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**Report of the United Nations Conference on Trade
and Development on its twelfth session**

Held in Accra, Ghana, from 20 to 25 April 2008

Contents¹

	<i>Page</i>
Preface	3
I. Accra Declaration	5
II. Accra Accord	9
III. Statements of position.....	47
IV. Organizational, procedural and other matters.....	49
<i>Annexes</i>	
I. Agenda for the twelfth session of the United Nations Conference on Trade and Development	53
II. Ministerial Declaration of the Group of 77 and China on the occasion of UNCTAD XII.....	55
III. Declaration of the Least Developed Countries Ministerial Meeting at UNCTAD XII.....	61
IV. Ministerial Communiqué of Landlocked Developing Countries.....	69
V. Civil Society Forum Declaration to UNCTAD XII	73
VI. List of events	85
VII. Attendance.....	89
VIII. Lists of States contained in the annex to General Assembly resolution 1995 (XIX)	93
IX. List of documents	95

¹ The UNCTAD XII website (www.unctadxii.org) contains all material relating to the Conference, including the programme, documentation and webcasts.

Preface

In conformity with General Assembly resolutions 1995 (XIX) of 30 December 1964 and 60/184 of 22 December 2005, the twelfth session of the United Nations Conference on Trade and Development was held at the International Conference Centre in Accra, Ghana, from 20 to 25 April 2008. The theme and sub-themes of the Conference were approved by the Trade and Development Board at its forty-first executive session, held from 18 to 20 April 2007, and the provisional agenda for the Conference was approved by the Board at its fifty-fourth session, held from 1 to 11 October 2007.

Also at its fifty-fourth session, the Board established the open-ended Preparatory Committee for UNCTAD XII, to be chaired by the President of the Board, Mr. Petko Draganov (Bulgaria), in order to consider the pre-Conference negotiating text. At its twenty-fourth special session, held from 17 to 20 March 2008, the Board took note of the report of the Chair of the Preparatory Committee. At its plenary meeting on 7 April 2008, the Preparatory Committee of the Trade and Development Board decided to transmit the draft UNCTAD XII negotiated text to the Conference.

The pre-Conference events held between 18 and 20 April 2008 included meetings of the World Investment Forum, the World Association of Investment Promotion Agencies (WAIPA) and the United Nations Chief Executives Board Inter-Agency Cluster on Trade and Productive Capacity. The opening ceremony and opening plenary were held on 20 April (see chap. IV). The topic of the high-level segment held on 21 April was “Trade and development for Africa’s prosperity: action and direction”. In the course of the Conference, a series of round tables were held on topics related to the sub-themes of the Conference. In addition, ministerial meetings of the Group of 77 and China, the Least Developed Countries and the Landlocked Developing Countries, and two meetings of the Civil Society Forum, were held in conjunction with the Conference and transmitted declarations to the Conference (see annexes II–V). At its closing plenary meeting, on 25 April 2008, the Conference adopted the Accra Declaration and the Accra Accord (see chaps. I and II, respectively).

I. Accra Declaration

We, the member States of UNCTAD, gathered in Accra, Ghana, from 20 to 25 April 2008, for the twelfth session of the Conference, agree on the following declaration:

1. The visionaries who created UNCTAD in 1964, just as most people on this great continent of Africa were winning their independence, would have felt vindicated by today's interconnected world and its globalized economy. Their founding tenet, that broad-based and sustainable prosperity cannot be achieved without both trade and development working in harmony in an interdependent world, has never been more pertinent.

2. We commend UNCTAD – as the focal point of 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 – for its substantial contribution to advancing the development agenda and supporting developing countries to address challenges and maximize benefits from the globalized world economy. We reiterate our commitment to UNCTAD.

3. Today, we recommit ourselves to uphold a well-functioning, universal, rules-based, open, non-discriminatory and equitable multilateral trading system which promotes development. We strongly emphasize global partnership to maximize development gains for all from globalization. We uphold the decisions taken at UNCTAD XII and urge member States and UNCTAD to put into effect the Accra Accord.

4. The outcome of this Conference will make an important contribution towards equitable and inclusive access to benefits of globalization arising from trade, finance, investment, technology and innovation, and full and productive employment. It will also inform the forthcoming major events on development, including the Development Cooperation Forum of the Economic and Social Council, the Accra High-level Forum on Aid Effectiveness, the high-level event on the Millennium Development Goals during the sixty-second session of the General Assembly, and the Financing for Development Review Conference, as well as other relevant initiatives on development.

5. Our deliberations at UNCTAD XII took place near the mid-point in the global effort to achieve the Millennium Development Goals (MDGs). Our collective record in attaining the MDGs is mixed. If the current trend is sustained, the MDG poverty-reduction target will be met for the world as a whole and for most regions. Yet some regions are not on track to achieve all the MDGs, and the projected shortfalls are most severe in sub-Saharan Africa. Moreover, challenges such as rising food and energy prices, and global economic uncertainties, compounded by climate change, have the potential to decelerate global and developing countries' growth, undermine gains from poverty reduction efforts, and pose direct risks to the poor, as well as to the social and political fabric in many countries. We must remain vigilant to ensure that our economic policies and the work of UNCTAD promote inclusive growth that will help countries attain and sustain the internationally agreed development goals, including the MDGs.

6. We resolve to find integrated solutions to these challenges. We recommit ourselves to redouble our efforts to combat poverty and hunger, and pledge to take immediate steps to bolster the world's food security. We will take all necessary

measures to meet urgent humanitarian needs in developing countries, particularly least developed countries (LDCs) and Africa. We will pay special attention to the food and nutritional needs of mothers and children. Care should be taken to ensure that trade in food products is not unnecessarily inhibited. In the medium to longer term, we will support national efforts towards increased food production, especially in Africa, LDCs and net food-importing developing countries. These efforts need to be accompanied by collective measures at the global level and an enabling environment – particularly by meaningful reform and liberalization of trade in agriculture and improved official development assistance (ODA) flows to the agricultural sector of developing countries. We also welcome the decision of the Secretary-General of the United Nations to establish a high-powered task force, comprised of eminent experts and leading policy authorities, to address the food security issue.

7. We recognize that rising food prices and agriculture input costs reflect an emerging new global commodity economy. These developments also present a unique opportunity to promote economic growth and sustainable development by improving the productivity of the commodity sectors of developing countries. We will strengthen the commodity sectors by substantially increased public and private investment, and greater value added and diversification.

8. UNCTAD XII took place at an important point in the evolution of the world economy. It followed a five-year run of robust global economic growth, prior to the onset of current difficulties. A new phase of globalization has emerged, in which the developing countries play an important role as a new and additional engine of the global economy. Although many old development challenges persist, including enduring poverty and inequality in many parts of the world, the emergence of some developing countries as regional and global dynamos of trade and investment presents fresh opportunities for development. The potentials of South–South cooperation should be fully harnessed as a real complement to, and not a substitute for, North–South cooperation.

9. We recognize that many developing countries, especially African countries and the LDCs, continue to remain on the margins of the globalization process, and are lagging behind in the achievement of the Millennium Development Goals. Their development will remain a key priority of the international community. We commend the efforts of these countries to scale up their development performance, and encourage them to deepen such efforts. The international community will make further efforts – including through mobilizing development finance and technical cooperation, broadening market access and effectively dealing with trade-distorting non-tariff measures – to accelerate development and promote positive integration into the world economy. We will strengthen support to the ongoing integration process in Africa, in particular the New Partnership for Africa's Development (NEPAD).

10. The outcome of the Doha Round of trade negotiations should ensure fair, balanced, equitable and market-opening commitments, which can deliver major benefits for development. We resolve to redouble efforts towards an expeditious conclusion of the negotiations, with meaningful and significant development outcomes. The agreement reached at the Sixth World Trade Organization Ministerial Conference, held in Hong Kong, China, to provide duty-free and quota-free market access for LDCs should be respected and implemented. The commitments made at the same conference with regard to cotton should be honoured.

11. In the context of Aid for Trade, we call for stronger national action and international support to help build domestic productive competitive export supply capacities, as well as trade-supportive logistics for developing countries, including

Africa, LDCs, landlocked developing countries, small island developing States and other structurally weak and vulnerable small economies. Aid for Trade could make a meaningful contribution to respond to these challenges. Aid for Trade should be adequately resourced and implemented, through multilateral and bilateral channels, with the United Nations and other multilateral organizations playing an important role. Implementation, monitoring and evaluation mechanisms should ensure efficient and effective utilization of Aid for Trade resources.

12. We recognize that mobilizing public and private financial resources for development is an integral element of the global partnership for development. We are concerned at the decline in the levels of ODA in recent years. We commend the sharp increase in ODA by a number of donor countries, and call upon all donors to honour their ODA commitments and to improve the effectiveness of ODA in support of nationally-owned national development strategies. We also emphasize the special importance of continued work towards durable solutions to the debt sustainability and management problems of developing countries.

13. Foreign direct investment can generate employment, transfers of technology and knowledge, access to international markets and competition, and can be complementary to national, regional and international efforts to mobilize resources for development. To seize opportunities, countries need active and well-sequenced policies to maximize the development benefits of investment flows. All countries should contribute to an enabling environment to attract foreign direct investment and increase domestic investment. In this context, investment in infrastructure, development of human resources and strengthening of institutional capacities are all relevant for sustained economic growth.

14. Financial systems continue to adapt to the realities of the twenty-first century, and should have the capacity to help reduce uncertainty and support economic growth. All countries can contribute to international financial resiliency by promoting transparent, predictable and effective regulatory regimes. In order to complement national development efforts, we recognize the urgent need to enhance coherence, governance and consistency of the international monetary, financial and trading systems. There is now greater urgency to enhance the voice and participation of developing countries and countries with economies in transition in policymaking in the areas of trade, money and finance. We encourage further progress in this regard.

