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**UNCTAD EVENTS ORGANIZED AT THE
WORLD SUMMIT ON SUSTAINABLE DEVELOPMENT**

INTRODUCTION

1. UNCTAD's participation in the World Summit on Sustainable Development (WSSD), held in Johannesburg, South Africa, in September 2002, encompassed three components: (i) participation by the Secretary-General of UNCTAD in various activities of the Summit; (ii) organization of side and parallel events; and (iii) follow-up to the substantive negotiating process. The present note focuses on the side and parallel events organized by UNCTAD during the WSSD. It also highlights the provisions of the Plan of Implementation which make direct reference to UNCTAD or its activities.

UNCTAD's events

2. WSSD was conceived as a conference encompassing two types of partnerships. The first was at intergovernmental level, which resulted in the Plan of Implementation. The second related to partnerships/events organized by the international organizations, non-governmental organizations (NGOs) and the private sector. UNCTAD organized one side event (i.e. organized within the premises of the conference itself) and two parallel events. UNCTAD events were organized in close cooperation with other entities of the United Nations as well with representatives of civil society and the private sector.

A. Side event on trade, commodities and sustainable development

3. The secretariats of UNCTAD and the United Nations Environment Programme (UNEP), in cooperation with the Common Fund for Commodities (CFC), organized a side event on "Capacity Building on Trade and Sustainable Development" on 3 September 2002.

4. H.E. Dr. Surakiart Sathirathai, Minister of Foreign Affairs of Thailand, chaired the event. A number of ministers addressed the meeting, in particular Hon. Senator Julian Hunte, Minister of External affairs, International Trade and Civil Aviation of Saint Lucia, H.E. Professor Ioan Jeleu, Secretary of State for Environmental Protection of Romania, H.E. Professor Edward Rugumaya, Minister of Trade of Uganda; H.E. Suivi-Anne Siimes, Minister for Development Cooperation of Finland; and H.E. Cham Prasidh, Minister of Commerce of Cambodia. Other speakers included Mr. Jan Pronk, Special Envoy of United Nations Secretary-General to the WSSD; Mr. Rolf Boehnke, Managing Director of the CFC; Mr. Shafqat Kakakhel, Deputy Executive Director of UNEP; Mr. Koos Richelle, Director General in DG Development, European Commission; and representatives of civil society and the UNCTAD, UNEP and World Trade Organization (WTO) secretariats.

5. Discussions focused on two type of initiatives, each of which involved WSSD "Type II" partnerships. The first concerned the UNEP-UNCTAD Capacity Building Task Force on Trade, Environment and Development (CBTF), which was

strengthened at the WSSD. The second concerned a series of five joint UNCTAD-CFC initiatives in the area of commodities.

6. Participants stressed the increasing need for capacity building in the field of trade and environment and welcomed the fruitful cooperation between the UNCTAD and UNEP secretariats. They exchanged views on ways to enhance the effectiveness of capacity-building activities.

7. The European Commission announced a new contribution of Euros 1.25 million. Since the WSSD, other donor countries have expressed an interest in contributing to the CBTF.

8. The Managing Director of the CFC announced initial contributions of US\$ 60,000 each for five initiatives to enhance the contribution of the commodities sector to sustainable development.

1. CBTF

9. Building on the experience gained in the first two years of implementation and the growing interest shown by beneficiary and donor countries, the CBTF is now well placed to initiate new and larger initiatives, in particular at the regional level. It will also respond to new needs for capacity building in support of developing countries' participation in the WTO Doha work programme.

10. It can make an important contribution to the WSSD Plan of Implementation and to enhanced cooperation on trade, environment and development, including in the provision of technical assistance to developing countries, between the secretariats of WTO, UNCTAD, the United Nations Development Programme (UNDP), UNEP, as called for in paragraph 91(c).

11. The UNCTAD and UNEP secretariats also plan to engage more fully in CBTF activities. UN regional economic and social commissions, regional environmental organizations, regional economic integration arrangements, and research and training institutes with competence in trade and the environment. A network of national, regional and subregional institutions will be established and empowered to provide capacity-building services in countries and regions.

