



Council of the  
European Union

077711/EU XXV. GP  
Eingelangt am 25/09/15

Brussels, 25 September 2015  
(OR. en)

12391/15

CNUCED 1  
DEVGEN 171  
WTO 201  
ACP 132  
PROBA 27  
ONU 115  
RELEX 748  
COMPET 425  
ENV 589  
CONUN 177

#### COVER NOTE

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	24 September 2015
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	SWD(2015) 190 final
Subject:	COMMISSION STAFF WORKING DOCUMENT - To prepare an EU position in view of UNCTAD XIV Conference

Delegations will find attached document SWD(2015) 190 final.

Encl.: SWD(2015) 190 final



Brussels, 24.9.2015  
SWD(2015) 190 final

**COMMISSION STAFF WORKING DOCUMENT**

**To prepare an EU position in view of UNCTAD XIV Conference**

## **1. Introduction: the EU and UNCTAD XIV Conference**

The **14<sup>th</sup> United Nations Conference on Trade and Development (UNCTAD XIV)** will take place in 2016. The venue and the dates will be decided in the next few weeks following the information that Peru will be unable to host the conference in Lima in March 2016.

UNCTAD Secretary General presented on 16 March 2015 a proposal on the potential theme and sub-themes for UNCTAD XIV. After some months of negotiation, an agreement on those theme and sub-themes looked feasible around mid-September and it could be adopted before the end of the month. The following topics represent the potential compromise which may still experience one or two minor changes:

Theme: "From decision to action: moving toward an inclusive and equitable global economic environment for trade and development" and the four sub-themes:

- (1) "Challenges and opportunities in multilateralism for trade and development";
- (2) "Promoting sustained, inclusive, and sustainable economic growth through trade, investment, finance, and technology to achieve prosperity for all"
- (3) "Advancing economic structural transformation and cooperation to build economic resilience and address trade and development challenges and opportunities, at all levels, within the UNCTAD mandate";
- (4) "Contributing to the effective implementation of and follow up to the 2030 Agenda for Sustainable Development, and relevant outcomes from global conferences and summits, as related to trade and development".

### **EU's views on the potential theme and sub-themes**

The theme is acceptable for the EU and provides an interesting slogan 'From decision to action'. It also avoids the wording 'trade system' or the 'global economy' as neither is within UNCTAD's mandate.

Concerning sub-theme 1, the text uses "opportunities in multilateralism" which is better than the previous expression "strengthening multilateralism to address persistent and emerging trade and economic development challenges and opportunities". This was problematic for the EU because "multilateralism" is too broad a concept for UNCTAD to oversee and "strengthening" tends to suggest that the existing International Financial System (IMF, WB) is not working properly; "persistent" may have also a negative meaning.

Sub-theme 2 takes the language from the Sustainable Development Goal number 8 ('Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work') and combines it with language from Doha mandate (paragraph 18).

Sub-theme 3 introduces some positive language expressions such as 'economic structural transformation'; 'build economic resilience' and 'within UNCTAD mandate' to avoid any deviation from the core mandate.

Sub-theme 4 discusses the potential contribution of UNCTAD to the 2030 Agenda for Sustainable Development.

## **EU's priorities on UNCTAD XIV Conference**

The following list represents the potential EU priorities for this conference:

(a) UNCTAD's Core mandate. The EU's main priority concerning UNCTAD's activities is that organisation should remain focussed its core mandate<sup>1</sup> to avoid any overlap with other mandated international organisations. In this sense all theme and sub-themes for the Conference should comply with UNCTAD's core mandate and provide guidance to UNCTAD's activities.

(b) 2030 Agenda for Sustainable Development. The EU considers that UNCTAD could play a role in the 2030 Agenda for Sustainable Development and contribute to its follow up process without duplicating the work and activities carried out by other organisations in other fora. UNCTAD could use its expertise in capacity building, policy dialogue and research analysis to provide effective support to developing countries, helping them to channel their efforts to achieve the Sustained Development Goals.

(c) Least Developing Countries. We consider that UNCTAD has to focus mainly on the most vulnerable economies, in particular the Least Developing Countries (LDCs). UNCTAD could also foster further developed relations between emerging economies and developing countries by encouraging the development of their productive and trading capacities and by advocating for greater transparency on such cooperation.

