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UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

**Report of the Commission on Trade in Goods and
Services, and Commodities
on its sixth session**

held at the Palais des Nations, Geneva,
from 4 to 8 February 2002



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Chapter I

RECOMMENDATIONS AND AGREED CONCLUSIONS ADOPTED BY THE COMMISSION AT ITS SIXTH SESSION

The sustainable use of biological resources: Ways to enhance the production and export capacities of developing countries of agriculture and food products, including niche products, such as environmentally preferable products (EPPs)

Agreed recommendations

1. The Commission takes note of the outcome of the expert meeting, as contained in document TD/B/COM.1/41 - TD/B/COM.1/EM.15/3 and makes the following agreed recommendations.

Recommendations at the national level

2. Governments and the business sector should support the development of the agriculture sector in developing countries, in particular the production and export of high-value products, the improvement of quality, the strengthening of local linkages and the enhancement of developing countries' participation in global value chains. In this context:

- Taking into account their international obligations, Governments should provide support to the agricultural sector for research and development, as well as fiscal and other measures to attract investment and technologies into agriculture and processing industries and to promote partnerships; participate actively in the dissemination of market information; and put in place legal and institutional structures for new forms of finance such as warehouse receipts and encourage banks to provide finance to diversifying enterprises;
- The business sector and professional associations should adopt "codes of conduct/practice" and establish improved cooperative arrangements to secure sufficiently large and regular shipments of required qualities as well as to improve access to finance; participate in organizing and funding research and technological improvements; and consider alternative trading channels such as fair trade organizations.

3. Governments, farmers' associations, civil society and other stakeholders should play a proactive role in promoting organic agriculture and trading opportunities for developing countries, in particular by:

- Increasing awareness of potential economic, environmental and other benefits of organic agriculture, as well as trading opportunities for developing countries; developing well-defined policies in respect of organic agriculture, and promoting research and development concerning local organic production systems; providing training; promoting consumption, including of products from developing countries, for example by promoting consumer information; and introducing

supportive government policies that give rise to least or minimum distortions in international trade; and

- Designing, implementing and enforcing national and regional standards, where appropriate based on international standards; promoting certification infrastructure; and promoting marketing strategies and national and international partnerships.

Recommendations to the international community

4. The international community should support the efforts by developing countries, particularly LDCs in keeping with the Brussels Programme of Action, to enhance supply capacities and participate effectively in international supply chains by:

- Improving market access for developing countries;
- Providing financial and technical support to developing countries for research and extension, social and physical infrastructure, the procurement of high-quality inputs and fostering technology transfer for processing industries;
- Considering home-country measures to promote foreign investment in the agricultural and food processing sectors of developing countries;
- Simplifying and harmonizing standards, based on international norms where appropriate, and assisting producers and processors in meeting standards and quality requirements, including those applied by individual importers and distribution channels.

5. The international community should support the efforts of developing countries to derive economic, social and environmental benefits from organic agriculture and trade, in particular by:

- Assisting developing countries in designing national and regional organic standards, based on international standards such as the IFOAM Basic Standards and the Codex Alimentarius Guidelines;
- Promoting an appropriate framework for international harmonization and mutual recognition of organic standards;
- Assisting developing countries in developing appropriate certification systems for smallholders and in reducing costs of certification;
- Ensuring transparent and simple rules governing imports of organic products, including through the application of the concept of equivalence;
- Taking into account the implications, if any, for developing countries of subsidies for organic agriculture, in particular in developed countries;
- Considering the extension of benefits to organic agricultural products in preferential trade arrangements;
- Seeking improved market access for organic agricultural products.

Recommendations to UNCTAD

6. UNCTAD, in cooperation with WTO, ITC, FAO, the Common Fund for Commodities, UNEP, IFOAM and other relevant institutions, should play a key role in ensuring the implementation of the recommendations of the Commission, in particular by:

- Providing assistance to commodity-dependent developing countries in identifying and analysing critical issues in the post-Doha negotiating process, as well as for improved participation in global supply chains;
- Providing market information and analysis as well as organizing capacity-building workshops by product groups;
- Undertaking country surveys to identify production and export opportunities and implementing pilot projects in interested developing countries to assist in the design and execution of diversification and commodity-based development programmes;
- Carrying out analysis and promoting policy dialogues on trade and sustainable development aspects of organic agriculture, including in the context of the World Summit for Sustainable Development;
- Examining ways to promote the practical application of the concept of international equivalence and mutual recognition, including between governmental and private sector standards in countries where private sector standards are recognized;
- Supporting interested developing countries in promoting trading opportunities for organic products, in particular in the framework of the UNEP-UNCTAD Capacity Building Task Force on Trade, Environment and Development (CBTF);
- Supporting interested developing countries in promoting trading in biodiversity products, in particular in the framework of the UNCTAD Biotrade Initiative;
- Undertaking a study on factors that affect market access opportunities and export performance of the products of export interest to the developing countries, in particular to LDCs;
- Assisting developing countries to build capacities for the development of national and regional standards for organic agricultural products;
- Studying ways to reduce certifications costs, especially for smallholders;
- Carrying out market studies and assisting in the formulation of market strategies for niche agricultural products, including through the use of electronic commerce.

7. UNCTAD should examine new trading opportunities for developing countries that may arise from the reduction or elimination of tariff and non-tariff barriers to environmental goods and services and assist developing countries in participating effectively in corresponding negotiations in the WTO.

Analysis of ways to enhance the contribution of specific services sectors to the development perspectives of developing countries: Energy services in international trade: Development implications

Agreed recommendations

The Commission takes note of the outcome of the expert meeting, as contained in document TD/B/COM.1/42 - TD/B/COM.1/EM.16/3 and makes the following agreed recommendations:

Recommendations at the national level

1. Governments should consider, as necessary, enacting regulations designed to facilitate the development of energy sources and improve energy distribution. The process of reform of the energy sector at the national level should reflect the level of development of each country, market realities and overall development strategies.
2. In liberalized energy markets, Governments should put in place an appropriate institutional framework with a view to ensuring the achievement of national policy objectives, including universal service obligations, and establishing fair competition conditions. Fair access to the networks for all competitors is a precondition for creating competitive cross-border energy markets.
3. Governments should take measures aimed at creating a favourable environment to attract national and foreign investors, with a view to facilitating wider access to energy for people and industry. In this context, temporary admission of specialized equipment and personnel necessary to provide energy services could also facilitate the supply of such services.
4. Governments should take appropriate measures to increase the competitiveness of energy services suppliers, particularly in developing countries. To this end, they should promote the creation of strategic alliances between national and foreign firms, as well as between large companies and SMEs, and also foster networks of SMEs so that those companies can effectively provide a source of innovation.
5. Governments should evaluate the possibility of making wider use of renewable energies, in particular to address the problem of access to energy in rural areas.

Recommendations to the international community

1. The ongoing WTO negotiations on services provide an opportunity to further liberalize the energy services sector. This could be beneficial to developing countries from two points of view: achieving more reliable and efficient access to energy; and obtaining a greater share of the energy business. However, for these objectives to materialize,

negotiations should reflect the development needs of developing countries, including through the effective implementation of the provisions contained in GATS Articles IV and XIX.

2. Cooperation amongst all stakeholders and agencies involved in energy services should be established and/or strengthened, both on a North-South and on a South-South basis.

3. The international community should support efforts of developing countries in implementing measures aimed at creating an environment necessary to improve universal access to energy, including support for reform and institution building.

Recommendations to UNCTAD

1. In view of the novelty and complexity of the issues related to the energy services sector and its trade and development implications, considering that the Expert Meeting on Energy Services in International Trade proved to be an excellent learning experience for all participants, and recognizing the expertise that the UNCTAD secretariat has developed in the field of energy services, the Commission recommends that UNCTAD continue and deepen its analytical and capacity-building work in this area, including by:

- Conducting a compilation and analysis of a list of successful experiences of developed and developing countries in the energy service sector from the investment, technology, enterprise development and other view points. This includes: the role of SMEs in the energy services sector and possible measures to strengthen them and further their market participation; and achieving improved access to energy for people and industry and an effective contribution for the energy sector to development;
- Analysing the main issues as identified in the current GATS negotiations and their possible implications for developing countries, especially as far as the strengthening of developing country domestic capacity in energy services and their increased participation in trade in energy services are concerned. This will also include analysis of export potential and barriers to energy service trade;
- Analysing the main structural characteristics of the energy services markets; key aspects of technological change; and the role of international and national standards and regulations on trade in energy services;
- Analysing and compiling national experiences with structural reform of the energy sector in developing countries, and potential difficulties and opportunities for domestic energy services suppliers resulting from it.

2. In order to carry out this task in the most efficient way, the UNCTAD secretariat should continue cooperation with WTO and other relevant organizations - such as OPEC, the Energy Charter Secretariat, the UN regional commissions and the regional development banks – and exploit existing complementarity of expertise and mandates.

Analysis of market access issues facing developing countries: Consumer interests, competitiveness, competition and development

Agreed recommendations

The Commission takes note of the outcome of the Expert Meeting on Consumer Interests, Competitiveness, Competition and Development, as contained in document TD/B/COM.1/43 - TD/B/COM.1/EM.17/4 and makes the following agreed recommendations:

Recommendations at the national level

1. Governments should:

- Consider taking the necessary steps to implement the UN Guidelines for Consumer Protection (1999) and in this regard incorporate the consumer protection dimension into their macroeconomic policies and legal frameworks;
- Develop and maintain competition and consumer protection laws and policies which are mutually reinforcing, with a view to promoting consumer welfare, competitive markets, competitiveness and development;
- Create specific channels and mechanisms for dialogue with consumers and their representative organizations. In this respect, they should consider adopting mechanisms to delegate to civil society certain reconciliation and consumer arbitration powers in conformity with national laws;
- Take due care, in applying consumer protection laws and other regulations, to ensure that measures benefit all sections of the population;
- Develop and/or encourage, as appropriate, the development of consumer information and education programmes, bearing in mind the need to reach even the most remote rural areas and the disadvantaged consumers. Such programmes should be included also in the curriculum of formal and non-formal education;
- Take appropriate measures to combat anti-competitive practices and the production and marketing of poor-quality and unsafe products, including the development of black markets for the sale of such products;
- Promote conformity by enterprises with the provisions of the UN Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices, particularly section D, "Principles and rules for enterprises, including transnational corporations";
- Consider encouraging private sector organizations or individual corporations to adopt codes of conduct, subject to competition laws and policies, in order to promote ethics.

Recommendations to the international community

1. Consumer associations and their representatives at national and international levels should familiarize themselves fully with the UN Guidelines for Consumer Protection in order to be able to play their role of educating consumers, particularly those in the informal sector, thereby contributing to the implementation of those guidelines.
2. Consumer associations are encouraged to be proactive in their interaction with government and intergovernmental agencies and with businesses in order to advance and safeguard consumer views and interests.
3. Consumer associations should develop joint regional training and information programmes in cooperation with government, business, international organizations and academic and other civil society organizations in order to create synergies for promoting consumer welfare.

Recommendations to UNCTAD

1. UNCTAD should, taking into account the special needs of LDCs:
 - Monitor and report to the Commission on the implementation of the UN Guidelines on Consumer Protection, including in cooperation with other relevant international organizations, with a view to promoting consumer interests within the United Nations;
 - Provide technical assistance to member countries to help them adopt and enforce consumer laws and policies, as well as competition laws and policies;
 - Create and maintain a complementary consumer protection website containing relevant information on laws, policies, activities and international agreements containing consumer-related provisions;
 - Study and make proposals by the next session of the Commission on:
 - (a) Protection of consumers and regulation of public services;
 - (b) International cooperation mechanisms for consumer protection against fraud and deception in cross-border transactions and e-commerce, including goods which have been condemned in the exporting countries;
 - (c) How markets can better integrate the informal sector, and work better in favour of the poor and hence generate more growth, employment and export opportunities.

Implications for the work of the Commission following the Doha Ministerial Conference, and related capacity building and technical cooperation activities of UNCTAD

Agreed conclusions

1. The Commission welcomes the plan for “Capacity Building and Technical Cooperation for Developing Countries, Especially LDCs, and Economies in Transition in Support of their Participation in the WTO Doha Work Programme,” which underscores the need to give special attention to LDCs’ concerns in the light of their specific requirements (UNCTAD/RMS/TCS/1, 5 February 2002, as presented by the Secretary-General of UNCTAD.)

2. The Commission recognizes the contribution of UNCTAD’s work programme on trade negotiations and commercial diplomacy, trade information and analysis, competition policy, trade and environment, and commodities in promoting the effective integration of developing countries and countries in transition into the multilateral trading system.

