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Statement
on behalf of the European Union and its Member States

Delivered by H.E. Ms. Mariangela Zappia
Ambassador, Permanent Representative
of the European Union to the United Nations

Geneva, 12 December 2013

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Mr President,

I have the honour to speak on behalf of the European Union and its Member States.

We welcome ‘The Least Developed Countries Report 2013: Growth with employment for inclusive and sustainable development’ that UNCTAD secretariat has recently published. We appreciate the research and analysis carried out by UNCTAD concerning the relationship between investment, growth and employment in the framework of this LDC report.

We take note of the main messages of the Report:

— Growth in LDCs has not generated enough ‘quality’ jobs,
— Creating employment opportunities is critical for the role it has on economic development,
— Economic growth in the LDCs has tended over time to become less effective in terms of employment generation, and
— Interaction between these three variables (investment, growth and employment) is essential to achieve poverty reduction, inclusive growth and sustainable development.

We acknowledge the demographic challenges that the LDCs will have to face in the incoming years and the need of sufficient quality jobs for the young population. Youth employment is a complex issue and cannot be tackled in isolation. The agricultural sector has the potential to be a great source of youth employment. Making available new land and increasing farm sizes will help to increase agricultural productivity. Investment in the gradual mechanisation of production in the agricultural and agribusiness sector will help to create new economic opportunities which will eventually produce a positive impact on the job market.

We welcome the finding that during the period 2000-2010, the employment rate contributed positively to GDP per capita in some LDCs countries with a positive impact on youth education. However we
note with concern that, according to the Report, economic growth in the LDCs has tended over time to become less effective in terms of employment generation.

We recognise the key importance of developing productive capacities in order to boost job creation. Human resources play a key role within these productive capacities, and investment in education and vocational training to develop skills is crucial. In this sense EU support programmes are contributing to address quality of education, an essential element to access job markets.

The EU and its Member States strongly support the efforts of LDCs to create the right economic and social environment, to identify comparative advantages in the productive sectors and diversify their economy. A diversified economy, based on a wide range of sectors, plays a key role in ensuring sustainability and reducing a country’s economic volatility. UNCTAD’s expertise could be used to help LDCs:

- mainstream trade in their development strategies;
- develop and open their markets and integrate into international trade;
- assist in the implementation of trade facilitation reforms;
- explore the different options for structural transformation by diversifying their exports; and
- promote policies to improve productive capacities and to stimulate the interaction between FDI and local productive capacities, with a view to providing equal economic opportunity for all, particularly aiming at women and youths.

Mr President, we want to confirm here our commitment to LDCs and our determination to continue to work together to deepen our partnership.

We remain in particular committed to the implementation of the Istanbul Programme of Action. With LDCs in the lead and in full partnership with them, we will continue to step up our efforts, both in policy and financial terms.

Our development policy and aid will be increasingly focused on countries which are most in need and where the greatest impact can be achieved. We will continue to accompany LDCs in their structural reforms to enhance productive capacity and unlock domestic potential for sustainable and inclusive growth. And we stand ready to promote this also through trilateral cooperation with other Southern partners. We will continue to provide LDCs with increasingly focused Aid for Trade. LDCs will also continue to benefit from duty-free quota-free market access to the EU market for all their products except arms and ammunition under the EU’s reformed Generalized Scheme of Preferences (GSP), which will enter into force in January 2014. The EU’s new GSP scheme focuses on countries most in need, thus creating considerably more space for LDC exports.

The EU and its Member States also warmly welcome the adoption of the agreement reached on a package of matters – trade facilitation, development issues and agriculture – at the 9th WTO Ministerial Conference in Bali last week. This package will benefit all WTO members, including developing and least developed country members.

The EU and its Member States are determined to continue supporting LDCs’ efforts to reach the ambitious target that half of them should be able to meet the graduation criteria by 2020. Last year, we confirmed our engagement to help LDCs in their national transition strategies to graduate from the LDC category. We strongly reaffirm this commitment today. However we underline that predictability is also needed from the United Nation decision making process to ensure expeditious action by the General Assembly on graduating countries, to conclude the work of ECOSOC. In this sense, we
welcome the adoption by the General Assembly of Resolution A/68/L.20 (introduced by Fiji) to endorse the recommendation of the Committee for Development Policy that Equatorial Guinea and Vanuatu be graduated from the category of LDCs.

Mr President,

As stressed in the Outcome Document of the 25th September 2013 Special Event to follow up efforts towards achieving the MDGs, whether for the final push towards the MDGs in the run up to 2015 or when charting the way forward post 2015, we acknowledge the particular situation and concerns of the LDCs and other vulnerable countries most in need and we find essential to ensure that they are properly reflected in our work.

To conclude, let me reassure you that the EU and its MS look forward to working productively and cooperatively with UNCTAD and all the LDCs to help them address the challenges they face: demographic dynamics, increase of employment’s quality, creation of productive capacities and economy’s diversification, among others. We are keen to work together to address poverty reduction and achieve sustainable development. In the end we all share the same goal: to ensure A Decent Life for All.

Thank you