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South–South Cooperation and Regional Integration
 Third session
 Geneva, 23–25 February 2011

Report of the Multi-year Expert Meeting on International Cooperation: South–South Cooperation and Regional Integration on its third session

Held at the Palais des Nations, Geneva, from 23 to 25 February 2011

Contents

	<i>Page</i>
I. Chair's summary	2
A. Opening statements.....	2
B. Catch-up growth and productive capacities: Towards a new development paradigm?	2
C. Bridging the technological divide: Is South–South cooperation different?	4
D. Industrial development: The regional dimension.....	5
E. Strengthening the primary sector through South–South linkages.....	7
F. Expanding policy space in the South–South trade agenda.....	8
G. Lunchtime session	10
II. Organizational matters	11
A. Election of officers	11
B. Adoption of the agenda and organization of work.....	11
C. Outcome of the session.....	11
D. Adoption of the report	11
Annex	
Attendance	12

I. Chair's summary

A. Opening statements

1. The third session of the Multi-year Expert Meeting on International Cooperation: South–South Cooperation and Regional Integration focused on Using South–South linkages to build productive capacities in developing countries. It took place shortly after the signing of the final act of the Agreement on the Global System of Trade Preferences among Developing Countries and as the organization was beginning its preparations for UNCTAD-XIII in Doha next year.

2. In his opening remarks, the Deputy Secretary-General of UNCTAD, Mr. Petko Draganov, suggested that the current crisis had encouraged a critical reflection on business-as-usual approaches to development strategies. He said that South–South integration and cooperation in industrial, trade and macroeconomic policies were crucial in that respect, and had been placed by the UNCTAD secretariat at the heart of its agenda on global recovery and rebalancing, which was based upon the concept of “development-led globalization”.

3. Mr. Luis Manuel Piantini (Dominican Republic), President of the Trade and Development Board and Chair of this expert meeting, noted that South–South cooperation could be engineered to raise productivity in developing countries and repeat the successful experiences of Asia in other areas of the world. He also suggested that integration and cooperation among developing countries could be effective in facing the climate challenges in the next decades.

4. Two keynote speakers – Ms. América Bastidas Castañada, Vice-Minister for International Cooperation, Ministry of Planning and Development, Dominican Republic; and Mr. Juan Francisco Ballén Mancero, Sub-secretary for Commerce and Investments, Ministry of Industries and Productivity, Ecuador – stressed the importance of South–South linkages and, in particular, the regional economic and financial integration to boost the economic recovery in Latin America and the Caribbean while, at the same time, making progress on the human and social agenda. The creation of cooperative spaces under initiatives as different as the *Associação Latino-Americana de Integração* (ALADI), the Caribbean Community (CARICOM), the Caribbean Forum (CARIFORUM), the *Sistema de la Integración Centroamericana* (SICA) and the *Unión de Naciones Suramericanas* (UNASUR) was discussed, along with their impact on growth and poverty reduction.

B. Catch-up growth and productive capacities: Towards a new development paradigm?

5. In the first session, experts introduced some of the main trends and challenges arising from the emergence of new global players from the South, the opportunities for developing productive capacities through increased South–South cooperation, and their implications for the governance of a multipolar world economy.

6. The shift of wealth creation from developed to developing countries was described in detail. Experts presented data on the progressive reduction of the weight of the Organization for Economic Cooperation and Development (OECD) in the global economy, and the rise of developing economies, which accounted for 70 per cent of global growth in the previous 10 years. Although that trend was primarily due to the rapid growth of China and India, all developing regions, including sub-Saharan Africa, had begun to show signs

of real progress. Experts also discussed some of the macroeconomic implications of those changes: the increase in the global labour force, with over 1 billion workers joining in from developing countries, and the shift in current account balances, with developing countries running surpluses and some developed countries running large deficits. The shift of wealth had been accompanied by a growing importance of South–South trade and foreign direct investment (FDI), and experts suggested that further integration among developing countries could lead to much greater gains for these countries than the further advancement of the traditional North–South liberalization agenda.

