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Seventy-first session Agenda item 17 (a)

Macroeconomic policy questions: international trade and development

Report of the Second Committee*

Rapporteur: Mr. Glauco Seoane (Peru)

I. Introduction

1. The Second Committee held a substantive debate on agenda item 17 (see A/71/461, para. 2). Action on sub-item (a) was taken at the 23rd and 28th meetings, on 2 November and 8 December 2016. An account of the Committee's consideration of the sub-item is contained in the relevant summary records.¹

II. Consideration of draft resolutions A/C.2/71/L.29 and A/C.2/71/L.57

2. At the 23rd meeting, on 2 November, the representative of Thailand, 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.2/71/L.29).

3. At its 28th meeting, on 8 December, the Committee had before it a draft resolution entitled "International trade and development" (A/C.2/71/L.57), submitted by the Vice-Chair of the Committee, Arthur Andambi (Kenya), on the basis of informal consultations on draft resolution A/C.2/71/L.29.

4. At the same meeting, the Committee was informed that draft resolution A/C.2/71/L.57 had no programme budget implications.





^{*} The report of the Committee on this item is being issued in four parts, under the symbols A/71/461, A/71/461/Add.1, A/71/461/Add.2 and A/71/461/Add.3.

¹ A/C.2/71/SR.23 and A/C.2/71/SR.28.

5. Also at the same meeting, the facilitator (Islamic Republic of Iran) made a statement, in the course of which he orally corrected draft resolution A/C.2/71/L.57.

6. Also at its 28th meeting, the Committee adopted draft resolution A/C.2/71/L.57, as orally corrected (see para. 9).

7. At the same meeting, a statement after the adoption of the draft resolution was made by the representative of the United States of America.

8. In the light of the adoption of draft resolution A/C.2/71/L.57, as orally corrected, draft resolution A/C.2/71/L.29 was withdrawn by its sponsors.

III. Recommendation of the Second Committee

9. 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, 68/199 of 20 December 2013, 69/205 of 19 December 2014 and 70/187 of 22 December 2015,

Taking note of 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,

Reaffirming its resolution 70/1 of 25 September 2015, entitled "Transforming our world: the 2030 Agenda for Sustainable Development", in which it adopted a comprehensive, far-reaching and people-centred set of universal and transformative Sustainable Development Goals and targets, its commitment to working tirelessly for the full implementation of the Agenda by 2030, its recognition that eradicating poverty in all its forms and dimensions, including extreme poverty, is the greatest global challenge and an indispensable requirement for sustainable development, its commitment to achieving sustainable development in its three dimensions economic, social and environmental — in a balanced and integrated manner, and to building upon the achievements of the Millennium Development Goals and seeking to address their unfinished business,

Reaffirming also its resolution 69/313 of 27 July 2015 on the Addis Ababa Action Agenda of the Third International Conference on Financing for Development, which is an integral part of the 2030 Agenda for Sustainable Development, supports and complements it, helps to contextualize its means of implementation targets with concrete policies and actions, and reaffirms the strong political commitment to address the challenge of financing and creating an enabling environment at all levels for sustainable development in the spirit of global partnership and solidarity,

Recognizing that international trade is an engine for economic growth and poverty reduction, that it contributes to the promotion of sustainable development and that it is recognized as one of the action areas of the Addis Ababa Action Agenda and one of the means of implementation of the 2030 Agenda,

Recognizing also the critical role of women as producers and traders, and the need to address their specific challenges in order to facilitate women's equal and active participation in domestic, regional and international trade,

Recognizing further the major role that Aid for Trade can play, and the need to focus on Aid for Trade in developing countries, in particular the least developed countries, including through the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries,

Recognizing that, notwithstanding the opportunities brought by globalization, major challenges still remain to be addressed through multilateralism,

Noting that challenges regarding the balance of the global economic system remain, as well as socioeconomic gaps both between countries and within them, and that the gains from globalization, while reducing extreme poverty by half, have been unevenly distributed, giving rise to extreme global inequality over the past 30 years, and acknowledging that growth has also been uneven, intermittent and often unsustainable, punctuated by damaging financial shocks and crises, and that many nations and peoples are still left behind,

Stressing the importance of inclusiveness within the United Nations development system and that no one is left behind and no country is left behind in the implementation of the present resolution,

1. Takes note of the report of the Trade and Development Board of the United Nations Conference on Trade and Development¹ and the report of the Secretary-General;²