3. The Commission further recognizes the needs of all developing countries, in particular least developed countries and small, vulnerable economies and economies in transition, for capacity building with long-term and sustainable impact and technical assistance to better articulate their trade interests and enhance their negotiating capacity to participate effectively in multilateral trade negotiations, as well as in accession negotiations, in order to create opportunities and build and develop capacities for the exports of their goods, services and commodities. To this end, the Commission emphasizes the need for strengthened and adequately resourced assistance to respond to these needs, as specified in paragraph 41 of the Doha Ministerial Declaration.

4. Accordingly, the Commission calls on UNCTAD to provide enhanced technical assistance to potential beneficiary countries in the areas of trade negotiations, human and institutional capacity-building, and policy analysis and development. In the provision of assistance, the interests of all developing countries should be taken into account. The areas of focus, as requested by the potential beneficiaries, should include: agriculture; services; implementation issues; WTO rules; market access; regional integration; environment; competition; trade, debt and finance; and transfer of technology. With a view to capitalizing on possible synergies and avoiding duplication, UNCTAD is encouraged to continue cooperation with WTO and other relevant international organizations, the UN regional commissions, and regional institutions, as appropriate, taking full account of their management capacity. In order to support the development strategies of recipient countries and yield the expected long-term benefits, the delivery of technical assistance should be well coordinated and sequenced.

5. The Commission urges all donors and countries in a position to do so to provide the UNCTAD secretariat with the necessary means and assistance to undertake the above-mentioned plan for “Capacity Building and Technical Cooperation for Developing Countries,

Especially LDCs, and Economies in Transition in support of their Participation in the WTO Doha Work Programme”. The practical implementation of the plan should not be at the expense of the resources devoted to ongoing work, with full use being made of possible synergies. The deadlines agreed upon in the Doha Ministerial Declaration should be taken into account when implementing the plan so as to provide assistance in a timely manner.

6. The Commission welcomes contributions to the LDC Trust Fund.

7. The Commission invites the Secretary-General of UNCTAD to continue his consultations with regional and subregional groups and individual delegations with a view to identifying their specific immediate and longer-term needs. The Commission also invites the Secretary-General of UNCTAD to pursue consultations with potential donors. Both processes should be aimed at improving the plan.

8. The Commission requests the UNCTAD secretariat to regularly monitor the progress on the Doha Work Programme from the point of view of development issues and, upon request, provide substantive support to various bodies of the WTO and the members.

9. The Commission recommends that the Trade and Development Board review regularly developments and issues in the post-Doha Work Programme of particular concern to developing countries.

10. The Commission requests the UNCTAD secretariat to report to its next session about the progress made in this respect.

Chapter II

OPENING STATEMENTS

1. The **Secretary-General of UNCTAD** said that, in assessing of the outcome of the WTO Ministerial Conference at Doha, two elements of the post-Doha Work Programme should be specially considered: first of all, the issues put forward by developing countries during the preparations for the Seattle Ministerial Conference were still on the table and could be part of the eventual single undertaking. Secondly, progress had to be obtained in respect of the main interests of developing countries before the next WTO Ministerial Conference.

2. References to special and differential (S&D) treatment in favour of developing countries permeated the Ministerial Declaration, and a provision to consider the binding of S&D measures was also included in it. This approach reversed the trend whereby the concept of S&D had been considered obsolete. Mandates on the least developed countries (LDCs) and small economies were included as horizontal issues of the post-Doha negotiations. In that connection, the trade component of the results of the Third United Nations Conference on the Least Developed Countries must be implemented, and appropriate consideration must be given to the issues raised at the Zanzibar Ministerial Conference.

3. Concerning the implementation of the Uruguay Round Agreements, developing countries had been able to achieve the inclusion of the related issues in the Doha package, and some concrete results could be expected in this field in the course of 2002. Developing countries had also obtained a positive result with the Ministerial Declaration on the TRIPS Agreement and public health, and this represented a first step towards ensuring that the multilateral trade agreements were not applied in a manner that neglected basic social needs. Developing countries would hopefully be able to include in the TRIPS negotiations issues of interest to them, such as the protection of traditional knowledge and biodiversity. An additional positive result of the Doha Conference had been the approval of the waiver for the negotiations between the ACP countries and the European Union. Other positive results for developing countries included the establishment of two new WTO working groups, one on trade, debt and finance, and the other on transfer of technology. These groups would help in considering the linkages between trade rules and development implications, and UNCTAD would be ready to help developing countries and countries with economies in transition to participate actively in this new debate. The scope of the WTO agenda had widened, and the development content of the new issues should be established from the outset.

4. With regard to the need for countries to have policy space for national development strategies, he referred to the importance of identifying anti-competitive practices that inhibited developing countries from exporting their goods and services and impaired the productive capacity of their firms. The empowerment of consumers helped enhance competitiveness and accelerate the development of developing countries. In this regard, he highlighted an expert meeting held in 2001 that had shed light on the existing links between consumer policy, competitiveness and development.

5. He welcomed the inclusion of the trade rules concerning regional trade agreements in the Doha work programme and stressed the important role that UNCTAD was called upon to

play to support developing countries in managing the articulation of simultaneous regional and multilateral negotiations.

6. He noted that the Ministerial Declaration provided for negotiations on certain trade and environment issues and recognized the need for capacity building in that area.

7. On trade in services, the timeframe set at Doha was very tight. Developing countries had made proposals on several services areas, but their contribution to the negotiations could have been more effective had they received a greater response to their capacity building needs in this area. In this regard, he mentioned the successful expert meeting on international trade in energy services held in July 2001.

8. In agriculture, the Doha Declaration provided an ambitious mandate for continuing the reform process and included new S&D rules. This could offer an opportunity for tailoring the Agreement on Agriculture to the particular needs of developing countries in this crucial sector.

9. UNCTAD had been very active in supporting developing countries and countries with economies in transition in the process of accession to the WTO. The Doha Declaration took the interests of those countries into account, but the issue of facilitating the accession of LDCs to the WTO and the modalities for the participation of acceding countries in the negotiations needed to be tackled and defined.

10. In conclusion in this respect, the outcome of the Doha Conference had the potential to produce a substantial development content at the end of the negotiating process. Nothing was gained in advance, but the opportunity was there. In order to maximize their negotiating capacity and their possible gains, developing countries had to define clear objectives and formulate proposals that would help them to carry out effective development strategies. Consultations had been held with the potential beneficiaries of UNCTAD assistance, and priority topics for technical cooperation had been selected to help developing countries to face the new challenges. However, for all developing countries, the capacity to overcome supply constraints was the key element that determined the quality of their participation in the trading system and their capacity to benefit from the opportunities emerging from the trade negotiations. The Monterrey Conference on Financing for Development and the World Summit for Sustainable Development in South Africa would be crucial elements of a broad international scenario. The preparatory process for UNCTAD XI, which would start in mid-2002, would consider the different elements that led to competitiveness in the developing countries.

11. With regard to technical assistance activities in the context of the new process of WTO negotiations, the UNCTAD secretariat had developed a capacity building and technical cooperation plan that had five main features: it was designed on the basis of requests put forward by developing countries; it took into account the need to articulate regional and multilateral trade negotiations; it was adapted to the specificities of the beneficiaries in order to fit local needs and priorities; it responded to the short-term and the long-term needs of the developing countries - for example, the urgent need to provide assistance for the ongoing negotiations on agriculture and services had to proceed in parallel with capacity building to assess the post-Doha process from the point of view of development; and it had not been

conceived in isolation - UNCTAD's technical assistance had to be delivered in cooperation with other agencies, the WTO being the first partner.

12. The capacity building and technical cooperation plan was ambitious because it reflected urgent, real and complex needs of developing countries, LDCs and countries with economies in transition. Countries were urged to address it seriously in order to respond to the requests put forward by the countries concerned and mobilize the necessary resources to implement it.

13. The representative of **Sri Lanka**, speaking on behalf of the **Asian Group and China**, said that deep changes were currently occurring in the world trading system. The WTO Doha Conference had marked the launching of a process that would have a profound impact on developing countries. In this context the role of UNCTAD and of its Commissions acquired a new relevance.

14. The technical assistance activities identified by UNCTAD on the basis of consultations with member States were extremely important, and her Group looked forward to supporting the secretariat in its contacts with potential donors. It shared the views of the Secretary-General of UNCTAD on the importance of identifying the development implications of the forthcoming multilateral trade negotiations and the different options to be considered by developing countries in the course of preparations.

15. Another important aspect of the assistance provided by UNCTAD was its support with regard to building links between the various topics on the trade agenda and helping developing countries to assess those links.

16. The new topics in the post-Doha agenda related to issues of trade, debt and finance, and transfer of technology. While UNCTAD could provide relevant support in these issues, topics related to market access, agriculture and services should continue to play a prominent role in UNCTAD activities on trade negotiations.

17. The Group reiterated its confidence in the willingness of the developed countries to increase resources for technical assistance, and it trusted that the international community would fulfil its Doha commitments to provide developing countries with the support they required for meaningful participation in the WTO negotiations. As UNCTAD's mandate and approach was focused on development needs, it had a key role to play in that regard.

18. The representative of **Bangladesh**, speaking on behalf of the **least developed countries**, welcomed UNCTAD's technical assistance plan and urged donor countries to provide finance for its effective implementation. Contributions for negotiating capacity building could be directed to the Trust Fund for LDCs. The issue of trade in goods, services and commodities was of paramount importance for LDCs. Since the establishment of the WTO, a new dimension had been added to multilateral treatment of trade. WTO was concerned with rule making and dispute settlement, whereas UNCTAD was concerned with providing policy-relevant information and injecting the development perspective. UNCTAD must be a think tank if it was to be truly useful.

19. Two aspects of trade were fundamental for LDCs – diversifying their production and export base, and obtaining genuine market access after the removal of all tariff and non-tariff barriers. Concerning the issue of enhancing production and export capacities of developing

countries in respect of agriculture and food products, agriculture remained at the heart of many LDCs' economies, but the terms of market access for products originating in LDCs had deteriorated, prices on world agricultural primary commodity markets were volatile and declining, subsidies were being provided in developed countries for agricultural production and exports, and tariff peaks applied to LDC products. UNCTAD should make a thorough assessment of these issues as they related to products of export interest to LDCs. With regard to organic agricultural products, LDCs still faced severe constraints in that respect, but the application of GSP schemes might help, and that issue should be examined. The potential contribution on new technologies must also be looked at.

20. The issue of energy services in international trade was of critical importance for LDCs, especially the questions of getting energy supplies that these countries needed for growth and of their effective participation in the trade of energy services. On the issue of consumer interests, competitiveness, competition and development, these areas were of vital importance for LDCs, and much more was required from UNCTAD in terms of specific suggestions and country-specific policy advice.

21. The representative of **Spain**, speaking on behalf of the **European Union**, said that the positive results of Doha and their implications for the work of UNCTAD could not be overestimated. The Secretary-General of UNCTAD had made this abundantly clear in his introductory remarks, which constituted an excellent basis for the further work of the Commission.

22. The representative of the **European Community** said that one of the overriding objectives of the EU in the run up to the Doha Ministerial Conference had been to work for the better integration of developing countries into the world trading system. It was fair to say that this objective had been incorporated into the Doha Development Agenda (DDA). It was now up to negotiators to meet the challenge.

23. A clear development mandate had been included in practically every single area that the WTO would be working on and negotiating in the next three years. The EC had clearly committed itself to giving developing countries appropriate assistance and support to ensure that they would derive maximum benefit from whatever deal was negotiated in the DDA.

24. The EC was also committed to improving and enhancing existing activities on trade-related technical assistance and capacity building. The EC and its Member States would be major donors to the Trust Fund. Beyond funding, the EC was looking for ways to increase cooperation and synergies between bilateral and multilateral donors and the international institutions active in this field, with a view to delivering assistance in the most effective way in line with priorities of recipients and the objectives set out in the DDA.

25. In Doha, progress had been made in all areas of concern to developing countries, in terms of both substance and process. These areas included market access, agriculture, industrial tariffs, tariff peaks and, as far as rules were concerned, a strong commitment to improve and operationalize existing special and differential (S&D) treatment provisions for developing countries and the strengthening of their overall capacity to participate in negotiations and to implement the outcome. Decisions had also been taken on implementation that covered 40 subjects of interest to developing countries and the crucial decision on TRIPS and access to medicines (although not part of the negotiation process). He

thought it was fair to say that never before within WTO/GATT had the interests of developing countries been covered so comprehensively.