12. The UNCTAD and UNEP secretariats are preparing a detailed plan for future CBTF activities. A number of project proposals from the first phase of the CBTF will be carried over to phase II. In addition, a call for new proposals will be issued. Other activities are envisaged, including Geneva-based policy dialogues on trade and environment issues in the WTO Doha work programme. Special attention will be given to assistance to LDCs.

13. Strengthened cooperation between the UNCTAD, UNEP and WTO secretariats will be reflected in the Plan for Technical Cooperation Activities for the year 2003 being prepared by the WTO secretariat. This includes CBTF capacity-

building activities organized back to back with WTO regional trade and environment seminars, engaging regional and subregional institutions.

2. UNCTAD-CFC initiatives in the area of commodities

14. On the basis of the premise that production and trade of commodities can have both positive and negative effects on the environment and that there are ways of improving the sustainability of natural resources, UNCTAD and the CFC launched a partnership to further the sustainable development of the commodity sector in developing countries.

15. The initiative, which covers all aspects of the commodity sector, aims at strengthening the competitiveness of commodity production and increasing developing country exports while minimizing negative environmental effects. It will address all three components of sustainable development, namely economic growth, social development and environmental conservation. Poverty eradication and changing unsustainable patterns of commodity production and consumption, where they exist, will also be essential elements of the initiative. The areas targeted include: environmentally sound intensification and diversification of agricultural production; provision of environmental services by the commodity sector; sustainable commodity development in regions formerly dominated by metal mining; and combating desertification through appropriate commodity production.

16. Five activities were launched, as follows: sustainable production of cotton in West Africa; the Clean Development Mechanism: challenges and opportunities in the rubber commodity sector; carbon sequestration for tree crops and structured finance; non-ferrous metals recycling: barriers, challenges and opportunities in the 21st century; and community-based arrangements for sustainable commodity production in areas affected by mine closures.

17. UNCTAD and CFC are looking forward to cooperation with other organizations, governments, private sector and the civil society in the implementation of these activities.

B. Parallel event on BIOTRADE

18. UNCTAD, in cooperation with the Andean Development Corporation (CAF), Andean Community (CAN), the International Trade Centre WTO/UNCTAD (ITC) and the World Resources Institute (WRI), organized the UNCTAD BIOTRADE Initiative and Partners' High-level Meeting. Ministers from Bolivia, Brazil, Colombia, Ecuador, Peru, Switzerland, the Netherlands and Venezuela were present as well as the heads of United Nations Foundation (UNF), CAN, CAF, ITC, WRI, the Convention on Wetlands (RAMSAR), the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), CFC, the World Conservation Union (IUCN) and the International Tropical Timber Organization (ITTO). UNCTAD

concluded three new partnerships aimed at boosting trade and investment in this area, as described below.

1. Regional programme to fund BIOTRADE activities in Bolivia, Colombia, Ecuador, Peru and Venezuela

19. Introducing the notion of sustainability to businesses and familiarizing local producers and communities with sound business practices are among the activities of the programme. The programme also encourages businesses, conservationists, Governments and local and indigenous communities to work together, provides input for the development of regulations and policies, supports enterprise development and provides market information. This partnership brings together UNCTAD; CAN, based in Lima, Peru; and CAF, based in Caracas, Venezuela.

2. BioTrade Facilitation Programme

20. The BioTrade Facilitation Programme for Latin America, Africa and Asia aims at promoting access to foreign markets, for example through matchmaking between enterprises, product development, certification and support of participation in trade fairs. The partnership involves UNCTAD and the ITC, in cooperation with the Dutch Centre for the Promotion of Imports from Developing Countries, the Swiss Import Promotion Programme and BIOTRADE partners.

3. Partnership with WRI and CAF

21. The Andean-Amazonian BioBusiness contest that assists selected small and medium-sized enterprises (SMEs) in upgrading their business operations to access credit and venture capital is the focus of the third partnership. SMEs that are working with products and services derived from biodiversity and that contribute to the sustainable use of biodiversity are eligible to participate.