7. It was noted that not all developing countries had enjoyed a period of sustained growth and income convergence. The increased demand of natural resources, and the associated commodity prices boost, had put pressure on many food–importing developing countries, while others were not able to harness the resource revenues to diversify the production structure away from commodities in more job-creating sectors. In fact, China alone accounted for 90 per cent of the global poverty reduction that occurred over the period 1990–2005, when the Headcount Poverty Ratio declined from 41 per cent to 26 per cent, and poverty rates remained extremely high in the majority of least developed countries (LDCs). Employment creation was singled out as a persistent challenge for many countries in their efforts to tackle poverty. Furthermore, the experts presented evidence suggesting the existence of a growing technological divide among developing countries as measured by total investment in research and development activities and the number of patent applications. Inequality was also increasing inside many fast-growing developing countries since growth did not automatically trickle down on the poorest part of the society in the absence of adequate social policies.

8. Experts also highlighted the importance of a second crucial shift that occurred in the previous decade: a progressive moving away from the market fundamentalism which characterized development thinking in the recent past. The Washington–based international financial institutions (IFIs) had belatedly recognized the limitations of the one-size-fits-all approach promoted in the 1990s, and were currently more open to consider indicators of human (rather than merely economic) development to measure countries’ performances and to adopt a more “productivist” view of development. Such a paradigmatic shift had also been made possible by the global economic crisis that forced many OECD countries to adopt massive stimulus packages, and by the recent research suggesting that advanced economies, including the United States, had been pursuing decentralized industrial policies even before 2008. These policies had often been implemented at the State level, where public agencies played a crucial role in creating and sustaining networks to link up firms with universities and venture capitalists.

9. A “productivist” view of development required a more direct involvement of the public sector into the economy, and the adoption of industrial policies to foster diversification in the productive structure and to secure an incremental upgrade of the quality of exported goods. More concretely, experts argued that developing country governments or their specialist agencies should identify those goods produced in dynamic economies with similar endowments, and support those that domestic firms already produced. The importance of learning from other countries and of peer-to-peer sharing of experiences emerged as a crucial pillar of the design of development policies. For example, in Taiwan Province of China, the Government created a secretariat to combine foreign expertise with domestic knowledge to accelerate the upgrade and diversification of production structure. Experts suggested that UNCTAD was well placed to provide a similar platform for the exchange of policy experiences at the country level, to facilitate learning and promote the adaptation of successful policies across developing economies.

10. Experts also suggested the creation of industrial parks and export processing zones to attract domestic and foreign capital for the targeted industries but, equally, stressed the

importance of social policies and redistribution schemes to facilitate the sharing of the dividends of growth among the poor. They also agreed on the potential benefits of freer trade, but cautioned on the implementation of excessively rapid or unbalanced liberalization policies, especially at an early stage of development. They stressed the paramount importance of an appropriate sequencing of reforms, and examined the experience of several Central American countries and the Dominican Republic, which liberalized trade with the United States of America through the Central America Free Trade Agreement (CAFTA).

11. Those discussions helped to outline a new focus for development policy, built around (a) South–South economic coordination and sharing of information, (b) cooperation between the private and public sectors, and (iii) the adoption of industrial policies aiming to foster economic diversification and promote dynamic economic sectors.

C. Bridging the technological divide: Is South–South cooperation different?

12. The second session discussed the potential of South–South integration for bolstering the transfer of technology and knowledge. Several regional experiences were examined in considerable detail.

13. Experts outlined the specific needs and challenges faced by the United Nations Economic and Social Commission for Western Asia (ESCWA) region where, during the previous decade, the impact of investments in science, technology and innovation (STI) did not meet expectations. Despite improvements in digital connectivity and other indicators, income levels and productivity in the region remained low, and many ESCWA member countries had serious problems of competitiveness vis-à-vis other developing economies. The most successful outcomes of local research were usually published in Western outlets, and their spillovers tended to benefit the international scientific community more than the Arab countries. Recognizing these difficulties, ESCWA established a Technology Centre, based in Amman, Jordan, to help strengthen STI systems and foster synergies and complementarities at the regional level, to reduce the technology gap with other regions of the world.

14. The services offered by the centre were outlined in this session. They included the provision of STI services, and innovation development and management services, for sectors ranging from information and communication technology to energy. The centre was also involved in the development of a technology system for the region.

15. Experts also examined the case of the International Science Technology and Innovation Centre for South–South Cooperation (ISTIC), created under the auspices of the United Nations Educational, Scientific and Cultural Organization (UNESCO) in 2008, and hosted in Malaysia. The centre provided training for scientists, technologists and policymakers on STI-related issues, and it aimed to establish long-lasting linkages between academic institutions and firms at the national and international levels. ISTIC focused mainly on water, energy, health, agriculture and bioversity, and it delivered programmes in several regions of the world.

