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TRADE AND DEVELOPMENT BOARD

Commission on Enterprise, Business Facilitation and Development

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Agenda items 3, 4 and 5

**AGREED RECOMMENDATIONS ADOPTED BY THE COMMISSION
ON ENTERPRISE, BUSINESS FACILITATION AND
DEVELOPMENT AT ITS TENTH SESSION**

**Improving the competitiveness of SMEs through enhancing productive
capacity**

1. The Commission, in recognition of the important role of SMEs in employment generation, poverty reduction and sustainable economic growth, as recently reaffirmed by the World Summit in 2005, requests the UNCTAD secretariat to continue exploring successful policies to promote enterprise development in developing countries, including the combination of export orientation and active policies oriented to the supply side of the economy to promote investment, technology transfer, entrepreneurship and the consolidation of productive chains, so as to build and maintain the ability to compete successfully in international markets and create new and dynamic capacities to facilitate internal linkages between export-led growth and the domestic economy.

2. The Commission requests UNCTAD to undertake research and policy analysis and provide technical assistance and policy advice reflecting development needs and priorities of recipient countries to help build the enterprise sector and to enhance the supply-side capacity of developing countries in order to improve the competitiveness of SMEs, facilitate their participation in international value chains and enhance the potential development benefits from FDI. UNCTAD should carry out further work on enterprise internationalization with the aim of identifying replicable best practices for enhancing SME competitiveness, including through business linkages with foreign affiliates; a better integration into global value chains;

and investing abroad. UNCTAD's important work in entrepreneurship capacity-building, in particular the EMPRETEC programme, should continue.

Efficient transport and trade facilitation to improve participation by developing countries in international trade

3. The Commission recognizes the need to assist developing countries, least developed countries, transit and landlocked developing countries to build capacities to design and implement trade and transport facilitation programmes based on the São Paulo Consensus, and UNCTAD should continue to:

(a) Monitor and analyse issues and developments relating to international transport and trade facilitation and their implications for developing countries, with a focus on the special situation of landlocked and transit developing countries and least developed countries, and the particular needs of their SMEs;

(b) Undertake comparisons of current practices in developing countries with international standards in international transport and trade facilitation; contribute to creating and strengthening institutional mechanisms in developing countries designed to integrate transport and trade facilitation into the development process;

(c) Undertake research and provide assistance to developing countries to participate in the trade facilitation and transport and logistics services negotiating processes, including in the context of the Doha Development Agenda;

(d) Provide technical assistance and capacity-building activities in the area of transport and trade facilitation, including on the use of automated systems such as ASYCUDA, to improve international trade and transport management; special attention should be paid to the improvement of transit arrangements for the landlocked and transit developing countries; and

(e) Cooperate with other international, intergovernmental and non-governmental organizations and other cooperative mechanisms in carrying out the work programme of the secretariat in the areas of international transport and trade facilitation.

ICT and e-business strategies for development

4. Considering the important contribution that the wider adoption and use of ICTs and e-business in developing countries can make to internationally agreed development goals, including those adopted at the Millennium Summit, UNCTAD should within its mandate:

(a) Carry out research and policy-oriented analytical work on the implications for economic development of the different aspects of ICT and e-business; particular attention should be paid to supporting the consideration of the trade and development dimensions of international discussions and negotiations pertaining to ICTs and e-business;

(b) Continue work in the field of ICT measurement, in cooperation with relevant statistical capacity-building bodies and programmes, and contribute to the partnership on

measuring ICT for development to enable developing countries to measure the access, use and impact of ICTs, particularly in the area of e-business and development;

(c) Continue to provide a forum for international discussion and exchange of experiences on ICTs, e-business, their applications to promote trade and development and policies aimed at creating an enabling environment, at the national and international levels, for the information economy. In this regard, it should also provide technical assistance and undertake research to assist developing countries build their capacity to participate in the ongoing international processes relevant to ICT goods and services;

(d) In cooperation with other international organizations, and where appropriate non-governmental entities, contribute to capacity-building in the area of technology and ICTs for development in sectors of particular interest to developing countries;

(e) Further explore the potential benefit of free and open source software for developing countries, with particular attention to the needs of SMEs;

(f) Within the UN system-wide processes, take operational steps to play its part in support of the implementation and follow up of WSIS, giving priority to issues of greatest developmental impact;

(g) Ensure the development perspective of the *Information Economy Report* and include it as an integral part of the Commission's agenda for due consideration with the objective of facilitating consensus-building.

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