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Agenda item 4 (a) and (b)

Sessional Committee I

PROGRESS IN THE IMPLEMENTATION OF THE PROGRAMME OF ACTION
FOR THE LEAST DEVELOPED COUNTRIES FOR THE DECADE 2001-2010:

- (a) IMPLEMENTATION OF UNCTAD-WIDE ACTIVITIES IN FAVOUR OF LDCs
(b) THE LEAST DEVELOPED COUNTRY STATUS: EFFECTIVE BENEFITS
AND THE QUESTION OF GRADUATION

Draft agreed conclusions

The Trade and Development Board,

1. *Takes note* of the information contained in the background reports submitted by the UNCTAD secretariat, as contained in documents TD/B/49/6 and TD/B/49/7, and of further information provided by the secretariat during the meeting, and *expresses its appreciation* for the efforts made so far in implementing the relevant commitments and actions of the Programme of Action for LDCs for the Decade 2001-2010;

2. *Encourages* the UNCTAD secretariat to continue its activities in support of LDCs within its mandate, and to continue to report to the Board, at its regular sessions, on UNCTAD's activities in favour of these countries, and *emphasizes* the need for UNCTAD to contribute to the mandated reviews by ECOSOC and the General Assembly of the implementation of the Programme of Action for LDCs for the decade 2001-2010, bearing in mind the ongoing reform process in the United Nations;

3. *Emphasizes* the need for closer and active inter-agency cooperation between UNCTAD and other organs and agencies of the UN system, especially with the Office of the High Representative for LDCs, LLDCs and SIDS, and including the Bretton Woods institutions and the WTO, with the objectives of creating maximum synergies, avoiding duplication of efforts, and maximizing benefits to LDCs, LLDCs and SIDS; in that regard, encouraged by the ongoing cooperation between UNCTAD and the Office of the High Representative, *emphasizes* that such cooperation should be further strengthened;

4. *Reaffirms* the importance of mainstreaming the Brussels Programme of Action into UNCTAD's programme of work and its intergovernmental processes;

5. *Underlines* the importance of mainstreaming trade into national development plans, *welcomes* the UNCTAD secretariat's continued contribution to the implementation of the Integrated Framework (IF), and *requests* it to strengthen that contribution, particularly by planning and implementing trade-related capacity building as a follow-up to the diagnostic studies;

6. *Welcomes* the role of UNCTAD in the implementation of the Global Framework for Transit Transport Cooperation between Land-locked and Transit Developing Countries and the Donor Community, and *encourages* the secretariat, within its mandate, to provide substantive and technical support to the preparations for the International Ministerial Meeting of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation, to be convened in Kazakhstan in 2003;

7. *Notes with appreciation* the secretariat's research and advisory services on the economic vulnerability of a number of LDCs, and *recommends* that such activities continue;

8. *Endorses* the secretariat's efforts to pursue its research and analytical work on the benefits effectively derived from the least developed country status with a view to identifying approaches to make this status a more effective tool for socio-economic transformation and convergence with other developing countries, promoting a suitable "exit strategy" for the LDCs that are coming nearer to graduation thresholds;

9. *Stresses* the need to continue UNCTAD's technical assistance to LDCs in their efforts to identify the most effective international support measures by virtue of the LDC status, with a view to inducing structural progress in their economies;

10. *Notes with concern* the continued decline in commodity prices, which results in a substantial loss of export earnings for the majority of the least developed countries, and *requests* the secretariat, in cooperation with other relevant agencies such as the CFC and ITC, to explore ways to strengthen its activities in the fields of diversification, technical assistance and capacity building so as to bring about greater value-added in the commodity sector of LDCs;

11. *Requests* the secretariat, in the context of its analysis of the benefits effectively derived from LDC status, to pay particular attention, on an ongoing basis, to the expected impact of the most recent initiatives in favour of LDCs in the area of preferential market access, *inter alia* the “Everything But Arms” initiative, the African Growth and Opportunity Act (AGOA) and other such initiatives;

12. *Recognizes* the difficulties faced by LDCs in the process of accession to the WTO, and *requests* UNCTAD to continue to provide adequate assistance in this field, as well as to consolidate its support for other WTO-related activities in favour of the LDCs;

13. *Notes with appreciation* the results achieved, so far, and the orientation of the future activities of the Special programme on LDCs, LLDCs and SIDS, including the strengthened inter-divisional coordination within the secretariat, and the improved linkages between the policy analysis work of UNCTAD and its capacity-building activities in favour of LDCs, LLDCs and SIDS, and *urges* the secretariat to focus on areas within its mandate, in particular those where UNCTAD has expertise and a clear comparative advantage;

14. *Expresses deep appreciation* to bilateral and multilateral donors for their continued and generous financial contributions to the UNCTAD Trust Fund for LDCs;

15. *Urges* donors to respond to the need for extrabudgetary resources for the following purposes: to enable the secretariat to contribute effectively to the implementation of and follow-up to the Integrated Framework and to the preparation of the 2003 International Ministerial Meeting of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation in Kazakhstan; to undertake analysis and monitoring of the effective benefits derived from the LDC status; and to replenish the UNCTAD Trust Fund for LDCs for further technical cooperation and capacity-building activities in the least developed countries.