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TRADE AND DEVELOPMENT BOARD

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IMPLICATIONS FOR THE WORK OF THE COMMISSION FOLLOWING THE DOHA MINISTERIAL DECLARATION

1. The Tenth Conference of UNCTAD, held in Bangkok, Thailand, in February 2000, requested the secretariat to help strengthen understanding of the relationship between trade and investment, as well as the role of international investment arrangements in the development process and of how such arrangements could contribute to development, including through facilitation of technology and enterprise development (Plan of Action, TD/386, paragraph 126).

2. The Fourth Session of the WTO Ministerial Conference provides, in paragraphs 20-22 of the Doha Ministerial Declaration, for the following:

"20. Recognizing the case for a multilateral framework to secure transparent, stable and predictable conditions for long-term cross-border investment, particularly foreign direct investment, that will contribute to the expansion of trade, and the need for enhanced technical assistance and capacity-building in this area as referred to in paragraph 21, we agree that negotiations will take place after the Fifth Session of the Ministerial Conference on the basis of a decision to be taken, by explicit consensus, at that Session on modalities of negotiations.

21. We recognize the needs of developing and least-developed countries for enhanced support for technical assistance and capacity building in this area, including policy analysis and development so that they may better evaluate the implications of closer multilateral cooperation for their development policies and objectives, and human and institutional development. To this end, we shall work in cooperation with other relevant intergovernmental organisations, including UNCTAD, and through appropriate regional and bilateral channels, to provide strengthened and adequately resourced assistance to respond to these needs.

22. In the period until the Fifth Session, further work in the Working Group on the Relationship Between Trade and Investment will focus on the clarification of: scope and definition; transparency; non-discrimination; modalities for pre-establishment commitments based on a GATS-type, positive list approach; development provisions; exceptions and balance-of-payments safeguards; consultation and the settlement of disputes between Members. Any framework should reflect in a balanced manner the interests of home and host countries, and take due account of the development policies and objectives of host governments as well as their right to regulate in the public interest. The special development, trade and financial needs of developing and least-developed countries should be taken into account as an integral part of any framework, which should enable Members to undertake obligations and commitments commensurate with their individual needs and circumstances. Due regard should be paid to other relevant WTO provisions. Account should be taken, as appropriate, of existing bilateral and regional arrangements on investment." (WT/MIN(01)/DEC/W/1, 14 November 2001)

3. Pursuant to the Bangkok mandate, UNCTAD implemented a work programme in the context of which it undertook training, capacity- and consensus-building seminars and workshops; facilitation events for the negotiation of bilateral investment treaties and double taxation treaties involving developing countries; civil society engagement events; and advice to help upgrade national and regional investment regimes. This work was complemented and supported by the issuance of a series of papers on *Issues in International Investment Agreements* and the servicing of UNCTAD's intergovernmental machinery by the secretariat.¹ The Commission and the secretariat have therefore accumulated considerable experience as regards technical assistance and capacity building in the area of international investment agreements.

4. In response to the Doha Ministerial Declaration, the Commission (and its expert meetings), as well as the secretariat, could intensify its work in the area of international investment agreements, focussing on the development dimension of such agreements. In this context, and within the broader framework of an UNCTAD-wide effort to establish a technical assistance programme to assist developing countries in matters arising out of the Doha Ministerial Declaration, informal consultations were held with delegates as to what kind of technical assistance and capacity-building is required in pursuance of paragraphs 20-22.

5. In line with these consultations, three areas (based on paragraph 21) have emerged as requiring special attention: policy analysis and development, human resources development, and institutional development.

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¹ UNCTAD's work in this area was reported on in a booklet entitled "UNCTAD's Work Programme on International Investment Agreements: From UNCTAD IX, Midrand (1996), to UNCTAD X, Bangkok (2000)" (UNCTAD/ITE/IIT/Misc.26). Updated information is available in a new report entitled "Work Undertaken within UNCTAD's Work Programme on International Investment Agreements between the 10th Conference of UNCTAD, Bangkok, February 2000, and January 2002" (DITE/ICPB/IA/PUB/2001/4/Rev.5).