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Sixty-ninth session Agenda item 17 (a)

Macroeconomic policy questions: international trade and development

Report of the Second Committee*

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I. Introduction

1. The Second Committee held a substantive debate on agenda item 17 (see A/69/466, para. 2). Action on sub-item (a) was taken at the 30th and 34th meetings, on 5 and 25 November 2014. An account of the Committee's consideration of the sub-item is contained in the relevant summary records (A/C.2/69/SR.30 and 34).

II. Consideration of proposals

A. Draft resolutions A/C.2/69/L.28 and A/C.2/69/L.52

2. At the 30th meeting, on 5 November, the representative of the Plurinational State of Bolivia, on behalf of the States Members of the United Nations that are members of the Group of 77 and China, introduced a draft resolution entitled "International trade and development" (A/C.2/69/L.28), which read:

"The General Assembly,

"*Recalling* its resolutions 56/178 of 21 December 2001, 57/235 of 20 December 2002, 58/197 of 23 December 2003, 63/203 of 19 December 2008, 66/185 of 22 December 2011, 67/196 of 21 December 2012 and 68/199 of 20 December 2013,

"Noting its resolutions 59/221 of 22 December 2004, 60/184 of 22 December 2005, 61/186 of 20 December 2006, 62/184 of 19 December 2007, 64/188 of 21 December 2009 and 65/142 of 20 December 2010,

^{*} The report of the Committee on this item is being issued in four parts, under the symbol A/69/466 and Add.1-3.





"Recalling the United Nations Millennium Declaration, as well as the outcomes of the International Conference on Financing for Development and the World Summit on Sustainable Development, the 2005 World Summit Outcome and the Doha Declaration on Financing for Development: outcome document of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus,

"Recalling also the Conference on the World Financial and Economic Crisis and Its Impact on Development and its outcome document,

"Recalling further the high-level plenary meeting of the General Assembly on the Millennium Development Goals and its outcome document,

"Recalling the Fourth United Nations Conference on the Least Developed Countries and its outcome documents,

"*Recalling also* the thirteenth session of the United Nations Conference on Trade and Development, held in Doha from 21 to 26 April 2012, and its outcome documents,

"Recalling further the United Nations Conference on Sustainable Development and its outcome document, entitled 'The future we want',

"Reaffirming the value of multilateralism to the global trading system and the commitment to achieving a universal, rules-based, open, non-discriminatory and equitable multilateral trading system that contributes to growth, sustainable development and employment generation in all sectors, and emphasizing that bilateral and regional trading arrangements should contribute and be complementary to the goals of the multilateral trading system,

"Reiterating that development concerns form an integral part of the Doha Development Agenda, which places the needs and interests of all developing countries, especially the least developed countries, at the heart of the Doha Work Programme of the World Trade Organization,

"Reaffirming that agriculture remains a fundamental and key sector for developing countries, and noting the importance of working towards eliminating all forms of protectionism and the commitments to comprehensive negotiations aimed at substantial improvement in market access, substantial reduction in trade-distorting national support and the parallel elimination of all forms of export subsidies and disciplines on all export measures with equivalent effect as provided in the mandate from the Doha Work Programme, the framework adopted by the General Council of the World Trade Organization on 1 August 2004 and the Hong Kong Ministerial Declaration adopted by the World Trade Organization in 2005,

"Recalling the Marrakesh Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least Developed and Net Food-importing Developing Countries,

"Recognizing the importance of competition policy and legislation in order to enhance the international competitiveness of developing countries,

"Expressing deep concern about the ongoing adverse impacts, particularly on development, of the world financial and economic crisis,

recognizing evidence of an uneven and fragile recovery, cognizant that the global economy, notwithstanding significant efforts that helped contain tail risks, improve financial market conditions and sustain recovery, still remains in a challenging phase, with downside risks, including high volatility in global markets, high unemployment, particularly among youth, indebtedness in some countries and widespread fiscal strains, which pose challenges for global economic recovery and reflect the need for additional progress towards sustaining and rebalancing global demand, and stressing the need for continuing efforts to address systemic fragilities and imbalances and to reform and strengthen the international financial system while implementing the reforms agreed upon to date,

"Noting that, while some developing countries have been the main contributors to recent global economic growth, the economic crisis has reduced their capacity to withstand further shocks, recalling the commitments made to support development and strong, sustained, balanced and inclusive economic growth, and reaffirming the need to work cooperatively to meet development commitments to achieve the Millennium Development Goals by 2015,