22. To date, US\$ 9 million has been pledged for these partnerships by UNCTAD, its partners and such donors as the Swiss State Secretariat for Economic Affairs (SECO), the United Nations Foundation (UNF)/United Nations Fund for International Partnerships (UNFIP) and the CAF. Over the next five years the partnerships are expected to generate an additional US\$ 10 million in credits and venture capital for SMEs and community-based enterprises. UNCTAD and partners are seeking new contributions.

C. Parallel event on investment and related issues

1. Investment Advisory Council meeting

23. As part of the WSSD, government and business leaders met under the auspices of the UNCTAD International Chamber of Commerce (ICC) Investment Advisory Council (IAC) for the least developed countries (LDCs) to discuss the role of government and the private sector in the development of LDCs. The IAC is a

framework for high-level consultations between business and government leaders and is a joint undertaking by UNCTAD and the ICC. The dialogue was centred on how business can contribute through local and foreign investment to tackling the fundamental causes of underdevelopment and poverty.

24. At the meeting business leaders agreed to facilitate and champion bankable projects in Africa that will contribute to sustainable economic development. These projects include an energy fund, and a banking capacity-building programme for building financial trust. Also discussed were concrete projects to: identify and publicize success stories in African business; remove barriers and impediments to productive investment in national and regional markets; undertake a peer review of business and investment environment; encourage Governments to introduce mechanisms for private sector consultations; and support private sector development, especially SMEs.

2. High-level roundtable

25. A High-Level Roundtable was organized jointly by the UN Global Compact, UNCTAD and UNEP. The objective was to mobilize resources and expertise to address the scourge of entrenched poverty, and major international companies agreed to partner with Governments, labour and civil society to pursue sustainable business development in the world's least developed countries.

26. The initiative was chaired by Secretary-General Kofi Annan and attended by British Prime Minister Tony Blair, French President Jacques Chirac and other Heads of State and Government; ministers; UN officials; representatives from labour and NGOs; and the chief executive officers of such companies as Hewlett-Packard and Shell International.

27. At the roundtable a plan was presented that would commit partners to identifying, over the next year, business opportunities in specific LDCs that would be sustainable and designed in ways to help grow local small and medium-sized businesses.

28. Participants agreed on the critical importance of: Ii) growing sustainable business and economic capacity in the LDCs; (ii) working in partnership; and iii) developing a defined process for implementation.

29. During the next 12 months, companies will identify specific LDCs that they will target for business development in partnership with other stakeholders and in accordance with the nine principles of the Global Compact. Participants in the initiative agreed to publicly share progress made and their respective contributions to the process over the next year.

3. Cooperation Agreement between IUCN and UNCTAD

30. As part of the IUCN Business Day, a Cooperation Agreement was signed between IUCN and the UNCTAD's EMPRETEC programme to progress the Kijani Initiative – an initiative of IUCN and the International Finance Corporation (IFC) to develop and invest in African businesses which conserve biodiversity, sustainable use resources and equitably share biodiversity benefits. The Agreement is to collaborate on business advisory services for African entrepreneurs.

31. The Kijani Initiative benefits from UNCTAD's experience in building entrepreneurial capacity in Africa. It will collaborate with a network of existing business development institutions such as the IFC-administered Africa Project Development Facility (APDF) and Enterprise Africa.

32. Through the Kijani Initiative UNCTAD provides biodiversity-specific business development and assessment skills to existing local institutions and business service providers already engaged in business services and helps business development service providers through the bio-service facility to identify promising entrepreneurs and support them in starting biodiversity businesses.

4. Publication: Managing The Environment Across Borders, A Study of TNC Affiliates' Environmental Practices In China, Malaysia and India

33. A book examining how corporations (TNCs) are managing the environment in developing countries was published and presented at the Summit. It looks at the environmental practices of more than 160 affiliates of European companies with operations in China, India and Malaysia. A booklet highlighting of the key findings of the book was also prepared and widely distributed.