16. Finally, experts debated whether or not Southern transnational corporations (TNCs) were better positioned to foster development than Northern TNCs. It was shown how the FDI outflows from the South still represented less than one seventh of global FDI, and how their increase in the previous 15 years was almost entirely due to TNCs based in Brazil, China, India, Malaysia, Mexico, Philippines, the Russian Federation, South Africa, Thailand and Turkey. Furthermore, South–South FDI also included round-tripping investment and investments to and from tax havens, which were likely to bias the existing

estimates, and it was mainly concentrated in natural resources, low-tech areas, and the services sector.

17. It was also shown that Southern TNCs operated largely following the same principles as Northern TNCs, i.e. primarily aiming to maximize returns to shareholders and improve their strategic (long-term) position, rather than aiming to support the development of the host country. Therefore, the same barriers that prevented host countries from benefiting fully from traditional FDI were also likely to limit the potential benefits of South–South FDI flows. Indeed, in all the success stories of TNC-assisted development discussed by the experts, the host countries sought to attract TNCs but also built up domestic absorptive capacity to promote the internalization of spillovers and the transfer of technology to domestic firms. FDI policy and industrial policy should, therefore, be designed together, in order to attract FDI into the sectors with the greatest development potential, and maximize their impact on the local economy.

D. Industrial development: The regional dimension

18. The session examined the potential of South–South linkages to strengthen productive capacities in manufacturing, and the possibility of sharing governance lessons among developing countries. The experts stressed that the relationship between States and markets was changing after the financial crisis. Development was back on the policy agenda, and “without a developmental State, there is no development”. Emphasis was currently on how to engage industrial policies effectively for development purposes. But industrial policy included a complex set of macroeconomic and sectoral policies, and current levels of development and institutional capabilities were the conditioning factors for the effectiveness of those policies. Further, since it required consultations for prioritization, there was always a danger of capture by vested interests. Four actions were suggested in order to minimize that risk: (a) the role of public and private agents must be made explicit at every stage of the policy process; (b) every policy action should specify the potential benefits and commitments of those involved; (c) monitoring mechanisms should be in place; and (d) press freedom should be guaranteed, to support policy implementation.

19. Discussing the Brazilian experience of industrial policy, experts argued that, previously, political priorities were at the top of the agenda but currently the focus of industrial policy had shifted to investment, innovation, exports and support for small and medium enterprises. It was suggested that, given the realities and the challenges faced by policy practitioners in open economies, and in the context of the current global crisis, an evolutionary approach was required for the success of industrial policy. It was felt that this should respond to the competitive challenges faced by different sectors, the stage of development of the country, and the vision as to the direction its economy should evolve. Developing countries were lagging in terms of developing effective industrial policies, and South–South policy networks could help to build up effective institutional capabilities to close the competitive gap with the developed world.

20. It was pointed out that trade theories based on static comparative advantage showed that countries from the North and South were natural trading partners, and South–South trade would introduce distortions and was, therefore, less efficient. Much policy advice, at the national and international levels, was still based on this static approach. However, an alternative, dynamic, approach was needed, based on the principles of division of labour, production-sharing and jointly overcoming the scarcity of resources in the South. The question of whether China could become a pole of industrialization and growth supporting other countries in the South, especially the LDCs, was discussed in considerable detail. China’s trade was much larger than that of other developing countries, and it was acting as a manufacturing hub for developing countries, as it imported manufactures from them for

further processing and re-exports to the North. However, China's imports from the LDCs were small, and still largely in commodities.

21. It was argued that, after the 1997–98 Asian crisis, there had been a recoupling instead of decoupling of growth between China and high-income countries. This increased the short-term risks to the developing countries, as the correlation between business cycles increased. The associated long-term risks to developing countries were especially significant as China was unlikely to continue to grow at 10 per cent per annum indefinitely. Also, China's capabilities to produce parts and components were rising, and the import content of its exports was declining. It was felt that China could also shift to a greater production of consumer goods, which would tend to reduce its imports from other developing countries. It was also pointed out that the East Asian "flying geese" model was unlikely to be replicable across China and other developing countries, since much of the FDI in China was of a "round-tripping" nature. In order to overcome those risks, there was a need for technological and industrial collaboration across developing countries, and to adopt proactive policies encouraging public–private partnerships and technical collaborations.