26. A new item 7 had been added to the Commission's agenda to discuss specifically the implications of the Doha results for the work of the Commission. In addition, agenda items 3, 4 and 5 were all directly relevant to the mandates agreed at Doha and to discussions on sustainable development, market access for environmentally friendly goods and services, the agricultural negotiations and the mandate on non-agricultural tariffs. The discussions on these items in the Commission should take place with the results of Doha fully in mind. The European Union believed more than ever that UNCTAD had an important supporting role in preparing developing countries for the negotiations in WTO.

27. The representative of **Uganda**, speaking on behalf of the **African Group**, expressed the appreciation of the Group for the support provided by UNCTAD to the preparations for the Doha Ministerial Conference. He welcomed UNCTAD's post-Doha capacity building and technical assistance plan and appealed to developed partners to provide additional resources for its implementation. He underlined the usefulness of UNCTAD's work in support of developing countries in dealing with the challenges generated by the new work programme agreed at Doha. The timeframe established for the negotiations in agriculture and services was tight, and African countries needed to get ready quickly to participate in them effectively. He also put emphasis on the need for country-level and country-specific support, including support in developing an institutional framework and trade negotiations infrastructure, in order to bring policymakers into the mainstream of negotiations. In that connection, he recommended the continuation of the support provided by UNCTAD to African countries through the Commercial Diplomacy Programme and JITAP. Finally, the three expert meetings held in 2001 had addressed issues of key relevance for the countries of the African region, and he thanked UNCTAD for organizing such useful meetings.

28. The representative of **Paraguay**, speaking on behalf of the **Latin American and Caribbean Group**, expressed the appreciation of his Group for the three expert meetings held in 2001. He underlined the crucial importance that agriculture had for Latin American and Caribbean countries. The expert meeting on environmentally preferable agricultural products had provided suggestions for countries in the region on how to take advantage of existing niche markets for the export of their agricultural products. The expert meeting on energy services had been a useful exercise in which Latin American and Caribbean countries had participated very actively. The discussions at the expert meeting on energy services relating to the negotiating proposals tabled at the WTO had helped countries to acquire a better understanding of the issues at stake and to prepare for the GATS negotiations. Finally, the expert meeting on consumer interests, competitiveness, competition and development had addressed an important theme, since the interests of consumers and those of producers had to be reconciled.

29. The representative of **Paraguay** offered full support for the capacity building and technical cooperation plan presented by the Secretary-General of UNCTAD. The plan included three aspects that were crucial to enabling developing countries to participate effectively in the Doha work programme, namely policy analysis, human resources capacity building, and institutional capacity building.

30. The plan would allow UNCTAD to provide support to developing countries in some key trade areas, such as agriculture, services, implementation-related issues, market access, environment and competition. Agriculture was an area of great relevance for countries in Latin America and the Caribbean, and they hoped that, with UNCTAD's support, they would achieve increased market access for their products and elimination of export subsidies and domestic support measures that had a detrimental impact on trade. In the services sector, UNCTAD could help developing countries assess the evolution of trade in services since the conclusion of the Uruguay Round and the impact of liberalization on their economies, as well as identify services sectors of special interest to them.

31. The trade negotiations launched at Doha had to include a clear commitment to development, meaning that all countries would be allowed to play a role in the negotiations, that the specificity of each country would be recognized, and that the interests of any one country would not be allowed to prevail over those of other countries.

32. The representative of **China** recognized that the expert meetings that had taken place over the past year had produced fruitful discussions. They had been characterized by frank and in-depth expert discussions resulting in some positive and constructive proposals. It was important that the Commission give adequate consideration to the opinion of the experts so that the full value of their discussions could be reflected in the work of the Commission.

33. In a context of expanding globalization, developing countries were facing increasing challenges with respect to the attainment of their development objectives. International cooperation was therefore necessary to support developing countries and ensure their sustainable growth. Deeper and more comprehensive understanding was required to see how developing countries could increase their participation in the global economy and how they could participate more effectively in the multilateral trade negotiations. In this respect, discussions of UNCTAD's proposed post-Doha activities, including technical assistance, was of utmost importance and relevance to developing countries.

34. The representative of **Bolivia** thanked the Secretary-General of UNCTAD for the proposed capacity building and technical cooperation plan in support of developing country participation in the WTO post-Doha work programme. The countries of the Andean Community hoped that this proposal would get the necessary funding rapidly so that it could become operational.

35. The representative of the **Dominican Republic** expressed support for the ambitious plan submitted by the Secretary-General of UNCTAD on capacity-building and technical cooperation. The plan highlighted three key issues: trade and environment, competition policy, and investment and trade. With regard to trade and environment, the positive agenda for developing countries had to be made explicit. In the area of competition policy, action at the national level to reduce the lack of institutional and legal frameworks to articulate effective competition policies was very relevant. On investment and trade, within the Latin American and Caribbean Group, there was concern about the need to clarify the links and obstacles in the trade and investment interface. This would enable members of the Group to better define their position when negotiating in the WTO.

36. The representative of **Burundi** said that UNCTAD should be fully involved in the implementation of the Doha Ministerial decision. Donors, in particular developed countries,

were invited to increase their financial support to international organizations such as UNCTAD in order to assist African countries in participating effectively in the Doha trade agenda. In his view, the CHF 15 million that had been proposed by donors in the WTO were insufficient to meet the needs of developing countries.

37. The representative of **Egypt**, speaking on behalf of the **Group of 77 and China**, said that UNCTAD should build upon its mandate set out in the Bangkok Plan of Action and continue to provide crucial and focused support during the post-Doha negotiations. In this respect, the expert meetings to be held over the next year should address issues under negotiation. Particular attention should be given to negotiations on trade and environment, which would start shortly, and to the links with negotiations in other areas such as agriculture. He commended the Secretary-general of UNCTAD for preparing a detailed demand-driven plan for assistance in the Doha work programme. His Group urged donor Governments and organizations to give priority to UNCTAD in executing commitments made by Ministers in the Doha Declaration to provide technical assistance to developing countries. UNCTAD's assistance was unique in that it was not guided by any particular ideology, nor was it subject to conditions. The impact of the Doha work programme on development would depend upon the extent of the additional resources to be made available, in particular, to UNCTAD technical assistance.

38. Total agricultural trade value had increased 7.5 times, but at the same time the share of developing countries in their traditional commodity markets had declined by about a fifth since the 1970s, and only a few developing countries had benefited from the growth in high value added products such as vegetable oils, fish, vegetable, cut flowers and poultry. The increasing import-penetration of developing countries, in particular by developed country agricultural producers, had led to a significant deterioration of the trade balance of developing countries as regards agricultural products, particularly in LDCs. Recent changes in market structures for agricultural products had led to a number of new production and export constraints for developing countries. These included limited managerial skills, expensive and inadequately supplied inputs, new requirements as regards product quality, insufficient research and development activities and transfer of technology, slow development of new products, lack of finance and organization, and infrastructure difficulties.

39. He recalled the experts' recommendation that UNCTAD, in cooperation with other organizations, should provide and disseminate, including through electronic means, market analyses and strategies, and carry out research and promote policy dialogue on agricultural trade. Referring to the project "capacity building for diversification and commodity based development", he recalled that the needs expressed in the workshops organized under this project were, in most cases, closely related to the recommendations of the experts. Country-level implementation was crucial, and resources needed to be made available for that purpose. The Group of 77 and China were of the opinion that the experts' recommendations were an excellent basis for the Commission's work and that these should be turned into agreed conclusions for policy action at the national and international levels and for UNCTAD's work.

40. The Group was interested in exploring opportunities with regard to markets for niche products and environmentally preferable products and in overcoming the related constraints.

Endorsing the recommendations of the experts, he gave particular emphasis to the issues of reduction of certification costs, in particular for smallholders, equivalence of standards, and transparent and simple import procedures. He hoped that UNCTAD would play an important role in promoting the effective implementation of the recommendations, in particular those on technical cooperation and capacity building, including in designing policies designed to increase productivity and export capacities in developing countries.

41. On the energy sector, which could contribute greatly to economic growth, he emphasized that limited access to commercial energy jeopardized prospects for development and was a major cause of environmental and health hazards. The capacity of countries to satisfy the rising demand for energy would depend on appropriate investments in research and development. Energy services played a crucial role in providing efficient access to energy in support of development. In this sector, barriers for developing countries included the absence of clear national/regional strategies, the need for large amounts of capital and the lack of financial resources, the concentration of expertise and technology, the absence of regulatory frameworks, and political instability. He recalled the tight schedule for negotiations on services and the importance of these negotiations given the close link between the energy sector and development. The energy-rich developing countries should use these negotiations as an opportunity to try to ensure local capacities in energy services. For the other developing countries, the WTO negotiations might help in achieving a better management and distribution of energy. As UNCTAD was the only intergovernmental organization working on this issue, he hoped that the Commission would give the UNCTAD secretariat the mandate for activities aimed at (i) a better understanding of the issues at stake, (ii) exchange of experiences, and (iii) capacity building activities.

42. In the area of competition, the Group of 77 and China had concerns about the implications of globalization and liberalization for the competitiveness of developing countries and their enterprises. He welcomed the outcome of the expert meeting on consumer interests, competitiveness, competition and development, which had clarified the links between consumer protection, competition policy and competitiveness. UNCTAD should pursue the reflection on this question and sharpen the focus on areas such as regulation of public services, cross-border transactions, cross-border fraud and e-commerce.

Chapter III

THE SUSTAINABLE USE OF BIOLOGICAL RESOURCES: WAYS TO ENHANCE THE PRODUCTION AND EXPORT CAPACITIES OF DEVELOPING COUNTRIES OF AGRICULTURE AND FOOD PRODUCTS, INCLUDING NICHE PRODUCTS, SUCH AS ENVIRONMENTALLY PREFERABLE PRODUCTS (EPPS)

(Agenda item 3)

43. For its consideration of this item, the Commission had before it the following documentation:

“Report of the Expert Meeting on Ways to Enhance the Production and Export Capacities of Developing Countries of Agriculture and Food Products, including Niche Products, such as Environmentally Preferable Products” (TD/B/COM.1/41);

“Note by the UNCTAD secretariat” (TD/B/COM.1/45);

44. The **Officer-in-Charge of the Commodities Branch, Division on International Trade in Goods and Services (DITC)**, recalled that experts had drawn attention to the relatively unsuccessful performance of developing countries, with some notable exceptions, in world agricultural markets over the last 30 years. There had been increasing import penetration of developing countries, in particular by developed country producers, and this had led to a significant deterioration of the trade balance of developing countries as regards agricultural commodities, including food products. Regarding the preconditions for enhancing production and in particular export capacities of developing countries in respect of agriculture and food products, the removal of trade barriers in importing countries, such as high tariffs, quota restrictions, tariff escalation and in particular subsidies, was a crucial step. Even with complete liberalization, however, success in international trade was not assured. A multitude of other measures and strategies needed to be implemented by Governments and the business sector, with the assistance of the international community. These measures and strategies were needed because even when “market access” was provided, there still remained problems linked to “market entry” and various supply side constraints. Concerning the assistance of the international community, official development assistance to the agricultural sector had been on a declining trend over the last 20 years.

45. Recent changes in market structures had led to a number of production and export constraints for developing countries. In those countries, the liberalization of the agricultural sector had led to a more important role for foreign companies, enhanced competition from imported products and increased price risk exposure for small farmers and local companies. At the international level, the growing concentration of trade and increased emphasis on product quality, brands and marketing, which reduced the importance of cost differentials, made it difficult for many low-cost developing country producers to access developed country markets. A declining share of value added of developing country producers had also been observed in food retail prices. The changing concept of product quality, which included production, processing and logistics, food safety concerns and environmental requirements, as well as branding, and the related prime importance of information and linkages with buyers, were considered serious constraints for many developing country producers and

exporters. These constraints were reinforced by limited technical and managerial skills, expensive and inadequately supplied inputs, and lack of finance.

46. The experts had recommended a multitude of policies and actions that could focus on support for the production of high-value-added products, improvements in quality and better participation in global value chains, as well as a proactive role for Governments. Apart from liberalization of agricultural trade, recommendations to the international community called for technical and financial assistance, in particular for meeting standards and quality requirements and for improving research and extension services.

47. A rich list of ideas had been drawn up for UNCTAD's work. It included requests for pilot projects to assist in the design and execution of diversification programmes and innovative financing schemes, and capacity building workshops focusing on selected product groups. These recommendations were in full concurrence with the results of the six regional workshops organized in 2001 under a project on diversification and commodity-based development. In this context, and in response to requests from interested countries, eight national capacity building workshops on agricultural exports and development linkages were being organized for the first half of 2002, and extrabudgetary resources were being sought for a fuller implementation of the recommendations made at the regional workshops.

