

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

**Report of the Trade and Development Board
on its twenty-ninth executive session**

held at the Palais des Nations, Geneva,
on 13 September 2002



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Chapter I

UNCTAD'S CONTRIBUTION TO UN-NADAF: UNCTAD'S ACTIVITIES IN FAVOUR OF AFRICA

1. For its consideration of this item, the Board had before it the following documentation:

“UNCTAD’s contribution to the implementation of UN-NADAF: Activities undertaken by UNCTAD in favour of Africa: Report of the Secretary-General of UNCTAD” (TD/B/EX(29)/2).

2. The **Special Coordinator for Africa**, introducing the report, said that UNCTAD had been providing substantial support to the NEPAD secretariat through provision of studies and analyses related to market access, diversification and capital flows. As NEPAD would in all likelihood form the basis for the successor arrangement to UN-NADAF, support by the international community would be concentrated in areas identified by the African countries. Interagency activities would also be geared to that purpose. The UNCTAD secretariat had already played an active role in contributing to the final review of UN-NADAF, which would be conducted in a Committee of the Whole established by the General Assembly for that purpose, and had made significant contributions to the work of the Panel of Eminent Personalities set up for the review. He drew special attention to recent developments in JITAP, and recalled the positive independent evaluation of JITAP undertaken in 2000 and 2002, along with the recommendation of the evaluation team to expand the programme to cover other African countries. The JITAP Common Trust Fund Steering Group (CTF), made up of donors and beneficiaries and the three executing agencies, had met on 25 June 2002 and concurred with the overall conclusion of the evaluators, calling on the three executing agencies to prepare detailed proposals for a successor arrangement to JITAP to be presented to the CTF in October 2002. With regard to recent developments in debt management, UNCTAD had accelerated its cooperation with the MEFMI (Macroeconomic and Financial Management Institute of Eastern and Southern Africa) and Pôle Dette in the context of subregional cooperation between the DMFAS Programme and subregional groupings in Africa. A Memorandum of Understanding was being signed between Pôle Dette and UNCTAD.

3. The representative of **Egypt**, speaking on behalf of the **Group of 77 and China**, said that Africa accounted for 34 out of the world’s 49 LDCs, which were characterized by the weakest human development indicators, the highest burden of unsustainable debt, the worst terms of trade, the most marginal participation in the international trade system and the least attractive environment for foreign direct investment. African countries themselves were taking the initiative in the development of their continent. The Africa Union had been launched in July 2002, and the New Partnership for Africa’s Development (NEPAD) had been adopted to consolidate and accelerate the development process and to forge a new relationship between Africa and the international community. UNCTAD’s activities provided an important and unique way to support Africa’s development, and they should be further strengthened, broadened and deepened. UNCTAD’s assistance in areas related to WTO was of particular importance, especially in building national negotiation capacities, and, with the

support of the donor community, UNCTAD should focus on these aspects through long-term programmes. JITAP had proven to be highly efficient and had produced positive results in the beneficiary countries, and there was a need to expand it to cover all African countries. UNCTAD was also invited to envisage expanding the project on “Capacity building for diversification and commodity-based development” and to explore additional avenues to deal with African concerns in that field. The donor community was invited to provide support for such activities. The Group of 77 and China were satisfied with the results of many of UNCTAD’s activities, including the Trade Point Programme, ASYCUDA, work related to transport and transit, ACIS, DMFAS and the Investment Policy Reviews. The General Assembly’s approval of two posts for UNCTAD’s subprogramme 9.1 B, “Development of Africa”, was a welcome step. Finally, the Group of 77 and China supported Botswana’s request to join the Board.