22. The experience of Uruguay was discussed in the context of using South–South linkages to build productive capacities in developing countries. The endogenous and exogenous factors responsible for sustaining Uruguay's growth during the previous seven years, with low unemployment and low inflation, were highlighted. Uruguay's industrial policy, in the context of its commitment with the Southern Common Market (MERCOSUR), was discussed by the experts. The priority areas of the country's industrial policy for 2011–2015 were examined, with emphasis on the respective roles played by trade unions, governments and employers. Industrial policy required long-term vision, as well as short- and medium-term goals. Uruguay's industrial policies included the development of industrial districts and industrial parks, development programmes for local firms, training for the workers, focus on local content requirement, and other measures. Uruguay was connected to the global economy, in part, through MERCOSUR, which determined important policy instruments, including tariff and non-tariff barriers and general or product-specific quotas. Within MERCOSUR, there were structural asymmetries which had led to the emergence of production chains in three sectors: automotive industry, solar energy and shipbuilding. Finance for development in these sectors was provided by the *Fondo para la Convergencia Estructural del MERCOSUR* (FOCEM) and the Brazilian Development Bank (BNDES). The case study of Uruguay's industrial policies emphasized the need for collaboration within the region for the diversification of production and the importance of the social dimensions of industrial policy, which should include social welfare.

23. The experts also discussed the case of Sudan, which has benefited from South–South cooperation, but currently had restrictions in the production of ethanol because of international standards and agreements. In that context, it was pointed out that developing countries had lost a significant amount of policy space due to international agreements, and that could be further reduced if the World Trade Organization (WTO) Doha Round of trade negotiations were allowed to conclude in its present format. Economic partnership agreements (EPAs) were considered more restrictive for policy space than multilateral agreements, as they did not provide the flexibility required by low-income countries. The same reasons claimed by the developed countries in order to protect their agricultural sectors also applied to developing countries, for the protection of their industrial sector. The experts also examined the problems of middle-income countries moving up the value chain, and the integration of smaller economies with the dominant economies in their region. It was pointed out that some international trade rules could create difficulties for developing countries moving up the value chain. The example of Indonesia was cited, which was able to move up the value chain by applying export taxes on timber. The meeting also

considered in detail how the financial constraints faced by the developing countries could be addressed through South–South cooperation. In particular, the experts highlighted the role played by development banks in providing long-term stable finance to developing countries.

E. Strengthening the primary sector through South–South linkages

24. In the context of the current commodity price boom, the session discussed the ways in which the primary sector could be strengthened in developing countries through South–South cooperation and learning from experience. The experience of sub-Saharan Africa during the commodity price boom, beginning in 2003, was discussed by the experts. It was noted that this had been the longest period of commodity price increases since the 1950s, and that this could be a so-called “supercycle” in which prices could remain high for several years. This price boom, which, it was suggested, was driven by growing demand of the biofuel sector in developed countries and economic and population growth in developing countries, had supported economic growth in commodity–exporting countries. Sub-Saharan Africa had experienced growth of 5.6 per cent per annum, on average, in the period 2005–2008, and its per capita income had risen to its highest level yet. Despite that growth, poverty levels were still high and the number of people living below the poverty line had increased. The Northern countries remained sub-Saharan Africa’s largest sources of FDI, trade and aid. It was suggested that sub-Saharan Africa should integrate more with Southern export markets and avail the opportunities that arose due to Southern-led technical innovations. Export markets in the South, especially in China, offered huge opportunities for the export of commodities, especially unprocessed and undifferentiated products. In the case of Gabon, the market for timber had already shifted away from the European Union (EU) towards China. Southern innovations could be used for designing appropriate technologies that put sub-Saharan Africa’s labour to intensive use.

25. The meeting discussed some of the South–South cooperation activities of the Food and Agriculture Organization of the United Nations (FAO), especially the Special Programme on Food Security (SPFS), which focused on cooperation to build productive capacities, and the FAO Initiative on Soaring Food Prices (ISFP), which focused on sharing experiences and improving the policy environment. It was noted that, since the 1980s, the LDCs had become net importers of agricultural and food products, and the gap between their imports and exports had been rising rapidly. In this context, the SPFS, which was launched in 1996, had provided assistance to farmers in poor countries through easily adaptable methods and technologies. The resources available included a team of experts and technicians which had worked directly with rural communities and farmers, teaching small improvements in irrigation, horticulture farming, livestock husbandry and so on. These experts had also supported national agricultural extension and other services.