48. The **Chief of the Trade, Environment and Development Section** said that, on the issue of "niche markets, such as environmentally preferable products", experts had paid considerable attention to trading opportunities for organic agricultural products. The meeting had brought together an excellent group of experts who had engaged in intensive discussions and had made significant recommendations.

49. Experts had noted that growing demand for organic food products in international markets could create trading opportunities for developing countries, as well as bringing other benefits. The market for organic products was still relatively small, but growing rapidly. The International Trade Centre (WTO/UNCTAD) had estimated that organic markets in developed countries had amounted to US\$ 17.5 billion in 2000. Experts had also highlighted the fact that developing countries had to compete in markets with stringent quality requirements, increasing pressure for subsidies and other support measures, uncertain price premiums and preferences for locally-produced food.

50. To seize trading opportunities for organic agricultural products from developing countries, several production and export constraints needed to be overcome. In addition to general production and export constraints facing the agricultural sector in developing countries, producers and exporters of organic agricultural products faced an array of specific constraints relating to production, government policies, infrastructure, transport and handling, market information, and certification.

51. Certified organic farming might be hindered, for instance, by lack of awareness of organic farming systems; managerial costs; risks of shifting to new farming methods; lack of infrastructure; lack of marketing facilities; limited access to capital; and inability to capture economies of scale. A number of experts had noted that the very large number of standards set by governmental and private bodies, divergent certification requirements, and complex import procedures could create certain difficulties for organic producers in developing countries, in particular smallholders.

52. In addition, limited market information and marketing channels could hamper exports of certified organic products. In the expert meeting, several cases had been reported where certified products from developing countries had to be sold as conventional products. With regard to certification, smallholders in developing countries could not afford the cost of regular inspection and certification. Any certification scheme should therefore include the possibility of smallholder group certification.

53. While recognizing these constraints, experts had recommended proactive approaches to organic agriculture, which had the potential for producing economic, social and developmental benefits for developing countries. Some experts had observed that whereas yields under organic management might be lower than when fertilizers were applied, they tended to be higher than under traditional management practices. Thus, organic agriculture offered opportunities, affordable to small-scale farmers, to improve farm efficiency and profitability.

54. Experts had emphasized the importance of well-defined policies, including institutional support and export promotion, to strengthen developing countries' production and export capacities. Developing countries also needed access to international markets for organic products to seize the potential benefits of organic produce. Experts had made several recommendations to the international community, including, for example, assistance to developing countries in designing national and regional organic standards; transparent and simple rules governing imports of organic products; technical assistance; and incentives to support the development of organic production systems in developing countries. Experts had also made recommendations aimed at reducing costs of certification of organic producers in developing countries.

55. In cooperation with ITC, FAO, the International federation of Organic Agriculture Movements (IFOAM), UNEP and other relevant institutions, UNCTAD could assist developing countries in deriving trade, environmental and developmental benefits from growing markets for *inter alia* organic products, non-wood forest products and other environmentally preferable products.

56. He announced a number of events. First, UNCTAD was co-operating with IFOAM and the FAO secretariat in the organization of an International Conference on Standards and Certification Requirements for Organic Produce in Nuremberg on 18 and 19 February 2002. In this context, experts had recommended the development of an international system for harmonization, mutual recognition, and equivalence in organic agriculture as a means of greatly enhance developing countries' production and export possibilities. Second, under the UNEP-UNCTAD Capacity-Building Task Force on Trade, Environment and Development (CBTF), a workshop would be held in Brussels (21 and 22 February 2002) to discuss, among other things, options to enhance production capacities in interested developing countries and promote trading opportunities for these products in international markets. UNCTAD was grateful to the European Commission (DG Environment) for providing financial support and the to the ACP secretariat for hosting this workshop in its premises.

57. The representative of **Kenya**, speaking in her capacity as **Chairperson of the Expert Meeting**, presented the outcome of the meeting. Participants in the expert meeting had included policy-makers, non-governmental organizations, academics, the business

community (including certification bodies and producer organizations), international organizations and IFOAM.

58. The Experts had made comprehensive recommendations at the national level, to the international community and to UNCTAD. She hoped that the Commission would be able to turn them into agreed recommendations.

59. Agriculture was the economic mainstay of most developing countries. Not only did it provide the livelihood for the bulk of the population, but it was also the principal source of savings and foreign exchange needed for development. More than two and a half billion people, most of them living in developing countries, depended on primary commodities, particularly agricultural commodities, for their livelihoods.

60. However, the share of developing countries in traditional commodities markets had declined by about a fifth since the early 1970s. Only a few developing countries had benefited from the growth in high-value-added products, such as vegetable oils, vegetables, fish, cut flowers and poultry.

61. The experts had pointed out that Governments should take genuine measures to support the development of the agriculture sector, in particular the production of dynamic products. Recommendations had therefore been made for a supportive international trading system aimed at defending national and business interests strongly at the World Trade Organization and providing support to the agriculture sector.

62. With regard to economic and institutional recommendations, the experts had emphasized the importance of fiscal and other measures, such as attracting investment and technologies into new areas and putting in place legal and institutional structures for new forms of finance.

63. The experts had also made a large set of recommendations on enhancing production and trading opportunities for environmentally preferable products, in particular organic agricultural products. Experts were well aware that organic agricultural markets were still small and in most countries represented less than 2 per cent of total demand for food products. There was, however, a large convergence of views on the potential economic, social and developmental benefits of organic agriculture. At the same time, experts pointed to many production, export and institutional constraints that needed to be overcome and made a number of recommendations to that end.

64. With regard to recommendations at the national level, experts had emphasized the importance of well-defined policies. Governments should put in place supportive policies and play a proactive role. Recommendations in the areas of awareness-raising, standards and certification infrastructure, incentives, scientific and technical support and market development were very useful to UNCTAD member States.

65. Experts had also made recommendations to the international community to support the efforts of developing countries to derive economic, social and environmental benefits from organic agriculture and trade. Many experts had emphasized that access to markets for food products, including organic products, was of key importance for developing countries' exporters. They had made useful recommendations aimed at reducing costs of certification of organic producers in developing countries, in particular by setting up local certification

systems, promoting smallholder certification, and reducing the costs of international accreditation for certifiers in developing countries.

66. Finally, the experts had recommended that UNCTAD, in cooperation with ITC, FAO, IFOAM, UNEP and other relevant institutions, should contribute to the development of the supply capacity of developing countries and assist them in taking advantage of growing markets for, among other things, organic products and non-wood forest products. She noted with satisfaction that the secretariat, through its work on trade, environment and development, as well as on commodities, had been actively involved in facilitating actions aimed at assisting developing countries in overcoming constraints and deriving greater benefits from growing markets for organic agricultural products.

67. The representative of **Sri Lanka**, speaking on behalf of the **Asian Group and China**, noted that growing demand for organic agricultural products, as indicated by the experts, might create trading opportunities, including for developing countries. These opportunities, however, should be assessed in the perspective of broader market dynamics. First, the current size of the organic agricultural sector was small. Second, products from developing countries needed to compete in markets with stringent quality requirements, increasing pressure for subsidies and other support measures, uncertain price premiums and preferences for locally produced food. Additionally, several production and export constraints remained to be addressed.

68. To obtain a larger share of price premiums, producers and exporters in developing countries needed to design appropriate marketing strategies, seek more direct links with retailers in importing countries, including through e-commerce, and create partnerships.

69. In Asian developing countries, certified organic agricultural production was still very limited. However, significant shares of agricultural land were under traditional or “alternative” production methods. Such areas could be converted to certified agriculture, provided that markets were available and certification costs could be kept low. This, however, required policies at the national and multilateral levels.

70. A workshop on the issue of poverty and agricultural exports had taken place in 2001 in Bangkok, organized by UNCTAD in the context of the project on diversification and commodity-based development. A number of recommendations emerging from that workshop coincided with the recommendations of the expert meeting.

71. She emphasized the importance, both in WTO negotiations and in the formulation of assistance programmes, of taking into account the role of agriculture in providing food security and employment and in alleviating poverty in developing countries. She also welcomed UNCTAD’s efforts in assisting developing countries to participate effectively in the post-Doha process.

72. The Asian Group and China endorsed the recommendations by the expert meeting and expected UNCTAD to play a key role in ensuring their appropriate implementation by giving them attention in UNCTAD technical cooperation programmes and ensuring appropriate follow-up.

73. She also urged the international community to give careful attention to the experts’ recommendations. Developed countries could implement several measures to promote imports of organic products from developing countries. First, they could provide information

on organic standards and regulations, market opportunities and other factors relevant to exporters from developing countries. Second, multilateral and bilateral donors, as well as import promotion agencies, could provide technical assistance. Third, access to their organic food markets could be made easier through simplified requirements and procedures for products from developing countries and enhanced application of the concept of equivalence between national organic standards.

74. Her Group supported the recommendations aimed at reducing costs of certification of organic producers in developing countries by (a) setting up local certification systems, (b) promoting smallholder certification, and (c) reducing the costs of international accreditation for certifiers in developing countries.

75. The Asian Group and China welcomed the secretariat's efforts to assist developing countries and highlighted projects in India and Viet Nam. She strongly supported UNCTAD's national and regional capacity building projects, including in the framework of the UNEP-UNCTAD Capacity Building Task Force on Trade, Environment and Development (CBTF).

76. The representative of the **European Community** fully supported most of the recommendations made by the experts. The European Community pursued a policy of unilateral support for agriculture and trade in agricultural products from developing countries. This policy translated into measures such as the GSP (renewed at the end of 2001) and agreements with ACP countries, as well as new measures such as the Everything But Arms (EBA) Initiative on market access for LDCs.

77. The EU was in favour of enhancing production of and trade in environmentally preferable products, in line with increased awareness of the need to protect the environment. The EU also sought to enhance production and trade in organic products. He welcomed the Ministerial Decision adopted in Doha to negotiate the reduction or elimination of tariff and non-tariff barriers to environmental goods and services. This would result in new trading opportunities that developing countries should seek to seize. This issue should be appropriately addressed in UNCTAD's work programme.

78. The representative of **Kenya**, speaking on behalf of the **African Group**, emphasized the importance of agriculture for African countries, where it contributed more than 30 per cent of GDP and employed an overwhelming majority of the workforce. His Group considered that reversing trends such as the stagnation in agricultural trade, the decline of commodity prices and the decline in the share of developing countries in commodity exports was fundamental to the economic development of Africa. He also underlined that it was important for African countries to diversify into products with dynamic market trends and to add value to their agricultural exports. International cooperation was needed to put in place measures aimed at creating an equilibrium between supply and demand on a long-term basis.

79. Referring to workshops organized in Africa in the context of the project on diversification and commodity-based development, he pointed out that many of the recommendations of these workshops coincided with those of the expert meeting and hoped that UNCTAD would give appropriate attention to these recommendations in formulating technical assistance programmes.

80. He recalled that the full impact of preferential market access opportunities enjoyed by African countries had not been felt, and he referred to supply-side problems such as those emanating from poor infrastructure, inefficient service delivery, high borrowing costs and insufficient research and development. High protection for agriculture in many developed countries, for example through tariff peaks, quota restrictions, tariff escalation and non-tariff barriers, including sanitary and standards requirements, restrictive rules of origin and complex supply chains, had had a negative impact on world agricultural markets, and this impinged directly on the welfare of the poor in low-income countries.

81. The bulk of production in many African countries came from resource-poor farmers, but the need to produce large quantities and the high costs of certification by international certifying bodies presented major obstacles to realizing the full benefits of organic production. Consolidating production and supply and addressing the issue of high certification costs therefore represented important challenges. The African Group appreciated the efforts of the UNCTAD secretariat to enhance production and trading opportunities for organic products from developing countries and hoped to benefit from technical cooperation and capacity building activities recommended by the experts.

82. The representative of **Saudi Arabia** said that the Ministry of Agriculture in his country was implementing a national organic agriculture programme, and his country had benefited greatly from the experience offered by Costa Rica at the expert meeting. The idea behind the programme was to increase consumer confidence in products that did not contain chemicals, but no decision had been taken regarding certification. He welcomed the role of UNCTAD in promoting production and exports of environmentally preferable products. He also stressed the importance of food safety.