4. The representative of **Denmark**, speaking on behalf of the **European Union**, expressed the European Union’s readiness to support the implementation of all elements of NEPAD. He welcomed the support given to NEPAD at the Johannesburg Summit and indicated that peaceful resolution of conflicts in the continent was a fundamental condition for any economic and human development. The EU appreciated the secretariat’s efforts in providing assistance to Africa, but it was a matter for concern that, despite the fact that interregional activities had increased in Africa in 2001, there had been a decline in Africa’s share in UNCTAD’s activities from 21.6 per cent in 2000 to 18.3 per cent in 2001. UNCTAD was requested to ensure that the share of activities directed to Africa was substantially increased in 2002–2003. He encouraged the secretariat to continue to strengthen its activities in sensitizing African countries to the development implications of trade negotiation in the WTO, and a cooperative effort with other organizations to increase synergies and avoid overlapping was needed in that connection. In addition, developing countries needed support for more general capacity development in other trade-related areas, and for the design and implementation of relevant national policy reforms, as well as support to overcome supply side constraints. He referred to the importance of the Integrated Framework (IF) and JITAP and encouraged UNCTAD’s active role in these two initiatives. Concerning UNCTAD’s analytical work, the secretariat was encouraged to strengthen the focus on activities targeting the implementation of national policies within the field of trade and development. Specifically, activities related to best practices and good governance, in the context of NEPAD, should be continued and further strengthened.

5. The representative of **Indonesia**, speaking on behalf of the **Asian Group and China**, pointed out that, while a decade had elapsed since UN-NADAF had been initiated in 1991, 40 per cent of the African population still had a per capita income of less than one dollar a day. Alleviating poverty in Africa and integrating the region into the global economy were major challenges for the international community. One of the main obstacles to the region’s development was the chronic lack of resources, with slow growth limiting countries’ capacity to mobilize sufficient domestic savings and attract foreign direct investment. This made official development assistance indispensable for accelerating growth and development in many African countries. He commended UNCTAD’s policy analysis and capacity building activities in Africa. The NEPAD provided a sound framework for the international community to extend meaningful and effective assistance to further development in Africa.

Donor countries were encouraged to improve their contributions in order that UNCTAD might implement its capacity building programmes in a manner commensurate with the rising demand for its technical assistance in African countries. To enable African countries to participate meaningfully in international trade, particular attention should be given to strengthening the African countries' productive sectors and providing market access for their products.

6. The representative of **South Africa**, speaking on behalf of the **African Group**, noted that the challenges facing Africa were well known, and a consensus had emerged in that connection, partly due to the work that UNCTAD had done to elaborate on the intricacies surrounding Africa's underdevelopment. What was significant however, was that Africans, through the NEPAD strategy, had mapped a path out of this cycle of underdevelopment, and the international community had pledged its support.

7. The results of UN-NADAF had been less than satisfactory. Africa was faced with increasing marginalization, increasing levels of poverty and malnutrition, and never-ending cycles of indebtedness. UNCTAD had always proven a reliable and willing partner in assisting African countries, individually and collectively. The NEPAD process had received marked support from UNCTAD. The Group's experiences with the various programmes such as JITAP, the Integrated Framework, the Joint UNCTAD/UNDP Programme for Africa and other regional schemes and programmes to assist LDCs showed that they constituted important inputs in terms of meeting the challenges facing Africa. This had become particularly apparent in connection with Africa's preparations for the Doha Ministerial Conference, the outcome of which was clear evidence that Africa's voice had been heard. The key challenge now would be to expand JITAP to cover more countries. With regard to the Integrated Framework, the Doha Ministerial Conference had called for its expansion to all LDCs, with a deepening of its focus to address supply side constraints. African countries echoed these sentiments and called on the donor community to act unreservedly to support these programmes. Useful UNCTAD programmes such as CAPAS, ASYCUDA and ACIS were important in assisting Africa to achieve the levels of economic efficiency required for competitiveness. Despite UNCTAD's quality work on technical assistance in favour of Africa, the Group had deep concerns about the meagre resources with which the organization was expected to deliver results. This was despite the fact that other organizations had seen their resource base increase dramatically, even although few of them possessed the competencies found in UNCTAD. With more resources, UNCTAD could meet many of the challenges facing Africa and other developing countries. He concluded by expressing the African Group's support for the request submitted by Botswana to join the Board.