15. Inclusive globalization will require fuller participation of all countries in today's global knowledge and information society. We will encourage public sector, private sector and civil society actors to strengthen efforts to put the dynamic forces of information, technology, innovation, creativity and diversity at the service of fair and equitable development for all.

16. While development is the primary responsibility of each country, domestic efforts should be facilitated and complemented by an enabling international environment based on multilaterally agreed and applied rules. It is for each Government to evaluate the trade-off between the benefits of accepting international rules and commitments, and the constraints posed by the loss of policy space. We also underline the importance of sound policies and good governance at all levels, and the effective participation and contribution of all stakeholders, including the Government, private sector and civil society. We call for further progress in enhancing the role of women at all levels of society. We also emphasize the importance of competition policies to improve consumer welfare and competitiveness.

17. Climate change currently poses a significant challenge, especially to the poor, who are least equipped to adapt. Climate change adaptation and mitigation

need to be urgently addressed, in accordance with the provisions and principles of the United Nations Framework Convention on Climate Change, bearing in mind the principle of common but differentiated responsibilities and respective capabilities, and taking into account social and economic conditions and other relevant factors. Adequate financing and technology will be critical to help developing countries to rise to this challenge. The trade and development aspects of climate change are important for development prospects of developing countries, and should be adequately taken into account in mitigation and adaptation strategies.

18. Our accomplishments in Accra, and our actions to strengthen UNCTAD by enhancing its developmental role, impact and institutional effectiveness, represent our abiding commitment to the vision of global economic growth and shared prosperity that our UNCTAD founders brought to this process 44 years ago. We best honour them by translating our decisions at this Conference into concrete actions for the benefit of future generations. To this end, we pledge to keep our multilateral trade and development institutions strong. In this spirit, let us move forward together towards UNCTAD XIII in Qatar.

II. Accra Accord

Introduction

Addressing the opportunities and challenges of globalization for development

1. Since the turn of the century, the fast-accelerating globalization of trade and capital flows has brought rapid economic growth to many countries, including developing countries and countries with economies in transition. Following an extraordinary increase in their exports, many of these countries have significantly increased their real income and enjoyed growth in employment and a reduction in poverty. Some appear to be on track to meet the Millennium Development Goals.
2. However, these advances have not been shared by all. A number of developing countries, particularly the least developed countries, have not fully participated in the global boom. In Africa, the host continent of UNCTAD XII, nearly half of all countries have not been lifted sufficiently by the recent economic recovery, although they have made efforts to face the challenges of globalization. Their growth rate did not increase in the period 2000–2006 as compared with 1995–2000, or else it remained below 3 per cent.
3. For developing countries to reap the benefits of globalization in the future, there is a need to address the impact of commodity dependence, including the volatility of prices, the pro-poor and transparent allocation of revenues as well as the diversification of production structures in economies dependent on a few commodities. All developing countries, in particular the least developed, have to build productive capacity, ensure access to basic services and strengthen their legal and regulatory frameworks and institutions.
4. The pro-development impact of globalization is not a given, but needs to be supported by political decisions and actions. Development policies and strategies at the national, regional and international levels should aim to address development opportunities and challenges, while at the same time harnessing the positive forces of globalization. National and regional efforts should be complemented by supportive global actions and by measures and policies aimed at expanding the developmental opportunities of developing countries, while taking into account national conditions and ensuring respect for national ownership, strategies and sovereignty. Recognizing the interplay between the economic, social and environmental dimensions of globalization, these policies should be tailored to the specific needs and circumstances of each country.
5. The increasing interdependence of national economies in a globalizing world and the emergence of rules-based regimes for international economic relations have meant that the space for national economic policy, that is, the scope for domestic policies, especially in the areas of trade, investment and industrial development, is now often framed by international disciplines, commitments and global market considerations. It is for each Government to evaluate the trade-off between the benefits of accepting international rules and commitments and the constraints posed by the loss of policy space. It is particularly important for developing countries, bearing in mind development goals and objectives, that all countries take into account the need for appropriate balance between national policy space and international disciplines and commitments.

6. Good governance at all levels, freedom, peace and security, domestic stability, respect for human rights, including the right to development, the rule of law, transparency, gender equality, market-oriented policies and an overall commitment to just and democratic societies are essential to all countries to attain sustainable and equitable growth and development. Sustained economic growth, poverty eradication and employment creation further require sound economic policies and solid democratic institutions responsive to the needs of the people. Both the role of the State and the role of the market are vital for designing and implementing successful development strategies, reducing poverty and attaining equitable income distribution, building physical and human infrastructure and addressing market failures where they occur.

7. The emergence of new major global players among developing countries and among countries with economies in transition has been a particularly important feature of the globalization experience of recent years. While asymmetries in international economic relations remain, the new geography of the global economy has the potential to broaden the spectrum of multilateral cooperation and to promote the integration of all developing countries in the long term. South–South economic cooperation complements rather than substitutes North–South cooperation, and can contribute to balanced global growth and development.

8. In an increasingly complex global economy, UNCTAD has an important role to play as an institution with universal membership and a mandate to serve as the focal point of the United Nations for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment and sustainable development. Increasing interdependence in the globalized economy lends UNCTAD XII additional significance.

9. The Accra Accord builds upon the São Paulo Consensus while providing updated policy analysis and policy responses as well as guidelines to strengthen UNCTAD and to enhance its development role, its impact and its institutional effectiveness. UNCTAD should examine new and long-standing issues which can foster a better understanding of the feasible ways and means of ensuring that the positive impact of globalization and trade on development is maximized.

10. While working in support of all developing countries and countries with economies in transition, UNCTAD should enhance its work on the special problems of the African continent and of the least developed countries. UNCTAD should also, as appropriate, enhance its work on the special needs and problems of small island developing States, landlocked developing countries and other structurally weak, vulnerable and small economies. It should also assist transit developing countries with their special challenges in relation to infrastructure and transport.

11. UNCTAD, within its mandate, should make a contribution to the implementation and follow-up to the outcomes of relevant global conferences. It should continue to contribute to the achievement of the internationally agreed development goals, including the Millennium Development Goals. With all aspects of its work it will help to implement the global development agenda and pave the way to 2015. It should also contribute to the implementation of specific actions requested in the 2005 World Summit, the Programme of Action for the Least Developed Countries for the Decade 2001–2010, the Monterrey Consensus of the International Conference on Financing for Development, the Johannesburg Plan of Implementation agreed at the World Summit on Sustainable Development, and the Declaration of Principles and the Plan of Action of the World Summit on the Information Society. It should also contribute to furthering the implementation of the internationally agreed goals in the Doha Ministerial Declaration and other relevant decisions.

I. Sub-theme 1: Enhancing coherence at all levels for sustainable economic development and poverty reduction in global policymaking, including the contribution of regional approaches

A. Policy analysis

12. Over the past two decades, national economic reform agendas have increasingly relied on market forces for more efficient resource allocation, focusing on improvements in the incentive structure and reduced State intervention. In the last five years, these policies, combined with favourable global conditions, have contributed to promoting overall growth in income and stability in many countries. However, proactive policies, at the national and international levels, that support capital accumulation and enhance productivity have been used for the successful integration of all developing countries into international economic relations and for sustained improvements in the welfare of all groups of the population.

13. Regional integration and cooperation, including through specific initiatives and agreements, have become a prominent feature of the international economic landscape. Geographical and cultural proximity offers considerable advantages in a range of economic areas. The further integration of developing countries and regions can contribute substantially to supporting national development agendas and fostering economic growth and efficiency, including by providing new trading opportunities and generating benefits of economies of scale for participating countries, and it is particularly important for countries of small economic size. Given the growing number of regional integration initiatives, their impact on developing countries deserves special attention taking into account different levels of development.

14. In order to complement national development efforts, there is an urgent need to enhance the coherence, governance and consistency of the international monetary, financial and trading systems. To contribute to that end, it is important to continue to improve global economic governance and to strengthen the leadership role of the United Nations in promoting development. With the same purpose, efforts should be strengthened at the national level to enhance coordination among all relevant ministries and institutions. Similarly, policy and programme coordination of international institutions and coherence at the operational and international levels should be encouraged in order to meet the Millennium Declaration development goals of sustained economic growth, poverty eradication and sustainable development.

15. Fast growth in the world economy in recent years has been associated with large current-account and capital-account imbalances. An orderly unwinding of global imbalances is a shared responsibility. It is important to promote international financial stability and sustainable growth. The efforts undertaken to this end by the International Monetary Fund and the Financial Stability Forum, as well as the consideration by the International Monetary and Financial Committee of ways to sharpen tools designed to promote international financial stability and enhance crisis prevention, are welcomed.

16. The past few years have been characterized by a favourable international environment for the external debt of developing countries. Improved global liquidity and policy improvements in developing countries have reduced risk aversion among international investors and resulted in large flows of private capital to middle-income developing countries. However, recent episodes of financial turmoil indicate that these favourable conditions may not last forever. Moreover,

some countries, including a few developing countries and countries with economies in transition, are still characterized by large current-account deficits.

17. Effective public finance, including taxation, is an essential element in financing development. However, in many developing countries the current effective tax base is too small to generate adequate public revenues, and the institutional capacities for tax collection and redistribution policies are often weak. Official development assistance (ODA) can help a country to reach adequate levels of domestic resource mobilization over an appropriate time horizon, while human capital and productive and export capacities are enhanced. For many countries in Africa, least developed countries, small island developing States and landlocked developing countries, ODA is still the largest source of external financing and is critical to the achievement of development goals and targets in national development strategies as well as those of the Millennium Declaration and other internationally agreed development targets. Thus, effective aid flows and cooperation in their delivery can be vital to efforts to achieve national and internationally agreed development goals while countries pursue efforts to develop sufficient domestic resources. Despite debt relief initiatives, many developing countries still face financing challenges and require continued international support. ODA commitments, including those by many developed countries to achieve the ODA target of 0.7 per cent of gross national product by 2015, should be fulfilled in the context of the global partnership based on shared responsibilities. The substantial new aid commitments made by many donors should make it possible for net nominal ODA to surpass its current levels, already reached in the early 1990s.