83. The representative of **Equatorial Guinea** said that his country was seeking actively to enhance export capacity of agricultural and food products. With the support of FAO, it had set up a special programme for food security (*PESA - Programa Especial para la Seguridad Alimentaria*) and a National Conference for Rural Development and Food Security. A South-South co-operation agreement had been signed to allow technical collaboration with Cuban experts. However, additional support was needed, and he hoped that his country would benefit from the technical assistance programme presented by UNCTAD

84. The representative of **Venezuela** said that the exchange of ideas at the expert meeting had been very fruitful. It was a matter of concern that developing countries had lost shares in the international markets for agricultural products, and that trend ought to be reversed. She supported in particular paragraphs 7 and 8 of the summary of the Chairperson of the expert meeting. Venezuela supported the recommendations to the international community and to UNCTAD, especially those relative to: (a) the elimination of protectionist barriers to trade; (b) support for producers in understanding and complying with standards; (c) financial and technical support for research; (d) assistance for developing countries in building capacities for the development of national and regional standards for environmentally preferable products; and (e) conducting market studies on aspects such as certification and quality norms. Particular attention should be paid to reducing costs of certification, especially for small producers. Urgent action was required to harmonize standards and rules related to organic agriculture. UNCTAD, in particular, should continue to strengthen the capacities of developing countries in these areas. It should continue its work on organic standards and

promote studies on ways and means to reduce certification costs and create more economical systems of certification.

85. The representative of **Mauritius** highlighted the fact that his country faced the problems of single commodity exporters (SCEs), whose agricultural production and exports depended significantly on one or two commodities. Whilst some of these SCEs had the necessary conditions to diversify their agricultural production, the possibilities of a number of SCEs were severely constrained for reasons related to size, topography and agro-climatic conditions. The situations of SCEs should therefore be addressed from their particular perspective.

86. The representative of the **Common Fund for Commodities (CFC)** said that the CFC had recently cooperated with UNCTAD in several fields. With regard to the sustainable use of biological resources and how to enhance production and export capacity of developing countries in this area, two projects were being financed by the CFC with the aim of enhancing the production and export capacities of developing countries with due account of environmental considerations. One project, entitled “Sustainable Use of Reforestation of Amazon Forest by Indigenous Communities”, was designed to promote the participation of indigenous communities of Peru’s Selva Central in sustaining their forest productive systems. Another project, entitled “Small-Scale Cassava Processing and Vertical Integration of the Cassava Sub-Sector in Southern and Eastern Africa (Phase I)”, sought to develop the income-generating potential of cassava as a cash crop in Southern and Eastern Africa, especially Uganda, the United Republic of Tanzania, Zambia, Mozambique and Madagascar. Finally, a “Workshop on Organic Sugar” had been held in co-operation with the International Sugar Organization.

87. The representative of **Malaysia** welcomed the results of the expert meeting and said that there were basically two levels of problems: the national level and the international level. Developing countries stood to benefit from full implementation of the experts’ recommendations, though she recognized that certain recommendations might be difficult to implement. She appreciated UNCTAD’s assistance in negotiations on agriculture. UNCTAD assistance in the area of statistics on market access commitments would also be very useful.

88. The representative of **Paraguay** supported the statements of Venezuela and Malaysia on the role that UNCTAD should play with respect to experts’ recommendations. He drew particular attention to paragraph 3 of the chairperson’s summary concerning the declining share of developing countries in traditional commodity markets and the possible link with subsidies. UNCTAD should reflect which measures it should take to support countries wishing to enter international agricultural markets successfully. His country had experienced difficulties in entering the world market for milk and dairy products because of large subsidies by developed countries.

89. The representative of **Jamaica** recognized the critical importance of agriculture to socio-economic development and highlighted a range of possible measures and initiatives geared toward growth, sustainable development and enhanced competitiveness of the sector. Her country had made efforts to develop niche products such as condiments and horticultural products destined for export markets, and it welcomed and endorsed the recommendations made by the experts. From the range of national initiatives emanating from the expert meeting, particular attention should be paid to measures aimed at attracting investment and

new technologies and the development of new and creative forms of financing. These were crucial, as the ability to attract investment would play an important role in obtaining the requisite technology and know-how in order to develop the sector further. Scarcity of resources was a major constraint on the further development of the agricultural sector, and it was therefore important to find new and innovative means of providing agricultural credit. In addition, the issue of standards needed to be addressed in the national and multilateral context. It was important to recognize the need for the development of equivalent standards with a view to enhancing market access. Developing countries needed technical assistance in this area, not only to attend the meetings of standard-setting bodies but also to be effectively involved in the development and implementation of these standards.

90. Possible areas that should be given attention in the next two years included: (a) policy analysis for the development of national policies to encourage growth and development of the agricultural sector and the production of organic products; (b) the development of the necessary institutional framework for promoting research and improvement in the physical infrastructure of the agricultural sector; (c) assistance in designing, implementing and enforcing standards in the agricultural sector (which would require UNCTAD to cooperate with various standard-setting bodies).

91. The representative of **Ethiopia** highlighted the fact that international assistance geared toward the agricultural sector of developing countries had decreased in recent years. Efforts at the national level could not be implemented effectively without strengthening of capacities. Efforts at capacity building could be aimed at promoting environmentally sound processes. Economic and social infrastructure were other priority areas for capacity building. With debt relief, market access and home country measures, agricultural productivity and production could be boosted.

92. The representative of **Bangladesh** said that the expert meeting had come up with useful recommendations and highlighted the importance of keeping in mind the structural context of LDCs, where agriculture accounted for a high proportion of GDP and export earnings. The problem of the concentration of agricultural trade on very few commodities needed to be addressed. High tariffs and tariff escalation continued to pose problems for LDCs and, in a number of cases, tariff peaks undermined potential for exports. In many cases, sanitary and phytosanitary measures stood in the way of agricultural exports. The picture could be even more complex in the case of organic products. UNCTAD had a major role to play in this area. Finally, export subsidies in markets of developed countries should be phased out. He encouraged UNCTAD to pursue work on this matter in line with Bangkok Plan of Action.

Informal meetings

93. The Commission pursued its consideration of this item in informal meetings.

Formal meetings

94. At its closing plenary meeting, on 8 February 2002, the Commission adopted agreed recommendations on this item. (For the agreed recommendations, see Chapter I above.)

Chapter IV

ANALYSIS OF WAYS TO ENHANCE THE CONTRIBUTION OF SPECIFIC SERVICES SECTORS TO THE DEVELOPMENT PERSPECTIVES OF DEVELOPING COUNTRIES: ENERGY SERVICES IN INTERNATIONAL TRADE: DEVELOPMENT IMPLICATIONS

(Agenda item 4)

95. For its consideration of this item, the Commission had before it the following documentation:

“Report of the Expert Meeting on Energy Services in International Trade: Development Implications” (TD/B/COM.1/42).

“Note by the UNCTAD secretariat” (TD/B/COM.1/46).

96. The **representative of the UNCTAD secretariat**, introducing the report of the expert meeting, noted that the meeting had been very well attended (110 participants representing around 50 member States and a large number of intergovernmental organizations) and that the debate had been lively and interesting. It had been the first international gathering on the specific issue of trade in energy services and had provided an occasion for the trade and energy communities to meet. Experts had tried to answer three main questions: how the strengthening of the energy services sector could contribute to better access to energy; how to enhance the competitiveness of developing countries in the world market for energy services; and how to negotiate commitments supportive of these objectives. Discussion during the meeting had been organized around three main themes. Under the first theme – sectoral markets for energy and energy services – experts had discussed the new features of the energy sector and how the changes in the sector had led to the emergence of international trade in energy services. Under the second theme – energy services in the GATS and the debate at the WTO – the negotiating proposals on energy services tabled at the WTO in the framework of the ongoing negotiations had been presented, and the experts had addressed in particular the issues of classification of energy services and the possible need to negotiate an additional legal instrument for the sector in recognition of its peculiarities and development implications. Under the third theme – implications for developing countries – the main issues raised included that of “energy poverty”, the link between energy and development and how further liberalization of energy services could help in addressing the problem of access to energy, especially in developing countries. The UNCTAD secretariat had already taken some of the initiatives recommended by the experts in the outcome of the meeting; a joint work programme with OPEC was about to start, UNCTAD was in touch with ESCWA to follow-up on the proposal to organize a seminar in Beirut to continue the discussion on energy services started at the expert meeting, and a book containing the papers presented at the expert meeting would be published before the summer of 2002.

97. The representative of **Finland**, speaking in her capacity as Vice-Chairperson of the expert meeting on energy services, said that the expert meeting had been interesting and well organized, thanks to the efforts made by the UNCTAD secretariat, and that it had been a good learning experience for all the participants. The outcome of the meeting reflected the various

views expressed and indicated areas for further analytical work and follow-up actions by UNCTAD. It was the responsibility of the Trade Commission to select the priority areas where the UNCTAD secretariat should carry out additional work. Considering that the GATS negotiations had a very tight schedule, the availability of new analytical material on trade in energy services and its dissemination would be a welcome contribution on the part of UNCTAD. The services negotiations were extremely complex, and all countries needed to get a good understanding of the issues at stake to be able to take sound negotiating positions. The work UNCTAD was carrying out on energy services represented a very useful contribution to the analysis of an emerging and complex services sector.

98. The representative of **Paraguay**, speaking on behalf of the **Latin American and Caribbean Group**, stressed that energy services were very important for Latin American countries, many of which had participated actively in the successful expert meeting on energy services held in July 2001. Paraguay, in particular, was the world's top exporter of electric power, thanks to large investments in infrastructure made in the past. His country's successful experience, along with other innovative experiences in promoting investment in the energy sector, should be the object of further studies by UNCTAD. He urged the UNCTAD secretariat to continue its analytical and capacity building work in the area of energy services.

99. The representative of **Sri Lanka**, speaking on behalf of the **Asian Group and China**, highlighted the seriousness of the problems faced by the countries in the region in the domain of energy. Urban areas in China, for instance, lost 20 per cent of their potential economic output due to the impact on human health of hazardous energy use. In India, a country of 1 billion people, nearly one-third of the population below the poverty line had no access to commercial energy. Energy had a double dimension for the countries of the region. On the one hand, energy availability was a necessary enabling condition for human and economic development. On the other hand, energy-related economic activities represented a very large business opportunity in themselves. Among the issues to be addressed in the negotiations on energy services, particular attention should be devoted to classification problems (the existing classification was inadequate, while a more precise one would facilitate the scheduling of meaningful commitments) and to the possibility of attaching conditions to liberalization commitments that would take care of the development needs of developing countries. UNCTAD, after the successful experience of the expert meeting on energy services, should continue providing analytical contributions and technical assistance to developing countries in the area of trade, energy and development.

100. The representative of **Spain**, speaking on behalf of the **European Union**, noted that, in view of the important role of foreign investment in the energy sector, it was necessary to promote measures to create a favourable environment to attract national and foreign investors. Such investments would facilitate wider access to energy for people and industry. He recommended the inclusion of the following principles in strategies for the energy sector: enacting proper regulations to facilitate the generation and distribution of energy; taking measures to increase the competitiveness of energy services suppliers, especially in developing countries, and fostering networks of SMEs; promoting the creation of strategic alliances between large firms and SMEs and between domestic and foreign firms; allowing the temporary admission of specialized energy equipment; promoting greater use of renewable energies, especially to address the problem of energy scarcity in rural areas; and

increasing cooperation among the stakeholders and agencies involved in energy services, both on a North-South and on a South-South basis. He recommended that UNCTAD contribute to the analysis of the negotiating proposals submitted to the WTO in the framework of the ongoing services negotiations and explore the interest of other relevant international organizations in cooperating with UNCTAD in carrying out studies and capacity building activities in the energy sector.

101. The representative of **South Africa**, speaking on behalf of the **African Group**, said that the expert meeting on energy services had highlighted the challenges faced by developing countries in striving to ensure greater access to energy for the population at large and for industry. African countries were trying to strengthen their energy systems in order to improve their standard of living and foster sustainable development in the framework of the NEPAD (New Partnership for Africa's Development) strategy, which had set the goal of increasing reliable and affordable access to commercial energy from 10 to 35 per cent or more within 20 years. Many countries in Africa had implemented some stages of regulatory reform of the energy sector, but in most markets competition was still lacking. Experience, however, appeared to show that the results of utilities liberalization were mixed. This experience could be studied. The African Group particularly welcomed the proposal for a compilation and analysis of a list of successful experiences in the energy sector from the investment, technology, enterprise development and other points of view, which could teach interesting lessons with respect to the key objective of increasing the competitiveness of energy services among suppliers in developing countries. With respect to the ongoing services negotiations, the focus should be on: how to design liberalization programmes that were appropriate and compatible with each country's specific circumstances and development objectives; how to define negotiating objectives to defend the interests of energy services exporters; and how to ensure positive synergies between regional and multilateral negotiations. The African Group therefore strongly supported the experts' suggestion that UNCTAD should deepen and widen the analysis of successful reform experiences and other issues related to energy policies in order to upgrade developing countries' understanding of the issues and their negotiating capacities in the current GATS round.