2. *Recognizes* that Member States will not be able to achieve the ambitious Goals and targets of the 2030 Agenda on Sustainable Development³ without a revitalized and enhanced global partnership and a comparably ambitious means of implementation, and that a revitalized global partnership will facilitate an intensive global engagement in support of implementation of all the Goals and targets of the 2030 Agenda, bringing together Governments, civil society, the private sector, the United Nations system and other actors and mobilizing all available resources;

3. *Reaffirms* the commitments made through the adoption of the Addis Ababa Action Agenda of the Third International Conference on Financing for Development⁴ in, inter alia, international trade as an important action area for sustainable development;

4. Also reaffirms that international trade is an engine for inclusive growth and poverty reduction, that it contributes to the promotion of sustainable development and that the General Assembly will continue to promote a universal, rules-based, open, transparent, predictable, inclusive, non-discriminatory and equitable multilateral trading system under the World Trade Organization, as well as meaningful trade liberalization;

5. *Recognizes* that, at the tenth Ministerial Conference of the World Trade Organization, held in Nairobi from 15 to 19 December 2015, and as stated in the Nairobi Ministerial Declaration, many members of the World Trade Organization reaffirmed the Doha Development Agenda and the declarations and decisions adopted at Doha and at the Ministerial Conferences held since then, and also reaffirmed their full commitment to conclude the Doha Development Agenda on that basis, while other members did not reaffirm the Doha mandates as they believe that new approaches are necessary to achieve meaningful outcomes in multilateral

¹ A/71/15 (Parts I-IV).

² A/71/275.

³ Resolution 70/1.

⁴ Resolution 69/313, annex.

negotiations, and that members of the World Trade Organization have different views on how to address the negotiations and acknowledge its strong legal structure;

6. Also recognizes that, as stated in the Nairobi Ministerial Declaration, there remains a strong commitment on the part of all members of the World Trade Organization to advance negotiations on the remaining Doha issues, including advancing work in all three pillars of agriculture, namely, domestic support, market access and export competition, as well as non-agricultural market access, services, development, the World Trade Organization Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement) and the rules of the World Trade Organization, and that the work on all the decisions adopted in part II of the Nairobi Ministerial Declaration will remain an important element of the future agenda of the World Trade Organization;

7. Further recognizes that, as stated in the Nairobi Ministerial Declaration, the work of the World Trade Organization shall maintain development at its centre, that provisions for special and differential treatment shall remain integral to that work, that the members of the World Trade Organization shall also continue to give priority to the concerns and interests of the least developed countries and that many members of the World Trade Organization want to carry out that work on the basis of the Doha structure, while some want to explore new architectures;

8. *Recognizes* that, as stated in the Nairobi Ministerial Declaration, while members of the World Trade Organization concur that officials should prioritize the work of the World Trade Organization where results have not yet been achieved, some wish to identify and discuss other issues for negotiation, and others do not, and that any decision to launch negotiations multilaterally on such issues would need to be agreed upon by all members of the World Trade Organization;

9. *Welcomes* the decisions and the Declaration listed in parts I and II of the Bali Ministerial Declaration of the World Trade Organization and the subsequent decision of 27 November 2014 of the General Council of the World Trade Organization on public stockholding for food security purposes;

10. *Emphasizes* that accession to the World Trade Organization remains an integral part of the development strategies of most countries aiming to benefit fully from the international trading system, and that it is also important for the further integration of developing countries, in particular the least developed countries and countries with economies in transition, into the rules-based multilateral trading system, that, in this context, acceding countries, particularly the least developed countries, need technical assistance prior to, during and in the follow-up to the accession process, within which obstacles should be addressed so as to facilitate the acceding least developed countries, that the members of the World Trade Organization have agreed to implement the guidelines and the decision of 25 July 2012 of the General Council of the World Trade Organization on accession of least developed countries;

11. *Welcomes* the commitments to ratify the Trade Facilitation Agreement of the World Trade Organization by the end of 2016, calls upon members of the World Trade Organization that have not yet done so to ratify the Agreement, notes the important role that bilateral and regional trade agreements can play in liberalizing

trade and in the development of trade rules, while recognizing the need to ensure that they are consistent with the rules of the World Trade Organization, also notes the commitments to working to ensure that bilateral and regional trade agreements complement the multilateral trading system, and are open, transparent, inclusive and consistent with the rules of the World Trade Organization, and further notes that plurilateral trade agreements with broad participation that are consistent with the rules of the World Trade Organization can play an important role in complementing global liberalization initiatives;

12. *Emphasizes* the need to combat protectionism in all its forms and to rectify any trade-distorting measures that are inconsistent with the rules of the World Trade Organization, recognizing the right of countries, in particular developing countries, to fully utilize flexibilities consistent with their World Trade Organization commitments and obligations;