B. Policy responses

18. Efforts by developing countries to achieve the internationally agreed development goals should be firmly rooted in a global partnership for development and a strong United Nations system that is responsive and accountable to the needs and priorities of all countries, particularly the developing countries.

19. Policy diversity can help countries attain their development priorities and objectives. The diversity of economic conditions, cultures, human capital and historical experiences means that, while general principles for achieving sustained economic growth and human development can be identified, there is no one precise model for improved, growth-enhancing governance and institutions. The specific policies and practices required for improved, growth-enhancing governance and institutions should be based on detailed and rigorous diagnostic analysis that identifies binding constraints on private-sector-led growth and development. Thus, national strategies for development should take into account the needs and circumstances of each country.

20. States are strongly urged to refrain from promulgating and applying any unilateral economic, financial or trade measure not in accordance with international law and the Charter of the United Nations that impedes the full achievement of economic and social development, particularly in developing countries, and that affects commercial interests. These actions hinder market access, investments and freedom of transit and the well-being of the population of affected countries.

21. Each country has primary responsibility for its own economic and social development, and the role of national policies and development strategies cannot be overemphasized. National development efforts should be supported by an enabling national and international economic environment, and the effective implementation of a national development strategy can benefit from supportive regional and global policy measures and greater coherence in the international monetary, financial and trading systems. Sustainable development requires, at the national and international

levels, pro-growth macroeconomic policies that take into account their environmental and social impact, and efficient structural policies. Such policies should be accompanied by strengthened efforts to improve government effectiveness, regulatory quality, transparency and accountability. Trade policies should be fully integrated into a sound domestic policy framework and national development strategies. Poverty reduction and trade should be incorporated into the United Nations Development Assistance Frameworks (UNDAFs).

22. There are close links between sustainable development and poverty reduction and the empowerment of women and they are important for the achievement of the internationally agreed development goals. Gender equality and women's empowerment should be mainstreamed in development policies and practices.

23. At the national level, coherence between macro- and microeconomic policies is crucial. Microeconomic and structural policies can be designed to provide incentives for investment that can bring about productivity growth and improve the international competitiveness of domestic enterprises. The impact of policies to foster industrial development and technological upgrading can be enhanced by policies to attract foreign direct investment and trade and competition policies. Macroeconomic policies and domestic investment incentives are more likely to succeed in stimulating investment when they are complemented by structural and technological change. Trade integration is most effective when it is connected with technological upgrading and increases domestic value-added through a network of domestic forward and backward production linkages.

24. The macroeconomic management of higher fiscal and foreign-exchange earnings from commodity exports should aim to ensure that the current boom in commodity prices contributes to sustainable development, including through structural change and reforms, strengthened revenue collection and appropriate transparency, diversification, industrialization and sustainable employment creation. Resource-rich developing countries, with the support of the international community, should also use rising resource rents to ensure long-term sustainability, by investing in material and human capital and by addressing employment and social needs.

25. In developing countries, the imperatives of enterprise development and structural change imply the provision by institutions of mechanisms to implement policies designed to achieve high rates of investment and the adoption of new technologies. The guiding principle behind institutional reform should be to address the information, coordination and communication failures that undermine entrepreneurial decision-making and to improve transparency.

26. The participation of developing countries and countries with economies in transition in international economic decision-making and norm-setting should be broadened and strengthened. Efforts to reform the international financial architecture continue to be important, given that enhancing the voice and participation of developing countries and countries with economies in transition in the Bretton Woods institutions remains a continuous concern.

27. Regional cooperation among developing countries, as well as integration where pursued, can reinforce national development strategies and multilateral agreements and enhance developing countries' output growth, trade and influence. Such cooperation can deliver substantial development gains if it extends beyond trade liberalization and encompasses policies in support of growth, stability, industrial development, infrastructure, employment and structural change, it can also support innovative approaches and expand the policy options for development. Regional monetary and financial cooperation could be an important consideration in

the further evolution of the international monetary system. Regional financing mechanisms, such as regional development banks or regional capital markets, can complement international institutions and provide long-term sources of finance, especially for small economies that do not have well-developed domestic financial markets. Another positive form of cooperation involving a region's central banks relates to trade facilitation and short-term financing. Regional arrangements to promote stable exchange rates among countries within a region that enjoy a high and increasing share of intraregional trade and financial flows can be an important element in establishing a common market.

28. There is a need to enhance the role of regional and subregional agreements and free trade areas, consistent with the multilateral trading system, in the construction of a better world trading system. International financial institutions, including the regional development banks, should continue to support projects that promote subregional and regional integration among developing countries and countries with economies in transition.

29. Monetary and financial stability at the national and international level and crisis prevention are important for sustainable development and growth. All countries can contribute to international financial stability by promoting transparent, predictable and effective regulatory regimes. At the national and international levels, monetary and financial stability has to be underpinned by effective institutions identifying and preventing potential crises. At all levels this requires transparent, accurate and timely macroeconomic data, regular monitoring of debt structures and a comprehensive analysis of international capital flows.

30. Multilateral surveillance needs to remain at the centre of crisis prevention efforts and should focus not only on crisis-prone countries but also on the stability of the system as a whole. Measures to mitigate the impact of excessive volatility of short-term capital flows and to improve transparency of and information about financial flows are important and must be considered.

31. Measures to deepen the resilience of economies to external and domestic shocks are also vital to crisis prevention efforts and should be enhanced. Beyond efforts to strengthen financial stability, policy measures and technical assistance to enhance the authorities' responsiveness to risk, including strengthening macroeconomic management, mobilizing domestic resources and enhancing debt sustainability, are important.

32. Debt sustainability is essential for underpinning growth and, with effective debt management, is important to efforts to achieve national development goals. Debt sustainability analyses play a vital role in identifying the potential for debt crises. Financial resources liberated through debt relief should be directed towards activities consistent with poverty eradication, sustained economic growth, sustainable development and the achievement of the internationally agreed development goals, including the Millennium Development Goals. The Heavily Indebted Poor Countries (HIPC) Initiative and the Multilateral Debt Relief Initiative should be implemented fully and in a timely manner and additional resources should be provided to ensure that the financial capacity of the international financial institutions is not reduced. There is a need for all creditors, including non-Paris Club and commercial creditors to participate in this effort on an equitable basis. Donors are urged to ensure that their commitments to the Multilateral Debt Relief Initiative and the HIPC Initiative are additional to existing aid flows. Creditors and debtors are encouraged to fulfil their commitments as rapidly as possible and to engage in responsible borrowing and lending practices to achieve debt sustainability. Where appropriate, on a case-by-case basis, mechanisms such as debt swap should continue to be used.

33. In the area of ODA, quantity and quality issues raise complex analytical challenges. Neither measuring the quantity of aid nor measuring its quality or its effective use is an easy exercise. Further cooperation among development partners and the relevant international institutions, including the non-Development Assistance Committee (non-DAC) partners of development finance where appropriate, can improve country ownership, the closer alignment of external resources to national development priorities and mutual accountability. In this respect, the Paris Declaration on Aid Effectiveness has made an important contribution, on which the United Nations system can build. The Conference welcomes the increased resources that will become available as a result of the establishment of timetables by many developed countries to achieve the target of 0.7 per cent of gross national product for official development assistance by 2015 and to reach at least 0.5 per cent of gross national product for official development assistance by 2010 as well as, pursuant to the Brussels Programme of Action for the Least Developed Countries for the Decade 2001–2010, 0.15 per cent to 0.20 per cent for the least developed countries no later than 2010, and urges those developed countries that have not yet done so to make concrete efforts in this regard in accordance with their commitments.

34. International cooperation should continue to be supportive of the development efforts of middle-income countries, taking into account their economic and social characteristics and circumstances as well as their specific needs and priorities.

C. UNCTAD's contribution

35. UNCTAD, as the focal point within the United Nations system for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment and sustainable development, should conduct research into and analysis of macroeconomic policies, trade, investment, finance, debt and poverty, and their interdependence. Such research should be used to help developing countries to meet their development goals, including poverty eradication, to improve the welfare of their citizens and to address the opportunities and challenges created by globalization.

36. UNCTAD should continue its important role and specificity in delivering policy analysis and identifying policy options at the global and national levels. In its work on globalization and development strategies, UNCTAD should focus on:

- (a) Identifying specific needs and measures arising from the interdependence between trade, finance, investment, technology and macroeconomic policies from the point of view of its effect on development;
- (b) Contributing to a better understanding of coherence between international economic rules, practices and processes, on the one hand, and national policies and development strategies, on the other;
- (c) Supporting developing countries in their efforts to formulate development strategies adapted to their specific circumstances and to the opportunities and challenges of globalization;
- (d) Addressing the complex and wide-ranging special needs and problems faced by landlocked developing countries, small island developing States and other structurally weak, vulnerable and small economies; and
- (e) Contributing to the global development policy debate by highlighting the interlinkages between globalization, trade and development indicators based on reliable and timely statistics.

37. UNCTAD's expertise should be used to explore how globalization can support inclusive and equitable development, sustainable growth and appropriate development strategies, including an enabling environment for the private sector. It should also contribute to the objective of promoting full and productive employment by examining, in cooperation with the International Labour Organization (ILO) and other relevant international organizations, the contribution of trade to growth, employment creation and poverty reduction.

38. At the international level, UNCTAD's work should contribute to increasing coherence in global economic policymaking, particularly in terms of the interdependence and consistency of international trade, investment and financial policies and arrangements, with a view to helping developing countries to integrate successfully into the global economy and to reap greater benefits from globalization.

