

ITUC Statement to the 14th UNCTAD Conference

National governments alone do not possess the tools needed to address global challenges and problems. Nor is global governance sufficiently developed and political will for strengthening multilateralism seems to be lacking. Decisions taken by one international organisation often undermine or contradict the achievement of goals of other international organisations and global policies are not always coherent.

A new economy is on the rise. Enabled by breakthroughs in information availability, easiness of communication and the low price of transportation, the world economy is changing rapidly. However, there is currently little vision for a new global governance that would compel the new economy to work for all in a sustainable manner.

Taking advantage of the gaps in global governance, corporations endeavour to design a new economic order by increasing their influence on multilateral institutions and by making use of their market power against national governments. Corporations bolster the development of new global agreements to expand their market access, set up new institutions to write regulation on a global level, establish a new regime to maintain and increase their control of intellectual goods and extend the reach of 'investment protection' to secure their property and aggressively promote their narrowly-defined private interests often at the expense of public welfare.

Lacking appropriate policy responses, the world is facing immense challenges that threaten sustainability. Scientists agree that if the current model of production and consumption does not change fundamentally, the environment will be damaged irreparably and humans will struggle to maintain the achievements of

the last centuries. Various forms of inequality are on the rise causing a shared sense of social injustice, and a loss of trust in governments. As political cohesion is cracking in many regions of the world, more and more people suffer from internal conflict, persecution and other direct threats to life and livelihoods.

Against this background, UNCTAD has an important role to play in building consensus for new forms of global governance in the areas of investment, trade, taxation, financing, technology and ensuring the attainment of the 2030 Agenda for Sustainable Development.

The international trade union movement calls on the 14th UNCTAD Conference to:

1. Ensure that trade and private investment create decent work and social development by:

- Assisting consensus building among the membership of the World Trade Organisation to deliver the mandate of the Doha Development Agenda;
- Developing a framework for International Investment Agreements that establish investors' legal responsibility and procedures for accountability, including with mandatory due diligence across supply chains;
- Reforming its current framework to assist countries bound by International Investment Agreements with investor to state dispute settlement mechanisms to denounce them, and instead promote a new type of International Investment Agreements focused on investment facilitation and promotion;

- Formulating policy options for new trade rules that would promote industrial transformation and a just transition to a low-carbon economy;
- Increasing cooperation with the ILO, including in conducting research, to identify new trade and investment rules that would reverse the downward pressure on labour's share of income and the deteriorating state of labour rights globally;
- Formulating policy to address and redress the feminisation of precarious work, especially in global production networks, including through proposing and advocating the adoption of new trade rules and gender-sensitive industrial policy;
- Shifting the focus in all UNCTAD research from value-creation to value-capturing and building bargaining power;
- Taking new initiatives to address the imbalance of power in global production networks, and in particular, helping small producers and their workers capture more of the value they create, starting with a focus on sectors where women are the majority of producers and workers;

2. Ensure that trade, finance and technology are used for sustainable development, and increase governments' capacity to collect taxes and make public investment:

- Advancing work on the dissemination of technology including with assisting technology pools to achieve mitigation and adaptation to climate change, and start work on increasing access to internet, especially in LDCs;
- Developing policy options in International Investment Agreements to increase tax transparency in the operations of Multinational Enterprises (MNEs);
- Contributing expertise to the United Nations to promote international cooperation in taxation;
- Building consensus in the United Nations to establish a sovereign debt restructuring mechanism;

3. Promote structural transformation by:

- Developing and providing policy advice on the use of industrial policy and trade policy aiming at structural transformation taking into account current trade rules set out in the WTO and trade agreements, and with a view to amending trade rules that impede the use of industrial policy;

4. Assist governments to achieve the 2030 Agenda goals by:

- Conducting research to understand how the rules set out in bilateral and regional trade agreements, WTO plurilateral and multilateral agreements, and International Investment Agreements contribute to or impede the implementation of the 2030 Agenda.

The UNCTAD has a central role to play in assisting global governance to address policy incoherence and achieve the 2030 Agenda goals.