8. The representative of **Benin**, speaking on behalf of the **least developed countries**, said that, in adopting UN-NADAF, the General Assembly had recognized that it was essential to coordinate activities and develop policies that would contribute to the amelioration of the region's economic and social conditions. The results obtained had, however, been rather modest, and the region's social and economic indicators signified the need for more substantive efforts. Sustained growth had not taken place, with negative trends in a number of countries. Productive capacity had not been strengthened, while health conditions, education and energy resources posed other significant challenges. It was evident

that the effective implementation of commitments in those areas was the only way to overcome Africa's chronic problems and face the challenges they generated. The ultimate aim was to generate economic growth and alleviate poverty, and it was only through the joint efforts of Governments and development partners that these objectives would be attained. The Programme of Action adopted at the Third United Nations Conference on the Least Developed Countries stipulated seven commitments as the main guidelines for action and follow-up activities at the local, regional and international levels. The LDCs had taken note of the secretariat's report concerning UNCTAD's contribution to the implementation of UN-NADAF, which presented the research work and sectoral activities carried out by UNCTAD. Those activities would contribute to strengthening the development base of the LDCs, especially in Africa. JITAP, TrainForTrade, ASYCUDA, CAPAS and the Integrated Framework, to name a few, were providing value added and should be strengthened and extended to other countries.

9. The representative of the **United States of America** said that the development of Africa was a key priority in US foreign policy and that NEPAD was an important element in that endeavour. He noted the wide range of technical assistance services provided by UNCTAD to African countries. The report provided a good overview of UNCTAD's technical cooperation and an impressive menu of activities. However, in future reports, more attention must be paid to the logical framework approach and to measurable objectives. Finally, he reiterated his country's support for UNCTAD's contribution to African development.

10. The representative of **Norway** reaffirmed his country's commitment to the development of the African continent and thanked the secretariat for the improvement in its work over the past year. He welcomed NEPAD as a comprehensive development plan, urged the donor community to increase its ODA in support of this initiative and called on the United Nations to step up its activities to ensure the success of NEPAD. In this regard, he voiced concern regarding the resources available to UNCTAD and the limitations thereby imposed on the secretariat's ability to participate actively in the implementation of NEPAD. The report prepared for the Board provided a wealth of information on UNCTAD's activities in different areas, but it listed projects with little attention to priority and did not elaborate on their impact or on why some activities yielded better results than others. There was also a need for more information on how UNCTAD assessed the work of the Panel of Eminent Personalities and how its evaluation would affect UNCTAD's work.

11. The **Special Coordinator for Africa**, referring to the question of impact assessment, pointed out the inherent difficulties in conducting impact assessments, as some activities focused on long-term objectives and did not yield immediate results. However, the annual reviews of UNCTAD's technical cooperation activities provided information on the impact of UNCTAD's activities and, wherever possible, reference was made thereto in the reviews of UNCTAD's activities in favour of Africa. A case in point was JITAP, which was subject to an intensive assessment of all its activities. The secretariat took note of the concerns voiced in this connection and would follow up. As for the work of the Panel of Eminent Personalities, the Panel had been appointed by the Secretary-General and he was not in a position to assess the Panel's evaluation. Its economic analysis, however, drew heavily on UNCTAD's research

and analysis as well as on the work of other organizations and would form the basis of the deliberations during the forthcoming meeting of the Committee of the Whole later in September. As NEPAD became the successor arrangement to UN-NADAF, he hoped that the General Assembly would indicate benchmarks against which to measure the programme's achievements.

Action by the Board

12. The Board took note of the report of the Secretary-General of UNCTAD, as contained in document TD/B/EX(29)/2, and of the statements made in that connection.

Chapter II

OTHER MATTERS IN THE FIELD OF TRADE AND DEVELOPMENT

Report of the Joint Advisory Group on the International Trade Centre UNCTAD/WTO on its thirty-fifth session

13. For its consideration of this item, the Board had before it the following documentation:

“Report of the Joint Advisory Group on the International Trade Centre UNCTAD/WTO on its thirty-fifth session” (ITC/AG/(XXXV)/191)

14. The representative of **Egypt**, speaking on behalf of the **Group of 77 and China**, said that the documentation of ITC should be translated into all official UN languages, including Arabic and Chinese. The Board should take the necessary decision in this respect so that the appropriate budgetary action could be taken.

15. The representative of **China** agreed that ITC documentation should be translated into all official UN languages. That would require a joint decision by UNCTAD and WTO. It should also be borne in mind that ITC documents formed part of the official documentation of the Board’s session and should therefore be issued in all official languages.

16. The representative of **Denmark**, speaking on behalf of the **European Union**, said that ITC was delivering valuable technical assistance to developing countries. Its assistance was particularly important for the private sector and for developing countries’ efforts to overcome supply side constraints and develop their export potential. ITC should pursue its efforts, in cooperation with UNCTAD and other international organizations. With regard to translation of ITC documentation, all budgetary implications of translation into two additional languages would have to be examined.