13. *Strongly urges* States to refrain from promulgating and applying any unilateral economic, financial or trade measures not in accordance with international law and the Charter of the United Nations that impede the full achievement of economic and social development, particularly in developing countries;

14. *Recalls* the convening of the tenth Ministerial Conference of the World Trade Organization in Nairobi from 15 to 19 December 2015, and expresses its appreciation to the Government of Kenya for hosting the meeting;

15. *Welcomes* the convening of the eleventh Ministerial Conference of the World Trade Organization in Buenos Aires from 11 to 14 December 2017, and expresses its appreciation to the Government of Argentina for hosting the meeting;

16. *Also welcomes* the elements included in the package reached at the tenth Ministerial Conference, including, inter alia, the decisions on agriculture, cotton and issues related to the least developed countries;

17. *Recalls* the importance of members of the World Trade Organization working together with a view to achieving positive outcomes at the eleventh Ministerial Conference and beyond in a balanced, inclusive and transparent way, with a sense of urgency and solidarity, and to further working to strengthen the World Trade Organization;

18. *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 not to impose them in the future;

19. *Recognizes* the importance of fair, sound and robust national competition and consumer protection laws and policies and international cooperation, information exchange and capacity-building in the areas of competition policy and legislation in order to enhance the international competitiveness of developing countries;

20. Also recognizes the role of services, in particular infrastructure services, in diversification and structural transformation, and the importance of supporting developing countries in the establishment of policy, regulatory and institutional frameworks that contribute to resilient and quality infrastructure development;

21. Welcomes the launch of the "eTrade for All" initiative at the fourteenth session of the United Nations Conference on Trade and Development, held in Nairobi from 17 to 22 July 2016, which seeks to provide a new approach to trade development through electronic exchanges by allowing developing countries to more easily navigate the supply of technical assistance for building capacity in e-commerce readiness and by enabling donors to obtain a clear picture of programmes that they could fund;

22. *Recognizes* that international trade and investment offers opportunities but also requires complementary actions at the national level, commits to strengthening domestic enabling environments and the implementation of sound domestic policies and reforms conducive to realizing the potential of trade for inclusive growth and sustainable development, and recognizes the need for value addition by developing countries and for further integration of micro, small and medium-sized enterprises into value chains;

23. Stresses the importance of women's and girls' equal rights and opportunities in political and economic decision-making and resource allocation and of removing any barriers that prevent women from being full participants in the economy, and in this regard urges Member States, the entities of the United Nations system and other international actors to take the actions required to address specific challenges to the equal and active participation of women-owned companies in international trade, including enhancing access to education and finance, increasing skills and knowledge and securing an enabling environment at all levels;

24. Takes note of the convening of the fourteenth session of the United Nations Conference on Trade and Development, and welcomes its outcome documents; 5

25. *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 and in contributing to supporting the implementation of the 2030 Agenda, taking into account the Nairobi Maafikiano, adopted at the fourteenth session of the United Nations Conference on Trade and Development, in particular its paragraphs 10, 12 and 14;⁶

26. *Invites* the United Nations Conference on Trade and Development to continue to monitor and assess the evolution of the international trading system and its trends from a development perspective, with particular attention to its potential contribution to the Sustainable Development Goals, and to monitor and assess persistent and emerging development challenges to trade from a sustainable development perspective, in accordance with its mandate;

27. *Recognizes* the commitment to continue to address the needs of small, vulnerable economies and to favourably consider the adoption of measures that would facilitate their fuller integration into the multilateral trading system, taking into account the needs of small, vulnerable economies in all areas of negotiations, without creating a subcategory of members of the World Trade Organization, and in

⁵ TD/519 and Add.1 and 2.

⁶ See TD/519/Add.2.

this regard encourages progress on the implementation of the work programme on small economies, which supports their efforts towards sustainable development, as also reflected in the outcome document of the third International Conference on Small Island Developing States, the SIDS Accelerated Modalities of Action (SAMOA) Pathway;⁷

28. *Calls upon* the relevant organizations of the United Nations system, within their respective mandates and resources, to ensure that no one is left behind and no country is left behind in the further implementation of the present resolution;

29. *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 seventy-second session, a report on the implementation of the present resolution, and decides to include, under the item entitled "Macroeconomic policy questions", the sub-item entitled "International trade and development" in the provisional agenda of its seventy-second session, unless otherwise agreed.

⁷ Resolution 69/15, annex.