

Coherent trade, agriculture policies crucial for development of poorer States – UN



UNCTAD Secretary-General Supachai Panitchpakdi

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Trade and agricultural policies are at the core of development, three senior United Nations officials said today, calling for much more to be done towards bringing greater coherence to the issue and warning against protectionism.

UN Conference on Trade and Development (<u>UNCTAD</u>) Secretary-General Supachai Panitchpakdi highlighted the need to look at the current financial crisis as a lever for engaging Member States and to align domestic policies so that developing countries can log into the international trading system. "The multilateral trading system (MTS) works as an insurance policy against protectionism," he told UNCTAD's annual governing body meeting in Geneva. "It is precisely because of the fragile global economic recovery that the MTS faces greater challenges."

He stressed the fundamental need for cooperation towards achieving the Millennium Development Goals (MDGs) that seek to slash hunger and poverty, maternal and infant mortality, a host of diseases and lack of access to education and health care, all by 2015, and noted that agriculture is central to the efforts of the poorest countries.

"Inclusive development goes hand in hand with agricultural productive activity," he said. "Agriculture is the most important sector for developing countries and the most distorted in international trade."

UN World Trade Organization (WTO) Director-General Pascal Lamy voiced concern that while predictions, at the start of the 2008 financial crisis, that protectionist measures would increase were fortunately wrong, and overall protectionism has been contained, this positive trend seems to have lost momentum in the past six months.

A lot more needs to be done "towards designing a more coherent international agricultural trade policy framework," he said, adding that domestic policies and their implications on natural resources management, property rights, energy, transportation, and distribution network credit systems are the key elements of a successful international agricultural trade policy.

<u>Secretary-General</u> Ban Ki-moon's Special Representative on Food Security and Nutrition, David Nabarro, said a shared trade policy vision was crucial to withstand future food security shocks and create a framework to protect vulnerable populations from the vagaries of the commodities markets.

All three speakers stressed the importance of inclusive growth and social safety nets to prevent rising protectionism and to improve the food security of the millions of undernourished people.

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