331 Global Civil Society Organizations Demand that Members Affirm Development Mandate at United Nations Conference on Trade and Development (UNCTAD) 14

On July 14, 2016, members of 331 civil society organizations (CSOs) including trade unions, farmers, development advocates, and public interest groups from over 150 countries wrote an urgent letter to members of UNCTAD to express concern regarding the current negotiations towards the quadrennial mandate of the agency during the UNCTAD 14 Conference which starts July 17th in Nairobi, Kenya. The letter is available in <u>English</u>, <u>Spanish</u> and <u>French</u>.

The letter was coordinated by the International Steering Group of CSOs towards the UNCTAD 14, which includes: ActionAid International, Asian Peoples' Movement on Debt and Development (APMDD), Center of Concern, European Network on Debt and Development (EURODAD), FEMNET, Financial Transparency Coalition, Global Alliance for Tax Justice, Jubilee USA, Latin American Network on Debt, Development and Rights (LATINDADD), Our World Is Not For Sale network (OWINFS), Public Services International (PSI), Regions Refocus, Society for International Development, Southern and Eastern Africa Trade Information and Negotiations Initiative-Uganda, Tax Justice Network Africa (TJN-A), and the Third World Network – Africa.

The CSOs highlighted that "UNCTAD can play a unique role in the panorama of international economic institutions thanks to its focus on the interdependence of trade, finance, investment, macroeconomics, and technology as they affect the growth and development prospects of developing countries. However, to live up to its name and promises, its role must be development-centered, and not tied to the liberalization goals of other institutions."

The letter makes specific policy recommendations, noting that "[t]rade and investment agreements do not support development without the right policy environment (Paras 12 and 48), which necessitates policy space (Para 14 bis), an effective and developmental state able to sustain its own resource base responsible for safeguarding people's human rights (Para 71), and a more coherent, inclusive and representative global architecture for sustainable development."

The letter addresses the full range of developmental issues which have been affirmed by member states as crucial to UNCTAD's mandate, but which developed countries are attempting through the drafting process, to diminish, including on key issues of tax and debt. It highlights that the mandate of UNCTAD "The document must continue and strengthen UNCTAD's mandate on curbing tax evasion and aggressive tax avoidance including in commodities markets (Para 27) and through investment policies (Para 55 (bis))." It further notes that "UNCTAD's work on debt workout mechanisms and responsible lending and borrowing (Paras 15, 20, 32, 33, 40 (e), 40 (e) bis, 40 (f), 53, and 107 (e)) has been uniquely useful and should be strengthened, including by supporting further work on these issues at the UN General Assembly level."

CSOs also make recommendations regarding UNCTAD's mandate on the "integrated approach of UNCTAD to the evolution and management of globalization and on the interdependence of trade, finance, investment and technology as they affect the growth and development prospects of developing countries;" as well as on issues of Least Developed Countries (LDCs); regional integration; monitoring the role of the private sector rather than promoting Public Private Partnerships (PPPs); technology transfer; and the Financing for Development (FfD) process.

UNCTAD's role on investment is also addressed: "Given UNCTAD's long history encouraging developing countries to sign International Investment Agreements (IIAs) and the negative impacts developing countries have experienced, particularly due to the Investor to State Dispute Settlement (ISDS) mechanisms, UNCTAD's mandate should be intensely invested in helping developing countries craft investment policies that will contribute to development (Paras 60 (p) and 60 (w)), rather than just 'balance the interests' of investors and development (Para 21); as well as to unwind and reform these agreements (Paras 26 and 60 (ii))."

The letter concludes: "We believe that the further UNCTAD moves toward seeing developing countries mainly as engines to increase trade -- and thus deviating from its mission to support the use of trade for development, the more it risks redundancy and irrelevancy. As civil society organizations deeply committed to human rights and social justice, the achievement of the SDGs and sustainable development for all, we urge you to adopt the above positions and ensure that UNCTAD continues and strengthens its role in trade, finance, investment, macroeconomics, and technology as they affect the growth and development prospects of all developing countries."