17. The **Deputy Secretary-General of UNCTAD** said that resources for translation were not included in UNCTAD’s budget. All the Board could do would be to convey a request concerning translation of ITC documentation to the appropriate budget bodies at Headquarters.

18. The **Executive Director of ITC** said that ITC had drawn attention to the financial implications of increasing the number of languages used for ITC documentation. It was now for member States to decide how they wished to proceed.

Action by the Board

19. The Board took note of the report of the Joint Advisory Group on its thirty-fifth session, noting that the question of the translation of ITC documentation into six languages would be taken up in the context of the budget.

Chapter III

OTHER BUSINESS

Information on the activities of the Advisory Body established in accordance with paragraph 166 of the Bangkok Plan of Action

20. The **President** said that the Advisory Body had met four times in 2002 to review the final evaluation of the first training course held in 2001 and to establish procedures for the conduct of six training courses in 2002–2003. It had taken note of the decision taken by the General Assembly at its fifty-sixth session in 2001 to make funds available from the Development Account to conduct training courses in 2002–2003. The Advisory Body had also taken note of the final evaluation of the first training course conducted by the secretariat (TD/B/EX(28)2/Add.2). In particular it had noted the positive impact the course had had on many participants' work and their contribution to the overall objectives of their Departments in their capitals.

21. The Advisory Body had decided that six courses would be held in 2002-2003. Three courses were planned for 2002, with the first conducted in Geneva-Turin in July–August for 39 participants with a focus on Trade and Development. Two regional courses had been approved – one in Santiago, Chile, scheduled for October, and the other in Bangkok, scheduled for November. However, the Advisory Body had decided to postpone the Santiago course until early 2003 to ensure a suitable number of participants. The preparations for the course to be held in Bangkok were at an advanced stage.

22. The Advisory Body would meet later in the year to decide on the venue and focus of the remaining three training courses for 2003.

Capacity building and technical cooperation programme for developing countries, especially LDCs, and economies in transition in support of their participation in the WTO Doha work programme

23. The representative of **Sri Lanka** said that her delegation had welcomed the capacity building and technical cooperation programme related to the Doha work programme. Unfortunately, as a result of constraints beyond the secretariat's control, some of the programme's objectives had not been achieved. It would therefore be useful to have an evaluation of what had been undertaken so far and an indication of the activities foreseen in the coming period. The Doha agenda involved a number of deadlines, so it was important that the developing countries be provided with assistance as quickly as possible.

Chapter IV

INSTITUTIONAL, ORGANIZATIONAL, ADMINISTRATIVE AND RELATED MATTERS

(Agenda item 4)

Opening of the session

24. The twenty-ninth executive session of the Trade and Development Board was opened on 13 September 2002 by Mr. Nathan Iumba (Uganda), Acting President of the Board.

Bureau of the twenty-ninth executive session

25. The Bureau of the Board at its twenty-ninth executive session was as follows:

Acting President:	Mr. Nathan Iumba (Uganda) ¹
Vice-Presidents:	Mr. Iouri Afanassiev (Russian Federation)
	Mr. Toufik Ali (Bangladesh)
	Mr. Federico Alberto Cuello Camilo (Dominican Republic)
	Mr. Douglas M. Griffiths (United States of America)
	Mrs. Eleanor M. Fuller (United Kingdom of Great Britain and Northern Ireland)
	Mr. Virasakdi Futrakul (Thailand)
	Mr. Toshiyuki Iwado (Japan)
	Mr. Kalman Petocz (Slovakia)
	Mr. Jacques Scavee (Belgium)
Rapporteur:	Mr. Federico Perazza Scapino (Uruguay)

Adoption of the agenda

26. The Board adopted the provisional agenda for its twenty-ninth executive session (TD/B/EX(29)/1). The agenda was thus as follows:

1. Adoption of the agenda
2. UNCTAD's contribution to UN-NADAF: UNCTAD's activities in favour of Africa
3. Other matters in the field of trade and development:

Report of the Joint Advisory Group on the International Trade Centre UNCTAD/WTO on its thirty-fifth session

¹ Mr. Ali Said Mchumo (United Republic of Tanzania) was elected President of the Board at the forty-eighth session but left Geneva to take up another assignment prior to the twenty-ninth executive session. He was replaced by Mr. Nathan Iumba (Uganda), in accordance with rule 22 of the rules of procedure of the Board.