39. At the national level, areas to which UNCTAD should give special attention include:

- (a) The impact of growth-oriented macroeconomic and financial policies on development;
- (b) The creation of an enabling environment for the private sector and entrepreneurial investment;
- (c) Policies to enhance the productive capacity of developing countries, particularly the least developed countries (LDCs), and improve their ability to compete in the global economy;
- (d) Poverty eradication, income distribution and public revenue systems; and
- (e) Strengthening development-relevant domestic institutions.

40. UNCTAD should continue its analysis of debt and development finance issues and should maintain its capacity-building programme for public debt management. On the basis of its analytical work, UNCTAD should continue to provide technical assistance and support for developing countries in building national capacities through the Debt Management and Financial Analysis System (DMFAS) programme, in cooperation with the International Monetary Fund, the World Bank and other stakeholders. UNCTAD should continue to contribute to multilateral processes on external debt and finance, including in the "Paris Club" and the Development Cooperation Forum. Maximum synergy should be sought between analytical work and technical assistance.

41. UNCTAD must strengthen its special focus on the needs of the least developed countries and Africa across all areas of its mandate and in accordance with the Bangkok Plan of Action and the São Paulo Consensus. It should also continue to devote attention to other groups of countries with special needs, in accordance with those needs. UNCTAD should contribute to the efforts by the United Nations system to make practical policy recommendations to ensure beneficial globalization for all developing countries, drawing on UNCTAD's particular areas of expertise and comparative advantage.

42. UNCTAD should support the development efforts of middle-income countries, in particular in facing specific challenges of sustainable economic development and poverty reduction.

43. UNCTAD has traditionally played a substantive role in supporting economic cooperation among developing countries in all three pillars of its work. It should strengthen its work in this area by: (a) deepening research on and analysis of the synergies created by South-South trade, investment and finance; (b) upgrading data

and analytical tools on South–South flows and cooperation; and (c) promoting South–South and triangular cooperation.

44. Support to the Palestinian people should be intensified to alleviate the adverse economic and social situation in the Palestinian territory with a view to creating the conditions conducive to building a sovereign and viable Palestinian State in accordance with the relevant United Nations resolutions, the Road Map, the Annapolis Conference Joint Understanding and the Paris conferences. UNCTAD's programme of assistance to the Palestinian people in the areas of capacity-building, trade policy, trade facilitation, financial management, development strategies, enterprise development and investments is welcome and should be strengthened with adequate resources and related operational activities.

II. Sub-theme 2: Key trade and development issues and the new realities in the geography of the world economy

A. Policy analysis

45. Participation in the international trading system has created opportunities and challenges for developing countries, particularly LDCs. Some developing countries have emerged as regional and global dynamos of trade. Competition for commodities has intensified. There is a move towards regionalism. In the global pursuit of cost-competitive and quality-competitive labour, skills and services, a high premium is placed on knowledge, innovation and technological edge. Reducing trade barriers can promote more efficient production and higher productivity and incomes while increasing access to goods and services. More open markets, however, usually entail adjustment costs that are of particular concern in developing countries. These must be effectively addressed for developing countries to ensure that trade liberalization promotes fully inclusive growth, development and poverty reduction. Maximizing the benefits and minimizing the costs of international trade liberalization calls for mutually supportive and coherent policies and governance at all levels.

46. A challenge in the further development of the multilateral trading system is to ensure that trade will be an engine of economic growth and sustainable development, as well as poverty eradication. A well-functioning, universal, rules-based, open, non-discriminatory and equitable multilateral trading system can deliver major benefits for development. The Doha Round of multilateral trade negotiations should contribute to this objective. The Doha Round should therefore also facilitate the beneficial integration of developing countries, including LDCs, and countries with economies in transition, into the international trading system, and its final results should ensure fair, balanced, equitable and market-opening commitments among all members.

47. Accession to the World Trade Organization (WTO) is an integral part of the development strategies of most countries aiming to benefit fully from the international trading system. Making the WTO membership truly global is important. While joining the WTO brings benefits, it can be a complex and comprehensive process. In some cases, acceding countries lack adequate resources, policies and institutions. In this regard, the importance of technical assistance provided by UNCTAD, WTO and other donors, particularly for LDCs, is noted. The process of accession of developing countries to WTO should be consistent with WTO agreements and with their developing-country status. Accession of countries with economies in transition should also be consistent with WTO agreements and with their status. Some countries consider that they face excessive demands, beyond the commitments of WTO members, to accede to WTO.

48. Different types of regional trade agreements, concluded among developed countries, developing countries, as well as between developed and developing countries, are proliferating. Almost 50 per cent of global merchandise trade is covered by regional trade agreements and is not subject to most-favoured-nation treatment. Regional integration can help developing countries to overcome the limitations of small economic size by creating more trading opportunities, enhancing efficiency, increasing attractiveness for foreign direct investment, enabling economies of scale and securing greater bargaining power for countries that are members of an integrated region, thus promoting economic and social development, as well as contributing to peace and stability. Regional trade agreements should be transparent and consistent with multilateral trading rules and designed to contribute to an environment conducive to sustainable development.

49. Notwithstanding their gradual erosion as a result of several factors, including, inter alia, multilateral trade liberalization, trade preferences, including the Generalized System of Preferences, play a useful role in helping countries achieve market access and become more competitive, especially when combined with long-term national strategies to promote adjustment by preference-dependent countries to more open international markets.

50. The challenges regarding commodity trade continue to be a major issue in the twenty-first century. While the current commodity boom has improved the situation of primary commodities in world trade and revived the potential role of commodity trade in contributing to sustained economic growth and poverty reduction in the globalized economy, key realities of the commodity economy remain, including price volatility in the sector, and its impact on incomes in real terms, limited development gains from the production and trade of primary commodities for many developing countries, especially LDCs, and continued difficulties in diversification. A long-term resurgence in the demand for, and value of, primary commodities in world trade would hold out the possibility that commodity-dependent developing countries may be able to generate sufficient gains from commodity trade to relieve financing constraints and enable them to launch their economies on a sustained growth path of rising income, diversification and poverty reduction. These prospects raise opportunities and challenges for trade and development, and the need for appropriate policy responses at the national, regional and international levels.

51. Several emerging issues have a bearing on the extent to which stronger demand and higher prices for commodities will be translated into sustainable growth, development and poverty reduction. Key among these are: the consolidation and concentration of firms in international commodity supply chains and the need for a competitive environment for commodities; exchange rate appreciation and loss of competitiveness; the distribution of the gains between different actors in the commodity sector; the channelling of revenues to investment in infrastructure and human capital; the relationship between greater commodity use and sustainable development; the use of commodities as an asset; as well as the implications of volatile energy and food prices.

52. South–South cooperation has grown in importance, supported by a confluence of policy- and market-related factors. The new opportunities for trade, investment and economic cooperation among developing countries need to be fully exploited, and this tendency should be encouraged and benefits extended to all regions. It should complement North–South trade and economic cooperation for development. There is considerable potential for trade and investment among countries with economies in transition and developing countries.

53. While all States have a responsibility to safeguard their population, technical regulations should be formulated and implemented in a manner consistent with the

provisions of the multilateral trading system. There is a need to promote the full and meaningful participation of developing countries in international standard-setting processes, design new standards in a transparent and inclusive way and strengthen institutional and technical capacity in developing countries to facilitate compliance with new standards in export markets.

54. If the opportunities arising from liberalization and integration are to be fully exploited, there needs to be an enabling environment that may include both national and regional competition policies and international cooperation, to deal with anti-competitive practices, particularly those that affect trade and development of developing countries. The increased scope of anti-competitive practices, including abuse of dominance, may negate the benefits of trade and investment liberalization by developing countries.

55. The services economy is the new frontier for the expansion of trade, productivity and competitiveness, and for the provision of essential services and universal access. In recent years, some developing countries have performed well in trade in services. Positively integrating developing countries, especially LDCs, into the global services economy and increasing their participation in services trade, particularly in modes and sectors of export interest to them, remains a major development challenge. The process of liberalization shall take place with due respect for national policy objectives, the level of development of individual countries and the principle of progressive liberalization, as provided for in article XIX of the General Agreement on Trade in Services (GATS).

56. Globalization and interdependence have resulted in increasing international migration flows. This phenomenon has served to underscore the important nexus between international migration and development. All migrants should be accorded the full protection of human rights and the full observance of labour laws applicable to them, including the principles and labour rights embodied in the ILO Declaration on Fundamental Principles and Rights at Work.

57. Globalized production processes, intra-company trade and just-in-time deliveries all require efficient, cost-effective and reliable transport and logistics services and fewer administrative hurdles. Access to global transport networks, reduced transport and transaction costs and effective trade facilitation measures are crucial for active participation in international trade. In many developing countries, in particular LDCs and landlocked developing countries, the necessary basic transport infrastructure and essential trade facilitation measures are still lacking. Further steps are needed at the national and international levels to achieve full implementation of essential trade facilitation measures.

58. Climate change must be addressed owing to its economic and human implications. The United Nations Framework Convention on Climate Change, in accordance with the principle of common but differentiated responsibilities and respective capabilities, is the appropriate forum for negotiating issues related to the reduction of global warming. Climate change response measures can have trade and development implications, in particular for developing countries, especially LDCs, small island developing States and low-lying coastal States.

59. The conservation and sustainable use of biodiversity provides new opportunities for developing countries' trade and investment, as well as for their small and medium-sized enterprises dealing with biodiversity products. Trade in products and services related to biodiversity provides, for some countries, an important tool for preserving biodiversity and enhancing development, while acknowledging the social, cultural, legal and economic complexity of this issue.

60. Traditional knowledge, genetic resources, innovation and practices are important assets of developing countries, but these can be subject to loss and misappropriation. Their preservation, protection and sustainable use remain important.

61. Aid for Trade is an important tool for international trade and development. It can help all developing countries, especially LDCs, to meaningfully exploit market access opportunities. Implementation and effective use of Aid for Trade can help developing countries to put in place accompanying measures that assist them in implementing and benefiting from WTO agreements and more broadly in expanding their trade. Aid for Trade cannot be a substitute for the development benefits resulting from a successful and balanced outcome of the Doha Round but will be a valuable complement to them.