(d) Gender equality. The EU is committed to enhance gender equality and women's empowerment which could be mainstreamed in all sectors of the developing economies. The 2030 Agenda for Sustainable Development and the Financing for Development Conference outcome offer us a real and unique opportunity to push gender issues equality and women's empowerment forward. UNCTAD could use its technical cooperation expertise to support and stimulate this process.

(e) UNCTAD management. EU's objective is to ensure that the recommendations set out by the Joint Inspection Unit are implemented by the UNCTAD Secretariat. UNCTAD should continue to build upon the specific measures taken by the Secretariat across the work plan's seven areas; and the additional measures introduced by the Secretary General since September 2014 to strengthen internal accountability.

(f) Work programme to be built on UNCTAD's competitive advantages. The EU considers that UNCTAD's work programme for the next four years should be clear; action oriented; focus on those areas where UNCTAD has a competitive advantage; and avoid duplication with the work of other international organisations.

### **EU common position and negotiation process**

This document, based on existing EU policies, outlines the EU priorities and the activities that we think UNCTAD should undertake in its work programme from 2016 to 2020. The text will serve as background information to prepare a common European Union position for the UNCTAD XIV conference to be discussed in the Ad-hoc Working Party for the Organisation of International Conferences.

---

<sup>1</sup> UNCTAD XIII conference built on the Accra Accord (UNCTAD XII) and reaffirmed the core mandate of the organisation: 'UNCTAD remains the focal point in the United Nations for the integrated treatment of trade and development, and interrelated issues in the areas of finance, technology, investment and sustainable development'. (Paragraph 18, Doha Mandate, April 2012).

UNCTAD Secretariat will prepare the draft outcome document for the Conference and organise the preparatory meetings in Geneva to negotiate the above-mentioned text. The first Prep Com, at which negotiations officially start, may take place around the end of October; and the second Prep Com may take place probably in February or later depending on the final decision about the dates for the Conference.

## **General views on UNCTAD**

Development and trade are the key focal points for UNCTAD. The organisation's main focus should be on poor people in developing countries, especially the most vulnerable. UNCTAD should continue working through its three pillars: consensus building; research and analysis; and technical cooperation.

UNCTAD has shown some interest in the past in assessing the root causes and implications of financial and economic crisis; and sovereign debt restructuring. However sovereign debt restructuring and debt sustainability are beyond its core mandate; those areas fall under the responsibility of the International Monetary Fund (IMF) and the World Bank (WB).

UNCTAD should contribute to development strategies and goals agreed at international level (previous UN Conferences on the Least Developed Countries, the Millennium Declaration, the Monterrey Consensus<sup>2</sup> of the International Conference on financing for Development, the Plan of Implementation of the World Summit on Sustainable Development –Johannesburg Plan of Implementation-, the 2005 World Summit Outcome, the Doha Declaration on Financing for Development, the outcome document of the High-level Plenary Meeting of the General Assembly on the Millennium Development Goals, the recent conferences on SIDS and LLDCs, the outcome document for the Third Conference on Financing for Development<sup>3</sup> –Addis Conference- and forthcoming New York Summit on Sustainable Development Goals) especially helping developing countries to integrate into the global economy.

The EU places a key importance on UNCTAD XIV as the organisation deals with trade and development which are two key priorities of the EU: the EU is the largest donor of development aid<sup>4</sup>; and the EU and its Member States remain Aid for Trade (Aft) donor in the world<sup>5</sup>. UNCTAD work programme could be more closely linked to recent developments in the global economy and in particular to recent changes impacting trade, investment and finance.

Concerning EU policies, it is worth mentioning the recent EU Commission Communications:

"Trade, growth and intellectual property - Strategy for the protection and enforcement of intellectual property rights in third countries" (July 2014);

---

<sup>2</sup> The Monterrey Consensus states that 'each country has primary responsibility for its own economic and social development' and that 'the role of national policies and development strategies cannot be overemphasised'

<sup>3</sup> Concerning the UN financing for development follow-up process, the Addis outcome document (paragraphs 129, 130) mentions the ECOSOC Forum modalities with one day special high level meeting with the BWI, WTO and UNCTAD. The outcome document has proposed to establish a Technology Facilitation Mechanism (paragraph 121) to be launched at the UN Summit for the adoption for the Post-2015 Development Agenda. UNCTAD would participate in the UN Interagency Task Team on Science, Technology and Innovation for the SDG –together with other UN entities such as UNDESA, UNEP, UNIDO, etc.