102. The representative of **Venezuela** emphasized that the expert meeting on energy services had been a most useful experience. Venezuela believed that multilateral trade negotiations should be conducted from a broader perspective, and not just a narrowly commercial one, taking into account development needs. UNCTAD should follow the recommendations of the expert meeting; in particular, it should further analyse successful experiences of developed and developing countries in the energy sector from the investment, technology, enterprise development and other viewpoints; study national experiences with structural reform of the energy sector and potential difficulties and opportunities for domestic suppliers resulting from it; and support developing countries in examining negotiating proposals on services and in preparing their own offers. Expert meetings should not be ad hoc events, but should generate follow up activities. UNCTAD had acquired a great amount of expertise in the area of energy services, and this expertise should be the basis for further work in the area. Venezuela expressed appreciation for the initiative taken by the UNCTAD secretariat to establish a joint work programme with OPEC - as suggested by the experts during the expert meeting - and to follow up on the offer made by ESCWA to organize a

meeting in Beirut to address in more detail some of the issues discussed at the expert meeting.

Informal meetings

103. The Commission pursued its consideration of this item in informal meetings.

Formal meetings

104. At its closing plenary meeting, on 8 February 2002, the Commission adopted agreed recommendations on this item. (For the agreed recommendations, see Chapter I above.)

Chapter V

ANALYSIS OF MARKET ACCESS ISSUES FACING DEVELOPING COUNTRIES: CONSUMER INTERESTS, COMPETITIVENESS, COMPETITION AND DEVELOPMENT

(Agenda item 5)

105. For its consideration of this item, the Commission had before it the following documentation:

“Report of the Expert Meeting on Consumer Interests, Competitiveness, Competition and Development” (TD/B/COM.1/43);

“Note by the UNCTAD secretariat” (TD/B/COM.1/47);

“Comments of the United States on the outcome of the Expert Meeting on Consumer Interests, Competitiveness, Competition and Development” (TD/B/COM.1/CRP.2);

“Comments of the Philippines on the outcome of the Egypt Meeting on Consumer Interests, Competitiveness, Competition and Development” (TD/B/COM.1/CRP.3).

106. The representative of the **UNCTAD secretariat** introduced agenda item 5, referring to the outcome of the Expert Meeting on Consumer Interests, Competition, Competitiveness and Development, and drawing attention to the proposals for follow-up action contained in the note prepared by the secretariat.

107. The representative of **Jamaica** recognized that globalization could bring both benefits and challenges to developing countries. However, her country had become increasingly vulnerable to fraudulent cross-border commercial practices, since there were no laws specifically addressing such activities. The development and maintenance of competition and consumer protection policies was the first step to take, and Jamaica had enacted the Fair Competition Act and established an agency to enforce it. The Consumer Protection Act was expected to be introduced in mid-2002 and would be administered by the Consumer Affairs Commission. Governments should ensure that the application of consumer protection laws and regulations was beneficial to all sectors, particularly the informal sector. UNCTAD’s technical assistance in adopting, reforming and enforcing competition and consumer protection legislation remained of critical importance.

108. The representative of **Sri Lanka**, speaking on behalf of the **Asian Group and China**, expressed support for the recommendations adopted by the expert meeting. Globalization was creating challenges for the protection of developing country consumers. The multilateral trading system prescribed standards, but their implementation remained problematic for developing countries, and strengthened technical assistance was therefore needed. Careful attention should be given to paragraphs 25-29 of the outcome of the expert meeting. Financial assistance was needed to strengthen national institutional machinery to enable it to deal with cross-border practices, and UNCTAD should play a key role in implementing these recommendations.

109. The representative of **Mauritius**, speaking on behalf of the **African Group**, stressed the need for specific efforts by UNCTAD to provide support to developing countries in elaborating competition and consumer policies. Such support would make an important contribution to competitiveness and institutional development in those countries and would help to achieve the balance between protecting consumers and achieving the development of effective markets without imposing undue constraints on business. The elaboration and enforcement of competition and consumer protection legislation should remain an important part of UNCTAD's technical assistance. His Group supported actions enabling UNCTAD to assist developing countries in areas specified in the recommendations of the expert meeting and reiterated its request to all development partners and relevant international organizations to provide technical and financial assistance. The situation in Africa was critical owing to countries' institutional and capacity constraints. UNCTAD should consider convening further meetings on consumer interests and preparing studies on related issues, including an assessment of how to tap the informal sector in developing countries to accelerate development.

110. The representative of **Morocco** emphasized the importance of UNCTAD's work in the area under discussion, particularly in the context of the post-Doha process. He reported on the recent adoption by Morocco of Competition and Consumer Protection Acts, which had been introduced as part of the economic reforms being carried out by his country.

111. His delegation valued the work on competition carried out in UNCTAD and WTO intergovernmental groups and underscored the need for further work within both organizations to clarify certain core principles and modalities for international cooperation. A multilateral agreement on competition that took into account the need for flexibility and the special legal and economic conditions of developing countries would greatly enhance the control of cross-border anti-competitive practices that were detrimental to developing countries. In this respect, UNCTAD should expand its technical assistance to all developing countries to introduce and enforce competition and consumer protection legislation.

112. The representative of **Bangladesh** said that the majority of the least developed countries did not yet have competition or consumer protection legislation, and the few countries that did faced serious institutional and capacity constraints in enforcing the laws. At the analytical and policy levels, there was need for further work and consultations among countries on the nexus between competition, competitiveness and development. He urged UNCTAD to continue to work on these issues and to provide fora for member States to exchange views, as well as to expand its technical assistance in support of competition and consumer protection policies.

113. The representative of **Consumers International** supported and endorsed the work of UNCTAD in the area of consumer interests, competitiveness and development and pointed out that his organization had for many years encouraged Governments to recognise the importance of consumer policy. This area of policy was a fundamental component of the development process, and well informed and demanding consumers were necessary to encourage competition and competitiveness. The expert meeting had made important recommendations in that connection. There were important synergies between the areas of interest of UNCTAD and the work of his organization, as illustrated by specific activities taking place in various countries and regions. He called for support for the continuation of

UNCTAD's activities in the consumer policy field as a complement to its work on competition; such activities could include further expert meetings.

114. The representative of the **International Confederation of Free Trade Unions** said that developing countries' access to international markets was one of the prerequisites for sustainable development. Her organization had therefore proposed at the Doha Ministerial Conference that WTO provisions relating to special and differential treatment be made more operational to allow developing countries more flexibility in protecting their markets, while protection in other markets against products of export interest to developing countries, particularly least developed countries, be reduced. In this spirit, her organization supported the proposal inviting the Commission to request technical assistance to help member States to adopt, reform or better enforce competition and consumer protection laws. This would facilitate an examination of the relationships among competition, consumer interests, competitiveness and development, and of how markets could have more positive effects upon poverty alleviation and create growth, jobs and export opportunities. Economic decision-making needed to be brought more in line with the interests of individuals and, particularly in developing countries, the satisfaction of basic needs of all consumers, including the poor. The new trade round was strengthening the power of transnational actors at the expense of countries' sovereign right to exercise democratic control over their development model and their food resources. She recalled that the respect of trade union rights and of the fundamental norms of the International Labour Organization was an essential aspect of combining development with social justice.

115. The representative of **Tunisia** referred to the economic reforms undertaken by his country, including the adoption of competition and consumer protection legislation. He expressed support for the recommendations of the Expert Meeting on Consumer Interests, Competitiveness, Competition and Development, particularly the reference to developing countries' need for technical assistance in this area.

116. The representative of the **European Community** said that improving the competition and consumption environment was a decisive factor for growth and sustainable development. Sustainable consumption patterns should be promoted without imposing undue constraints on business. As effective market access measures and cost reducing policies contributed significantly to increasing the competitiveness of business and to enhancing the sound and sustainable development of economic structures, he supported the participation of an increasing number of agents in economic activities through appropriate privatization and the opening-up of restricted sectors, both in production and in distribution. The European Commission had always placed competition policy at the centre of European integration for the benefit of its citizens. He warned, however that, in order to avoid fraud or abuses of dominant position and commercial power, such processes must be subject to due supervision and must take place in an environment that ensured correct regulation and adequate consumer protection. To this end, countries needed to establish regulatory frameworks at the national or regional level. Raising awareness among consumers and businesses of their rights and obligations to achieve adequate standards of quality and behaviour on the market was important, and it was particularly important for the informal economy in many developing countries. In this connection, he called upon consumer associations and other members of civil society to play a proactive role in providing information and advice, particularly with a

view to increasing citizens' familiarity with the United Nations Guidelines for Consumer Protection.

117. The representative of the **Dominican Republic** expressed his delegation's continuing strong support for UNCTAD's work on competition and consumer policies, including the outcome of the expert meeting. In his view, two of the issues identified by the meeting deserved priority attention: how privatization in developing countries in such sectors as energy was allowing some firms to come in and monopolize markets; and how institutional complementarity between agencies responsible for competition and consumer protection might be ensured. UNCTAD should also work on elaborating a model law or laws. An essential means of humanizing globalization was the effective protection of consumers from abuse of dominant positions. No organization other than UNCTAD could handle such issues.

Informal meetings

118. The Commission pursued its consideration of this item in informal meetings.

Formal meetings

119. At its closing plenary meeting, on 8 February 2002, the Commission adopted agreed recommendations on this item. (For the agreed recommendations, see Chapter I above.)

Chapter VI

PROGRESS REPORT ON THE IMPLEMENTATION OF AGREED CONCLUSIONS AND RECOMMENDATIONS OF THE COMMISSION

(Agenda item 6)

120. For its consideration of this item, the Commission had before it the following documentation:

“Progress report on the implementation of agreed conclusions and recommendations of the Commission (TD/B/COM.1/48)”.

121. The representative of the **United Kingdom**, speaking in her capacity as Chairperson of the pillar of the Mid-term Review on stocktaking, said that the mid-term review exercise would be based on the indicators of achievement agreed to in the medium-term plan (2002-2005). One indicator consisted of member States’ views on the practical value and impact on the development prospects of developing countries of policy recommendations, as expressed in the conclusions of the regular review of the work undertaken by intergovernmental bodies. Member States were therefore urged to provide feedback on those matters under the present agenda item.

122. The representative of **Jamaica**, referring to the work carried out in relation to agenda item 3 on major agricultural concerns of developing countries, noted that workshops on horticulture sector diversification were held for both English-speaking and French-speaking countries. That represented a good effort on the part of UNCTAD. She wondered if a workshop could be replicated in the Caribbean subregion or in the Americas region. Her country was benefiting tremendously from UNCTAD’s technical analysis, particularly as regards small island developing States.

123. The representative of **Mauritius**, referring to the progress report, indicated that his delegation welcomed the amount of work that had been done, especially in some areas of crucial concern to his country. With reference to paragraph 9 of the progress report, concerning the agricultural trade environment for small economies, he wondered if the study in question or the contribution made to the Commonwealth secretariat was available for countries like his own for consultation. He hoped that the relevant website provided information on the analysis on small island developing countries.

124. The **Officer-in-Charge of the Division on International Trade in Goods and Services, and Commodities**, in response to the representative of Jamaica, indicated that some funds remained under the Development Account which were being devoted to organising national workshops as a follow-up to the regional ones. The secretariat would give very positive consideration to the possibility of organizing a subregional workshop for the Caribbean or for interested countries.

125. In response to the representative of Mauritius, he provided information on the Infocomm portal which had been developed in the past year and which had been very successful, being the second most visited of all UNCTAD websites. The Infocomm portal contained all the studies presented to the workshops on commodities, as well as presentations

to and outcomes of the workshops. The study referred to in paragraph 9 of the progress report would be made available.

126. The representative of **Mauritius**, referring to the organization of a workshop on commodities, as requested by the representative of Jamaica, asked that his country's needs in this regard be taken care of in a cost-effective manner.

127. The representative of **Equatorial Guinea** commended the secretariat for its activities in African countries. FAO was working with his Government on the implementation of a special food security programme, and it might be useful for UNCTAD to be involved. If seminars were to be organized in his country's region, it would like to be informed in order to be able to participate.

128. The representative of the **United States of America** said that a much more active approach needed to be taken in promoting seminars organized by the secretariat and making people aware of the opportunity that seminars provided for capacity building. Most of the seminar programmes seemed to be quite good, but unless the right audiences of the right size were ensured, the resources were squandered. He mentioned the FFD-related seminar on market access held in New York in January 2002 in this regard. To ensure adequate participation, UNCTAD should do more to avoid any conflict with scheduled events that might attract the same audience.