26. The SPFS initiative started with a pilot project, and was extended in 2002 to support larger, nationally-owned programmes for food security (NPFS) and regional programmes for food security (RPFS), focusing on countries with strong political commitment to improvements in food security. The programme aimed to increase food productivity and improve rural livelihoods and access to food, and it included policy reforms, institutional strengthening and capacity-building. South–South cooperation in that context was based on a Tripartite Agreement under which a recipient (host) country and a more advanced developing country (cooperating country) signaled to FAO their wish to participate in the South–South cooperation initiative under the SPFS. A joint FAO/cooperating country formulation team was fielded to work with the host country in designing the South–South cooperation agreement. FAO drafted the tripartite agreement between the cooperating and the host governments and FAO itself. Experts and Technicians were assigned for two to

three years, and the costs were shared among the parties. Often a fourth party joined in, usually as an institution providing finance.

27. ISFP was also discussed at the meeting. This initiative was launched in December 2007, and it involved close monitoring of markets nationally, regionally, and internationally; gathering of country- and commodity-specific policy responses, and analysing policy responses and effects nationally, regionally and globally. This initiative aimed to develop a guide for policy and programmatic actions at the country level, in order to address high food prices. It was felt that this should include (a) how countries had responded to high food prices and how effective their actions had been; (b) comprehensive analysis of policies and measures that could be pursued; and (c) their effects on domestic products, consumers, budgets and third countries.

28. Experts expressed their worries over the slowing growth of agricultural production. High oil prices, global warming and the loss of arable land caused by industrialization and urbanization had all contributed to a sharp reduction of the growth rate in the agricultural sector, from an average of 3.1 per cent in the period 1950–1973 to 1.2 per cent in the previous two decades. This shortage in supply coincided with a sudden rise in global demand of agricultural products fuelled by rapid population and income growth in many developing countries and by the fast expansion of biofuels. That mismatch was intensifying price fluctuation and increasing food insecurity in many developing countries. Experts also recognized the existence of significant distortions which endangered even more the situation of the poor economies, such as the intensified use of technical barriers to trade and the support of national producers in developed countries.

29. Against that benchmark, the successful strategy adopted by the Chinese Government, based on strengthening agricultural research and development and increasing government intervention, was presented to the delegates. Experts also discussed the South–South activities, which were an integral part of the Chinese agricultural development strategy, and had been deployed at the regional and global level in different areas of cooperation (training and human resources development, food aid and FDI).

30. The experts expressed their agreement on the increasing importance of South–South cooperation for the development of Southern economies. Some examples on South–South cooperation in Argentina and Brazil were discussed. The issue of production of biofuels versus food production was also examined. Delegates from several member States insisted that UNCTAD should conduct detailed studies of South–South cooperation in agriculture. It was also suggested that UNCTAD could play a role in the sharing of experiences across countries.

F. Expanding policy space in the South–South trade agenda

31. The concluding session stressed the importance of bringing productivity and employment goals back into the core of the development agenda, in order to harness the benefits of South–South trade expansions for development and to link trade opportunities with the process of building productive capacities

32. Experts analysed the “lost decade” of development, when adoption of ill-considered structural adjustment policies, inspired by market fundamentalism, hindered development and worsened inequality and social tensions. In view of this lesson, the experts and the delegates stressed the need to increase policy space in the developing countries to overcome the current crisis. They also suggested that Keynesian policies designed to make use of existing productive capacities may not be enough to lift the economies of developing countries. It was felt that traditional macroeconomic policies had to be accompanied by policies designed to build up new capacities and secure social inclusion.

33. Experts agreed on the need to develop far-reaching production plans covering industry, agriculture and services, taking into account social and environmental issues along with more traditional concerns around productivity and growth. Easing the access to finance and credit was considered key, as was the development of such public utilities as electricity and transport, and public goods including health care and education.

