market access.

71. Promoting the benefits of trade must take into account the special needs of developing countries, particularly small island developing States, landlocked developing countries and the least developed countries. Agreement must be reached on granting duty-free,

quota-free market access for the least developed countries. India supported flexibilities in the TRIPS Agreement regarding health issues and stressed the need to extend such flexibilities to the transfer of climate change technology. Her country also favoured making intellectual property rules fully supportive of the objectives of the Convention on Biological Diversity.

72. India was in favour of strengthening the voice of developing countries in the Bretton Woods institutions and therefore welcomed the recent IMF decision to shift more than 6 per cent of quota shares to dynamic emerging market and developing countries by 2012.

73. **Ms. Prorok** (Ukraine) said that fulfilment of the principles set out in the Monterrey Consensus was essential for development and the achievement of the MDGs. While every country had primary responsibility for its own development, assistance from the international community was crucial to their efforts, particularly in the case of middle-income countries. External financing, particularly foreign direct investment, played an important role in economic stabilization and development in Ukraine. Her country also welcomed the promotion of innovative financing sources and mechanisms aimed at ensuring predictable financing for sustainable development.

74. With regard to multilateral trade, her delegation believed that preventing protectionism and finding new approaches and transparent instruments to preserve global competition would contribute to the global economic recovery. A fair, non-discriminatory and prompt outcome to the Doha Round was therefore essential.

75. Debt remained a serious obstacle to the sustainable development, security and economic stability of developing countries. Additional steps should therefore be taken, particularly for the prevention of debt accumulation, and her delegation welcomed unilateral measures by Member States and multilateral initiatives aimed at debt cancellation and debt regulation.

76. Ukraine also welcomed the steps taken by IMF and the World Bank to increase the representation of developing countries and to give them a stronger voice in decision-making processes. Resolving outstanding global economic governance issues was crucial in order to strengthen economic stability and ensure the continued effectiveness and credibility of both

institutions. The United Nations, as a universal international organization, should play a leading role in global economic governance, including in close cooperation with the G-20 and the Group of Eight.

77. In conclusion, reiterating Ukraine's commitment to achieving the MDGs and the other internationally agreed development goals through comprehensive economic and social reforms, she noted that her Government had taken steps to that end earlier in the year.

78. **Mr. Al-Ansari** (Qatar) said that a two-track solution to address the current impasse in the Doha Round and the challenges facing developing countries was more urgent than ever. Equally urgent was the need to strike a balance among the three pillars of sustainable development.

79. In the light of their historical responsibility, developed countries could not continue to emphasize their support for the efforts of developing countries while simultaneously denying them access to their markets. Nor could they continue to state that liberalization was conducive to growth and development while implementing it only selectively. Capital liberalization, moreover, must be combined with lifting restrictions on trade and the movement of natural persons.

80. One of the consequences of the global economic and financial crisis caused by developed countries had been to increase poverty and social misery in developing countries, making it difficult for many to achieve the MDGs. While the worst of the crisis was over, poverty eradication, benefit-sharing and effective developing country participation in both recovery and global economic prosperity remained no less vital. Essential inputs to that end included United Nations support for developing countries' efforts and cooperation from developed countries.

81. The stalling of the Doha Round was highly regrettable and deeply disappointing for developing countries, which had pinned enormous hopes on the contribution of the negotiations not only to attainment of the MDGs and poverty eradication, but also to the achievement of progress in services, preferential treatment and aid. It was imperative for all States to generate the political will needed for the resumption and success of the negotiations, not least in order to quell any rising doubts about the importance of UNCTAD and WTO as the backbone of the

international multilateral trade system. In that context, the negotiations should prioritize such issues as the development of measures to enhance the efficiency of the international trade system; the impact of trade protectionism on developing countries; preferential treatment, technical aid and targeted capacity-building programmes for developing countries; agriculture, food security and anti-desertification efforts; and the reduction of export subsidies in developed countries with a view to their eventual elimination.

82. **Ms. Al-Hadid** (Jordan) said that, in order to gain the maximum benefit from increased trade, trade liberalization must be accompanied by policies to enhance growth through legislation and by maintaining macroeconomic stability. In the light of increasing uncertainties in the world economy and the need to help developing countries achieve the MDGs, it was urgent to ensure that the outcome of the Doha Round advocated a universal, rules-based, open, non-discriminatory and equitable multilateral trading system. Commitments were also needed on aid for trade, debt relief and other measures to build capacity in line with relevant international conventions and internationally agreed commitments.