129. The **Officer-in-Charge of the Division on International Trade in Goods and Services, and Commodities** indicated that the secretariat was in contact with the representative of Mauritius regarding his country as a small island developing State with a special situation. With regard to the request from the representative of Equatorial Guinea, given the success of workshops on commodities diversification, the secretariat realized that the lusophone countries must be covered. The secretariat was expecting a contribution from Portugal with a view to extending activities to these countries in the very near future. With reference to the comment by the representative of the United States of America on the attendance at the FFD-related seminar on market access, there had been difficulties in choosing suitable dates for the seminar. However, participation in other seminars had been more than satisfactory (participants were selected very carefully), with many participants from the host countries. Some seminars had had 75 participants. In scheduling events, the secretariat was indeed ensuring that they did not compete with other events with the same audience.

Action by the Commission

130. At its closing plenary meeting, on 8 February 2002, the Commission took note of the progress report in document TD/B/COM.1/48.

Chapter VII

IMPLICATIONS FOR THE WORK OF THE COMMISSION FOLLOWING THE DOHA MINISTERIAL CONFERENCE AND RELATED CAPACITY-BUILDING AND TECHNICAL COOPERATION ACTIVITIES OF UNCTAD

(Agenda item 7)

131. The **Secretary-General of UNCTAD**, referring to the plan on “Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and Economies in Transition in support of their Participation in the WTO Doha Work Programme”, stressed the demand-driven features of the plan, which had been developed drawing upon extensive consultations with developing countries and their regional groups. Following the consultations, the secretariat had summarized and prioritized the capacity building and technical assistance activities in the plan. It was an evolving document that would be further refined, without changing its basic structure, following the deliberations of the Commission and further consultations with developing countries. The thrust of the plan was to meet the needs of developing countries in terms of securing a better understanding of the issues arising from the Doha Work Programme, so that, in the light of such understanding, developing countries could design their own national negotiation positions in multilateral trade negotiations. Particular attention was drawn to the immediate need for assistance in respect to agriculture and services negotiations. The plan was not a substitute for the regular work programme of the secretariat based on the Bangkok Plan of Action. It was a supplementary tool, focused on the post-Doha Work Programme, for which new extrabudgetary resources were needed. The plan conveyed a sense of urgency, which should be taken on board by donors through a positive financial response; the urgency related to the extremely tight Doha timetable for work on such issues as agriculture, services, implementation and WTO rules.

132. The representative of **Egypt**, speaking on behalf of the **Group of 77 and China**, called for UNCTAD’s support in assisting developing countries in addressing the Doha challenge meaningfully and effectively. He highlighted several points in respect of the plan on capacity building and technical cooperation for the WTO Doha Work Programme, particularly the importance of assistance in the area of agriculture, services and implementation. First, donors must provide clear indications about their intention to provide financial support to developing countries. Second, the delivery of support should reflect the different needs of developing countries in the light of their different levels of development, linguistic differences, and national and regional requirements. Third, a geographical balance in the implementation of the activities should be considered. Fourth, UNCTAD’s ongoing technical assistance and capacity building activities, especially institution building, remained important and should be continued. Finally it should be emphasized that capacity building was not the main factor in promoting development; it could only be supplementary to donor support for supply-side activities, more market access, debt relief and increasing official development assistance.

133. The representative of **Sri Lanka**, speaking on behalf of the **Asian Group and China** welcomed the stage-by-stage approach to the formulation of coherent policies and strategies encapsulated in the plan on capacity building and technical cooperation for the WTO Doha

Work Programme. She noted that the range of activities to be implemented would be prioritized in the light of resources, and such prioritization must be made after consultation with all regional groups. While the plan had four main parts, Part A on trade was the most important, as it related directly to the Doha challenge. However, that part lacked specific budget proposals. In the execution of the plan, adequate regional balance and geographical distribution must be maintained. In addition, the activities of the plan should not replace ongoing activities within the UNCTAD secretariat. Finally, she noted that UNCTAD had the specific mandate within the United Nations system to ensure that development aspects of trade were taken into account in the multilateral trading system.

134. The representative of the **European Community** said that the Doha work programme had a large agenda to be implemented over several years. At the same time, the Trade Negotiations Committee of WTO had already started work on the agenda. Development was a central element of the agenda, and the EU had always insisted upon this, but rhetoric was not enough and there was a need for specific action. The revival of special and differential treatment was one of the achievements of the Doha Declaration that should lead to better market access for goods and services of developing countries. The implementation of the Doha Work Programme was not the sole responsibility of WTO; it would include UNCTAD and the Commission on Trade. In this regard, the future work of the Commission should include a strengthening of UNCTAD's role in assisting the participation of developing countries in WTO negotiations. Negotiations were a necessary component of development, and thus support should be provided to developing countries, especially LDCs, in participating actively in trade negotiations.

135. The Doha Declaration gave prominence to technical assistance and capacity building, and this political commitment needed to be translated into solid projects of assistance and tangible results. In the WTO, a Global Trust Fund had been proposed, and a pledging conference for the fund was planned for 11 March 2002. Addressing the priorities in the Doha Work Programme, in particular such areas as the Singapore issues, required a modulated approach linked to the specific needs of the beneficiaries. This was captured in the plan on "Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and Economies in Transition in support of their Participation in the WTO Doha Work Programme." The plan would receive the European Union's fullest attention, particularly from the point of view of ensuring better cooperation and synergies between agencies and delegations.

136. The representative of **Mauritius**, speaking on behalf of the **African Group**, welcomed the prompt action by UNCTAD to deal with the post Doha needs of developing countries. The plan on capacity building and technical cooperation for the WTO Doha Work Programme reflected the concerns of African countries from the triple perspective of policy, institutional and human capacity building. Further refinement of the plan should cover a number of issues. First, there must be better coordination by UNCTAD with various agencies in providing a coherent and focused approach to dealing with the wide range of issues in the plan. Second, the collaborative approach must also extend to regional groupings and communities like the OAU/African Economic Community and the ACP Group. This would be cost-effective and increase regional organizations' awareness of multilateral issues, which in turn would prompt their involvement in international rule making. Third, the position of individual member States, particularly small States, must be considered in policy analysis

support, so that negotiators could understand the underpinnings of the negotiations and contribute to the formulation of national positions. Attention was drawn in that connection to the need for support; it would be discouraging if individual country requests for assistance could not be attended to owing to lack of funds. Fourth, UNCTAD must be provided with the necessary budgetary means to respond in a timely manner to the capacity building mandate given by the Ministers at Doha. It would also be disappointing if the capacity building and technical assistance initiatives were to receive inadequate attention from donors. Fifth, the supportive efforts of the international community should not stop at support for trade negotiations, but should extend to supply issues and market access issues.

137. The representative of **Bangladesh**, speaking on behalf of **LDCs**, stressed the LDCs' appreciation for UNCTAD's support in organizing the Zanzibar Ministerial Meeting to prepare the LDCs for Doha. UNCTAD's support for LDCs' participation in multilateral trade negotiations became even more important in the light of the post-Doha Work Programme. The LDCs had prepared and submitted to UNCTAD a priority list of technical assistance and capacity-building activities specifically aimed at LDCs. Country-level support was crucial to improving their participation in WTO negotiations and minimizing difficulties in implementation issues. In respect of the plan on "Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and Economies in Transition in support of their Participation in the WTO Doha Work Programme," he was ready to work with the secretariat and donors in refining and implementing the plan. Support for capacity building for negotiations responded to the short-term needs of LDCs, and in parallel there must be ongoing capacity building activities such as those implemented under the IF, JITAP and CAPAS programmes. He underscored the need for co-operation and joint activities with the WTO in technical assistance and capacity building activities. He also urged donors to contribute to the LDC Trust Fund.

138. The representative of **Argentina**, speaking on behalf of **Mercosur**, said that UNCTAD had a fundamental role to play in the post-Doha Work Programme in achieving the goals of development. As regards the plan on capacity building and technical cooperation for the WTO Doha Work Programme, he called for a removal of the reference to the "precautionary principle" in Part A on agriculture. The issue of safeguards was not limited to food security, so the other elements should be considered. The reference to trade preferences should include an assessment of the effects of preferences given to certain developing countries upon more efficient producers in other developing countries. Regarding services, the priorities were those areas in which developing countries had submitted specific proposals. The issue of autonomous liberalization also deserved attention. Regarding non-agricultural market access, there was a need to look at tariff escalation and in this connection to update the database on tariffs and NTBs. Finally, the allocation of resources and prioritization of activities must never lose sight of the interests of all developing countries.

139. The representative of **Cuba** said that the broad Work Programme approved at Doha exceeded the capacity of most developing countries. Thus UNCTAD, which had a comparative advantage and expertise in supporting developing countries in the preparations for negotiations in WTO, must be enabled to fulfil its key role. He urged donors to indicate clearly their support and contributions for the implementation of UNCTAD's support programme. The important issues for such work included agriculture; training on trade in

services; improvement of access to markets; trade, debt and finance; and environment activities.

140. The representative of **Morocco**, speaking on behalf of the **Arab Group of States**, said that he needed time to study the document in detail, but asked how the UNCTAD capacity building and technical assistance plan would be financed.

141. The representative of **Ethiopia** said that LDCs had special needs and thus deserved special consideration in the implementation of post-Doha Work Programme. She requested donors to contribute to the LDCs' Global Trust Fund with a view to building up institutional capacity and human resources. Ethiopia had become aware from negotiating its accession to the WTO that it required effective institutions and human resources.

142. The representative of **Sudan** expressed appreciation for the support provided by UNCTAD to countries in negotiations on WTO accession, especially LDCs, and requested that this assistance be continued and strengthened in the light of the challenges posed by the Doha Declaration. That Declaration provided for support on accession, and Sudan had submitted a detailed plan in that connection. Support for countries in the process of accession should be reflected in the plan on "Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and Economies in Transition in support of their Participation in the WTO Doha Work Programme".

143. The representative of the **General Secretariat of the ACP Group of States** recalled that UNCTAD and the ACP Group had signed a memorandum of understanding in 1998, and within that framework the ACP Group had received support from UNCTAD. The ACP Group would continue to work with UNCTAD in furthering the development of the ACP States. At the ACP Trade Ministers Meeting in November 2001, the Secretary-General of UNCTAD had announced support for the ACP States in respect of analysis of preferential regimes; concurrent trade negotiations in the WTO, ACP-EU and subregions; and support for subregional secretariats. The plan on "Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and Economies in Transition in support of their Participation in the WTO Doha Work Programme" represented a framework for mobilizing UNCTAD-wide support for implementation of technical assistance and capacity building activities. In this regard, the ACP priorities were very specific, namely the Doha Work Programme and its linkage to the forthcoming ACP-EU negotiations on economic partnership agreements with the EU.

144. The representative of **Zambia** said that the LDCs had identified their key priorities regarding the multilateral trading system in Zanzibar and in commitment 5 of the Programme of Action of the Third United Nations Conference on Least Developed Countries. These priorities included duty-free and quota-free market access and flexible rules of origin. The LDCs would continue to pursue these objectives, drawing upon the support of UNCTAD. As regards the plan on "Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and Economies in Transition in support of their Participation in the WTO Doha Work Programme," he urged that activities be included that related to accession to WTO, especially by LDCs. He also urged donors to enter into concrete commitments in terms of funding for the plan to become a reality for LDCs.

145. The representative of **Bolivia** expressed support for the points raised by Argentina as regards the plan on "Capacity Building and Technical Cooperation for Developing Countries,

especially LDCs, and Economies in Transition in support of their Participation in the WTO Doha Work Programme.” These included the exclusion of the reference to “precautionary principle”; emphasis on technical assistance for training; support for improving negotiating capacity; and market access for non-agricultural products.

146. The representative of **Jamaica** expressed appreciation for the prompt and thorough manner in which the UNCTAD secretariat had prepared the plan on capacity building and technical cooperation for the WTO Doha Work Programme. The plan was demand-driven and included a monitoring and evaluation part that was important. More specifically, the plan needed to support activities on agriculture, especially for small island developing States, LDCs and net food-importing developing countries, and services. In respect of regional trade agreements, support for work on the interface between WTO and regional trade agreements was important. Priority should be accorded to small and vulnerable States in implementing the plan. Equally important, the attention given to building supply-side capacities should be maintained.

147. The representative of **Guinea** said that the Doha Work Programme covered several topics, including agriculture. Her country had requested UNCTAD’s support in training officials on agriculture negotiations and policy, as well as on competition policy.

