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**TECHNICAL COOPERATION ACTIVITIES:
REVIEW OF TECHNICAL COOPERATION ACTIVITIES OF UNCTAD**

Addendum

Annex

Technical Cooperation Strategy for UNCTAD

1. The strategy for UNCTAD's technical cooperation was prepared in accordance with the agreed conclusions of the second part of the fortieth session of the Working Party, held in May 2003, in which the Working Party took note of the information provided by the secretariat in document TD/B/WP/167, 'Note by the secretariat', and of the indication that a new draft strategy for UNCTAD's technical cooperation would be prepared and presented to the Working Party at its forty-first session for consideration by member States.

Scope, guiding principles and objectives

2. The strategy sets out the operational activities of UNCTAD that address the practical problems of trade and development in an era of globalization and liberalization. It is designed to strengthen the effectiveness and impact of the overall technical cooperation of UNCTAD as an essential complement to the institution's policy analysis and the work of its intergovernmental machinery.

3. The objective of UNCTAD's technical cooperation is to assist developing countries to integrate into the global economy. This strategy aims at enhancing their endogenous capacity to face challenges and reap opportunities to be derived from that integration, and to set and implement their own development strategies. The effectiveness of technical cooperation depends on national inputs, particularly the level of ownership and local capacity developed by each operation, and on the symbiosis between national development strategies and development-friendly global mechanisms.

4. In this regard, UNCTAD's technical cooperation will particularly emphasize the development of human, institutional, productive and export capacities of all beneficiary countries. Activities will be supportive of poverty reduction policies and the implementation of the international development goals, including those contained in the Millennium Declaration, and the relevant recommendations of global conferences.

5. UNCTAD's technical cooperation should be directed towards developing countries with greatest need. Least developed countries will have priority in assistance provided by UNCTAD. Specific needs of small island developing States, landlocked and transit developing countries and certain developing countries with structurally weak and small, vulnerable economies should be addressed. UNCTAD should continue to provide technical cooperation to economies in transition.

6. In providing its technical cooperation services, UNCTAD will draw on its expertise as the focal point within the United Nations for the integrated treatment of trade and development and the interrelated issues in the areas of finance, technology, investment and sustainable development. In doing so, analytical work and operational activities will be further supportive of each other, aiming at ensuring coherence among the thematic areas of UNCTAD's expertise.

7. UNCTAD's technical cooperation will be determined in the light of the outcome of UNCTAD XI, by its work programme priorities set out in the final document of UNCTAD X, and as reflected in the relevant decisions of the Trade and Development Board, as well as relevant outcomes of recent global conferences, such as the International Conference on Financing for Development, the World Summit on Sustainable Development, the Third United Nations Conference on LDCs, the fourth and fifth WTO Ministerial Conferences, and the International Ministerial Conference of Landlocked and Transit Developing Countries.

8. Member States will review and update this strategy as appropriate in the light of evolving development needs and UNCTAD mandates.

9. Different short- and long-term technical cooperation instruments will be used as appropriate, according to the nature and objectives of each operation or programme and in order to respond to the different needs of beneficiaries. UNCTAD's technical cooperation will focus on capacity development, while not losing sight of short-term and targeted interventions. This focus implies enhancing developing countries' endogenous capacity to formulate, implement and evaluate home-grown policies for: (i) the development and diversification of their domestic productive sector, (ii) the design and implementation of trade and investment policies and negotiating strategies, and (iii) the development of trade support services, within the framework of their development goals and taking into account the evolving international environment.

10. Stemming from the focus on capacity development, UNCTAD's technical cooperation will have the following features:

- (a) It will be demand-driven, based on beneficiaries' needs;
- (b) It will be designed and implemented in such a manner as to ensure the ownership of the beneficiaries and to be supportive of national development efforts;
- (c) Programme design, formulation and implementation will be carried out in close consultation with beneficiaries and donors;
- (d) The main thrust will be to target long-term development needs such as human and institutional capacity;
- (e) Particular attention will be paid to the goal of sustainability of projects and programmes;
- (f) With a view to increasing the effectiveness and enhancing the impact of technical cooperation activities, a well sequenced approach will be adopted in the formulation and implementation of programmes and activities; and
- (g) The programmes will be designed and implemented in cooperation with international and regional agencies providers of trade- and investment-related technical cooperation, and in partnership with academia, the business community and NGOs.

11. An integrated approach for the delivery of technical cooperation will be pursued at both the UNCTAD and the inter-institutional level.

- (a) At the UNCTAD level, through more inter-divisional cooperation, the integrated approach will provide for delivery of holistic and multidisciplinary technical cooperation and capacity development in UNCTAD's areas of expertise. This will provide more coherence in UNCTAD's operation and lessen the incidence of fragmented interventions; and
- (b) At the inter-institutional level, UNCTAD will seek to strengthen cooperation and increase joint activities with other agencies providers of trade and investment technical assistance, and in particular with the United Nations regional commissions, UNDP, WTO, ITC, the World Bank and other intergovernmental institutions, including regional and subregional institutions. The main goal of UNCTAD's cooperation with other providers of trade and investment technical cooperation will be to maximize the impact of operations and increase the complementarities between institutions, so as to take advantage of their respective expertise, taking into account their mandates and comparative advantages, increase synergy and avoid duplication. Instruments such as Memoranda of Understanding and inter-agency task forces will be used as appropriate to determine the specific content of inter-institutional cooperation and complementarities.

