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**IMPROVING THE FUNCTIONING AND THE STRUCTURE OF
THE INTERGOVERNMENTAL MACHINERY OF UNCTAD**

Note by the UNCTAD secretariat

The attached document was circulated informally to the Trade and Development Board on 17 December 1999. UNCTAD X, in paragraph 170 of its Plan of Action (TD/386), welcomed the document and took the view that the proposals contained in it, *inter alia*, on the linkages between expert meetings and commissions, should be given full consideration by a specially convened executive session of the Trade and Development Board as soon as possible after UNCTAD X and prior to Commissions' sessions.

IMPROVING THE FUNCTIONING AND THE STRUCTURE OF THE INTERGOVERNMENTAL MACHINERY OF UNCTAD

Existing structure

1. Decisions at UNCTAD IX resulted in a major reform of the UNCTAD intergovernmental machinery. Adoption of Part III of “A Partnership for Growth and Development” led to the reduction by half of the intergovernmental machinery in terms of both size and number of bodies. Cutting the size of the machinery also had the effect of reducing meetings in relation to 1995. Consequently, the target of 250 meeting units per annum was established. This target has not been exceeded in the four years since Midrand.

2. The intention of the reform was to improve linkages between the work of the secretariat and that of the intergovernmental bodies, and to strengthen the integration of UNCTAD’s functions of research and policy analysis, consensus-building and operational involvement. The three Commissions that were created at Midrand, together with their expert meetings (a maximum of 10 per annum), and the readjustment of the work programme of the Board were conceived as a sequence involving high-level expert advice, intergovernmental policy dialogue at the sectoral level, and intergovernmental policy dialogue and decision-making at the global level.

3. In February 1998, in preparation for the Mid-term Review, the Board reviewed the functioning of the intergovernmental machinery, and in its decision 446 (EX-16) adopted guidelines on the efficiency and functioning of the machinery. In October 1998 the Board approved financing for the participation of developing country experts in UNCTAD expert meetings.

Areas for improvement and adjustment

4. The issue of the reform and improvement of the functioning of the intergovernmental machinery of UNCTAD has been raised by member Governments, and it has also come up in the periodic evaluations of the intergovernmental meetings carried out by the secretariat. In most cases the emphasis has been on enhancing the relationship between expert meetings and Commissions so that member States can make the best possible use of the expert advice in the policy dialogue in the Commissions. More specifically, concerns include:

- Enhancing the political status of the Commissions as policy-formulating organs, *inter alia* by improving the quality of the policy debate and policy dialogue in the Commissions and moving that debate and dialogue away from discussions on procedures or the nature of outcomes; a suggestion has been to make greater use of the extended Bureau mechanism for managing and guiding the procedural and organizational work of the Commissions and expert meetings.
- Strengthening the substantive linkages between expert meetings and Commissions;

- Improving synergies between the secretariat's structures and the Commissions;
- Improving the integration of intergovernmental and expert debate on the one hand and analysis and technical cooperation on the other;
- Monitoring the follow-up by capitals to the outcomes of expert meetings and Commissions.

Principles for reform

5. There seems to be a consensus that the reform must not involve a major overhaul of the intergovernmental machinery, nor a change in the number of bodies or meeting units. It is therefore proposed that the following principles should apply:

- Experts participate in their personal capacities and do not establish intergovernmental positions. Their meetings should provide expert views on the relevant substantive issues, as well as policy options, on which they are not obliged to arrive at consensus
- The Commissions' work should be informed by the technical advice of the experts. Commissions should place the results of expert meetings, including measures which have been recommended for consideration by international organizations such as UNCTAD or by member States, within the appropriate policy context and framework.
- On the basis of the expert reports and their own policy dialogue, the Commissions make recommendations on actions to be taken by member States, UNCTAD or other bodies.
- The consideration of issues or matters related directly to UNCTAD's work programme should be the prerogative of the Commissions.
- The highest body in the intergovernmental machinery, the Board, integrates the sectoral outcomes of the Commissions in a comprehensive policy dialogue leading to policy and work programme statements concerning the interdependence of trade, investment, finance, technology and sustainable development.

Possible strategies

6. Possible strategies for achieving the proposed objectives could include a new methodology for agenda-setting and work programme implementation as well as minor chronological restructuring of the intergovernmental machinery process, bearing in mind the guidelines adopted at the Mid-term Review:

- (a) Integration of the agendas and work programmes by means of substantive packages:
- Following consultations with member States, the secretariat prepares a draft package for

consideration by each Commission at its first session following the Conference. The package contains proposals for the substantive agenda items to be discussed by each Commission at their second and subsequent meetings, and, for each item, an identification of the topics to be discussed in expert meetings held prior to the Commissions.

- The topics must be such as to contribute directly to the substantive discussions of each Commission and to the attainment of an appropriate outcome.
- At each of their sessions, the Commissions will have before them the reports of the expert meetings held during the previous months, as well as documentation prepared by the secretariat identifying, and commenting on, the policy questions posed by the expert reports for discussion by the Commissions.
- The Commissions should have on their agendas at each session no more than three items, each of which will already have been discussed and prepared by experts, and each of which will correspond to the substantive policy priorities identified and agreed upon by member States as representing policy needs to be examined and brought to consensual outcomes.

(b) Integration of the process:

- Once the agendas of the Commissions have been established – with no more than three items each - three expert meetings are convened for a duration of three days each (without prejudice to the holding of the two IGEs).
- The outcomes of the expert meetings are circulated by the secretariat to member States with a request for policy comments on the experts' recommendations. The responses of member States are taken into account in the preparation of the secretariat documentation for the Commission meeting.
- The Commission meetings take place three months later, with a duration of five days each, to conduct policy dialogue and make policy recommendations on the outcome of the expert meetings, taking into account the views from the capitals.
- Starting with the second session of each Commission, the fifth day of the session will be used for policy reviews of implementation by member States and the secretariat of the outcome of previous sessions, on the basis of documentation produced by the secretariat.
- Two months after the conclusion of each Commission's session (in which period member States will have considered the respective outcomes), an executive session of the Board might be convened for one or two days to debate the recommendations of the Commission and take any decisions it considers necessary, in the knowledge that the report of the Board will be transmitted to the General Assembly as usual.

Commissions' first sessions post-UNCTAD X

7. While the above procedures would work for expert meetings and Commission sessions from 2001, time constraints apply to 2000. It is therefore proposed that the first executive session of the Board to be convened by the Conference might wish to consider a secretariat-produced package for the first meeting of each Commission and approve any procedures related to expert meetings/Commissions to be held in 2000.

Proposal for improving the functioning of the machinery as a whole

8. It is proposed that the monthly consultations of the President of the Board with the Bureau of the Board and interested member States become bi-monthly events, devoted solely to procedural and housekeeping matters (approval of calendars, agendas, financial and budgetary matters already dealt with by the Working Party) and to the management of the intergovernmental machinery, including decision-making on issues requiring immediate attention. Quarterly consultations of the Secretary-General of UNCTAD would also be instituted, devoted solely to policy and substantive issues and for which purpose eminent persons or experts might be invited, as necessary.