"Acknowledging that international trade is a powerful tool for delivering inclusive and sustained economic growth and that international trade as an engine for development is a fundamental chapter of the Monterrey Consensus, which provides the conceptual framework for financing the post-2015 development agenda, with poverty eradication as its overarching goal,

"1. *Takes note* of the report of the Trade and Development Board of the United Nations Conference on Trade and Development and the report of the Secretary-General;

"2. *Reaffirms* that international trade is an engine for development and sustained economic growth, and also reaffirms the critical role that a universal, rules-based, open, non-discriminatory and equitable multilateral trading system, as well as meaningful trade liberalization, can play in stimulating economic growth and development worldwide, thereby benefiting all countries at all stages of development;

"3. *Emphasizes* the importance of facilitating accession to the World Trade Organization and that the accession process should be accelerated without political impediment and in an expeditious and transparent manner for developing countries, in full compliance with the rules of the World Trade Organization, which would contribute to the rapid and full integration of developing countries into the multilateral trading system;

"4. Also emphasizes the need to resist protectionist tendencies and to rectify any trade-distorting measures that are inconsistent with World Trade Organization rules, recognizing the right of countries, in particular developing countries, to fully utilize flexibilities consistent with their World Trade Organization commitments and obligations;

"5. *Expresses serious concern* at the lack of progress in the Doha Round of World Trade Organization negotiations, reiterates the call for the necessary flexibility and political will in order to break the current impasse in the negotiations, and in this regard calls for a balanced, ambitious, comprehensive and development-oriented outcome of the Doha Development Agenda multilateral trade negotiations, in keeping with the development mandate of the Doha Ministerial Declaration, the decision of 1 August 2004 of the General Council of the World Trade Organization and the Hong Kong Ministerial Declaration adopted by the World Trade Organization in 2005;

"6. *Reaffirms* the commitments made at the Fourth Ministerial Conference of the World Trade Organization relating to the least developed countries, and encourages developed countries, and developing countries declaring themselves in a position to do so, to take steps towards the goal of realizing the timely implementation of duty-free and quota-free market access on a lasting basis for all least developed countries, consistent with the Hong Kong Ministerial Declaration;

"7. *Emphasizes* the full, timely and effective implementation of the relevant provisions of the Programme of Action for the Least Developed Countries for the Decade 2011-2020;

"8. *Reaffirms* the Marrakesh Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least Developed and Net Food-importing Developing Countries;

"9. *Stresses* the need to remove food export restrictions and extraordinary taxes on food purchased for non-commercial, humanitarian purposes by the World Food Programme and to not impose them in the future;

"10. Also stresses the need to increase investment from all sources in agriculture and rural development, including through the provision of technical and financial assistance, as appropriate, to the least developed and net food-importing developing countries, with a view to increasing their agricultural productivity and infrastructure;

"11. Recognizes the particular challenges that may be faced by small, vulnerable economies to fully benefit from the multilateral trading system in a manner commensurate with their special circumstances, and in this regard encourages progress in the implementation of the World Trade Organization work programme on small economies, as mandated in the 2001 Doha Ministerial Declaration and the 2005 Hong Kong Ministerial Declaration, which supports their efforts towards sustainable development, and of the outcome document of the third International Conference on Small Island Developing States, held from 1 to 4 September 2014 in Apia;

"12. *Stresses* the need to identify and develop strategies to expand trade opportunities for women producers and facilitate the active participation of women in national, regional and global trade decision-making structures and processes, thereby ensuring that women- and men-owned businesses and farms have equal opportunities in markets;

"13. *Reaffirms* the commitment to address the special development needs of and the challenges faced by landlocked developing countries, and calls for the full, timely and effective 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, in accordance with the Declaration of the high-level meeting of the sixty-third session of the General Assembly on the midterm review of the Almaty Programme of Action;

"14. *Welcomes* the convening of the second United Nations Conference on Landlocked Developing Countries from 3 to 5 November 2014 in Vienna;

"15. Also welcomes the convening of the third International Conference on Financing for Development, to be held from 13 to 16 July 2015 in Addis Ababa;

"16. *Further welcomes* the convening of the Seventh United Nations Conference to Review All Aspects of the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices in Geneva in 2015;

"17. *Welcomes* the convening of the Tenth Ministerial Conference of the World Trade Organization in 2015;

"18. *Also welcomes* the convening of the fourteenth session of the United Nations Conference on Trade and Development in Lima in 2016;

