

**STATEMENT BY GREECE**

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**Statement by H.E. Mr Tassos Kriekoukis, Ambassador, Permanent Representative of Greece to the United Nations in Geneva.**

I would like to congratulate you and the other members of the bureau on your election to these important functions. I am sure that under your guidance this Conference will achieve successful results.

From this podium I would like to pay special tribute to the excellent work Ambassador Rubens Ricupero has accomplished as Secretary General of UNCTAD. We all have profited from his extraordinary skills and gained a lot from his outstanding human qualities. I wish him the best for the future.

I would also like to express my gratitude to the Government of Brazil, and to the authorities and the people of Sao Paulo, for hosting this Conference. The high quality of the organization of this event and the excellent hospitality that has been extended to us is greatly appreciated.

Mr. Chairman,

Let me start by saying that Greece fully shares the views expressed in the statement of the Irish Presidency of the European Union.

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However, I would like to take this opportunity to highlight some points that deserve special attention.

It is well known that globalisation is an ongoing process that presents opportunities as well as challenges and risks. It facilitates exchanges in trade and in other sectors, it advances technology and it promotes the integration of the world economy. It also constitutes a powerful and dynamic force for sustainable, gender-sensitive and people-centred development.

The benefits of globalisation have accrued not only to developed but also to a number of developing countries, especially in Asia, and have allowed them to overcome poverty. However not all developing countries have been able to take advantage of these benefits and indeed the poorest of them are facing the risk of marginalization. It is the job of this Conference and of UNCTAD in cooperation with other organizations to see that all developing countries and especially the poorest among them are able to profit from globalisation.

Mr. Chairman,

The Bangkok Conference particularly emphasized the need for increased policy coherence at the national and international levels. UNCTAD XI should strengthen this coherence, with the aim of promoting sustainable development and reducing poverty. By contributing to the implementation of the final texts of other recent international conferences, such as the Monterrey Consensus, the Doha Development Agenda, the Johannesburg Declaration and the Declaration of the World Summit on the Information Society, as well as the Millennium Declaration, UNCTAD could play a vital role in helping to achieve the objectives in these important texts.

As far as the activities of UNCTAD are concerned, in our view a better balance is needed between the organization's three pillars of operation: analytical work, consensus building and technical assistance, so that a result-oriented approach can be attained. The objective is to ensure that UNCTAD's output meets the needs of developing countries in the most effective way. Greater efforts need to be made to put the results of UNCTAD's analytical work to practical use and inversely to ensure that the knowledge gained through its technical assistance is fed back into UNCTAD's analytical efforts and its consensus building. Closer cooperation between UNCTAD and other relevant international organizations and regional agencies is highly desirable to ensure effective technical assistance at the country level.

The fixing of UNCTAD's priorities is also an important matter. We fully support the fact that the Bangkok Plan of Action is reiterated as the working reference of this Conference. UNCTAD already has a demanding work program and this Conference we are participating in now will result in additional demands on its Secretariat. We think that there is a limit to the Secretariat's capacity to deliver and consequently we consider that there is an urgent need to set clear priorities for UNCTAD's work. In our view these priorities should be the following: assistance to the LDCs, the enhancing and deepening of South-South trade and regional integration, a broadening of the economic base of

commodity-dependent countries, and the mainstreaming of trade and investment into poverty reduction strategies.

Mr. Chairman,

It is important to continue working with the LDCs to find appropriate responses to their most pressing problems. The Brussels Program of Action constitutes a good basis for this. UNCTAD XI should thus focus on policies and strategies for achieving trading gains for LDCs. The strengthening of Special and Differential Treatment under the Doha Development Agenda could also be tailored to meet the needs of LDCs. The final objective must be to increase the flow of international resources and technical assistance to these countries and to extend duty- and quota-free market access in favour of LDC-origin products in the markets of all developed countries. We call also for similar action by developing countries in a position to do so.

Trade is a key aspect of regional integration, and regional trade agreements are a major facilitator of South-South trade. We welcome the fact that developing countries, with UNCTAD's assistance, have taken a major step in launching the General System of Trade Preferences, and we encourage them to further and to broaden its implementation. A key success factor in creating sustainable trading opportunities, particularly in the South-South context, is a vibrant private sector. UNCTAD, in cooperation with the private sector and other development partners, can play an important role in supporting initiatives promoting South-South trade and deepening regional integration, in a WTO consistent manner. Development experiences of developing countries are valuable resources for designing development strategies and promoting South-South cooperation among developing countries in different stages of development and in cooperation with developed countries.

Commodities is a very important sector for many least developed countries especially those which can be termed as commodity dependent. The EU is aware of the significance of commodities for the economy of many LDCs. It applies zero tariffs on almost all trade with them and encourages other countries to do likewise. Efforts should be made to frame

national development strategies that include diversification and supply capacity building. At the same time it should be recognized that commodities will remain a major source of employment, income and export earnings in many commodity-dependent countries for some years to come. The EU plan of action on agricultural commodity chains, adopted in April of this year, could be helpful in this context.

We appreciate the useful role that UNCTAD is playing in the analysis of foreign direct investment and in the identification of the development strategies and best practices for attracting such investment. UNCTAD should continue its efforts to promote stable and coherent investment policies as a means for developing countries to increase their competitiveness and enhance their economic and social development. This should be accompanied by good governance, the rule of law, efficient administration, a strong private sector and a culture of corporate responsibility (social and environmental), all of which are essential elements for securing the necessary investment for sustainable development.

We recognize the relevance of the issue of economic policy space for developing countries at different stages of development. It is to be noted, however, that the concept of policy space does not mean applying two different sets of rules for developed and developing countries. Any policy space arrangements in the form of flexibility exceptions or transition periods should be temporary and must be agreed multilaterally. The objective remains the better integration of all developing countries into the world economy and the internationally agreed regulatory context.

Mr Chairman,

We continue to be fully committed to the Monterrey Consensus on financing for development. In this respect the Hellenic Aid Strategic Plan is based on a country strategy approach and seeks to contribute to the general goal of economic and social development and especially the reduction of poverty in developing countries as well as countries with economies in transition.

Greece is currently implementing its second five-year cooperation programme for the period 2002-2006 with the objective to expand progressively its long term development activities and to continue raising its ODA level. Consistent with the Monterrey Consensus Greece is taking steps to raise its ODA to 0,33 per cent of its GNP to developing countries by 2006. The main focus of the current programme is to strengthen complementarity, continuity and coherence of cooperation activities supporting thus in an effective way the efforts of partner countries towards sustainable development. Our geographical priorities for action are the Sub Saharan Africa where the majority of LDCs are located, the Balkan countries, the south eastern Mediterranean countries and the Black sea countries. Moreover concerning foreign direct investment it is to be noted that the interest of Greek companies is focused mainly to the neighbouring countries in the Balkan region where Greece has emerged as one of the major investors.

In closing this statement, allow me to recall two quotations from the preamble of UNCTAD I which four decades later continue to remain relevant "*The States participating in the Conference are determined ... to seek a better and more effective system of international economic co-operation, whereby the division of the world into areas of poverty and plenty may be banished and prosperity achieved by all* " | Final Act, Preamble para. 1 - "*These efforts must continue and be enlarged. Economic and social progress should go together. If privilege, extremes of wealth and poverty, and social injustice persist, then the goal of development is lost.* ", para. 4.

Greece remains strongly committed to these principles.

Thank you.