

Report from the 54th Session of UNCTAD: s Trade and Development Board
Hearing with Civil Society - Tuesday 3 October

The first topic of discussion was the “new regionalism” guided by the questions: What is the rationale for regional trade agreements (RTAs) in the light of free trade agreements (FTAs)? What is the impact of regionalism on developing countries in the context of globalization? What is the impact of North-South agreements on developing countries’ policy space? What national policies are countries developing to address regionalism?

Instituto de Estudos Socioeconomicos (INSEC) from Brazil expressed criticism against FTAs, but more against the rules and procedures than against free trade in itself. They want to change the rules of the negotiations to mitigate the negative effects such as migratory flows and climate change.

Ocaproce Internationale wanted to focus on the implementation of regional trade agreements, especially in Africa. Many of the African countries are members of sub-regional co-operations, but they are not effective in increasing trade, and they sometimes have a negative impact.

Portugal made a statement on behalf of the EU, stressing that RTAs are a complement to other agreements and not a barrier to multilateralism. RTAs can work as an engine towards more integration. They stressed the importance of ownership and that each country has to be responsible for their own development. Addressing the topic of policy space they claimed that each country has got the liberty to sign agreements. “Nobody is imposing anything on developing countries.”

Brazil stated that they welcome ideas from civil society in the preparatory process for UNCTAD XII

Foundacion Salvadorena para el Desarrollo Economico y Social (FUSADES) from El Salvador believes that Regional agreements can be a complement to multilateralism.

Consortium for Trade and Development (CENTAD) in New Delhi highlighted the impact regional trade agreements have on small farmers who don’t have a voice in the process. They asked for Trade Safety Systems ensuring the security of farmers who are pushed out of the economic process by the competition and left outside social security systems and safety nets.

Russia stated that developing countries can be driven into alliances for short term benefits without considering long term impacts. They claimed that it’s a fact that in an asymmetrical relationship the weaker partner will always find itself under the influence of the stronger partner.

Argentina declared that MERCOSUR reflects a broad and complex integration, involving questions such as Human Rights and Democracy: they want UNCTAD to carry out research on the question of policy space.

Office Africain pour le Développement et la Coopération (OFADEC) from Senegal asserted that regionalism can be a tool for globalization and asked how regional cooperation can integrate into globalization. They also stressed the lack of liberalization of financial markets that remain under the control of states.

Organisation Internationale de la Francophonie (OIF) wants to look at the entire concept of development and enhance the human dimension.

International Trade Center for Development called for UNCTAD to evaluate the RTAs and their impact on employment and economic opportunities, to learn from past mistakes.

Research and Information System for Developing Countries (RIS), India stated that regional integration has enabled specialization between countries and that the biggest beneficiaries of this process have been the smallest and poorest economies.

Rwanda welcomed the participation of civil society organizations from Africa. They stated that North-South agreements can be beneficiary but they need to be asymmetrical in order to protect the developing industries. Civil society organizations from north and south should work together on this.

The second topic was “Capturing the benefits of globalization” and was guided by the following questions. What kind of policies should be put into place at various levels to ensure the equitable distribution of the benefits of globalization? What is the assessment of the benefits and costs of the Doha round proposals for WTO? How can an enabling environment be created at all levels to strengthen productive capacities? How can intermediaries’ share of profits in commercial transactions be reduced so that the value added along the supply chain can really benefit small producers at the national, regional and international levels?

According to Action Aid International the problem is that the poor countries are not in the driving seat in the financial institutions and that development promises in the Doha round have been left behind. Further they acknowledged the problem of agricultural subsidies and that supermarkets gain most of the profits from agricultural products, not the workers. To change this, the G77 and the development friendly countries must work to strengthen UNCTAD within the UN-system.

International Gender and Trade Network (IGTN) pointed to the fact that globalization is neither gender nor socially neutral. Equality and peace must be the objectives of globalization. They pointed to the fact that women’s possibilities on the labor market are not symmetrical and that women have difficulties finding stable and productive work. Women are overrepresented among the working poor and this is an issue that deserves more attention from UNCTAD.

Inter-Parliamentary Union (IPU) has had the issue of ensuring an equitable distribution of the benefits of globalization on their agenda for many years. To improve the situation for

women IPU suggested law reform and the institutionalizing of a gender approach to the budgetary process in every country.

Fondacion Sales stressed the importance of knowledge to development and the problem of brain drain.

Palestine Economic Policy Research Institute felt that the problems of the Palestinians were neglected and argued that UNCTAD should explore the restrictions on trade for actors that are not part of the world economy.

Brazil talked about the importance of social safety nets and spoke about the Brazilian program to help poor families.

Institute for Agriculture and Trade Policy (IATP) stressed the importance of a multilateral trading system and suggested some solutions to make the benefits of globalization more equitably distributed. Firstly, the problem of market concentration must be addressed. Secondly, trade agreements must be democratized and the WTO should cooperate more with UN agencies. Finally, UNCTAD's mandate should be reinforced during UNCTAD XII.

Albanian Centre for International Trade (ACIT) talked about the need for equitable distribution of *access* to the benefits of trade. They want a review of the Aid for Trade program for it to better address the inequalities within countries and support NGOs as well as the capacities of governments. .

CONGO called for donors to raise the Official Development Assistance and requested the constitution of a permanent Forum on Financing for Development. They noted that implementation is the main issue and that governments don't live up to their promise of 0.7 % of GDP to foreign assistance.