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Agenda item 5

Sessional Committee II

**UNCTAD'S CONTRIBUTION TO THE FINAL REVIEW AND APPRAISAL OF THE
IMPLEMENTATION OF THE UNITED NATIONS NEW AGENDA FOR THE
DEVELOPMENT OF AFRICA IN THE 1990S: STRUCTURAL
ADJUSTMENT AND POVERTY REDUCTION IN AFRICA**

Agreed conclusions

1. The session of the Trade and Development Board took place at an exciting time for the peoples of Africa. It welcomes the United Nations Declaration on the New Partnership for Africa's Development (NEPAD), a programme of the African Union, which was adopted by the 57th session of the General Assembly on 16 September 2002 (resolution A/57/2), and considers it an important milestone in the history of Africa and its relations with the international community based on partnerships.
2. NEPAD constitutes a determined effort by Africans to take control of their own destiny through economic and social development based on principles of, and supported by mechanisms that aim to ensure, democracy, good governance and peaceful settlement of disputes. As such, NEPAD has elicited strong support from the international community as an important contribution to placing Africa on a sustainable growth trajectory towards achieving the internationally agreed target of reducing poverty by half by 2015.
3. Taking into account the independent review of the United Nations New Agenda for the Development of Africa in the 1990s (UN-NADAF), the Board calls upon UNCTAD to draw valuable lessons from it in its activities in support of NEPAD.

4. The Board welcomes the renewed emphasis on poverty reduction, and is pleased that Poverty Reduction Strategy Papers (PRSPs) facilitate coherent and integrated approaches in designing development policies. The Board also recognizes that PRSPs are resource-intensive, and that their evolution is part of a learning process that should be regularly assessed on an independent basis. Accordingly, it considers the report of the UNCTAD secretariat entitled *From Adjustment to Poverty Reduction: What is New?* to be a contribution to the process of policy appraisal.

5. Recent international conferences are unanimous about the importance of partnerships, ownership and participation. The Board notes that implementing these principles remains an important challenge. In this context, it takes note of the discussions on international policies, including on streamlining conditionalities, and encourages the continuing efforts by beneficiary countries in improving national macro-economic policies.

6. Recognizing the positive impact that sound macro-economic policies and a conducive external environment have on economic growth, and in order to ensure that the benefits of growth reach all people, especially the poor, the Board stresses the importance of helping countries to effectively undertake “poverty and social impact analysis” on a more systematic basis in the implementation of PRSPs.

7. In order to boost national resources, the cornerstone of development, the Board recognizes that debt relief and official development assistance (ODA) can play a critical role, and emphasizes the role of trade as a source for development. It welcomes the Heavily Indebted Poor Countries (HIPC) Initiative and stresses the need for its speedy implementation and a durable solution to the problem of indebtedness of the poorest countries, and for an assessment, case by case, of debt sustainability beyond completion points. Debtors and creditors must share the responsibility for preventing and resolving unsustainable debt situations. Technical assistance for external debt management and debt tracking can play an important role and should be strengthened. Both the size and quality of ODA form important elements of its effectiveness. As such, the Board welcomes the Monterrey Consensus commitments to increase the quantity and effectiveness of ODA.

8. The Board recognizes the essential role of trade as an engine for economic development in Africa and in this regard calls for improved market access for African exports within the framework of the Doha Ministerial Declaration, without prejudging the outcome of the World Trade Organization (WTO) negotiations, and also within the framework of preferential agreements; and in this connection, calls upon developed countries to assist African countries in improving their capacity, including by the removal of supply-side constraints and the promotion of diversification, which are critical for enabling them to take full advantage of such opportunities, taking into account the need to provide market access for developing countries. Furthermore, it underlines the importance for African countries to accede to the WTO and encourages UNCTAD within its mandate to assist them in this process.

9. UNCTAD should, within its mandate and areas of competence, play its role in supporting NEPAD. In this light, it should continue its cooperation with African countries and institutions and explore ways for improved cooperation with the Bretton Woods institutions in support of the poverty reduction strategies, thus building capacity and identifying appropriate divisions of labour. It should continue to provide relevant analysis and policy advice on African development.