"19. *Expresses concern* about the adoption of unilateral actions that are not consistent with the rules of the World Trade Organization, harm the exports of all countries, in particular those of developing countries, and have a considerable bearing on the ongoing World Trade Organization negotiations and on the achievement and further enhancement of the development dimension of the trade negotiations;

"20. *Notes* that non-tariff measures and non-tariff barriers are gaining attention in international trade, and in this regard recognizes the timeliness of international efforts in the context of the World Trade Organization to address non-tariff measures and to reduce and eliminate arbitrary or unjustified non-tariff barriers;

"21. *Recalls* the outcome of the Ninth Ministerial Conference of the World Trade Organization, held in Bali, Indonesia, in December 2013, and calls upon Member States to implement all aspects of the Bali package in a balanced manner through an inclusive negotiation process in which the procedural issues of the Agreement on Trade Facilitation are tackled in parallel with the agricultural pillar, including stocking for food security, and the post-Bali work programme, taking into account the priorities of developing countries in that regard, including the urgent priority to eliminate all forms of export subsidies in developed countries, in accordance with the agricultural mandate of the Doha Round;

"22. *Notes* the holding in Geneva from 8 to 10 July 2013 of the Fourth Global Review of Aid for Trade, aimed at reviewing progress achieved and identifying additional measures needed to support developing and least developed countries in building their supply and export capacities, and stresses the need to implement the aid-for-trade commitments, with sufficient focus on results and impact;

"23. *Recognizes* that South-South trade should be strengthened, notes that enhanced market access between developing countries can play a positive role in stimulating South-South trade, and in this regard, inter alia, takes note

of the conclusion of the third round of the Global System of Trade Preferences among Developing Countries, by the adoption, on 15 December 2010, of the São Paulo Round Protocol;

"24. *Reiterates* the important role of the United Nations Conference on Trade and Development as the focal point within the United Nations system for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment and sustainable development, invites the Conference to continue working to enhance its contribution in its three major pillars, namely, consensus-building, research and policy analysis and technical assistance, and calls upon the international community to work towards the strengthening of the Conference;

"25. *Invites* the United Nations Conference on Trade and Development to continue, in accordance with its mandate, to monitor and assess the evolution of the international trading system and of trends in international trade from a development perspective, and in particular to analyse issues of concern to developing countries, placing greater emphasis on practical solutions, to undertake policy analysis, including from a gender perspective, to work with all relevant stakeholders and to support developing countries in building productive national capacities and international competitiveness, including through technical assistance activities;

"26. *Recognizes* the role of the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries;

"27. *Requests* the Secretary-General, in collaboration with the secretariat of the United Nations Conference on Trade and Development, to submit to the General Assembly at its seventieth session a report on the implementation of the present resolution and developments in the multilateral trading system, including their impact on women and men, under the sub-item entitled 'International trade and development' of the item entitled 'Macroeconomic policy questions';

"28. *Also requests* the Secretary-General to transmit the present resolution to the Director General of the World Trade Organization."

3. At its 34th meeting, on 25 November, the Committee had before it a draft resolution entitled "International trade and development" (A/C.2/69/L.52), submitted by the Vice-Chair of the Committee, Mr. Tarik Iziraren (Morocco), on the basis of informal consultations on draft resolution A/C.2/69/L.28.

4. At the same meeting, the Committee was informed that draft resolution A/C.2/69/L.52 had no programme budget implications.

5. Also at the same meeting, the Committee adopted draft resolution A/C.2/69/L.52 (see para. 8).

6. In the light of the adoption of draft resolution A/C.2/69/L.52, draft resolution A/C.2/69/L.28 was withdrawn by its sponsors.

B. Draft decision proposed by the Chair

7. At its 34th meeting, on 25 November, on the proposal of the Chair, the Committee decided to recommend to the General Assembly that it take note of the report of the Secretary-General (A/69/179) and the report of the Trade and Development Board on its fifty-eighth executive session, its twenty-eighth special session, its fifty-ninth executive session and its sixty-first regular session (A/69/15) (Part I-IV)) (see para. 9).