B. Policy responses

62. In order to make globalization a positive force for all, with its benefits shared equitably, a comprehensive and coherent set of development policies and initiatives is required. Ensuring the effective, qualitative and beneficial participation of all countries, in particular developing countries, in the international trading system is a critical challenge and opportunity.

63. All WTO members should uphold and reiterate their commitment within WTO to promote a well-functioning, rules-based, open, equitable, predictable and non-discriminatory multilateral trading system that promotes development. They must demonstrate their shared interest in, and the political will to achieve, the successful completion of the WTO Doha Round of negotiations and the full realization of its core agenda, in line with its overall development dimension.

64. Developing countries, LDCs and countries with economies in transition that are acceding to WTO should be able to do so on terms that reflect their individual trade, financial and development circumstances. These terms should be consistent with the rights and obligations of WTO members. WTO members should fully and faithfully implement the guidelines on LDC accession to WTO that were adopted by the WTO General Council on 10 December 2002. Developing countries, in particular LDCs, and countries with economies in transition that are acceding to WTO should, as appropriate, be provided with technical assistance prior to, during and in the follow-up to the accession process depending on their level of development and needs, and impediments should be removed so as to facilitate the accession process.

65. All countries must honour their respective commitments on duty-free and quota-free market access for LDCs, as provided for in the Ministerial Declaration of the Sixth WTO Ministerial Conference.

66. Countries engaging in regional trade agreements should ensure policy coherence and compatibility with WTO rules. Both North–South as well as South–South regional trade agreements could serve as instruments for sustainable development and poverty alleviation and regional integration processes, and could strengthen the multilateral trading system.

67. Enhancing the integration of developing countries, particularly LDCs, into international trade requires building their productive capacities and bolstering their participation in value chains, including in new and dynamic sectors of world trade. Innovation, adaptation and the adjustment of institutional structures for economic cooperation among developing countries, and regional and interregional forums for dialogue and cooperation, are important.

68. The Global System of Trade Preferences among Developing Countries (GSTP) and other similar South–South interregional initiatives are important. In this context, the ongoing third round of negotiations of the GSTP (the São Paulo round) has an important role to play. GSTP and other South–South interregional initiatives can contribute to strengthening developing countries’ role as a dynamic force in the growth of world trade.

69. Attention should be paid to helping countries with economies in transition and developing countries to mutually benefit from increased trade and investment flows.

70. While developing countries must continue to assume responsibility for their own development, the international community should assist developing countries, especially LDCs, in their efforts to develop human, institutional, regulatory, and research and development capacities and infrastructure for effective, informed and beneficial participation in international trade and in the international trading system and to engage effectively and proactively in negotiations on international trade and related areas, including through appropriately tailored technical assistance. Adequate resources should be allocated for these purposes, in particular within the framework provided by national development strategies and including those strategies aimed at poverty reduction that integrate trade-related assistance and capacity-building needs, including supply-side needs.

71. Aid for Trade, including effective technical assistance, should aim to help developing countries in their efforts to implement and benefit from trade liberalization and reform so as to build productive capacities and trade-related infrastructure based on each country’s needs and priorities. Increased and more effective Aid for Trade is needed to support all developing countries, in particular LDCs, to benefit from the rule-based international trading system. Additional, predictable, sustainable and effective financing is fundamental to fulfilling the Aid for Trade mandate. Beneficiary countries should mainstream trade and integrate Aid for Trade into their development strategies, in accordance with their national priorities, as a basis for effective and sustainable support.

72. Standards and technical regulations must be developed transparently and applied non-discriminatorily, and should not pose unnecessary obstacles to trade. Developing countries should continue to be provided with technical assistance and capacity-building support to meet standards effectively. In addition, effective measures should be taken to facilitate the full and meaningful participation of developing countries in international standard-setting processes. Special attention needs to be paid to improving the physical and quality-assurance infrastructure of developing countries and enhancing the participation of their small and medium-sized enterprises in global supply chains.

73. Meaningful trade liberalization will also require addressing non-tariff measures, including, inter alia, unilateral measures, where they may act as unnecessary trade barriers. The use of unilateral actions that are inconsistent with WTO rules can have a negative effect on efforts to move towards a truly non-discriminatory and open trading system. International efforts should be made to address non-tariff measures and reduce or eliminate arbitrary or unjustified non-tariff barriers.

74. Efforts should be made to prevent and dismantle anti-competitive structures and practices and to promote responsibility and accountability of corporate actors at both the national and the international level, thereby enabling developing countries’ producers, enterprises and consumers to take advantage of trade liberalization. This should be supplemented by the promotion of a culture of competition and improved cooperation between competition authorities. Developing countries are encouraged

to consider, as a matter of importance, establishing competition laws and frameworks best suited to their development needs, complemented by technical and financial assistance for capacity-building, taking fully into account national policy objectives and capacity constraints.

75. States are encouraged to implement the voluntary consultation mechanism provided for in section F of the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices, with a view to finding mutually acceptable solutions. Capacity-building for competition agencies in developing countries and countries with economies in transition should be strengthened. International cooperation to deal with anti-competitive practices, including through the Intergovernmental Group of Experts on Competition Law and Policy, should be continued. Furthermore, donors are encouraged to consider providing funding on a voluntary basis for an international project for capacity-building on national and regional competition law and policy.

76. The international community, especially donors and international financial institutions, should ensure that the Aid for Trade initiative is comprehensive in scope and delivered effectively, taking into account, as applicable, the Paris Declaration on Aid Effectiveness. Additional, predictable and sustainable and effective financing is fundamental to fulfilling the Aid for Trade mandate. Aid for Trade is needed to support all developing countries, in particular LDCs, to better integrate into and adjust to the world trading system, and to build productive capacity, trade-related infrastructure and competitiveness. In this context, the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries is important for LDCs. Aid for Trade should meet the common and specific needs of developing countries in a demand-driven and needs-based manner. Aid for Trade should thus reflect the priorities of beneficiaries and be consistent with their development priorities.

77. Actions are needed to deal with long-standing commodity trade and development opportunities and challenges in order to ensure that commodity-dependent developing countries, particularly the least developed among them, are able to derive increased benefits from the global integration of markets and to meet the Millennium Development Goals; and to harness development gains from the boom in commodity prices.

78. In relation to long-standing commodity trade and development opportunities and challenges, policy actions are needed to mitigate the impact of highly volatile prices and incomes, especially for agricultural commodities on commodity-dependent countries and poor farmers. Policies should also facilitate value addition and greater participation in commodity value chains by commodity-producing countries. Efforts should be made at all levels, and for all participants in the commodity sector, to improve transparency and accountability. Welfare safety nets, the use risk management tools to hedge against price volatility, diversification of the economic bases of countries benefiting from rising commodity prices, and facilitation of access to resources for financing commodity development are also important policies.

79. Actions are needed to support the effective utilization by commodity-dependent developing countries of the opportunities offered by current higher commodity prices to initiate a process of sustained economic growth towards the goal of poverty eradication. The current commodity boom is also having serious detrimental effects on the commodity-importing developing countries, particularly LDCs. These detrimental effects range from balance-of-payments problems to reduced development expenditures and to food insecurity. Concerns have also been expressed by some developing countries about market failures, the efficient

functioning of markets and the need to improve dialogue between the food-importing and food-exporting countries to reduce and stabilize world food prices. In this regard, the decision of the Secretary-General of the United Nations to immediately establish a high-powered task force, comprised of eminent experts and leading policy authorities, to address the current food crisis and its impact on poverty and the long-term food security challenges facing such countries is welcomed.

80. The increasing integration of developing countries into the global services economy will be facilitated by progressively lowering domestic and foreign trade barriers in the Doha Round and regional trade agreements. Sound national, regional and international policies, strategies, regulations and institutions in the area of services are necessary to foster an enabling environment for building a competitive services supply and tackling poverty and infrastructure and human capital deficits. Improved market-opening would unlock new opportunities in sectors of interest to developing countries. The international community should then pay special attention to the services and modes of export interest to developing countries, including LDCs. In this context, developing countries underscore the importance to them of effective liberalization of temporary movement of natural persons under Mode 4 of GATS.

81. Developing countries, in accordance with their national development priorities and capabilities, should devise national and regional strategies, as well as complementary policies, and build regulatory frameworks and institutions, to develop competitive service sectors. The development implications of ensuring universal access to essential services merit particular attention.

82. Countries are encouraged to take into consideration the development dimension of migration in the areas of global, regional and interregional cooperation with a view to facilitating dialogue and the exchange of information and experience, fostering coordination at the regional and national levels, building common understanding, promoting cooperation, contributing to capacity-building and strengthening partnership among countries of origin, transit and destination in order to take full advantage of the benefits and opportunities that migration brings to the global community.

83. Oil exporters would gain from channelling revenues into investments in infrastructure and human capital for the benefit of future generations. Attention should be given to the diversification of the energy matrix, including renewable energies. The international community, including Governments and international financial institutions, should promote an enabling environment for the development and utilization of financing mechanisms for new energy technology and infrastructure. Countries should also exchange experiences and analysis, in order to further explore the sustainable use of the biofuels alternative in a way that would promote social, technological, agricultural and trade development, while being aware of countries' needs to ensure a proper balance between food security and energy concerns.

84. The conservation and sustainable use of biodiversity provide opportunities in trade, investment and development for developing countries. Strategies to facilitate trade in products and services related to biodiversity should be considered, as appropriate, to promote trade and sustainable development.

85. Further work is needed to support developing countries, in particular LDCs, and countries with economies in transition on key issues at the interface between trade, the environment and development, such as new standards, including issues

concerning eco-labelling and certification, as well as environmentally preferable products and the transfer of and cooperation on environmentally sound technology.

