



### **Third Preparatory Committee (PrepCom) for the Fourth International Conference on Financing for Development (FfD4), NY, 10-14 February, 2025**

**February 13, 2025**

#### **Erica Levenson, Regions Refocus on behalf of the CS FfD Mechanism Intervention delivered during the International trade as an engine for development segment**

Thank you, Chair. My name is Erica Levenson and I speak now on behalf of Regions Refocus and the CSO FfD Mechanism.

The purpose of trade multilateralism has been, since its inception, to act as an engine of development. Following the human capabilities approach to development, the purpose of trade should therefore be to increase the capabilities of people. However, chronic trade deficits of Global South countries, deteriorating terms of trade for primary commodity producers, and fundamentally undemocratic trade multilateralism have instead degraded the lives of many people in developing countries, and in particular, women. In this sense, and despite growth in Gross Domestic Products, **trade multilateralism has failed** to meet its purpose.

We agree with [Paragraph 42](#)'s assessment that open, fair, predictable – and, we would add, democratic and rules-based – multilateral trade is under threat. However, we must qualify this threat. The move from **multilateral to bilateral trade agreements and governance**– facilitated by Global North countries– and **retaliatory trade measures** by these same countries are the biggest threats.

Policies deployed to nurture infant industries and domestic markets are not the enemy and play a vital role in long-term development and structural transformation. This is clear when looking back into history at the industrialization strategy of now-developed countries, who have contributed the bulk of historic carbon emissions.

While there is the need to adapt trade to align with the remaining carbon budget and planetary boundaries, developing countries must retain policy space to develop their economies in light of climate constraints at their own pace and in their own ways, while addressing social concerns, in line with the principle of common but differentiated responsibility.

We would add to [Paragraph 42](#) that inappropriate trade policies have outsized negative impacts on **women, girls, and other marginalized constituencies**. Predatory or insensitive trade

policies drive countries deeper into debt and push women and girls further into the margins, including by exacerbating their burdens of unpaid care work, which current trade rules fail to recognize. Trade has profound negative impacts on every aspect of women and girls' lives, exacerbating and creating inequalities based on hierarchies of class, race, ethnicity, sexual orientation, and gender identity.

Moving on to Paragraph 43, the Zero Draft places **too much emphasis on the WTO**. We must move beyond the reductionist notion that trade multilateralism begins and ends with the WTO and revitalize and democratize the entire multilateral trading system, including the WTO. This means adopting an ecosystem approach that includes the UN General Assembly, ECOSOC, and UNCTAD's Trade and Development Board.

The call to implement the WTO agreements on Fisheries Subsidies and Investment Facilitation for Development in Paragraph 43(b) is **premature**. We echo the G77 and China's reminder that these agreements have not been adopted or ratified yet. Instead, we call on WTO members to address the **implementation issues** raised by developing countries, including through capacity building.

Furthermore, we urge Member States to raise the ambition of Paragraph 43(c) and call on WTO members to deliver an **improved, fair and equitable** dispute settlement system that works for all countries, especially developing countries and LDCs, by the 14<sup>th</sup> WTO Ministerial Conference in 2026.

We strongly support **special and differential treatment**, addressed by Paragraph 43(d), and assert that it is a core tenet of trade multilateralism. Because of this centrality, we must go one step further and institutionalize this principle beyond the confines of the WTO. We call for a multilateral agreement under the UN that reaffirms, updates and strengthens special and differential treatment in a precise, effective, and operational way for developing countries, in particular LDCs, LLDCs and SIDS, in all trade agreements.

Urgent change is needed, and FfD4 is one of our last hopes in achieving any part of the 2030 Agenda. Trade must be reoriented as a tool to reduce inequality, to honor the right to development, and to empower developing countries to achieve their national priorities and meet the needs of their populations, including climate and gender justice.

I thank you.