34. According to the experts, a more enabling environment for development was also needed at the global level. On the one hand, it was considered crucial to reform international finance to reduce financial market volatility and secure reliable sources of development finance. On the other hand, multilateral and bilateral trade agreements should grant market access to developing countries in those sectors where they had comparative advantages, while leaving them enough policy space to protect strategic industries which were not yet ready to face international competition. While those conditions were partially respected in the WTO agreements, such was not the case in the vast majority of free trade agreements among Northern and Southern countries, which compelled the developing countries to impose drastic tariff cuts. Expanding trade among complementary economies in the South, and reinforcing their linkages, must be a key element of the new global architecture for development. Experts discussed the achievements of the São Paulo round of negotiations of the Global System of Trade Preferences among Developing Countries (GSTP), which included average tariff reductions of 20 per cent over 70 per cent of traded goods. They agreed that the concessions made in that round should be extended to the remaining tariff lines, and that the number of member countries should increase. They also agreed that, in the future, signatory countries should focus more on policy coordination and include special agreements on production sharing in order to maximize economies of scale.

35. In this respect, the Association of South-east Asian Nations (ASEAN) community could offer a successful example of cooperation among developing countries. Experts discussed the experience of ASEAN, and stressed its success in fostering cooperation among countries at very different levels of development. Member countries aimed to create a single market by 2015, including the free flow of goods, services and investment, and greater mobility of labour, while simultaneously promoting cooperation and mutual assistance to narrow the development gap within ASEAN and between ASEAN and the rest of the world. At the operational level, an ASEAN High Level Task Force (HLTF) was established in 2009 to develop an ASEAN master plan on regional connectivity, designed to ensure the synchronization of sectoral plans within the framework of ASEAN and its subregions. This mechanism included innovative infrastructure financing mechanisms that could be taken as an example for other groupings of developing countries.

36. Experts also discussed the Trade Logistic Advisory Programme of the World Bank, which was launched to assist developing countries to improve their access to markets through efficient, easy and accountable import and export procedures. The transaction costs related to regulatory procedures could significantly hinder export activities, as was testified by recent estimates suggesting that a 10 per cent reduction of time lost to satisfy regulatory requirements could lead up to a 6.1 per cent increase of exports in sub-Saharan Africa. The World Bank programme focused on the simplification and harmonization of documents and procedures, the development of risk-based inspections systems and a clearance regime for compliant traders, and the enhancement of automation and technology for payments and submission of documents.

37. Finally, the experts discussed the experience of the International Trade Centre (ITC) in supporting South-South cooperation and trade promotion. ITC had been working since the 1980s at the regional level to identify opportunities and complementarities, and to facilitate the sharing of successful experiences. It was currently exploring the possibility of increasing the trade flows between Viet Nam and sub-Saharan Africa.

G. Lunchtime session

38. This session, organized jointly with the Permanent Mission of France, discussed the development agenda of the French presidency of the G-20. It was pointed out that the G-20 agenda designed in Seoul in 2010 comprised some 19 objectives, of which four were to be prioritized for rapid delivery. Those four priorities were strengthening infrastructure in developing countries, guaranteeing food security, extending social protection, and mobilizing resources for development. With respect to infrastructure development, there was a need for regional and multilateral development banks to coordinate their actions with respect to specific projects. The French presidency was to propose measures to stimulate agricultural production. In addition, policy governance and coordination in the area of agricultural products should be improved, in order to prevent and better manage crises. Finally, in order to address the harmful consequences of agricultural price volatility, the French presidency was to call upon major international organizations to carry out joint efforts to develop risk-hedging tools. With respect to the mobilization of resources, it was pointed out that there was a need to have intelligent systems in place to fight against tax avoidance. In addition, it was felt that innovative sources of financing can and should be mobilized. The examples of Brazil and Norway were discussed.

39. The experts discussed the implications of the lack of policy space to ensure food security, and the importance of transparency in the disbursement of resources. It was reiterated that G-20 decisions were based on consensus, which could be difficult to achieve. The issues where consensus had not yet been reached within the G-20 were discussed. Those included duty-free and quota-free schemes for the LDCs, the relaxation of international standards for LDC exports, support for regional economic cooperation within Africa, and financial commitment for aid for trade. The importance of bridging the gap between international agencies such as the International Monetary Fund, the World Bank and the United Nations was emphasized. The growing financial gap between the resources required to address climate change and other global concerns, and the available official development assistance, was highlighted and, in this context, it was emphasized that it was important to take timely action with respect to a crisis in any part of the world, as it would affect not just the developing countries but also the developed countries; moreover, its costs would be much higher if there were no timely action.