<sup>4</sup> In 2014, the EU's collective net spending on ODA was EUR 58.2 billion (equivalent to an ODA/GNI ration of 0.42%). In 2013, the collective EU ODA stood at EUR 56.9 billion (0.43% GNI); concerning LDCs, the EU ODA in 2013 attained EUR 16.1 billion, or 0.12% of GNI, 2015 Accountability Report on Financing for Development.

<sup>5</sup> EUR 11.7 billion in 2013 (Aft) with Africa receiving the largest share of grants in 2013 (55%) and LDCs receiving EUR 2.6 billion (24%)

"A decent life for all: Ending poverty and giving the world a sustainable future" (February 2013); "Beyond 2015: towards a comprehensive and integrated approach to financing poverty eradication and sustainable development beyond 2015" (July 2013); "A decent life for all: From vision to collective action" (June 2014); "A Global Partnership for Poverty Eradication and Sustainable Development after 2015" (February 2015).

## **UNCTAD Quadrennial Conferences**

Since 1964, UNCTAD has held 13 quadrennial conferences. The Doha conference (2012) considered development as a global concern and underscored the importance of sustainable development.

The results of UNCTAD XIII were satisfactory for the EU. One of the main discussions in UNCTAD XIII was the decision to reaffirm or to build upon the Accra mandate. The key outcome in the Doha mandate was that UNCTAD was confirmed as the focal point in the UN for the integrated treatment of trade and development, and interrelated issues in the areas of finance, technology, investment and sustainable development (paragraph 18).

In general, UNCTAD fulfils a role as a platform for developing countries to explain their concerns and to produce relevant research work – e.g. World Investment Report. A potential future role for UNCTAD could be to become a think-tank organisation.

## **Joint Inspection Report – Institutional Reform**

The Joint Inspection Report (Joint Inspection Unit) represented an important criticism on UNCTAD's policies, governance, management and administration. As it has been mentioned before in the EU's priorities, UNCTAD should analyse the initiatives taken by the secretariat across the work plan's seven areas; and the additional measures introduced by the Secretary General to improve the secretariat and to strengthen internal accountability.

UNCTAD should undertake a performance and organisational audit carried out by an independent reviewer taking as a base the Joint Inspection Report.

## **2. Theme**

### **From decision to action: moving toward an inclusive and equitable global economic environment for trade and development**

Each country has the primary responsibility for maximising the potential of trade for inclusive growth and sustainable development through good governance, sound domestic policies and reforms. The aim is to create a stable regulatory environment that is favourable to the private sector and investment, and which contributes to a country's integration into regional and global value chains. At the same time, countries have to ensure internationally-agreed labour standards and adequate skills for the workforce, while promoting the transition towards a green economy.

Yet the world's most vulnerable countries, notably LDCs, face particular obstacles related to lack of capacity, inadequate infrastructure or insufficient diversification of production. They need support in order to facilitate their integration into the global trading system and derive

maximum economic, social and environmental benefits therefrom. UNCTAD can play a strong supportive role in this regards, by supporting the following:

- (a) A transparent and predictable legal framework will ensure property rights, competition rules, anticorruption laws, etc. Proper regulation will ensure the right financial and economic framework for companies (Multinationals, Small and Medium Enterprises (SMEs), etc.) and private investors to invest confidently in the country. Enforcing legislative instruments and a reliable judiciary system are important aspects of this legal framework.
- (b) Stable political situation: favours the country as a destination of international investments and will attract FDI and promote SMEs investments.
- (c) Investment in human capital: a set of policies aimed at improving investments in education (secondary, tertiary, vocational training), especially in the fields of Science, Technology, Engineering and Maths (STEM), in tandem with a healthy population will produce the necessary human capital to provide the necessary input into the different sectors of the economy.
- (d) Financial sector: access to financial services and a wide range of financial products (deposit accounts, insurance, money transfers, etc.) allow larger amounts of funds to be channelled to productive investments and may help to create economic growth.

UNCTAD can play a crucial role in helping developing countries identify comparative advantages in productive sectors; diversify their economies; develop and open their markets; promote trade facilitation and regional economic integration; and explore the different options for structural transformation. It should also foster entrepreneurship, competitiveness, good governance, economic empowerment of women, interaction between FDI and local productive capacities as well as the integration of developing countries in Regional and Global Value Chains.

UNCTAD could also focus its attention on assessing recent trends in global trade (e.g. sluggishness of global trade and its impact on developing countries and LDCs) and the participation of developing countries in international trade.