83. Jordan was successfully pursuing a strategy of trade liberalization at the multilateral, regional and bilateral levels and, with the active involvement of the private sector, had made considerable progress towards building a market-oriented economy. Intensive reforms had created a modern and conducive regulatory environment for business and investment. In recent years her country had made progress in implementing its WTO commitments, in some areas surpassing them, and had entered into free trade agreements with its major trading partners.

84. **Mr. de Bassompierre** (Belgium), speaking on behalf of the European Union; the candidate countries Croatia, the former Yugoslav Republic of Macedonia and Turkey; the stabilization and association process countries Albania, Bosnia and Herzegovina, Montenegro and Serbia; and, in addition, Georgia, the Republic of Moldova and Ukraine, said that although the global economy recovery was uneven and fragile, the economic dynamism of emerging economies had provided a welcome boost. The establishment by the G-20 of its Development Working Group at its recent meeting in Seoul demonstrated the recognition by the G-20 of the need to pay due attention to development concerns and actions in order to ensure that the

recovery was durable, sustainable and spread beyond its participants.

85. All exports from the least developed countries benefited from duty-free and quota-free access to the countries of the European Union under the Everything but Arms initiative, and the European Union had reviewed its preferential rules of origin to ensure that they facilitated access to its markets by developing countries, particularly the least developed among them. Other developed countries and emerging economies should follow the European Union's example.

86. Since the bulk of international trade was in intermediate goods and services, countries must provide a domestic economic environment conducive to foreign trade and investment. At the same time, assistance from the international community and donors remained important and the European Union was fully committed to supporting partner countries in order to ensure that trade fully contributed to their development strategies.

87. The European Union provided more than 50 per cent of overall trade-related assistance and Aid for Trade. Its trade-related assistance amounted to €2 billion annually. It also provided support for regional trade integration.

88. The European Union was unconvinced by arguments blaming the slow development progress of some countries on an open trade policy, competitive markets and WTO rules. It disagreed that subsidies and protected markets could facilitate growth in developing countries. Trade protectionism must be fought everywhere. Furthermore, growth alone would not suffice; sustainable, inclusive and green growth formed a key requirement in order to bring the benefits of sustainable development to the poorest members of society.

89. The European Union was committed to contributing to the success of the sixteenth session of the Conference of the Parties to the United Nations Framework Convention on Climate Change and the Fourth United Nations Conference on the Least Developed Countries. However, the main achievement for trade policy would be the successful conclusion of the Doha Development Agenda. An unprecedented development-friendly package was in the offing, and the European Union urged all partners to join it in making the conclusion of the Doha negotiations in 2011 a high priority.

90. In conclusion, recalling that the issue of international trade and development had proved increasingly contentious in the Committee in recent years, he urged the Committee to work in a constructive spirit in order to reach agreement on a resolution on the subject for transmittal to the General Assembly.

91. **Mr. Fareed** (United Nations Industrial Development Organization (UNIDO)) said that rejecting all forms of protectionism must remain a key element of a coordinated response by the international community to the economic and financial crisis. In that context, there was an urgent need for an early conclusion of the Doha Development Round.

92. Manufactured products often were a greater stimulus to growth than other types of exports because they built the productive capacities of developing countries and helped them to diversify their markets, thus enhancing their global competitiveness. He described a number of support services which UNIDO provided to developing countries to enable enterprises to manufacture cost-effective products with high export potential in the quantities and at the level of safety and quality that markets required. UNIDO also helped countries to ensure that their products conformed to relevant international standards, in particular private buyer and technical requirements. Examples included a joint project with UNIDO, WTO and the Norwegian Agency for Development Cooperation to establish accredited testing and certification facilities in Zambia for that country's strategic exports and a project in Côte d'Ivoire to prevent a dangerous mycotoxin from contaminating its coffee and cocoa exports.

93. UNIDO also worked closely with other organizations to ensure improved coordination and cooperation among providers of trade-related assistance, as demonstrated by its collaboration with WTO on the Enhanced Integrated Framework for Least Developed Countries and with the United Nations Chief Executives Board Interagency Cluster on Trade and Productive Capacity. In addition, the forthcoming 2010 edition of the Inter-Agency Resource Guide on Trade Capacity-Building, coordinated by UNIDO with funding from Sweden, would for the first time include detailed information on trade-related services for developing countries provided by agencies of many Member States.

The meeting rose at 6 p.m.