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Statement

by

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at the UNCTAD 14 – General Debate

**From Decision to action: moving towards inclusive and equitable global
economic environment for trade and development**

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Excellencies, ladies and gentlemen,

It is with great pleasure that I am addressing this Conference at this historical moment in the trajectory of global development.

As a son of Africa, I feel proud to be here in Kenya, the East African Economic hub that is becoming the economic diplomacy hub of Africa. This bears testimony not only to the growing leadership role that Africa intends to play in the global economy, but also to the role Kenya and its leadership in admirably playing in this regard.

I wish to express my deep appreciation and support to my close friend, Mr. Mukhisa Kituyi, The Secretary-General of UNCTAD, and a proud son of Kenya, for all his efforts to ensure success of this Conference under this very timely theme.

Excellencies

Last year, world leaders; including African leaders, made bold commitments in the global 2030 agenda for sustainable development and the Paris agreement on climate change, to transform the world by eradicating poverty, protecting our planet, and ensuring prosperity and peace for all, backed up by concrete plans for adequate means of implementation approved in the Addis Ababa Action Agenda.

At the same time, African Heads of State and Government adopted the African Union's Transformative Agenda 2063 and its First Ten-Year Implementation Plan, to chart a new way towards a "prosperous, integrated and peaceful Africa, driven by its own citizens and representing a dynamic force in the international arena", containing a set of goals, targets and indicators that are fully compatible with the United Nations global agendas.

Over the past 15 years, Africa has experienced steady economic growth. Yet this growth did not translate into the long anticipated social prosperity, as it was focused on sectors that neither had value addition nor generated decent jobs.

This situation highlights the need for diversification in African economies and the necessity of abandoning over-reliance on export of commodities in a manner that would maximize their resilience to external shocks and make African growth inclusive.

The African realization in Agenda 2063 that structural transformation is an imperative to foster inclusive growth and sustainable development in Africa is a bold step in the right direction that deserves full and complete support from the international community.

This support should be aligned international support with the priorities of agenda 2063 and its First Ten-Year Implementation Plan, including – structural economic transformation, regional integration, infrastructure development, agricultural development, industrialization, climate resilience, women and youth empowerment, peace and security.

Investing in the African productive capacity through enhancing infrastructure development, and attaching greater importance for maximizing skills and technology will lift supply side constraints and promote economic and export diversification.

Advancing industrialization and fostering value addition in targeted sectors such as agriculture will generate decent jobs and help eradicate poverty.

Excellencies,

Implementation of the 2030 Agenda and Agenda 2063 in Africa will benefit immensely from the African direction towards regional integration, building on the steps that were articulated as early as 1991 in the Abuja Treaty, which envisaged the establishment of the African Economic Community within six stages process and around African Regional Economic Communities constituting the building blocks. This was recently emphasized in Agenda 2063 and its Ten-Year Implementation Plan which entrusted the RECs with increasing roles as implementing agents of Agenda 2063. As Secretary-General Ban Ki-moon said the United Nations is committed to support the implementation of both plans.

Through regional integration, the African continent could achieve economic diversification. This integration will make African economies more insulated from external shocks and strengthen their position within global value chains.

Through regional integration, African economies will pool resources to develop joint infrastructure and services necessary to engage in enhancing the African productive capacity, reducing transport costs, upgrading communication, and facilitating the movement of people, goods and services.

Through regional integration, African economies will enlarge their market size and enhance their competitiveness regionally and globally by jump starting joint production and bringing small African markets together and thus facilitating Africa's integration into the multilateral trading system.

Through regional integration, we will enhance the vital nexus between peace, security and political stability in the continent and will assist in countering terrorism and violent extremism.

Regional integration will lastly support the implementation of the 2030 agenda as it focuses on eradicating poverty, reducing inequalities, fostering shared prosperity, peace and environmental sustainability.

To fast track the continental integration agenda, African leaders have launched the negotiations on the liberalization of trade in goods and services within the Continental Free Trade Area which is expected to consolidate sub-regional free trade areas by 2017 and double intra-African trade by 2022. It has been estimated by UNCTAD that just with the full liberalization of trade in goods, intra-African trade could rise from 10.2% to 15.5% between 2010 and 2022.