### **3. Sub-Themes**

#### **3.1. Challenges and opportunities in multilateralism for trade and development**

The World Trade Organisation (WTO) is the principal international institution for the oversight of international trade. The multilateral trading system is made up of the trade and trade-related agreements negotiated and signed by WTO members.

A robust multilateral trading system is essential to developing countries' long-term perspectives through its enforceable rules and the access it grants to world markets. The European Union's commitment to preserve and strengthen the multilateral trading system is a priority of its external policy.

The multilateral trading system provides a framework to increase developing countries' trade and can support the strengthening of domestic policies affecting the main sectors in the

economy. The multilateral system has developed key tools to reduce policy reversals, thus establishing a framework for more stable, credible and reliable policy reforms.

UNCTAD's work could produce an analysis between the linkages between participation in the multilateral trading system (increase global trade), and economic growth –and poverty reduction.

### **3.2. Promoting sustained, inclusive, and sustainable economic growth through trade, investment, finance, and technology to achieve prosperity for all**

This subtheme represents agreed language from the Doha mandate and from the Sustainable Development Goal number 8. The objective of developing countries should be to achieve inclusive and sustainable development. A key feature of this concept is inclusive and sustainable economic growth which should benefit all citizens and produce an increase in total production and employment. Elements to help achieving inclusive growth:

#### **(1) Trade and regional economic integration**

Trade facilitation is an important factor of the EU's policy concerning developing countries. The EU is a leading provider of Trade Facilitation support with some EUR 400 million over the period 2007-2011 –and an accumulated figure of EUR 659.6 million (EU and Member States) in the same period. The EU will aim to maintain the same level of funding over the five years following the signature of the Trade Facilitation Agreement (TFA) approved in Bali. The main part of this support will be delivered through the EU's traditional regional funding instruments.

The EU and its Member States account for one third of all global Aid for Trade. We have exceeded our collective commitment to provide annually EUR 2 billion worth of Trade-Related Assistance from 2010 onwards. The goal of regional integration between developing countries also benefits from EU Aid for Trade, as we are working actively with regional organisations to support their agendas. For example, the EU and its Member States have committed to continue supporting the West Africa Economic Partnership Agreement Development Programme until 2020.

Related to trade in commodities, UNCTAD could further investigate the impact of the sharp drop of commodity prices since 2011 on developing countries, including LDCs.

#### **(2) Investment in education and technology**

It is essential to develop human and institutional capacity to overcome developing countries' economic and social vulnerabilities. Investment in education and training to improve the quality of the domestic labour force and to enhance youth potential is crucial. Education and training policies should provide a skilful work force suitable for the demands of the private sector (multinational companies, small and medium enterprises) and foster young people's active citizenship. In some industries the 'knowledge' factor often replaces physical labour, in addition any investment in new technologies must be coupled with a skilled population to make use of them.



UNCTAD should help developing countries to build capacity by providing reliable statistics as an essential element for formulating national development strategies and better measuring, monitoring and managing results of development assistance, support to strengthen the developing countries' national statistical capacities.

Investments in science, technology and innovation can enhance productive capacities and increase production with significant costs reduction. Technological change generates quality employment, provides an efficient use of resources and helps governments to reduce poverty.

Most technologies are owned by private companies, thus their transfer can only be made on mutually agreed terms, while their intellectual property rights have to be respected. Governments should promote technology dissemination through incentives at domestic level favourable to sustainability and provide adequate protection of intellectual property rights according to the WTO rules.

The EU is committed to promoting scientific, technological and innovation capacities. The EU's research and innovation (R&I) programme, Horizon 2020, is open to participation from across the world. A list of countries<sup>6</sup>, including developing, is eligible to receive funding through Horizon 2020. In addition, the EU is engaged in R&I dialogues with key partner countries to promote adequate framework conditions for cooperation and identify thematic initiatives of mutual benefit.

UNCTAD should assess options for supporting human resource development in technology through higher education programmes (scholarships, developing courses seminars focused on innovation, etc.) and setting technology units in universities linked to small and medium enterprises. UNCTAD should also facilitate support to developing economies on technology diffusion, especially in the area of sustainable agro-food industries and energy.

### (3) Investment in infrastructure

Infrastructure is responsible for a significant part of growth performance in developing countries. Improving infrastructure is necessary to enhance the productive sectors of the economy and boost trade.