4. Institutional, organizational, administrative and related matters:
 - (a) Designation of the President and Bureau of the forty-ninth session of the Trade and Development Board
 - (b) Membership of the Trade and Development Board
 - (c) Membership of the Working Party for 2003
 - (d) Membership for 2003 of the Advisory Body established in accordance with paragraph 166 of the Bangkok Plan of Action
 - (e) Administrative and financial implications of the actions of the Board
5. Other business

Information on the activities of the Advisory Body established in accordance with paragraph 166 of the Bangkok Plan of Action
6. Report of the Board on its twenty-ninth executive session

Institutional, organizational, administrative and related matters

(a) *Designation of the President and Bureau of the forty-ninth session of the Trade and Development Board*

27. Mr. Dimiter Tzantchev (Bulgaria) was nominated as President designate of the Trade and Development Board at its forty-ninth session.

(b) *Membership of the Trade and Development Board*

28. Botswana became a member of the Trade and Development Board.

(c) *Membership of the Working Party for 2003*

29. The Board elected the following countries to membership of the Working Party for 2003: Bangladesh, Belarus, Benin, China, Cuba, Ethiopia, France, Honduras, Islamic Republic of Iran, Japan, Mexico, Netherlands, Pakistan, Poland, Russian Federation, Spain, Tunisia, United Kingdom of Great Britain and Northern Ireland, and United States of America.

(d) *Membership for 2003 of the Advisory Body established in accordance with paragraph 166 of the Bangkok Plan of Action*

30. The Board appointed the members of the Advisory Body set up in implementation of paragraph 166 of the Bangkok Plan of Action, as follows: Mr. Dimiter Tzantchev, Bulgaria (President of the Board); Mr. Iouri Afanassiev, Russian Federation; Mr. Joshua Setipa, Lesotho; Mr. Siphon George Nene, South Africa; Mr. Ousmane Camara, Senegal; Mr. Camilo Reyes Rodríguez, Colombia; Mr. Rubén Núñez, Dominican Republic; Mr. Carlos Pérez del Castillo, Uruguay; Dr. Toufiq Ali, Bangladesh; Mr. Shaukat Umer, Pakistan; Mr. Prasad

Kariyawasam, Sri Lanka; Mr. Jennes de Mol, Netherlands; Mr. Knut Langeland, Norway; Mr. Stefano Lazzarotto, Switzerland.

(e) Administrative and financial implications of the actions of the Board

31. The Board was informed that there were no additional financial implications arising from the work of its twenty-ninth executive session.

Report of the Board on its twenty-ninth executive session

32. The Board authorized the Rapporteur to prepare the report on its session under the authority of the President.

Annex

ATTENDANCE¹

1. The following States members of UNCTAD, members of the Trade and Development Board were represented at the session:

Argentina	Israel
Bangladesh	Malta
Congo	Oman
Côte d'Ivoire	Panama
Croatia	Poland
Democratic Republic of the Congo	Portugal
Egypt	Singapore
Ecuador	Spain
Ethiopia	Sri Lanka
Finland	Syria
Guatemala	The Former Yugoslav Republic of Macedonia
Indonesia	Yemen

2. The following States members of UNCTAD, not members of the Trade and Development Board, were represented at the session:

Brunei Darussalam
Holy See
Mozambique
Rwanda

3. The following intergovernmental organisation were represented at the session:

African, Caribbean and Pacific Group of States
European Commission
League of Arab States
Organisation of the Islamic Conference
Organisation of African Unity
Organisation Internationale de la Francophonie
South Centre

4. The following specialised agency and related organisation were represented at the session:

United Nations Industrial Development Organisation
World Trade Organization

¹ For the list of participants, see TD/B/EX(29)/Misc.1

5. The United Nations Relief and works Agency for Palestine Refugees in the Near East, the Office of the High Commissioner for Human Rights and the International Trade Centre UNCTAD-WTO were represented at the session.

6. The following specialised non-governmental organisation was represented at the session:

General Category

Exchange and Cooperation Centre for Latin America
International Confederation of Free Trade Unions
