

STATEMENT BY IRELAND

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UNCTAD XI

SAO PAULO, 13 -18 JUNE 2004

S T A T E M E N T

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1. I have the honour to take the floor on behalf of the European Union. The Candidate Countries Bulgaria, Romania and Turkey align themselves with this statement.
2. I take particular pleasure in being present at UNCTAD XI together with the new Member States who joined the EU on 1 May this year. UNCTAD XI is the first major global conference where the enlarged EU is represented with 25 Member States.
3. I should like to thank the Government of Brazil and the authorities and people of the great city of Sao Paulo for their hospitality and warm welcome.
4. UNCTAD XI is taking place at an important juncture in the WTO Doha Development Round negotiations. The needs and interests of developing countries are at the heart of the work programme adopted in the Doha Declaration. The EU is determined that the Round should reach a successful conclusion and should meet the high objectives set at Doha.
5. The EU's commitment has been reflected in its actions and policies. We have undertaken very significant internal reforms, particularly in the agricultural sector. We have demonstrated great flexibility in our negotiating position. We have taken initiatives designed to invigorate the negotiations, including proposals aimed at maximising the benefits of the round for Least Developed Countries and other weak and vulnerable economies.
6. The EU is the largest trading partner of LDCs and has the most open market for LDC exports. It is also the largest donor to multilateral and bilateral programmes to build trade capacity in developing countries.
7. Against this background, we want to see UNCTAD playing a strong role in helping our developing country partners to reap the benefits from global trade and investment. The poorest developing countries must have the capacity to defend their interests in the WTO and to implement their commitments. This work should be at the heart of UNCTAD's activities and be fully reflected in agreed performance indicators.
8. This year UNCTAD celebrates its 40th anniversary. To maintain its relevance UNCTAD must continue to adapt positively to change. The organisation is not immune from the process of UN reform. The next four years should be used to inject new dynamism and vigour into UNCTAD's work.

9. The priority now is the implementation, at country level, of the commitments we have undertaken in the Millennium Declaration and at LDC III, Doha, Monterrey, Johannesburg and the World Summit on the Information Society.
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10. In September 2005, the UN General Assembly will review progress in the implementation of the Millennium Declaration, including the Millennium Development Goals. As part of its contribution, UNCTAD should report on how it is supporting the achievement of the MDGs at the country level. The EU has decided that it will submit its own consolidated contribution to the UN stocktaking in 2005.
11. The faltering progress of many LDCs in sub Saharan Africa towards the Millennium Development Goals is of fundamental concern. LDCs are not exploiting the opportunities of globalisation to increase their growth rates and to reduce poverty. For the EU a deep engagement by UNCTAD with LDCs will be the litmus test of its future performance. We would like to see the UNCTAD LDC report published annually.
12. The EU is implementing the commitment, agreed at LDC III, to provide duty and quota free access to all products from the LDCs. This commitment should now be implemented by all developed countries, including through measures to improve the effectiveness and ease of use of their respective preference programmes.
13. UNCTAD has a role to play in helping LDCs to avail of their enhanced market access in the EU, complementary to the recently created EU Help Desk.
14. Advanced developing countries should also consider contributing to improved market access for LDC exports. A revitalisation of the Generalised System of Trade Preferences (GSTP) could be an instrument for securing progress in South-South collaboration in a manner which reflects the differentiated responsibilities of developing countries and their levels of development.
15. The EU is considering a new Generalised System of Preferences to enter into force on 1 January 2006, along with the potential revision of the GSP Rules of Origin. Proposals from the Commission on this are expected in the near future.
16. UNCTAD must also develop into a results based organisation with a clear set of indicators for achievement. This will require:
 - work on a set of clear and focused priorities derived from the Bangkok Plan of Action;
 - much greater synergy between the three pillars of UNCTAD's work
 - a strong focus on partnerships with other UN players, with the World Bank, the IMF and the WTO and with the private sector.

17. In prioritising its future work, within the Bangkok Programme of Action, UNCTAD should focus on the following areas.

- Mainstreaming trade and investment into national development policies, including Poverty Reduction Strategies;
- Commodity dependence and poverty
- Exploiting the possibilities of regional integration and South-South trade.

Mainstreaming Trade and Investment

18. Whilst trade liberalisation is an important motor for development, it is not on its own sufficient to combat poverty in developing countries.

19. Trade reform must be part of a wider, country owned poverty reduction strategy for which a combination of sound domestic policies, including good governance and the fight against corruption, and of additional external support is needed.

20. Trade policy reforms in developing countries must also be compatible with national development objectives and the liberalisation of trade and investment must proceed at a pace which is consistent with the fragility of their economies.

21. UNCTAD should explore with the UN Development Group, particularly UNDP and Regional Economic Commissions, how its technical assistance might best be delivered through the UN Development Assistance Frameworks in support of nationally owned Poverty Reduction Strategies.

Commodities

22. Many LDCs remain highly dependent on exports of a small number of primary commodities,

23. In April 2004, the EU adopted an Action Plan on agricultural commodity chains, dependence and poverty and a proposal for an EU-Africa partnership on cotton. Actions will include support for commodity dependent developing countries in the design and implementation of commodity chain strategies, the development of regional markets and services, support for diversification and access to services such as finance and market based commodity risk instruments.

24. These are areas where UNCTAD should play a stronger role and to which more of its resources should be devoted. UNCTAD's work in this area should be innovative and include a strong dialogue with the private sector and with other relevant international organisations.

25. On cotton, the EU supports an effective and specific solution within the WTO agricultural negotiations. The negotiations should aim at the elimination of all forms of export subsidies on cotton. Developed and major developing countries should follow the EU in providing complete market access to cotton and cotton based products from LDCs. We should also strive to secure a commitment from major cotton producing countries to undertake reforms with respect to trade distorting domestic support.
26. The EU has agreed on reforms of its own cotton regime which will reduce the latter's trade distorting impacts and improve coherence with the EC's development policy.

Regional Integration

27. Regional integration is a powerful policy instrument for consolidating peace, overcoming conflict, locking in reforms, increasing efficiency and improving the investment climate. It is an important stepping stone to integration into the global economy. The Economic Partnership Agreements (EPAs), between the EU and the ACP countries, for which negotiations are underway are designed to support regional integration.
28. There remains a wide gap between policy objectives on integration and their effective implementation. This is an area where there is considerable potential for progress in the coming years. UNCTAD's analytical capacity and its technical assistance should contribute to overcoming the obstacles to regional integration.

Gender

29. I welcome the meeting of the UN Task Force on Gender and Trade that will take place at the Conference. Gender inequality, particularly in areas such as property rights and access to financial services, hinders the full participation of women in domestic trade and exports.
30. UNCTAD should mainstream gender equality in its work. Its support to developing countries should enable their economic and trade policies to empower women as both actors in, and beneficiaries of, economic growth.
31. Before concluding, I should like to pay tribute to the contribution of UNCTAD's Secretary General Mr. Rubens Ricupero to the global debate on trade and development. Since taking the helm at UNCTAD, just before UNCTAD IX in South Africa, Mr. Ricupero has overseen far-reaching reforms in the organisation. He has demonstrated an unwavering commitment to ensuring that the benefits of globalisation extend to all peoples in all countries. He has impressed us all with his intellectual rigour and his humanity. We wish him the best for his future.

Thank you.