Investment in infrastructure can reduce the countries trade costs through the development of strategic corridors in the region or continent. For example in Africa EU participation in infrastructure investments have resulted in more than 7,000 km of roads constructed or rehabilitated to connecting areas and linking them with markets<sup>7</sup>.

Sector inefficiencies and deficiencies in infrastructure network difficult economic growth in developing countries and their ability to be part of the supply chains.

UNCTAD should analyse the key aspects to address transport sector inefficiencies such as low competition between transport services providers and monopolistic situations. UNCTAD should carry out some research and provide technical assistance in relation to measures to enhance trade facilitation; improve the transport regulatory framework; and the economics between transport corridors and supply chains.

---

<sup>6</sup>[http://ec.europa.eu/research/participants/data/ref/h2020/wp/2014\\_2015/annexes/h2020-wp1415-annex-a-countries-rules\\_en.pdf](http://ec.europa.eu/research/participants/data/ref/h2020/wp/2014_2015/annexes/h2020-wp1415-annex-a-countries-rules_en.pdf)

<sup>7</sup> Examples of major projects supported: North-South Corridor, route to supply the countries of Zimbabwe, Zambia and the Democratic Republic of Congo; the Northern Corridor linking Kenya with Rwanda; and in the Western part of Africa, the strategic link between Senegal, Mali, Burkina Faso and Niger.

(4) Financial sector, private sector and women's entrepreneurship.

Small and Medium Enterprises and small businesses account for a substantial percentage (around 45%) of employment in developing countries. A reliable innovative financial sector will better support growth and poverty reduction. At the same time it is necessary to provide financial literacy training (educate citizens to use financial services and to protect them from abuse) and better access to financial services. Women will also benefit from an accessible financial system and from better education on financial services. Financial services will benefit from a domestic banking system with an extended network and a wide range of financial products (credit lines to SMEs, guarantees, risk capital investments, etc.).

Gender equality and the empowerment of women are essential to attain development results and should be mainstreamed along all sectors. The EU supports women's and youth's entrepreneurship as a key driver of innovation and encourages the private sector to play a significant role for the creation of an economic environment in which women and youth can participate.

UNCTAD should analyse measures to boost women's entrepreneurship and address the specific needs to women entrepreneurs –access to finance, education, markets and networks.

**3.3. Advancing economic structural transformation and cooperation to build economic resilience and address trade and development challenges and opportunities, at all levels, within the UNCTAD mandate**

Structural transformation of economies encompasses different aspects, especially changes in the composition of output, employment and exports. Structural transformation of production is a key condition to enhance long-term growth. Economies that transform their production activities from low to high productivity and diversify their productive sectors may achieve sustainable economic growth if the business climate is favourable. Economic diversification in developing countries means to change from producing raw materials to manufacturing intermediate or finished products. In general, the main argument for the importance of diversification is that diversified economies are less vulnerable to economic shocks than specialised economies.

Labour productivity is related to human resource development. The link is that higher investment in the education system drives increases in labour productivity which generates an increase in production and therefore in higher incomes for the population.

A qualified and skilful population is a key ingredient to economic diversification. Our developing partners will need to acquire the capability to produce a wide range of goods and then decide to specialise in those products which can be manufactured at international competitive prices. A diversified export base can reduce a country's economic volatility and stabilise their foreign exchange with the advantage of gaining access to capital markets, technology and intermediate inputs.

The EU supports our developing partners in their process to diversify the production of manufactured goods and services. This economic diversification process will benefit from investment in infrastructures –transport systems, energy networks, communications, etc.; education and vocational training; private sector (multinational corporations, small and medium enterprises and micro-enterprises) incentives; and efficient institutions that ensure access to competitive markets.

Trade openness is an essential factor to enhancing inclusive growth and sustainable development. Regional economic integration and cooperation stimulates intra-regional trade and it should be encouraged as some continents continue to experience low levels of internal trade (e.g. Africa). Intra-regional trade could play a substantial role at facilitating economic growth and increasing food and energy security for some developing countries.

UNCTAD should analyse the pattern of geographic diversification of export destinations in developing countries as it could be that diversification could be understood as two-dimensional: diversification in products and diversification in markets. UNCTAD should advise policymakers about what policy recommendations need to be designed and implemented to enable and foster the process of diversification in low-income countries; and assess the opportunity to incorporate value added in the form of value chains to commodity sectors in export countries. UNCTAD should also explore the incentives to attract FDI to regional markets with large economies of scale and their impact on export diversification.

