

TDB 65th Session, part 2, 1 October 2018
Statement by Dr. Mukhisa Kituyi, Secretary-General of UNCTAD regarding Agenda
Item 2 - Evaluation and Review of UNCTAD Implementation of the Quadrennial
Conference Outcome

The Mid-term Review exercise is not an activity report, nor mere accounting exercise, but rather an **assessment of how the persistent and emerging challenges faced by developing countries have changed over the last two years** and how the work programme agreed at Nairobi can maintain its relevance until the next Conference.

The Maafikiano gives us **a unified mandate – cutting across divisional boundaries, calling us to work more closely with others, and with each other**. It was a first in the UN system in terms of setting a work programme for SDG implementation, and the actions it spells out clearly define our strengthened role, supporting developing countries benefit from: 1) multilateralism for trade and development, 2) sustained economic growth, 3) productive capacities for structural transformation, and 4) implementing the 2030 Agenda. These Maafikiano sub-themes speak to four principal SDGs, respectively: 10 on inequality, 8 on growth, 9 on industry, innovation and infrastructure, and 17 on renewed global partnership.

I trust you have all **received in a timely fashion the Note from the Secretariat** with its annex, so I will not go into many details from that assessment, however I wanted to flag a few aspects about the state of the world today and how it affects our work.

In the two years that have passed since Nairobi, we have seen new obstacles arise

A crisis in multilateralism for trade has unfolded since Nairobi. While we spoke in hushed whispers about the Brexit vote in the corridors of KICC in July 2016, today we speak openly about an **escalating trade war** that has consumed many of the major trading nations and threatens to harm the prospects for prosperity facing the most vulnerable among us. One of the casualties has been progress at WTO.

Today we face a **looming debt crisis**. Global debt has ballooned to \$250tn, 3 times global GDP. Private corporate debt has exploded, especially in emerging markets and developing countries who now account for more than ¼ of global debt stocks.

This year alone **we've seen the value of many currencies depreciate and drop dramatically**, from Argentina to Turkey, from Angola to Brazil, from South Africa to Russia. As interest rates rise as well, the specter of damaging capital outflows is very real.

Besides the tit-for-tat tariffs, debt-fueled tepid growth, and growing risk of capital flight, we also must acknowledge that at the root of the “trade war” is **a global showdown ;over leadership at the technology frontier**.

The difficult environment affects UNCTAD, but we are preparing to weather the storm

The **difficult international environment impacts on the United Nations directly**, as I witnessed firsthand in New York last week. But while some may laugh at boastful declarations of self-interest, their laughter is at our own peril. The global mood is souring

towards the liberal international economic order, and confidence in global solutions is waning, leading to a difficult road ahead for work to support development.

While Maafikiano has strengthened UNCTAD, it has been **within the limits of existing resources**, which as you all are aware, are effectively shrinking. This has led to mixed progress in the implementation of some work agreed in Maafikiano, most notably the pledge for “strengthened” assistance to the **Palestinian people**, and “strengthened” work on **digital economy**, where we cannot meet the massive demand for our services.

Since Nairobi, the United Nations embarked on **an ambitious reform agenda** to better deliver as one in support of the 2030 Agenda. UNCTAD has been doing its part of this process translating into practice its strengths and advantages, as outlined in my *From Actions to Results* report last December 2017.

As called for in the Maafikiano, and as spelled out in the UNDS reforms, UNCTAD has **deepened its engagement with United Nations development system entities**, and has increased our footprint on the ground in line with the reform, in close partnership with others. For example, our recently launched Angola Train for Trade II programme is UNCTAD’s largest country programme to date.

Also in line with the reforms, we’ve embraced **a new way of working, growing our cross-divisional collaboration**, notably on statistics, gender, financing for development and South-South Cooperation. And we have further implemented results-based management and the mainstreaming of gender equality in line with both the Maafikiano as well as UN-wide reform efforts.

There are glimmers of hope for ways forward

Africa has countered the trend towards inward perspectives and isolation with agreement of the AfCFTA earlier this year. The work of UNCTAD has played a major role in the success so far of the negotiations, but there is much work ahead in terms of implementation, and our regional office for Africa will permit our key role to continue.

The **digital economy continues to grow and expand** offering hope for new markets to revitalize globalization, notwithstanding the challenge that this poses in terms of concentration of market power and disruption to labor and product markets. These challenges make our own work on competition policy and consumer protection as well as on e-Trade readiness and digital entrepreneurship all the more urgent.

Due to the unprecedented growth in popularity of our annual e-Commerce Week, this coming December, **Africa will play host to the first Regional e-Commerce Week** to work towards practical ways in which Africa’s rejection of insularity, and Africa’s embrace of new technologies can help move beyond the challenges we face today.

And in just a few short weeks we will welcome 5,000 investment stakeholders and 14 heads of state to the Palais des Nations for the **2018 World Investment Forum**.

It is my hope this Mid-Term Review will re-assure that we are on the right track, despite the difficulties that have arisen since Nairobi. It is my intention that **we can now begin preparations for UNCTAD 15**, in order to address these rising challenges concertedly.