The signing, in Sharm-el-Sheikh in June 2015, of the Tripartite Free Trade Area Agreement which brings together 26 countries from the Common Market of Eastern and Southern Africa, the East African Community and the Southern Africa Development Community is a step towards regional integration and the Continental Free Trade Area, as it represents about 60% of Africa's GDP and estimated by AU, ECA, AfDB to bring potential economic gains of around US\$8.5 billion thanks to improved terms of trade in industrial goods, which promise to boost industrial productivity.

In the same direction, ECOWAS and SADC have recently concluded their Economic Partnership Agreement (EPA) after 12 years of negotiations. The decision of ECOWAS to liberalise 75% of its tariff lines, based on its common external tariff, over a period of 20 years, while SADC EPA group is expected to liberalise 80% of its trade with the EU, while ECOWAS and SADC countries will maintain necessary policy space to protect their domestic economies from imports that may threaten their industries. All these efforts will, no doubt have an impact on regional and international trade and will assist in the implementation of both agendas 2030 and 2063.

Excellencies,

As trade has been and remains the engine of growth and prosperity in the world due to its capacity to generate income and welfare in any society, connecting trade to sustainable development is essential.

To that effect, trade has to be integrated within a comprehensive industrialization policy that would orient trade benefits towards achieving industrialization objectives and ensuring prosperity. Trade policy should provide incentives for industrialization in specific sectors through necessary adjustments in tariffs and other trade instruments including trade finance.

Based on the recent positive contribution of trade to Africa's growth and sustainable development, harnessing trade within both global and regional agendas will certainly benefit Africa's structural transformation as well, while facilitating the continent's integration into global trade and global economy.

That is why, it is imperative to reaffirm our commitment to the multilateral rules based trading system. This would necessitate an expeditious conclusion of the Doha Development Round that would in turn ensure transparency, predictability, non-discrimination, fairness and promote the sustainable development dimension of global trade.

While commending progress made in the Bali and Nairobi packages with regard to trade facilitation and the elimination of export subsidies in agriculture, support would also be required for the implementation of these agreements in Africa while keeping in mind that the continent is still facing several hurdles in terms of market access.

It is further critical to reform the international financial architecture to provide Africa with a better place in global decision making, as the continent has now 15% of the world population and is among the fastest-growing regions in the world. This will contribute to improving the inclusiveness of the global

economic and development environment and will ensure the implementation of commitments made towards Africa's development, including those in the AAAA.

Excellencies,

“Moving from Decisions to Actions” will require a strong and effective global partnership at all levels. The effective implementation of all these key strategic frameworks will demand a special focus on the synergies and complementarities existing between the global trade trends and regional frameworks.

It would also be essential to support the African Union's implementation strategy that includes a domestication process, as well as monitoring and evaluation components at national, regional and continental levels.

The effective implementation requires adequate and predictable financial resources, capacity building and technology transfer, all to be mobilized around global partnerships.

Governments, civil society, private sector, academia, regional organizations and multilateral development institutions including the United Nations System have to play their parts if we wish to deliver on the decisions.

To ensure full implementation of these regional and global agendas, the UN Ten-Year Capacity Building Programme has been replaced fully by the UN-AU Partnership for Africa's Integration and Development Agenda (PAIDA) that will kick start its implementation in January 2017. Through PAIDA, we believe that with adequate and predictable resources, the UN System will be able to support Africa's structural transformation.

To further enhance our ability to support the implementation of both global and regional agendas, the United Nations decided to strengthen the Inter-Departmental Task Force on African Affairs (IDTFAA), coordinated by my

Office, which comprises all United Nations entities working on African concerns, including in monitoring the implementation of commitments made towards Africa's development. With UNCTAD's leadership in the area of trade, the IDTFAA will continue to push forward towards the achievement of our joint objective "creating an inclusive and equitable global economic environment for trade and development" and I am confident we will succeed in Africa and beyond.

Thank you.