12. According to the needs identified in each case, as well as to the human and financial resources available, regional and interregional activities benefiting a larger number of beneficiaries will be encouraged.

13. Subject to availability of human and financial resources, country-level activities will be intensified. This in particular applies to topics and modalities of technical cooperation that require customized, long-term and intense national-based operations, according to beneficiary interests and commitment in support of the operation. In this connection, cooperation and joint undertakings with United Nations Resident Coordinators and relevant agencies with field representation will be increased, particularly in the formulation and implementation of countries' national trade and development strategies. Similarly, UNCTAD will seek increased participation in country-level mechanisms such as the CCA/UNDAF, the World Bank Consultative Groups, and UNDP Round Tables.

Main forms of technical cooperation

14. UNCTAD's technical cooperation will revolve around policy analysis, institutional capacity development, and human capacity development. With regard to forms of technical cooperation, UNCTAD's technical cooperation will include, among others:

- (a) Exchanges of development experiences;
- (b) South/South cooperation and technical cooperation among developing countries (TCDC);
- (c) National case studies and thematic studies on particular development issues as part of the secretariat's work programme and as a contribution to intergovernmental and expert deliberations;
- (d) Policy reviews in the areas of development, trade, investment and science, technology and innovation, and assessments of the efficiency of trade supporting services;
- (e) Advisory services at the country, subregional and regional level;
- (f) UNCTAD-wide integrated country-level activities for selected countries, within the context of country-level coordination, in particular for least developed countries; these should also contribute to policy dialogues at World Bank consultative groups and UNDP round tables;
- (g) Support for human resources and institution-building, including the development of tool kits (e.g. software and manuals on best practices) and advice and training on their application and utilization by beneficiary countries;
- (h) Training activities encompassing both structured HRD programmes that seek to strengthen local training and research capacities, as well as *ad hoc* training workshops and familiarization seminars; and

- (i) Dissemination of information on trade, investment and related matters from UNCTAD databases to developing countries, for use by Governments or civil society.

15. UNCTAD should also further develop guidelines for partnerships with NGOs, especially regarding their involvement in thematic discussions and in delivering technical cooperation services. Several NGOs are nowadays full-fledged partners of some UNCTAD programmes, and this situation should occur more often in the future. Cooperation with the private sector, civil society and the academic community from all regions of the world will be strengthened: in part as beneficiaries, in accordance with national priorities, of UNCTAD's operational activities, and in part as sources of relevant experience and expertise for such activities. Partnerships with beneficiaries' stakeholders will be given special attention in the design and implementation of operations.

16. In carrying out technical cooperation, and in order to facilitate the exchange of the lessons of development experiences, efforts should focus on institutional capacity building. UNCTAD will:

- (a) Enhance and make full use of national expertise and institutions, so as to ensure that national stakeholders are active partners in the design and implementation of activities in the form of priority setting, skills and resources;
- (b) Promote networking, including twinning arrangements, among institutions working in similar or related fields, including institutions in developed countries; and
- (c) Draw upon institutions and expertise in other developing countries by using TCDC modalities.

Monitoring and evaluation

17. Projects and programmes will be monitored on a continuous basis for their development impact – particularly from the point of view of the development of national capacities – and for their cost-effectiveness. To facilitate this, measurable targets will be set up when projects begin. This includes benchmarks and indicators of achievement at the stage of project formulation that will also set the ground for project evaluation.

18. Selected projects and programmes will be subject to independent evaluation in agreement with both the beneficiary country(ies) and the donor(s). Evaluations will examine the impact of activities against their objectives and will propose practical recommendations to deal with deficiencies. The Working Party on the Medium-term Plan and the Programme Budget will consider each year an in-depth study on a technical cooperation programme.

19. The Board will review the technical cooperation activities of UNCTAD, including their cost-effectiveness. It will be assisted in this task by the Working Party, which will meet for this purpose immediately prior to the Board.

20. In order to ensure the effective integration of analytical work with technical cooperation, responsibility for project preparation and implementation is entrusted to the corresponding secretariat entity responsible for the work programme. UNCTAD's Technical Cooperation Service will have responsibility for ensuring the overall coherence of the secretariat's technical cooperation activities and the implementation of the strategy.

21. Strict quality control will be exercised by the secretariat through adherence to commonly established quality standards at the project design, implementation, monitoring and evaluation stages.

22. The management of technical cooperation will be improved by streamlining administrative procedures. An appropriate share of the support costs received by UNCTAD for project execution will be allocated to the responsible substantive programme in a transparent and equitable manner.

Support by member States

23. In order to support the long-term goals entailed by the focus on capacity development, donor and beneficiary countries as well the secretariat will cooperate in ensuring that the human and financial resources allocated to the implementation of this strategy achieve the required predictability and sustainability. For this purpose, priority will be given to longer-term sustainable activities, particularly through multi-year funding mechanisms and inter-divisional operations based on the thematic priorities set by the UNCTAD work programme.

*159th plenary meeting
19 September 2003*