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DG DEVELOPMENT

Development Policy and Sectoral Issues
Environment and Rural Development

Statement of

The representative of the European Commission at the opening
session of the 9th IJSG Council
Dhaka – 22 April 2008

Mme Chairperson,
Mr Secretary General
Honourable Members, representatives of India and Bangladesh,
Distinguished delegates, Associate members and Observers

I have the honour to speak on behalf of the EC as member of the IJSG.

This annual Council session of the IJSG comes at a very important juncture as we believe that the moment has come to open a common reflection on the future of this form of cooperation and assess the role of the Organisation according to the objectives that we have negotiated.

Jute is an important commodity for producing countries as a whole and for Bangladesh in particular. Jute continues to be one of the important commodities in terms of environment, providing employment opportunities to millions of people on farms, in industries as well as in the service sector.

This is the reason why through the present renewed international cooperation instrument the European Community searched to develop a more flexible and updated form of multilateral cooperation.

Today, six years after the entry into force of the agreement establishing the IJSG, once again the EC as other members, deeply regrets that no additional members have joined the Organisation, despite several appeals launched by the IJSG Council, the efforts of 3 different Secretary Generals and those coming from the individual delegations. No changes in the membership have been recorded. We consider that this situation risks to definitively entail the negative impact that IJSG may give to the external countries and even within those having always supported IJSG and its action.

Why, despite the interest showed at public and private levels, do many countries remain outside IJSG? It is because the Organisation is not responding to the expectations? Is that because jute has not a high priority on the government's agenda? Are the actions undertaken adequate to achieve the objectives of the IJSG Chart and be beneficial for the global jute

economy? Finally, and may be the most important: is jute still an important commodity? It is fundamental to search answers to these questions.

Document C(IX) 5 on the assessment of the world jute situation gives a quite positive and balanced situation on the jute market. The strategy followed by the action plan, represents a very useful achievement. We recognise the very positive contribution of the private sector consultative board although we may regret that in some occasions no adequate follow up has been reserved to the actions proposed. We note also, in general, that project activities have been penalised by the absence of sponsors. Projects and sponsors are closely linked, as projects must correspond to actions having a valuable impact on beneficiaries, in line with the strategies followed by donors. We are happy to note however, that thanks to CFC and the Government of India an important initiative will start.

The EC had the opportunity to explain in the past years the principles of its Action Plan on commodities. You know that addressing commodity dependence as a priority, at national and international level, was one of the basic pillars. We still believe that International Commodity Bodies have to contribute effectively to market functioning but also, and mainly, to sustainable development within its three main pillars: economy, social and environmental. These are the main actions that we should like to see implemented.

As said at the beginning of the present intervention, we think that the moment of an open ended analysis among the members has come in order to adjust our common action. It is in this context that the EC strongly supports the envisaged brainstorming on the future terms of reference of the Agreement, that the present session is called to undertake. In that perspective we wish to thank the Secretary General for the documents produced. I wish to thank him also for the healthy management of the IJSG, including the budget.

The EC aims that IJSG imposes itself as a sound ICB dealing with development and consequently in favour of poverty eradication.

In conclusion, Mrs Chairperson, the EC reaffirms its support on this form of cooperation represented by the IJSG, but we must do everything it is in our power to ensure that the organisation will survive.

In closing these opening remarks, I wish to thank you again. We are all looking to the future. If the Organisation will be able to overcome the limits of its regional structure, we believe that the efforts of today will become a good cooperation model for tomorrow.

Dhaka, 22 April 2008