

STATEMENT BY NETHERLANDS

MADE 16 JUNE 2004

**AT THE UNITED NATIONS CONFERENCE
ON TRADE AND DEVELOPMENT**

Eleventh Session

**São Paulo, Brazil
13-18 June 2004**

Speech to be delivered by Mr Laurens Jan Brinkhorst,
Netherlands Minister of Economic Affairs, at UNCTAD XI,
São Paulo, Brazil, 16th June 2004.

"Intensifying, broadening and modernising"

Ladies and gentlemen,

[Introduction]

In the seventies, when I was first involved in UNCTAD, there were fierce debates between north and south about a new international economic order. It was a time of confrontation and very little real dialogue. Over the decades we have become aware of the need to really listen to each other. We in the developed countries have come to realize that real dialogue about real solutions to the problems of developing countries are key to the economic health of all countries, developed and developing.

As the Netherlands is about to assume the EU presidency we will have an important responsibility for carrying that real dialogue forward. That is why I am happy with the opportunity UNCTAD XI offers us in this respect.

UNCTAD is a very special organisation celebrating its fortieth birthday. Much has been achieved in recent years in the fields of trade and development. But an awful lot more still needs to be done. I will briefly explain what I mean by looking at three important matters.

[Intensifying work]

Firstly, I believe UNCTAD should intensify its important work on substantive issues. Since its establishment in 1964, UNCTAD has set up highly extensive programmes for services, investments and competition. The Conference is acclaimed for its expertise. That is why UNCTAD must

continue on its course, but in an innovative way appropriate to the modern day.

The guiding principle should be the outcome of UNCTAD X, the Bangkok Plan of Action. We must improve the practical implementation of the plan. To do this, UNCTAD must devote attention especially to:

- investment and competition; there is a need to boost capacity and technical assistance in these fields, for example by having clearer programmes aligned to the needs of developing nations and by improving cooperation with other organisations like the WTO;**
- the economic importance of South-South trade;**

- As was said earlier at this Conference, inter alia by dr. Supachai last Monday, developing nations must be encouraged to lower mutual trade barriers. Indeed, a study conducted in the Netherlands showed that about two thirds of the potential benefits of trade liberalisation are to be gained through the elimination of trade barriers among developing countries;**
- research into ways of dealing with the consequences of the erosion of trade preferences.**

The Bangkok Plan of Action was a step towards letting developing nations benefit from international trade and investment. To fulfil the objectives, we must turn those plans into actions.

[Broadening: WTO]

This brings me to my second point, namely the broadening of UNCTAD's horizon by stepping up co-operation with other international organisations. I will confine myself to the WTO. There has recently been renewed movement in the WTO negotiating process. The European Union made an important contribution to the resumption of talks by taking

steps towards meeting the wishes of the negotiating partners, especially regarding agriculture and the 'Singapore issues'.

We must build upon this momentum in the WTO negotiating process. I intend to stress this point at this conference. We must obviously not conduct 'shadow WTO negotiations' at the conference. Nor must we enter into a debate about the Doha mandate. But UNCTAD can certainly make a very tangible contribution to sustaining the progress of the WTO negotiations. By talking to each other informally at this conference about the issues in the WTO talks-but without the pressure of the negotiations we can obtain a deeper understanding of one another's positions. We must take the opportunity presented by this conference to build greater mutual trust. Trust is something we urgently need if we are to conclude a framework agreement in the WTO towards the end of July. The agreement must be a balanced one that does justice to the development focus of the Doha round. If we succeed-and I sincerely hope we do-we will be in good shape to complete the round in Hong Kong early in 2005.

[UNCTAD; modernising the organisation]

The more firmly UNCTAD stands organisationally, the more effectively it will be able to offer support to developing nations. This leads me to my third point, concerning the modernisation of the UNCTAD organisation. In today's world, the only organisations to achieve their objectives are those that are flexible, result-driven and effective. In the business world, companies can only be credible and survive, if they are transparent, accountable and focused. The same goes for international organisations like UNCTAD.

It is extremely important to focus on results. Some examples are the introduction of result-based management, a review of the way the Trade and Development Board meets and the

method of organising expert meetings. The UNCTAD secretariat is examining areas where improvements are possible. I want to underscore the importance of identifying improvements.

[Conclusion]

Ladies and gentlemen,

Over the past 44 years, UNCTAD has acquired considerable knowledge, expertise and professionalism. Now and in the years ahead, we need to turn these attributes into strengths and opportunities for developing nations. Developing nations must benefit from globalisation, from international trade, from initiatives and from public and private investments.

Developed and developing nations must jointly address these issues, based on their own know-how, capabilities and principles. For its part, the Netherlands wants to make a constructive contribution to fulfilling this goal.

We also consider it important to show the world what we are doing concretely in this respect. That is why the Netherlands, as the first developed country, has drawn up a comprehensive report about the fulfilment of the commitments we made under the so-called Millennium Development Goal number 8. My colleague, the Minister for Development co-operation Agnes van Ardenne, is about to present this report in the interactive thematic session on "Assuring development gains from the International trading system, which is taking place in the Plenary Hall this very morning.

I see our contribution as a stepping stone towards the EU presidency that the Netherlands will hold from 1st July this year. One of my priorities is to help move the WTO negotiations forward. I sincerely hope that a strong and

innovative UNCTAD can help bring about a breakthrough in finding solutions to the economic problems facing developing nations.

Thank you for your attention.