



**STATEMENT OF THE GROUP OF 77 AND CHINA
AT THE THIRD SESSION OF THE PREPARATORY COMMITTEE FOR THE
FOURTH INTERNATIONAL CONFERENCE ON FINANCING FOR DEVELOPMENT
DURING ITS CONSIDERATION OF THE DRAFT OUTCOME DOCUMENT OF THE
CONFERENCE: *INTERNATIONAL TRADE AS AN ENGINE FOR DEVELOPMENT*
WEDNESDAY, 12 FEBRUARY 2025**

Co-Facilitators,

General comments:

For the group of 77 and China, this section is highly crucial as it will be valid for a decade as a means of implementation to achieve development. Many delegations in our group still are considering the zero draft.

Specific points from the G77 inputs: The group would like to request that the following inputs be added to the new text:

1. Emphasize that **international trade is an engine** for inclusive economic growth and poverty eradication and that it contributes to promotion sustainable development, structural transformation and industrialization, particularly in developing countries, and stressing that the significance of the principle of special and differential treatment for developing countries in harnessing the developmental benefit of international trade, to facilitate the integration of their economies to the multilateral trading system.
2. Express concerns about **trade restrictive measures** imposed under the guise of environmental protection as they hinder free and fair trade and violate the principles of Equity and Common but Differentiated Responsibilities and Respective Capabilities (CBDR-RC), in light of different national circumstances, thus negatively impacting developing countries and calls for the suspension of such measures and for a cooperative multilateral solution to be found at the UNFCCC and WTO before implementing such measures, in line with international agreements.

On zero draft. Paragraph 43:

The group expresses support for language provisions pertaining to accession, supporting developing countries, and capacity building and multilateral trading system with agreed qualifiers.

Regarding the qualifiers in paragraphs 42 and 43, we request a uniform and consistent approach throughout the entire text in line with agreed qualifiers. Among the qualifiers, "equitable" as an agreed language from AAAA was removed from the text. We believe the text should read "rules-based, non-discriminatory, open, fair, inclusive, equitable and transparent multilateral trading system" as an agreed language from the MC12, held in Abu Dhabi in February 2024.

The group supports a multilateral trading system with the WTO at its core, incorporating the agreed qualifiers. Regarding the WTO, the G77 emphasizes that its role should be respected in accordance with its mandate and requests that, when necessary, a caveat such as "inconsistent with relevant WTO provisions" be included in the text. This is of paramount importance as there is a need to respect the relevant forums and their discussions.

Paragraph 43 states that "bilateral and regional agreements have added complexity and incoherence of the system," is problematic as it has a very strong negative connotation and poor connection with the rest of the paragraph. Additionally, it is inconsistent with sub-item f) which encourages the consolidation of regional trade agreements.

In sub-item (b), the language should be amended to include all WTO Agreement, without cherry picking. On this sub-item not all these agreements are WTO agreements. The language here requires further alteration. The group believes that the language should be refined, as it lists a series of agreements that are at different stages: (i) a multilateral agreement in force (Trade Facilitation Agreement), (ii) a multilateral agreement not yet in force but in the process of reaching the minimum number of ratifications required for its entry into force (Fisheries Subsidies Agreement), and (iii) a plurilateral agreement whose incorporation into the WTO's legal framework that has not yet been approved by consensus by the Organization's Members (Investment Facilitation for Development).

In paragraph 43(e), the group expresses its concern regarding the mandate assigned to the WTO Director-General and does not support this sub-item, Hence, the group requests for deletion of it. But the group is ready to work on the second part of the paragraph. We suggest aligning the language to the Abu Dhabi Ministerial Declaration and its paragraph 8 (WT/MIN(24)/DEC) and replace the current drafting with "Encourages the Members of the WTO to successfully conclude the work on improving the application of S&DT provision in the CTD-SS and other relevant venues in the WTO"

Regarding sub-item (g), the group is willing to work on the language further, as the reference to policy space is general, the level of specificity on food security is misplaced in this item. Hence, the language concerning policy space tight to food security will need further refinement, therefore the group is willing to work on concrete language proposal for the next stage.

The group views sub-paragraphs (H) and (I) favorably. Hence, the group supports points on investor-state dispute settlement and believe the language must be strengthened. Moreover, the group would be open to consider a standalone section on investor-state dispute settlements in trade

and investment agreements. We propose that, since they are more closely related to investment, considering their content, we could consider either moved them to the investment section or creating a new subtitle.

On UCMs, the group firmly demands the inclusion of robust language, as proposed in its element paper, to address their detrimental impact on trade (Eliminate immediately all laws and regulations with extraterritorial impact and all other forms of coercive economic measures, including unilateral sanctions, against developing countries and emphasize that such actions not only undermine the principles enshrined in the Charter of the UN and international law but also severely threaten the freedom of trade and investment).

On paragraph 44

On sub item b, the group is unable to support this item due to outstanding inquiries, particularly regarding the process. However, the group calls for further enhancement of international support to developing countries.

On paragraph 44 and its sub-actions, we propose that the standard language of the 2030 Agenda on people in vulnerable situations and the standard listing when referring to disaggregated data as used in FFD forum outcome documents be utilized.

On 46: trade in critical minerals and commodities

The group is still considering its position on this section, as it is a new addition to the FfD process. Therefore, the group continues its work on the language reflected in the zero draft.

To conclude, the group expects that the focus of this section be on international cooperation and supporting developing countries, including through providing adequate means of implementation.