148. The representative of **Switzerland** said that the plan on “Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and Economies in Transition in support of their Participation in the WTO Doha Work Programme” was impressive and comprehensive, but it could be improved further. A number of points should be emphasized. First, UNCTAD had a role and comparative advantage in implementing a number of the Doha decisions, especially on capacity building and technical assistance. Second, trade negotiations support was part of UNCTAD’s mandate flowing from the Bangkok Plan of Action. However capacity in this respect must be made sustainable through institution-building and human resources development. Third, UNCTAD had accumulated considerable experience in the past on trade negotiations support, especially since 1995. Fourth, the number of activities involved in the plan was extensive, which raised the question as to whether it was realistic and gave rise to the need to set priorities. Fifth, he doubted that the proposed work on environment in the plan should be a priority, while work on competition, investment policy and trade facilitation deserved special attention.

149. The representative of **Venezuela** expressed support for the work on evaluating trade in services proposed in plan on “Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and Economies in Transition in support of their Participation in the WTO Doha Work Programme.” Such evaluation served as a basis for developing countries to prepare their participation in trade in services negotiations. Other priorities included market access for agricultural products, and trade and environment. On the other hand, the reference to the “precautionary principle” should be removed.

150. The representative of **Norway** said that the plan on capacity building and technical cooperation for the WTO Doha Work Programme must focus on building solid projects and developing synergies between actors, including WTO, ITC and OECD. In particular, there was a need for UNCTAD to develop a genuine partnership with WTO, because the main responsibility for implementing the Doha Work Programme lay with that organization. There

was also a clear need to know who did what in order to prioritize mandates and activities. In this respect, UNCTAD should also have an overview of the plans of other agencies.

151. The representative of **Equatorial Guinea** said that UNCTAD's technical assistance activities, especially training seminars on agriculture, should be extended to encompass the Spanish-speaking and Portuguese-speaking countries. He was concerned that such countries might be excluded from technical assistance programmes by virtue of their language.

152. The **Secretary-General of UNCTAD** said that, based on the interventions made in the Commission and on further consultations with developing countries, the secretariat would finalize and circulate the plan on "Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and Economies in Transition in support of their Participation in the WTO Doha Work Programme." UNCTAD was among the oldest organizations providing trade negotiations support, acting within the framework of the United Nations family. UNCTAD support activities had had tremendous support from UNDP, and had benefited from close collaboration with ITC. UNCTAD's contribution in the area of services negotiations was a good example in that respect. UNCTAD was open to co-operation with all other agencies, as the trade negotiations challenge could only be met by a network of agencies and Governments. UNCTAD had in fact already been working closely with other agencies. The best example of such cooperation had been with ITC and WTO in JITAP (ITC/UNCTAD/WTO Joint Integrated Technical Assistance Programme to Selected Least developed and Other African Countries). Each agency did what it was best equipped to do, thus avoiding a duplication of efforts. The only difficulty faced under this programme was that resources were not sufficient to meet the demand. There was no reason why this model could not be used in other programmes.

153. The **Head of the Resources Management Service** provided three clarifications. First, in response to the question by Sri Lanka, he said that the figures provided in the trade part of the plan on "Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and Economies in Transition in support of their Participation in the WTO Doha Work Programme" were orders of magnitude. The figures added up to a total of \$7 million. To implement this programme, designed in a modular manner, the secretariat would endeavour to mobilize extrabudgetary resources. Second, in response to Sudan, he said that UNCTAD assistance on accession to WTO was an activity drawing upon support from UNDP at the national level or from a bilateral donor. Third, in response to Switzerland, he said that the list of priority areas identified by the secretariat had been much longer than that presented in the plan. The secretariat had listed a reasonable set of requests that it had the capacity to carry out. Environment was included since during the consultations many countries had requested further assistance in that area. Also, UNCTAD was already cooperating with UNEP in a capacity building programme.

154. The representative of **Sri Lanka** noted that the plan on "Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and Economies in Transition in support of their Participation in the WTO Doha Work Programme" was not final but subject to change and updating. Her delegation would be providing inputs in this regard.

155. The representative of the **United States** urged that the consultations by the secretariat on the plan on "Capacity Building and Technical Cooperation for Developing Countries,

especially LDCs, and Economies in Transition in support of their Participation in the WTO Doha Work Programme” should encompass not only the beneficiaries of the assistance, but also the potential donors. He noted that the United States so far had been consulted only on the investment part of the plan.

Informal meetings

156. The Commission pursued its consideration of this item in informal meetings.

Formal meetings

157. At its closing plenary meeting, on 8 February 2002, the Commission adopted agreed conclusions on this item. (For the agreed conclusions, see Chapter I above.)

Chapter VIII

CLOSING STATEMENTS

158. The representative of **Paraguay**, speaking on behalf of the **Latin American and Caribbean Group**, said that the Commission's session had demonstrated the need to reform the intergovernmental machinery of UNCTAD in order to make it more effective and produce more substantive discussions. His Group reaffirmed its commitment to working in a positive way in order to contribute to the work of the Commissions.

159. The representative of **Spain**, speaking on behalf of the **European Union**, expressed appreciation for the special attention that the Secretary-General of UNCTAD had devoted to the participation of UNCTAD in the post-Doha process. Five principles were fundamental for that participation: activities should take account of the requests of beneficiaries but must be logically sequenced in order to ensure the full participation of developing countries in multilateral negotiations; UNCTAD's work must be based on the organization's accumulated experience; the work undertaken must take account of the secretariat's administrative capacity; UNCTAD should cooperate with other agencies, especially WTO; and future discussions on the plan should also involve potential donors.

160. Concerning the outcome of the Commission's session, all decisions taken in the Commission could be revisited by the Trade and Development Board during the Mid-term Review. Finally, when the Trade and Development Board came to discuss the outcomes of the Commissions' sessions at its executive session in March, it would have to look at all the recommendations made to the secretariat in order to get a set of realistic overall conclusions that UNCTAD could actually carry out.

161. The representative of **Uganda**, speaking on behalf of the **African Group**, underlined the importance of the Plan for Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and Economies in Transition in Support of their Participation in the WTO Doha Work Programme, and expressed the hope that the development partners would contribute generously to the full implementation of the plan.

162. The representative of **Sri Lanka**, speaking on behalf of the **Asian Group and China**, invited donor countries to make generous contributions in order to enable the UNCTAD secretariat to implement the Plan for Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and Economies in Transition in Support of their Participation in the WTO Doha Work Programme.

163. The representative of **Bangladesh**, speaking on behalf of the **least developed countries**, welcomed the Plan for Capacity Building and Technical Cooperation for Developing Countries, especially LDCs, and Economies in Transition in Support of their Participation in the WTO Doha Work Programme, and hoped that it would be implemented in its entirety. He also expressed gratitude to the Finnish Government for the latter's contribution in 2001 to financing the participation of experts from LDCs in UNCTAD expert meetings.

164. The representative of **Ethiopia** said that, due to their socio-economic circumstances, the LDCs needed special consideration, and that had been clearly reflected in the outcome of the Third United Nations Conference on the Least Developed Countries and the Doha WTO

Ministerial Conference. However, the attitudes displayed in the Commission on Trade and the Commission on Investment had been the opposite of those seen in Brussels and Doha, and such attitudes would undermine the efforts of UNCTAD to assist developing countries, particularly LDCs. Her delegation wanted to put on record its frustration. Her delegation was not against the interest of any country.

165. The representative of **Egypt**, speaking on behalf of the **Group of 77 and China**, said that the outcome of the Commission's session had been approved by the Group on the understanding that the expert meetings on the topics agreed upon would go ahead as agreed during the Commission's session, taking into account the fact that the focus of one of the topics would be determined later.

Chapter IX

ORGANIZATIONAL MATTERS

A. Opening of the session

166. The sixth session of the Commission on Trade in Goods and Services, and Commodities was held at the Palais des Nations, Geneva, from 4 to 8 February 2002. The session was opened on 4 February 2002 by Mr. Boniface G. Britto Chidyausiku (Zimbabwe), President of the Commission at its fifth session.

B. Election of officers

167. At its opening plenary meeting, on 4 February 2002, the Commission elected its Bureau as follows:

President:	Mr. Martti Isoaro (Finland)
Vice-Presidents:	Mr. Anel Enrique Béliz (Panama)
	Ms. Woinshet Tadesse w/Giorgis (Ethiopia)
	Mr. Toufiq Ali (Bangladesh)
	Mr. Ludmil Kotetzov (Bulgaria)
	Mr. Stefano Lazzarotto (Switzerland)
Rapporteur:	Ms. Fatima Al-Ghazali (Oman)

C. Adoption of the agenda and organization of work

168. At the same meeting, the Commission adopted the provisional agenda circulated in document TD/B/COM.1/44, as orally amended. Accordingly, the agenda for the sixth session was as follows:

1. Election of officers
2. Adoption of the agenda and organization of work
3. The sustainable use of biological resources: Ways to enhance the production and export capacities of developing countries of agriculture and food products, including niche products, such as environmentally preferable products (EPPs)
4. Analysis of ways to enhance the contribution of specific services sectors to the development perspectives of developing countries: Energy services in international trade: development implications
5. Analysis of market access issues facing developing countries: Consumer interests, competitiveness, competition and development
6. Progress report on the implementation of agreed conclusions and recommendations of the Commission
7. Implications for the work of the Commission following the Doha Ministerial Conference and related capacity-building and technical cooperation activities of UNCTAD
8. Provisional agenda for the seventh session of the Commission
9. Other business
10. Adoption of the report of the Commission to the Trade and Development Board.

D. Provisional agenda for the seventh session of the Commission

169. At its closing plenary meeting, on 8 February 2002, the Commission approved the provisional agenda for its seventh session (see annex I).

E. Topics for expert meetings

170. At the same meeting, the Commission approved topics for expert meetings (see annex II).

F. Adoption of the report of the Commission to the Trade and Development Board

171. At the same meeting, the Commission adopted its draft report (TD/B/COM.1/L.20 and Add.1-5), subject to amendments to summaries of statements, and authorized the Rapporteur to complete the report in the light of the proceedings of the closing plenary.

Annex I

PROVISIONAL AGENDA FOR THE SEVENTH SESSION OF THE COMMISSION

1. Election of officers
2. Adoption of the agenda and organization of work
3. Export diversification, market access and competitiveness
4. Trade in services and development implications
5. Trade, environment and development
6. Implementation of agreed conclusions and recommendations of the Commission, including the post-Doha follow-up
7. Provisional agenda for the eighth session of the Commission
8. Other business
9. Adoption of the report of the Commission to the Trade and Development Board.

Annex II

TOPICS FOR EXPERT MEETINGS

- Diversification of production and exports in commodity-dependent developing countries, including single-commodity exporters, for industrialization and development, taking into account the special needs of LDCs
- Audiovisual services: Improving participation of developing countries
- Environmental requirements and international trade (focus to be determined later)

Annex III

ATTENDANCE *

1. Representatives of the following States members of UNCTAD attended the session:

Angola	Malaysia
Austria	Malta
Azerbaijan	Mexico
Bahrain	Morocco
Bangladesh	Mozambique
Belarus	Nepal
Belgium	Netherlands
Bolivia	Niger
Brazil	Nigeria
Bulgaria	Norway
China	Oman
Colombia	Pakistan
Comoros	Panama
Cuba	Paraguay
Denmark	Peru
Dominican Republic	Philippines
Egypt	Portugal
El Salvador	Romania
Equatorial Guinea	Russian Federation
Ethiopia	Saudi Arabia
Finland	Senegal
France	Slovakia
Germany	Sri Lanka
Guinea	Spain
Haiti	Switzerland
India	Thailand
Iran (Islamic Republic of)	Trinidad and Tobago
Ireland	Tunisia
Italy	Uganda
Jamaica	United Kingdom of Great Britain and Northern Ireland
Japan	United States of America
Kenya	Uruguay
Libyan Arab Jamahiriya	Venezuela
Luxembourg	Yemen
Madagascar	

* For the list of participants, see TD/B/COM.1/INF.5.

2. The following intergovernmental organizations were represented at the session:

European Community
Common Fund for Commodities
League of Arab States
Organization of the Islamic Conference
Organization of African Unity

3. The following specialized agencies and related organizations were represented at the session:

International Labour Organisation
International Monetary Fund
World Meteorological Organization
World Trade Organization

4. The following non-governmental organizations were represented at the session:

General Category

Exchange and Cooperation Centre for Latin America
International Confederation of Free Trade Unions
Consumers International
World Wide Fund for Nature International