86. National and international efforts are needed to preserve, protect and promote the sustainable use of traditional knowledge and genetic resources and to ensure the fair and equitable sharing of their benefits.

87. The development of efficient transport, communications and logistics infrastructure and services, and capacity-building, are strategic factors in expanding trade opportunities, in particular for landlocked developing countries and LDCs. Developing countries need to strengthen their trade and transport-related facilitation systems. Regional cooperation, partnerships and other initiatives in trade and transport facilitation should be developed and strengthened. A multilateral legal framework on international trade facilitation would bring substantial development benefits, in particular to landlocked developing countries, recognizing the importance to them of technical assistance and support for capacity-building. Trade should be further facilitated by more streamlined trade procedures, reduced administrative barriers and the increased use of information and communication technologies.

88. In view of the erosion of trade preferences, including the Generalized System of Preferences, which has both trade and development impacts on preference-receiving developing countries, including LDCs, there is a need to find appropriate solutions. In this respect, the international community should support, through effective and appropriate measures, including the outcome of the multilateral trade negotiations, preference-dependent countries in their long-term strategies to diversify their economic bases, enhance competitiveness and productive capacities, develop new export opportunities, and to integrate into the global economy.

C. UNCTAD's contribution

89. UNCTAD's contribution on trade and development should continue through analytical, consensus-building and technical assistance work in the areas of international trade in goods, services and commodities and the international trading system as provided below. UNCTAD should enhance its work on the linkages between trade and internationally agreed development goals and objectives, including the Millennium Development Goals. UNCTAD should continue to cooperate closely with other international organizations and foster coordination of system-wide United Nations activities in the area of trade and development.

90. UNCTAD should:

- (a) Continue to monitor and assess the evolution of the international trading system and of trends in international trade from a development perspective, and in particular analyse issues of concern to developing countries, placing greater emphasis on practical solutions;
- (b) Continue its work on developments in the post-Doha work programme of particular concern to developing countries;
- (c) Help develop capacities in developing countries and countries with economies in transition to establish their own negotiating priorities, and their capacity to negotiate and implement bilateral, regional and multilateral trade agreements;
- (d) Intensify its trade and trade-related technical cooperation and capacity-building activities. It should strengthen its contribution to the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries and the Joint Integrated Technical Assistance Programme (JITAP);

- (e) Continue to provide and strengthen technical support to and cooperation with developing countries, according to their level of development, particularly LDCs and countries with economies in transition, prior to, during and in the follow-up to their WTO accession process;
- (f) Promote coherence and consistency of regional trade agreements with the multilateral trading system;
- (g) Support and strengthen regional cooperation mechanisms;
- (h) Examine ways of improving the utilization of trade preferences and of making preference schemes more predictable, and continue its work on the issue of erosion of preferences;
- (i) Assist developing countries, in particular LDCs, in integrating trade and development concerns into their national development plans and poverty reduction strategies; and
- (j) Assist structurally weak, vulnerable and small economies in their efforts to integrate into the multilateral trading system and to address their exposure to internal and external economic shocks.

91. UNCTAD should continue to play a key role, with appropriate coordination with other international and regional actors, including with relevant international commodity bodies, to address the trade and development problems associated with the commodity economy, giving due attention to all commodity sectors such as agriculture, forestry, fisheries, metals and minerals and oil and gas. In this context, it should monitor developments and challenges in commodity markets and address links between international commodity trade and national development, particularly with regard to poverty reduction.

92. UNCTAD should enhance its efforts, under the three pillars of its work, to help commodity-dependent developing countries to harness development gains from the current boom in commodity prices, as well as to deal with trade and development problems related to commodity dependence.

93. In this context, it should:

- (a) Assist commodity-dependent developing countries, particularly small commodity producers, in their efforts to: develop national commodity strategies, including mainstream commodity policies into their national and regional development strategies; build supply-side capacity and attain competitiveness; move up value chains and diversify commodity sectors; comply with public and private international trade standards; access commodity information and databases; take advantage of export opportunities for commodities in emerging markets; assist developing countries, upon request, in building human and institutional capacities; assist developing countries, on request, in promoting and improving transparency and accountability in the public, private and corporate sectors in order to enable the countries concerned to maximize the benefits that accrue to them from the extractive industries, taking into account, where appropriate, the implementation of relevant initiatives on extractive industries; establish effective marketing systems and support frameworks for small commodity producers, including economically viable safety-net programmes; and develop commodity financing and risk management schemes (including commodity exchanges). In carrying out this work, UNCTAD should avoid duplication and therefore work in coordination with other relevant actors already active in this area;

- (b) Promote intergovernmental cooperation in the field of commodities and consensus-building on ways of integrating commodity policies into national, regional and international development and poverty reduction strategies; trade-related policies and instruments for resolving commodity problems; and investment and financial policies for accessing financial resources for commodity-based development, including with respect to ODA, Aid for Trade and other possibilities;
- (c) Contribute to building effective multi-stakeholder partnerships with a view to identifying innovative approaches to resolving commodity-related problems.

94. UNCTAD should strengthen its comprehensive work on services, trade and development by:

- (a) Enhancing its analysis of the capacity of developing countries and countries with economies in transition to increase their participation in global services production and trade;
- (b) Assisting developing countries and countries with economies in transition in establishing regulatory and institutional frameworks and cooperative mechanisms to support strengthening of their domestic services capacity and its efficiency and competitiveness;
- (c) Providing support in national services assessment and policy reviews;
- (d) Examining issues relating to the liberalization of trade in services and its development impact, including at the regional level;
- (e) Giving attention to multilateral rule-making in services, taking into account the interests and concerns of developing countries;
- (f) Fostering recognition of qualifications and standards;
- (g) Providing support to multilateral and regional negotiations on services; and
- (h) Strengthening services data and statistics.

95. Without prejudice to the work undertaken in other forums and in cooperation with other organizations, UNCTAD, within its mandate and in relation to the contribution of migrants to development, should conduct research and analysis on the potential benefits and opportunities of trade, investment and developmental links between countries of origin of migrants and their communities abroad.

96. UNCTAD should also:

- (a) Help strengthen the participation of developing countries in dynamic and new sectors of world trade;
- (b) Address the trade and development impact of non-tariff barriers;
- (c) Further improve and disseminate its analytical tools, such as the Trade and Development Index, and databases and software, such as TRAINS/WITS; and
- (d) Strengthen its work on the linkages between trade and internationally agreed development goals and objectives, including the Millennium Development Goals, including poverty reduction and gender equality.

97. UNCTAD should promote and support economic cooperation among developing countries, including through the exchange of experiences and institution-building. It should upgrade its data and analytical tools on South–South trade and strengthen related technical assistance programmes. It should also continue its support for the revitalization and greater utilization of the Global

System of Trade Preferences among Developing Countries and other initiatives that stimulate South–South trade.

98. UNCTAD’s work on energy-related issues should be addressed from the trade and development perspective, where relevant in the context of UNCTAD’s work on commodities, trade and environment, new and dynamic sectors, and services.

99. UNCTAD should continue its work under the Biofuels Initiative, striving to maximize trade and development gains for developing countries and countries with economies in transition while minimizing the potentially adverse environmental and social aspects of the biofuel option.

100. UNCTAD, within its mandate and without duplicating the ongoing work of other organizations, should consider climate change in its ongoing work of assisting developing countries with trade- and investment-related issues in development strategies.

101. UNCTAD should continue to provide support to developing countries and countries with economies in transition on issues at the interface between trade and environment, such as market access, agriculture, the transfer of environmentally sound technology, environmental goods and services, environmentally preferable products, and standards, including issues concerning eco-labelling and certification costs, and follow up on trade-related issues contained in the Johannesburg Plan of Implementation. It should strengthen work on the United Nations Environment Programme (UNEP)-UNCTAD Capacity-Building Task Force on Trade, Environment and Development.

102. UNCTAD should continue to build on its experience to enhance its Biotrade Initiative, which gives support to the growing market for biodiversity products and services produced in a sustainable manner. The Biotrade Initiative should continue to support the creation of an enabling policy and environment to foster private sector engagement in the sustainable use and conservation of biodiversity, while acknowledging the social, cultural, legal and economic complexity of this issue.

103. UNCTAD should further promote and support cooperation, including by facilitating voluntary consultations among member States and regional groupings, in line with section F of the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices, adopted by the General Assembly in 1980 and reaffirmed in the São Paulo Consensus and at the Fifth Conference to Review All Aspects of the Set, held in 2005.

104. UNCTAD is the focal point on the work on competition policy and related consumer welfare within the United Nations system. It provides to its member States a forum for intergovernmental policy dialogue and consensus-building in the area of competition laws and policies. It should continue to carry out research and analysis in this area for, and/or in collaboration with, its member States and international networks on competition policy. UNCTAD should continue to be a forum to discuss competition issues on the multilateral level, with close linkages to existing networks of competition authorities, and to promote the use of competition law and policy as tools for achieving domestic and international competitiveness. UNCTAD’s work in this area should promote competition law regimes that take into account the prevailing conditions in the developing countries. Accordingly, future action by UNCTAD in this area needs to focus on:

- (a) The preparation and implementation of national and regional competition law and policies and measures appropriate to developing countries’ development needs and their consumers’ welfare;

- (b) Research and deliberations regarding anti-competitive practices in different sectors, their effects on consumer welfare and global markets and developing countries' markets in particular, and mechanisms to address such effects;
- (c) Examining all issues relating to the interface between competition, privatization and innovation and their impacts on trade and development, including at the regional level;
- (d) Providing support to regional and South–South cooperation on competition policies;
- (e) Supporting developing countries in the formulation and implementation of competition laws;
- (f) Voluntary peer reviews of competition policy in UNCTAD should be extended to a wider group of developing countries and their regional economic organizations; and
- (g) Facilitating the exchange of experiences and best practices in capacity-building in different regions, including programmes like the technical assistance programme on competition and consumer protection policies for Latin America (Compal), which should be strengthened.

