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TRADE AND DEVELOMENT BOARD 55th Executive Session, 3-5 July 20012

Statement by

Mr Georgios KRITIKOS, First Secretary Permanent Delegation of the EU to UNOG

on behalf of the European Union and its Member States

Geneva, 3 July 2012

TRADE AND DEVELOPMENT BOARD

55th Executive Session

(Geneva, 3-5 July 2012)

Activities undertaken by UNCTAD in support of Africa

Statement on behalf of the European Union and its Member States

Mr. President, Excellencies, Distinguished Delegates, Dear Colleagues,

I have the honour to address the Trade and Development Board on behalf of the European Union and its Member States.

- 1. The European Union and its Member States would like to thank UNCTAD Secretariat for the Africa Report and the notes on the Activities undertaken by UNCTAD in support of Africa and on the New Partnership for Africa's Development.
- 2. We would also like to welcome UNCTAD's efforts to deliver relevant and qualitative analysis and research on Africa. We encourage UNCTAD to carry out this research independently with its internal and existing resources and avoid outsourcing strategies. Moreover, we note the activities that UNCTAD has undertaken aiming at building consensus between African countries and developed economies. Collectively being UNCTAD's major donor, we attach great importance to its technical cooperation and we welcome the numerous initiatives in this regard.
- 3. Seen in a global context, growth in Africa was rather high over the last decade, both in resource rich, as well as in several non resource rich countries. African economies withstood well the negative impact of the global crisis and we can see that prospects continue to be favourable. Too often, however, growth does not sufficiently translate into employment creation, poverty reduction and social inclusion. Some countries also lag behind in their integration into the world economy. Policies are required to achieve the structural transformation of African economies towards green and inclusive economies as well as sources of growth and welfare. The European Union and its Member States are prepared whenever we can to actively support such policies. This includes:
 - i. First, improving good governance, including wide participation in democratic political processes, justice and rule of Law, as well as non-discriminatory and fair access to public services and natural resources with a special focus on the poor;
 - ii. Second, Strengthening women economic empowerment and enjoyment of human rights as an essential mean for poverty reduction, growth and sustainable development.

- iii. Third, supporting the transition to a green economy, including resource efficiency and the transformation and enhancing the capacity of the agricultural sector to contribute to food security and environmental protection;
- iv. Fourth, promoting private sector and regional and global trade integration, through an enabling business environment, as well as public policies soundly supportive of private investments, competition, economic diversification, research and innovation; fully considering in this framework the small scale-operators and SMEs, addressing also the obstacles that keep many businesses in the informal sector;
- v. Fifth, increasing domestic revenue mobilisation to better meet the demand for public development expenditures and transfers, through the reinforcement of the national tax system and of the international cooperation on tax matters;
- vi. Sixth, mobilising public and private funds to accelerate the development of infrastructures conducive to growth, including in less advanced regions, as well as designing measures to record the remittances through formal channels and improving data on these inflows;
- vii. Seventh, reinforcing resilience to shocks, especially in conducting stability oriented macroeconomic policies, prudent debt management and building up social assistance schemes well targeted on the poorest;
- viii. Eighth, ensuring that natural resources are well managed and that their revenue is used to invest in a balanced and transparent way into human development, infrastructures and fighting poverty.
- ix. Finally, working towards regional integration, considering the positive contribution it can make on all the issues mentioned before, as well as in terms of boosting the intra African trade:
- 4. We believe that the primary responsibility for implementing policies supportive of development is in the hand of authorities of the countries themselves.

Mr President,

- 5. The European Union and its Member States would like to recall that, with the view to improve the impact of their aid on poverty reduction, we intend to target resources at countries most in need, including those in situations of fragility.
- 6. Concerning trade policy, the European Union is committed to promoting the multilateral agenda for trade and development and to provide improved market access for developing countries –in particular privileged access for those countries most in need-through measures such as our *Generalised Scheme of Preferences* (GSP), the *Everything but Arms* (EBA) initiative and our *GSP*+ special incentive arrangement. The enhanced EBA and GSP+ preferences underline our determination to support LDCs and sustainable development. Our improved preferential Rules of Origin (RoO) open the door to even larger opportunity for developing country exporters.
- 7. Recognising that fighting against tax evasion and avoidance, and illicit financial flows, requires joint efforts by developed and developing countries, we will strengthen our support

to tax systems and domestic revenue mobilization in developing countries, in the context of our broader efforts to promote and to implement principles of good governance and public finance management, as well as to work towards a transparent and cooperative international tax environment and to support developing countries to fight against tax evasion and other harmful tax practices.

- 8. Moreover, the European Union and its Member States would particularly like to recall the importance of UN inter agency cooperation and efficient coordination in the field.
- 9. The European Union and its Member States are committed to supporting key intergovernmental organisations in Africa, in particular the African Union, including its NEPAD Planning and Coordinating Agency (NPCA) and the Regional Economic Communities (RECs). In order to realise their full potential, a clear division of labour needs to be established between the African Union Commission, its NEPAD Planning and Coordinating Agency (NPCA), and the Regional Economic Communities. This would ensure effective use of limited resources between the key actors at the regional and continental level in Africa, and a sound platform for implementation of flagship programmes to promote economic growth and poverty reduction on the continent, such as the Comprehensive African Agricultural Development Programme (CAADP) and the Programme for Infrastructure Development in Africa (PIDA).

Mr. President,

10. We invite UNCTAD to continue its work and activities undertaken within its three main pillars. We encourage UNTAD to focus on research and activities in the fields of regional integration, trade facilitation, economic diversification and the role of the private sector to enhance productive capacities.

Thank you very much for your attention.