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General Debate

Statement on behalf of the European Union and its Member States

Monday, 18 July 2016

Speaker: Ms. Sandrak Khalina

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European Union

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

UNCTAD XIV

General Debate

(Nairobi, 17-22 July 2016)

Statement by

on behalf of the European Union and its Member States

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UNCTAD XIV

General Debate

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Statement on behalf of the European Union and its Member States

President of UNCTAD XIV

Your Excellency the Secretary General of the United Nations Conference for Trade and Development,
Excellencies,
Distinguished Delegates,
Ladies and Gentlemen,

It gives me great pleasure to speak on behalf of the European Union and its Member States on this important occasion and would like to express our appreciation and gratitude to Kenya for hosting this Conference and for providing an excellent working environment, while wishing Kenya every success for its presidency of UNCTAD XIV.

The EU and its Member States will play a central role at this Conference: we are proud of our position as collectively the world's biggest trader, a leading foreign direct investor and the largest partner in development. We are the most significant contributor to multilateral trade-related assistance programmes, and the largest contributor to UNCTAD. The EU remains strongly committed to helping developing countries, especially the most vulnerable.

The EU strongly welcomes the adoption of the 2030 Agenda for Sustainable Development and will play its part in implementing the 2030 Agenda through EU policies and actions. Many of the Agenda's goals and targets are closely linked to EU policies, the ten priorities of the Commission and the Europe 2020 strategy. The 2030 Agenda will also drive reform in the EU's development policy.

Earlier this year, the EU assessed its progress against the aims and objectives in our 2012 Trade, Growth and Development Communication. This document establishes the EU trade and development policy and as such it is closely aligned with the aims of UNCTAD, I would like therefore to share with you four of the most relevant highlights:

(a) Reform of the EU Generalised System Preferences (GSP): The new scheme started to apply on 1 January 2014 for a period of 10 years. The new GSP focuses market-access preferences on Least-Developed Countries and other countries most in need, and phases out richer countries and those that have a trade agreement with the EU which gives more space to exports to the EU market from the poorest countries.

(b) Aid for Trade: The EU and its Member States collectively reconfirmed their position as the world's leading provider of Aid for Trade with a record of just over EUR 12 billion in 2014, accounting for about a third of the world's total.

(c) An ambitious bilateral and regional trade agenda: These are asymmetrical, modern and comprehensive trade agreements which look beyond tariffs, at behind-the-border issues including technical norms, investment, procurement, competition, services IPRs, etc. to enable the necessary conditions to stimulate trade, attract investment and integrate into Global Value Chains.

(d) Sustainable development as a major dimension of EU trade policy: This includes our special incentive scheme for good governance and Sustainable

Development, the GSP+ and the systematic inclusion of a trade and sustainable development chapter in the new generation FTAs, notably to tackle labour and environmental aspects. We believe these are all areas which demonstrate the EU's commitment to implement the 2030 Agenda and are areas where UNCTAD has a supportive role.

Ladies and Gentlemen,

I would like to stress the EU's commitment to UNCTAD as an institution. We believe that the future activities of the organisation must remain within its mandate, implementing the three pillars of policy analysis, consensus building and technical cooperation, best-matched to its capabilities and existing resources. Within these three pillars, UNCTAD should focus on areas where it has built competitive advantages and can provide added value, notably in relation with the work and mandate of other international organisations. UNCTAD should therefore avoid overburdening itself as this would lead to fragmentation of the organisation's capacities. In light of the ambitious 2030 Development Agenda we believe that UNCTAD should shift resources from consensus building towards technical cooperation since that has the biggest impact for developing countries.

The EU considers that UNCTAD should play its role in the implementation and monitoring of the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda. UNCTAD should use its long-developed expertise on trade and development to promote inclusive and sustainable growth in developing countries and support the achievement of specific targets across the relevant SDGs and their Means of Implementation including through their long-standing work on trade and investment statistics.

We support UNCTAD's main focus on the Least Developed Countries. UNCTAD should continue with its engagement on LDC graduation and the technical assistance provided in support of this purpose.

We also support the future activities of the organisation in the area of investment, in particular the role of Foreign Direct Investment (FDI) as a key means to promote sustainable development. A sound investment climate is necessary to attract FDI flows and encourage domestic investment. And because we deem investment so fundamental for these objectives, we believe it is essential that investment instruments and policies match the global, evolving concerns and values of governments, citizens and investors. In recent years, the EU has been formulating and implementing a reformed approach to investment protection with clearer safeguards for the governments' right to regulate and a fairer, more balanced and transparent investment dispute resolution system. And we are doing so with a forward-looking and open mindset. In particular with regard to investment dispute resolution, we believe that future reforms should not only be implemented within bilateral inter-state relationships, but through all of us working together, multilaterally, with as many of us around the table as possible.

In this context I would like to reiterate the EU's endorsement of the G20 Guiding Principles for Global Investment Policy Making that were adopted during the G20 Trade Ministers Meeting on 9 - 10 July in Shanghai. These Principles will help promote coherence in national and international policy making and provide predictability and greater certainty for business to support their investment decisions.

We consider that a thriving private sector and a growing number of Small and Medium Enterprises will help our developing partners to take advantage of export opportunities including where possible through participation in global value chains. We support UNCTAD's activities in research and technical

assistance to stimulate private sector development and encourage UNCTAD to work on public-private partnerships.

Ladies and Gentlemen,

We believe an open and diversified economy helps to ensure sustained and sustainable growth and reduces a country's economic volatility. In this regard, UNCTAD should help developing countries to open their markets to international trade, in line with World Trade Organisation rules, at a pace commensurate with their development levels; to explore options for structural transformation by diversifying their exports; and to promote policies to improve productive capacities.

The EU would like to take this opportunity to stress the importance of gender equality and women's empowerment. It should be mainstreamed in all of UNCTAD's work. The 2030 Agenda for Sustainable Development offers us a real and unique opportunity to emphasise the essential role of gender equality and the empowerment of women and girls.

The EU underscores the need to ensure that UNCTAD's result-based management is strengthened and that the recommendations set out by the Joint Inspection Unit and in the recent OIOS report are consistently implemented by the UNCTAD Secretariat. The UNCTAD Trade and Development Board should continue evaluating, on an annual basis, the progress of the implementation of these recommendations and take action as appropriate.

Ladies and Gentlemen,

To conclude, the EU is fully committed to the success of UNCTAD XIV and to a positive and ambitious outcome based on a global partnership for sustainable development. We will continue to stand by our developing

partners and support them in their aspirations. We are determined to make this Conference a success; so that when we meet at UNCTAD XV four years from now, we can assess our achievements positively.

Thank you for your attention.