### **3.4. Contributing to the effective implementation of and follow up to the 2030 Agenda for Sustainable Development, and relevant outcomes from global conferences and summits, as related to trade and development**

Implementing the post-2015 development agenda presents a complex challenge but also a unique opportunity to redefine and strengthen the way the global community works together. At the Third International Conference on Financing for Development in Addis Ababa (13-16 July 2015) the assembled Heads of State and Government and High Representatives agreed that nationally owned sustainable development strategies, supported by integrated national financing frameworks, will be at the heart of efforts on poverty eradication and sustainable development. Each country has primary responsibility for its own economic and social development but these efforts also need to be supported by an enabling international environment.

All countries should implement policies and mobilise resources for poverty eradication and sustainable development, stepping up their contributions depending upon their level of capabilities. The global partnership should be based on the principles of shared responsibility, mutual accountability and respective capacity. The new global partnership should also be based on and promote human rights, equality, non-discrimination, democratic institutions, good governance, rule of law, inclusiveness, environmental sustainability and respect for planetary boundaries. Women's rights, gender equality and the empowerment of women and girls, as well as being ends in themselves, are a key means of implementation and should be promoted at all levels. Harnessing the potential private entrepreneurship, including through public-private partnerships will be central. Trade is one of the key factors for inclusive growth and sustainable development, and it is an essential means of implementation for the Post-2015 Agenda.

In an intertwined world, all countries need to take into account the impact that their policies may have on other countries. All developed countries and emerging economies should evaluate the impact of adopting new measures on developing countries. The EU remains committed to ensuring increased Policy Coherence for Development (PCD), taking account of development objectives in those policies which are likely to affect developing countries. The EU's experience on PCD will also contribute to the collective effort towards achieving broader policy coherence for sustainable development.

Without duplicating the work and activities carried out by other organisations and in other forums, UNCTAD should assess its core comparative advantage contributing to the follow up

to the post 2015 development agenda, including for example by assessing how South-South, triangular and other forms of cooperation could help developing countries to achieve the Sustainable Development Goals (SDGs) whilst promoting agreed development cooperation effectiveness principles.

The international community has acknowledged the different needs and challenges faced by countries in special situations, in particular the least developed countries (LDCs), landlocked developing countries (LLDCs) and small island developing states (SIDS). As the LDCs are the most vulnerable group of countries, the Istanbul Programme of Action (IPoA), adopted at the Fourth UN LDC Conference, establishes the overarching objective to overcome structural changes to eradicate poverty and achieve graduation<sup>8</sup> from LDC category. There are still some challenges for the LDCs in terms of productive capacity-building and employment creation to establish the conditions for graduation.

Concerning LLDCs, the Vienna Programme of Action (VPoA) for the LLDCs outlines their main goal; to address their special development needs and challenges arising from remoteness and geographical constraints and contribute to sustainable and inclusive growth to eradicate poverty. Regarding the implementation of the SIDS Accelerated Modalities of Action (SAMOA) Pathway, the outcome document reaffirms that those countries remain a special case for sustainable development and that they remain constrained in meeting their goals in all three dimensions of sustainable development.

UNCTAD should contribute to the implementation and follow up of global conferences and events (e.g. LDCs, LLDCs, SIDS conferences). UNCTAD could also provide policy analysis together with recommendations for action at the national, regional and international level. UNCTAD should assess the challenges, opportunities and prospects for meeting the criteria for graduation of the LDCs category; examine the impact of regional integration and investments in trade infrastructure in attracting Foreign Direct Investment (FDI) for LLDCs; and examine the inter-island and domestic shipping connectivity requirements and maritime transport infrastructure for the SIDS.

#### **4. Conclusion**

The EU is committed to empowering developing countries to lift themselves out of poverty, to playing a constructive role in the XIV Quadrennial Conference and to continuing our cooperation with UNCTAD in implementing its work programme. The EU considers that the focus of UNCTAD should remain on the organisation's core mandate promoting the successful integration of developing countries in global trade and ensuring sustainable development. Within its mandate and in research related activities, UNCTAD has demonstrated certain competitive advantages on which it should build.

---

<sup>8</sup> IPoA (paragraph 27) "to overcome structural challenges faced by the least developed countries in order to eradicate poverty, achieve internationally agreed development goals and enable graduation from the least developed countries category"