II. Organizational matters

A. Election of officers

40. At its opening plenary meeting, the multi-year expert meeting elected the following officers:

Chair:	Mr. Luis Manuel Piantini Munnigh (Dominican Republic)
Vice-Chair-cum-Rapporteur:	Mr. Joannes Ekaprasetya Tandjung (Indonesia)

B. Adoption of the agenda and organization of work

41. At its opening plenary, the multi-year expert meeting adopted the provisional agenda for the session (contained in TD/B/C.II/MEM.2/7). The agenda was thus as follows:

1. Election of officers
2. Adoption of the agenda and organization of work
3. Using South–South linkages to build productive capacities in developing countries
4. Adoption of the report of the meeting

C. Outcome of the session

42. At its closing plenary meeting on Friday, 25 February 2011, the multi-year expert meeting agreed that the Chair should summarize the discussions.

D. Adoption of the report

43. Also at its closing plenary meeting, the multi-year expert meeting authorized the Vice-Chair-cum-Rapporteur, under the authority of the Chair, to finalize the report after the conclusion of the meeting.

Annex

Attendance*

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

<p>Algeria Angola Argentina Azerbaijan Bahrain Bangladesh Belarus Benin Bhutan Brazil Bulgaria Cameroon Cote d'Ivoire Cyprus Czech Republic Denmark Dominican Republic Ecuador Ethiopia Finland France Gabon Germany Ghana Haiti Hungary Indonesia Italy</p>	<p>Jordan Kazakhstan Kyrgyzstan Lesotho Madagascar Mali Mauritius Mexico Morocco Myanmar Nepal Nigeria Philippines Poland Russian Federation Saudi Arabia Sudan Syrian Arab Republic Thailand Togo The former Yugoslav Republic of Macedonia Uganda Ukraine Uruguay Venezuela (Bolivarian Republic of) Viet Nam Zambia Zimbabwe</p>
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2. The following intergovernmental organizations were represented at the session:
 - African Union
 - Common Fund for Commodities
 - European Community
 - Organization for Economic Cooperation and Development (OECD)
 - South Centre

3. The following United Nations organizations were represented at the session:
 - United Nations Economic and Social Commission for Western Asia (ESCWA)
 - United Nations Development Programme (UNDP)

* For the list of participants, see TD/B/C.II/MEM.2/Inf.3.

4. The following specialized agencies or related organizations were represented at the session:

International Labour Office (ILO)
 World Trade Organization (WTO)
 International Trade Centre UNCTAD/WTO (ITC)

5. The following non-governmental organizations were represented at the expert meeting:

General category

International Centre for Trade and Sustainable Development
 Oaproce Internacional

6. The following panellists were invited to the expert meeting:

Ms. America **Bastidas Castañeda**, Vice Minister for International Cooperation, Ministry of Planning and Development, Dominican Republic
 Mr. Juan Francisco **Ballén Mancero**, Subsecretary for Commerce and Investments, Ministry of Industries and Productivity, Ecuador
 Mr. Andrew **Mold**, Senior Economist, OECD
 Mr. Jose Manuel **Salazar**, Executive Director, Employment Sector, ILO
 Mr. Robert **Wade**, Professor of Economics, LSE
 Mr. Fouad **Mrad**, Executive Director, ESCWA Technology Center, ESCWA, Beirut
 Mr. Biswajit **Dhar**, Director General, RIS, New Delhi
 Mr. Rajneesh **Narula**, Professor of International Business, University of Reading
 Mr. Joao Carlos **Ferraz**, Managing Director, The Brazilian Development Bank (BNDES)
 Mr. Martin **Khor**, Executive Director, South Centre
 Mr. Uma **Subramanian**, Lead Private Sector Development Specialist, World Bank Group
 Mr. Alberto **Dumont**, Ambassador, Mission of Argentina
 Ms. Rony **Soerakoesoemah**, Assistant Director-cum-Head, Division of the Initiative for ASEAN Integration and Narrowing Development Gaps
 Mr. Masuma **Farooki**, Visiting Research Fellow, Open University, United Kingdom
 Mr. Zuo **Changsheng**, Deputy Director General, Agricultural Trade Promotion Center, Ministry of Agriculture of the People's Republic of China