



October 3, 2021

Dear Member States,

At the upcoming fifteenth conference of the UN Conference on Trade and Development (UNCTAD 15), the mandate of work of the institution for the coming quadrennial will be finalized by Member states.

The current Covid-19 health crisis has resulted in an economic and social crisis that is impacting developing countries even worse than that of the financial crisis of 2009, including their ability to guarantee quality accessible public services for their populations. Given this context, we believe that there are several contentious issues which remain in the mandate negotiations which are critical to resolve in favor of strengthening UNCTAD's work to equip the organization to best serve developing countries as the focal point in the UN system for trade and development, and the interrelated issues of finance, technology, investment, and sustainable development, particularly given these multiple crises.

States depend on stable and adequate domestic resource mobilization to fund quality accessible public services. Illicit financial flows (IFFs), tax evasion and tax avoidance, are critical issues especially in developing countries. UNCTAD's mandate should include a call to strengthen international cooperation on tax matters, and on the negative impacts of IFFs, and to continue to promote the full and meaningful participation of developing countries in intergovernmental forums for international tax cooperation. Particularly given the lack of an international forum for addressing these matters, standards created by non-inclusive fora should not be imposed in a way that is prejudicial to developing countries.

We have participated in the Intergovernmental Group of Experts (IGE) on Financing for Development (FfD) and have found its work to be useful in exchanging views with Member states and civil society. Given the scale and extent of the current debt crisis as a result of Covid-19, the IGE on FfD provides an irreplaceable forum to discuss the challenges faced by developing countries and must be strengthened.

Official development assistance (ODA) is a key aspect of international cooperation and essential to achieving the SDGs. Current assessments of eligibility based only on the narrow measure of Gross Domestic Product (GDP) are outdated and harmful. UNCTAD's mandate must include work on vulnerability indices to improve eligibility and graduation criteria for determining ODS and concessional financing facilities.

UNCTAD's work to improve the international financial and economic architecture, and to improve the effectiveness of the global financial economic system, international trade, and debt sustainability towards the realization of the SDGs, is paramount. As an institution dedicated to development, it must remain independent of other international institutions such as the International Monetary Fund (IMF) and the World Bank, whose approaches trade unions and civil society have often deeply critiqued. UNCTAD's voice on these matters must not be subsumed or made subject to the mandates of, or cooperation with, the institutions whose policies and practices must be transformed.

Unfortunately, the text fails to critique the ways in which the current multilateral trade system inhibits, rather than facilitates, countries' ability to regulate in the public interest, to create jobs, to ensure food security, and to protect environmental sustainability. Thus, UNCTAD should call for the transformation of the current trade system into one which would center the public interest and development, not uncritical and limitless trade liberalization. This would include assessing those harmful rules and imbalances within the World Trade Organization (WTO), as well as bilateral and regional agreements including the Pacific Agreement on Closer

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Economic Relations Plus and the Regional Comprehensive Economic Partnership Agreement, as they constrain developing countries in their efforts to achieve the Sustainable Development Goals (SDGs), as well as providing technical cooperation and consensus-building towards renegotiating and replacing them.

UNCTAD should call for strengthening of Special and Differential Treatment (SDT) provisions in the WTO, especially given the attempts by developed countries to erode these provisions. It should also call for the conclusion of the decades-overdue development agenda. Given increasing negative impacts that economic concentration has on developing countries and workers around the world, UNCTAD's mandate should also include strengthening its work to reduce it.

We have seen the negative impact of unilateral coercive measures on countries' ability to confront the Covid crisis and ensure proper levels of health care, among other public services. UNCTAD's mandate should thus condemn unilateral coercive measures and work for their removal under international law. Likewise, UNCTAD's work to support the Palestinian people in alleviating the adverse economic and social conditions imposed on them, with a view to achieving the SDGs must be strengthened.

The economic and energy diversification required for developing countries to decouple economic growth from environmental degradation and greenhouse gas emissions, in order to transform to a climate resilient and a more sustainable and more resilient economy, will not be possible without technology transfer. UNCTAD's mandate should call for all three pillars of the institution's work to be mobilized so that developing countries can make full use of existing rights as well as advocate for their expansion.

Public Services International (PSI) represents 30 million workers in 154 countries to promote quality public services in every part of the world. We believe these positions to strengthen the mandate of UNCTAD are essential to ensuring that states can achieve the SDGs, particularly with regards to ensuring quality public services for all people.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Rosa Pavanelli'.

Rosa Pavanelli
PSI General Secretary