

**Trade and Development Board,
Fifty-seventh executive session
Geneva, 26–28 June 2013**

Opening Plenary

**Speaker: Nicole Miller
on behalf of the EU and its member States**

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European Union

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UNCTAD

Trade and Development Board

57th Executive Session

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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.

We thank the Secretariat for the report which underscores the activities UNCTAD has undertaken in support of Africa. The document provides a comprehensive summary of the actions undertaken within UNCTAD's three main pillars outlining UNCTAD's activities in the different areas of trade, investment and finance.

These issues remain definitely at the centre of any strategy for economic growth and development. The private sector is a key interlocutor and stakeholder, whose potential is still underexploited and we should be looking at ways for improving the private-public dialogue as an essential means to identify and seize opportunities to diversify countries' economies, reduce their dependence on few productive sectors and promote a higher value-added economy.

Many instruments to help Africa to trade more are in place, they need to be better exploited. We need a reinforced coordination between partners, developed and developing, to avoid duplication of efforts and dispersion of resources. We underline the relevance of Aid for Trade to help Africa improve its ability to develop bankable financing proposals which is still in many cases too weak and impacts negatively on access to available funds.

Concerning African trade and Infrastructure, we support regional trade integration, improved infrastructure, elimination of trade barriers and greater transparency; we promote the African Union's Action Plan on Boosting Intra-African Trade (BIAT) and we encourage the investment in

infrastructure, and underline the importance of the New Partnership for Africa Development (NEPAD) Infrastructure Project Preparation Facility.

We share many stakeholders' views on the need to increase trade by reducing border crossing time and costs, facilitating trade and enhancing infrastructures, in order to lower the cost of inputs and increase competitiveness of the local economies.

The main objective is to bring trade costs and transport prices down. However, it is important to recall that most of the efforts must be made on the African side. Investing in delivery of physical infrastructure will not suffice. African leaders will need to bring reforms in the policy and regulatory framework.

Regional cooperation as well as South-South and Triangular cooperation are necessary to enhance the productive capacities of African economies. Regional cooperation and integration create larger, more efficient markets and help developing countries to attract new FDI to complement domestic investment and the private sector. Expanding trade with regional partners and increasingly with emerging economies will ensure an increase in consumers, investment, and guarantee large economies of scale. Emerging partners involved in triangular cooperation may help developing countries to build capacity in trade and institutional matters.

Our developing partners would also benefit from the strengthening of the domestic financial sector and from efforts to deliver effective financial services to SMEs, micro-enterprises and individuals, including through policies aimed at reducing transfer costs, recording remittances through formal channels and improving data on these inflows. Regional development banks and private commercial banks may also help providing access to trade finance.

We share the view that investment is another essential driver of growth. Like many other stakeholders we underline the importance of creating an enabling economic environment to help building productive competitive capacities and stimulate job creation. Our developing partners would benefit from enhancing their productive capacities to develop new comparative advantages in productive sectors and diversify their economies.

The Economic Partnership Agreements that the EU is negotiating with its partners in Sub-Saharan Africa are intended to respond to the many challenges previously identified. These agreements will free and facilitate trade, contribute to improving the enabling environment, create legal certainty, promote regional integration and help to attract investment and spur growth and development.

Concerning the concentration of the FDI flows to the extractive sector, the EU has adopted a political agreement on the Accounting and Transparency Directives –a huge step towards a global standard of Transparency in the extractive and logging sectors. These will greatly benefit developing countries, which will have more instruments to stamp out corruption and to strengthen their ability to collect domestic revenues.

While supporting the implementation of our Directives, we will continue providing political and financial support to the Extractives Industries Transparency Initiative (EITI). We will also continue encouraging other countries –particularly those with significant extractive and logging companies- to do their best to join the EITI, as supporting countries and implementing countries.

We support UNCTAD's research and invite the organisation to continue its analytical activities which are always welcomed by developing countries and the donor community. We encourage UNCTAD to continue supporting commodity dependant developing countries and small hold farmers in formulating sustainable and inclusive national development strategies and to focus on research issues in the field of domestic investment, economic diversification, and the role of the private sector to enhance productive capacities.

Thank you very much for your kind attention.