105. Taking into account the World Intellectual Property Organization (WIPO) Development Agenda and without prejudice to the work undertaken in other forums, UNCTAD, within its mandate, should continue to undertake research and analysis on trade and development aspects of intellectual property, including on the protection of traditional knowledge, genetic resources and folklore and fair and equitable sharing.

106. UNCTAD should continue to play an important role in developing and implementing projects under Aid for Trade. UNCTAD should continue to provide focused support to developing countries, in building their capacity to meaningfully participate in, and benefit from, the international trading system and to address the opportunities and challenges that this system offers.

107. UNCTAD should provide technical assistance to landlocked developing countries and transit developing countries to help them ensure that adequate and efficient infrastructure and services, as well as effective transit transport arrangements, are in place to support trade.

III. Sub-theme 3: Enhancing the enabling environment at all levels to strengthen productive capacity, trade and investment: mobilizing resources and harnessing knowledge for development

A. Policy analysis

108. Successful integration into international trading, production and technology networks depends both on boosting productive capacities and on benefiting from the activities of transnational corporations (TNCs), through, inter alia, establishing business linkages between domestic small and medium-sized enterprises and global TNCs and enabling them to enter into global and regional value chains through such linkages. Achieving this requires enabling policies at both the national and the international level to encourage enterprise development by, inter alia, fostering business linkages, industry clusters and entrepreneurship.

109. Global inflows of foreign direct investment (FDI), including to developing countries, have increased in recent years. However, they remain uneven in terms of

economic activities and recipient countries. For instance, investments in some countries, especially in Africa, remained concentrated in extractive industries in 2006. LDCs still attract only 0.7 per cent of global inflows (or 2.5 per cent of inflows to developing countries). The question of how to maximize benefits from global investment activities for developing countries, particularly LDCs, requires further attention.

110. While most FDI still originates in developed countries, the South accounts for a growing share of outward FDI. The rise of Southern TNCs is a relatively recent trend that opens new development opportunities. South–South FDI constitutes almost half of all inward FDI in a number of LDCs.

111. In addition to capital flows, FDI can generate employment, transfers of technology and knowledge, access to international markets and competition. Furthermore, FDI can be complementary to national, regional and international efforts to mobilize resources for development. Along with the expected benefits of FDI, potential risks include crowding out local investments, anti-competitive practices, transfer pricing and environmental and social impacts. Countries should therefore consider both the quality and quantity of FDI.

112. To seize opportunities, countries need active and well-sequenced policies to maximize the development benefits of investment flows.

113. In relation to international investment agreements, there is a need to balance the interests of home countries, host countries and foreign investors. The settlement of disputes between investors and States deserves special attention, and national capacities to negotiate development-friendly investment agreements need to be enhanced.

114. Infrastructure improvements and domestic reforms are crucial to attracting FDI. The effectiveness of national policies could be enhanced if complemented by well-designed international rules and cooperation that take into account individual countries' particular circumstances.

115. Developing countries should pursue development strategies that are compatible with their specific conditions within the framework of an enabling State, which is a State that deploys its administrative and political means for the task of economic development, efficiently focusing human and financial resources. Such a State should also provide for the positive interaction between the public and private sectors.

116. Building productive capacities requires the establishment of an enabling environment for private sector development which takes into account the dynamics of different kinds of enterprises. In seeking to seize opportunities from globalization, small and medium-sized enterprises from developing countries face challenges in terms of managerial and financial resources and the ability to upgrade and innovate. The development of entrepreneurial capacities in this respect is crucial, in particular in LDCs.

117. Insurance can help facilitate trade and commerce, generate employment, contribute to building developing countries' financial markets and spread risk. Catastrophe risk insurance has become particularly important. The insurance services sector needs to be improved in many developing countries.

118. New demands for financial and non-financial corporate transparency also create challenges, as reporting standards and codes are formulated for highly developed capital markets. Implementation can be a further challenge. In view of growing environmental concerns, companies will face rising demands from various stakeholders on environmental accounting and financial reporting.

119. The technology gap is linked to the socio-economic gap between and within nations. Today, all countries, including LDCs, need to harness knowledge and technology, and stimulate innovation, if they are to be competitive and benefit from trade and investment. Efforts are needed to ensure that intellectual property systems contribute to the promotion of technological innovation and to the transfer and dissemination of technology, to the mutual advantage of producers and users of technological knowledge and in a manner conducive to social and economic welfare and to a balance of rights and obligations, in accordance with article 7 of the Agreement on Trade-related Aspects of Intellectual Property Rights (the TRIPS Agreement).

120. Information and communication technologies (ICTs) are helping to drive globalization by lifting enterprises into the knowledge-based economy. They also contribute to the fragmentation of global value chains. Access to low-cost ICTs, in particular telecommunications, is crucial to the development of a competitive business sector, even in traditional activities of importance to developing countries, such as tourism.

121. Trade facilitation and access to efficient transport systems, as well as improvement of productive capacities, are essential for trade competitiveness. Ineffective trade procedures, excessive transport costs and lack of connectivity undermine the export competitiveness of developing countries, especially landlocked developing countries. Developing countries also face increasing demands to comply with different requirements in respect of maritime trade and supply-chain security.

122. Remittances have become significant private financial resources for households in countries of origin of migration. Remittances cannot be considered as a substitute for FDI, ODA, debt relief or other public sources of finance development. They are typically wages transferred to families mainly to meet part of the needs of the recipient households. The manner of their disposal or deployment is an individual choice. A large proportion of migrants' incomes is spent in destination countries and constitutes an important stimulus to domestic demand in their economies.

B. Policy responses

123. Efforts at all levels to promote a conducive environment for development and to introduce reform and eradicate poverty need to be supported in order to achieve the internationally agreed development goals, including the Millennium Development Goals, and commitments.

124. The primary responsibility for boosting productive capacity and technological upgrading lies with countries themselves. Attracting and benefiting from FDI requires appropriate national investment and development policies. To enable policymakers to make better informed decisions, improved data and more analysis are needed on the social, economic and development impacts of FDI and TNC activities.

125. Good governance at all levels and the rule of law can help create an environment conducive to the mobilization of resources for development, including FDI.

126. Home countries can help promote development gains from FDI in host countries through measures such as incentives, risk mitigation and capacity-building measures aimed at facilitating private flows to developing countries.

127. In the context of FDI, and in addition to their compliance with national laws and regulations, voluntary codes of conduct and corporate responsibility can help

TNCs to be a positive agent for development. TNCs should be encouraged to adopt voluntary codes of conduct that establish good business practices to address economic, social and environmental concerns.

128. Investment in basic economic and social infrastructure is vital for developing countries. Developing countries' efforts to identify and overcome obstacles to mobilizing domestic resources need to be complemented by external flows, including FDI, other private flows and ODA.

129. Countries can learn from the mistakes and successes of others, especially in an international setting that creates a global pool of existing experiences. Regional arrangements or South–South cooperation may help countries to deal with some issues, forge consensus and establish a common bargaining position.

130. National Governments, international institutions and the international community can help countries create an attractive investment environment by providing better information on national laws and regulations, as well as on international agreements and on country opportunities and risks. Sovereign risk assessments made by the private sector should maximize the use of strict, objective and transparent parameters, which can be facilitated by high-quality data and analysis.

131. Improved partnerships with the private sector both at home and abroad can help to strengthen the integration of developing countries and local producers into global production systems. Developing internationally competitive small and medium-sized enterprises requires policies aimed at domestic entrepreneurial capabilities, business linkages and industry clusters.

132. If they are to influence emerging standards on corporate transparency and accounting, developing countries need to coordinate their efforts, share their experiences with implementation, and monitor standards and codes. More work is needed on developing sound environmental accounting and reporting frameworks.

133. For developing countries and countries with economies in transition that make the strengthening of their insurance sector a priority, targeted international assistance should be made available. Policy responses should concentrate on the establishment of competitive and well-regulated insurance markets, policy advice on WTO negotiations and training programmes.

134. To help upgrade technological capabilities, Governments should regularly assess the conditions for technology acquisition and upgrading and should implement and review their science, technology and innovation (STI) policies. Supportive institutions may include public-private partnerships and STI policies may be incorporated into national development policies and poverty reduction strategies.

135. North–South, and also South–South, partnerships and cooperation should be strengthened for the sharing of knowledge, innovation and technology transfer, and to address the gaps in science and technology, education and research in developing countries, especially LDCs.

136. The international community should continue its efforts to maintain the balance and effectiveness of the international intellectual property system, in line with the agreed recommendations of the WIPO Development Agenda.

137. Measures to develop ICT infrastructure and build ICT skills must be taken to narrow the digital divide and to ensure countries' full and effective participation in the knowledge-based economy. These should continue to be supported by full participation of developing countries in ICT-related international discussions, in

particular those within the framework of the follow-up to and implementation of the outcome of the World Summit on the Information Society and the discussions in the Commission on Science and Technology for Development.

138. At the national level, ICT policies and strategies need to create an enabling environment for the domestic information economy and a competitive ICT industry. The main elements include developing the ICT infrastructure and the telecommunications sector, upgrading digital skills, implementing a legal and regulatory framework to support ICT-related business development, trade and investment, e-government and technological innovation. These actions need to be integrated in national development plans or poverty reduction strategy papers, and ICT policies need to be regularly reviewed.

139. International trade and transportation require an enabling legal framework that facilitates cross-border transactions. In this respect, the development of internationally agreed rules and standards, such as international conventions and other legal instruments agreed under the auspices of the United Nations Commission on International Trade Law (UNCITRAL) and other relevant bodies, as well as their implementation at national levels, is required to bring about genuine benefits to traders and help reduce legal, administrative and transaction costs. It is important that developing countries participate in relevant international consensus-building and negotiation processes and that their concerns and interests are taken into account. Developing countries may also require capacity-building and technical assistance, to help them in the national implementation of internationally agreed rules and standards.