III. Recommendations of the Second Committee

8. The Second Committee recommends to the General Assembly the adoption of the following draft resolution:

International trade and development

The General Assembly,

Recalling its resolutions 56/178 of 21 December 2001, 57/235 of 20 December 2002, 58/197 of 23 December 2003, 63/203 of 19 December 2008, 66/185 of 22 December 2011, 67/196 of 21 December 2012 and 68/199 of 20 December 2013 on international trade and development,

Noting its resolutions 59/221 of 22 December 2004, 60/184 of 22 December 2005, 61/186 of 20 December 2006, 62/184 of 19 December 2007, 64/188 of 21 December 2009 and 65/142 of 20 December 2010 on international trade and development,

Recalling the United Nations Millennium Declaration,¹ as well as the outcomes of the International Conference on Financing for Development² and the World Summit on Sustainable Development,³ the 2005 World Summit Outcome⁴ and the Doha Declaration on Financing for Development: outcome document of the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus,⁵

Recalling also the Marrakesh Ministerial Decision on Measures Concerning the Possible Negative Effects of the Reform Programme on Least Developed and Net Food-importing Developing Countries,

Recalling further the Conference on the World Financial and Economic Crisis and Its Impact on Development and its outcome document,⁶

Recalling the thirteenth session of the United Nations Conference on Trade and Development, held in Doha from 21 to 26 April 2012, and its outcome documents,⁷

Recalling also the United Nations Conference on Sustainable Development and its outcome document, entitled "The future we want",⁸

1. *Reaffirms* that international trade is an engine for development and sustained economic growth, and also reaffirms the critical role that a universal,

¹ Resolution 55/2.

² Report of the International Conference on Financing for Development, Monterrey, Mexico, 18-22 March 2002 (United Nations publication, Sales No. E.02.II.A.7), chap. I, resolution 1, annex.

³ Report of the World Summit on Sustainable Development, Johannesburg, South Africa, 26 August-4 September 2002 (United Nations publication, Sales No. E.03.II.A.1 and corrigendum), chap. I, resolution 1, annex, and resolution 2, annex.

⁴ Resolution 60/1.

⁵ Resolution 63/239, annex.

⁶ Resolution 63/303, annex.

⁷ See TD/500 and Corr.1 and Add.1 and 2.

⁸ Resolution 66/288, annex.

rules-based, open, non-discriminatory and equitable multilateral trading system, as well as meaningful trade liberalization, can play in stimulating economic growth and development worldwide, thereby benefiting all countries at all stages of development;

2. *Expresses serious concern* at the lack of progress in the Doha Round of World Trade Organization negotiations, reiterates the call for the necessary flexibility and political will in order to break the current impasse in the negotiations, and in this regard calls for a balanced, ambitious, comprehensive and development-oriented outcome of the Doha Development Agenda multilateral trade negotiations, in keeping with the development mandate of the Doha Ministerial Declaration,⁹ the decision of 1 August 2004 of the General Council of the World Trade Organization¹⁰ and the Hong Kong Ministerial Declaration adopted by the World Trade Organization in 2005;¹¹

3. *Recognizes* the importance of the Bali Ministerial Declaration and the set of ministerial decisions, understandings and declarations known as the "Bali package" of the Ninth Ministerial Conference of the World Trade Organization, held in Bali, Indonesia, from 3 to 6 December 2013, and calls upon Member States to implement all decisions therein in a timely manner, including the Agreement on Trade Facilitation, the decision on public stockholding for food security purposes, and the commitment stated in the Bali Ministerial Declaration to prepare a work programme on the remaining issues of the Doha Development Agenda;

4. *Requests* the Secretary-General, in collaboration with the secretariat of the United Nations Conference on Trade and Development, to submit to the General Assembly at its seventieth session a report on international trade and development, including the implementation of resolution 68/199 and taking into account the post-2015 development agenda and other relevant processes;

5. *Decides* to include in the provisional agenda of its seventieth session, under the item entitled "Macroeconomic policy questions", the sub-item entitled "International trade and development".

⁹ See A/C.2/56/7, annex.

¹⁰ World Trade Organization, document WT/L/579.

¹¹ World Trade Organization, document WT/MIN(05)/DEC.

9. The Second Committee also recommends to the General Assembly the adoption of the following draft decision:

Reports considered by the General Assembly in connection with international trade and development

The General Assembly decides to take note of the following documents submitted under the item entitled "International trade and development":

(a) Report of the Secretary-General on international trade and development;¹

(b) Report of the Trade and Development Board on its fifty-eighth executive session, held in Geneva on 12 and 13 December 2013, its twenty-eighth special session, held in Geneva on 17 June 2014, its fifty-ninth executive session, held in Geneva from 23 to 25 June 2014, and its sixty-first regular session, held in Geneva from 15 to 26 September 2014.²

¹ A/69/179.

² A/69/15 (Parts I-IV).