140. With the increasing involvement of the private sector in transport infrastructure development, developing countries need to strengthen their capacity to monitor, regulate and facilitate this sector at the national level.

141. Policies are needed to promote competitive and effective transportation systems for both landlocked and transit developing countries, in particular in the framework of bilateral and regional arrangements. In this context, full support should be given to the comprehensive and timely implementation of the Almaty Ministerial Declaration and the Almaty Programme of Action. All efforts must be made to ensure that the outcome of the Mid-term Review of the Implementation of the Almaty Programme of Action, to be held in 2008, contributes to the establishment of efficient transit and transport systems, addressing the challenges of transit developing countries, and the integration of landlocked developing countries into the international trading system, while taking note of the Ulaanbaatar Declaration.

142. Measures to enhance the security of international supply chains and to address environmental concerns also have to be taken into account.

143. The international community has an important role to play in maximizing the benefits derived by individuals from remittances sent by migrants. Action should, inter alia, be aimed at reducing transaction costs and expanding access to financial services for migrants and their families. Such access allows migrants and their families to save, obtain credit and acquire productive assets.

144. Efforts to promote full and productive employment and decent work at the national level should be promoted, including through the use of the ILO Toolkit for Mainstreaming Employment and Decent Work, as approved by the United Nations system in May 2007.

145. The Conference welcomes the strong development orientation of the Geneva and Tunis phases of the World Summit on the Information Society and renews its

commitment to the implementation of the principles and goals contained therein. UNCTAD member States remain fully committed to the Internet Governance Forum and to the multi-stakeholder approach of the Forum as enshrined in the Tunis Agenda, which stands at the core of its success.

C. UNCTAD's contribution

146. UNCTAD's work on investment should continue to assist all developing countries, in particular LDCs and countries with special needs, in designing and implementing active policies to boost productive capacities and international competitiveness. Attention should be paid to the role of both North–South and South–South investment and domestic investment, both private and public. The work should have the objective of sustainable development and a supportive investment climate in national development strategies. UNCTAD's activities in this area should address in particular the needs of LDCs, as well as the specific needs and problems of landlocked developing countries, small island developing States and other structurally weak, vulnerable and small economies.

147. UNCTAD should continue to produce policy analysis on the development impact of FDI. It should focus on ways to maximize the net development benefits of FDI through appropriate host- and home-country policies. It should develop its activities in collecting and analysing data on TNC activity and relevant national and international laws and regulations, and strengthen its assistance to help LDCs formulate better policies on the basis of accurate and up-to-date information. It should continue its policy-oriented research on issues related to the interaction of FDI and domestic investment, the relationship between ODA and FDI, the impact of FDI on industrialization and entrepreneurship, and the role of FDI in services, infrastructure development and the building of export capacity and human resources. Other issues include the linkages between foreign and domestic firms and best practices to encourage greater flows of investment that is conducive to development. In addition, UNCTAD should further analyse investment from developing countries and countries with economies in transition, as well as explore the scope for deeper South–South cooperation.

148. UNCTAD should provide a platform for an international dialogue on best practice in investment policies. An inventory of best policy practices could contribute to a dialogue on policymaking know-how. UNCTAD, together with intergovernmental and regional organizations, particularly those from developing countries, and other partners, as well as the Organization for Economic Cooperation and Development (OECD), should engage countries at every development level to help ensure an institutional environment conducive to FDI and development. In the context of developing best practices in investment policies, it should endeavour to work with relevant regional development banks such as the African Development Bank, the Asian Development Bank, the Inter-American Development Bank and the Islamic Development Bank.

149. UNCTAD should support developing countries and countries with economies in transition in formulating and implementing investment policies and should assist them with relevant legislation and regulations, in line with their development strategies, as well as with their international obligations. Investment policy reviews (IPRs) and their follow-up, and assistance to national and subnational investment promotion agencies, play an important role in this regard. A broader and more structural approach to the process of undertaking IPRs should be considered, under which UNCTAD would be entrusted with drafting the reviews, ensuring wider coverage of developing countries and elaborating on the development implications of FDI and the related investment framework. IPRs should be regularly updated so as to maintain the focus and follow up recommendations.

150. In its advisory services, analytical work and capacity-building programmes in the field of investment promotion, UNCTAD should develop pragmatic tools and investment guides and identify best practices. In UNCTAD's advisory services, attention should be paid to the issues of interest to all developing countries, particularly issues of relevance to LDCs such as good governance in investment promotion. Investment guides should be produced for all landlocked developing countries requesting one, subject to the availability of extrabudgetary resources.

151. UNCTAD should continue to help developing countries participate in the debate on international investment agreements (IIAs). It should focus on the development dimension of IIAs and examine the effects of IIAs. UNCTAD's work in this area should include policy analysis and capacity-building in relation to the negotiation and implementation of current and future bilateral and regional investment agreements, management of investor-State disputes, alternative means of dispute settlement, the approach to investment promotion and the effects of IIAs.

152. UNCTAD should analyse voluntary enterprise policies on corporate social responsibility and other codes of conduct as a complement to national legislation with a view to identifying best practices for maximizing the development impact of corporate activities, in particular by TNCs. UNCTAD should coordinate its activities in this area with other relevant international bodies, including OECD, the World Bank, the United Nations Industrial Development Organization (UNIDO), the United Nations Global Compact and the International Organization for Standardization (ISO) Working Group on Social Responsibility, to maximize the value added of its work.

153. Taking into account the WIPO Development Agenda and without prejudice to the work undertaken in other forums, UNCTAD, within its mandate, should continue to undertake research and analysis on trade and development aspects of intellectual property, including in the areas of investment and technology.

154. UNCTAD should strengthen its activities in research and analysis, technical assistance and consensus-building with regard to stimulating enterprise development and business facilitation. Measures should be identified to enable enterprises, especially small and medium-sized ones in developing countries, to comply with international standards, promote their technological and innovation capacities, access new technologies and enhance their participation in global value chains. UNCTAD should analyse the linkages between small and medium-sized enterprises and foreign affiliates in order to increase the development benefits of FDI and enhance the international competitiveness of firms from developing countries.

155. UNCTAD should help developing countries, including by building their technical capacity, to improve their e-government practices in order to enhance the transparency and simplification of government procedures in areas such as investment and the creation and development of enterprises.

156. Through the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR), UNCTAD should help developing countries participate in the processes that set internationally recognized accounting and reporting standards and codes. Alongside development partners, UNCTAD should assist developing countries in building the technical capacity and institutions needed for the implementation of such standards and codes. It should continue to contribute to the field of environmental accounting and reporting with a view to promoting a harmonized approach among member States. UNCTAD should continue to support developing countries and countries with economies in transition in adopting and implementing the International Financial Reporting Standards.

157. UNCTAD should continue to provide policy analysis and capacity-building on prudential regulatory frameworks, the establishment of competitive insurance markets and human resources development. UNCTAD should also assist countries in the development of their insurance sector with a view to creating benefits for development. In this context, assistance should be provided especially to countries in Africa and small economies that are particularly vulnerable to catastrophic risks.

158. UNCTAD should further strengthen its research and analysis in the area of science, technology and innovation, including ICTs, and should promote effective international and national policies, in collaboration with other relevant international organizations working in this area. It should also draw lessons from successful experiences with the transfer and diffusion of technology through all channels, including FDI. It should also enhance its support to the efforts by developing countries, in particular LDCs, to respond to technological changes and assess the effectiveness of domestic innovation policy. UNCTAD should help strengthen North–South and South–South cooperation in harnessing knowledge and technology for development, and assist developing countries and countries with economies in transition through science, technology and innovation policy reviews and related technical assistance.

159. UNCTAD should also contribute to consensus-building in the international debate on science and technology for development, including ICTs and their implications for development, and continue to provide support as the secretariat to the Commission on Science and Technology for Development. UNCTAD should continue to help developing countries to participate effectively in international discussions on technology transfer and knowledge-sharing, and to identify policy options and best practice in this area. UNCTAD should furthermore continue to assist developing countries in identifying ways and means to operationalize technology transfer clauses in international agreements and in the outcomes of major United Nations conferences and summits in order to maximize their potential benefits.

160. UNCTAD should continue to provide technical assistance to countries in the area of ICT, notably on ICT policy reviews, pro-poor policies, legal and regulatory frameworks, and measuring the information economy, including through the Partnership on Measuring ICT for Development launched at UNCTAD XI.

161. UNCTAD should contribute to the implementation of the World Summit on the Information Society (WSIS) action lines on capacity-building, an enabling environment, e-business and e-science, in cooperation with other relevant international organizations. UNCTAD, also in its capacity as secretariat to the Commission on Science and Technology for Development, should assist the Commission in implementing its mandate on the follow-up to the WSIS outcomes.

162. UNCTAD should enhance its assistance in cross-divisional capacity-building programmes, including training for policymakers on the integrated treatment of the trade, investment, finance, technology and development issues referred to in paragraph 166 of the Bangkok Plan of Action, which must ensure wide and inclusive participation of developing countries. It should also continue to support the development of local teaching and research capacities in member countries' academic institutions through the Virtual Institute, and foster training and capacity-building aimed at trade practitioners in order to assist member countries in developing a sustainable local capacity in trade, investment and development issues through TrainForTrade. UNCTAD should also continue to use these programmes to strengthen the synergies between its research and capacity-building activities.

163. Also in the area of capacity-building, the UNCTAD e-Tourism initiative, launched at UNCTAD XI, should continue to be implemented, with a view to promoting the contribution of tourism to development.

164. In the area of trade facilitation, transport and related services of interest to developing countries, UNCTAD should continue to analyse issues that affect the trade and transport of developing countries and international supply-chain security. It should also disseminate its analyses and relevant information, and promote the exchange of experiences.

165. UNCTAD should undertake research to develop policy recommendations that will enable developing countries to cut transport costs and improve transport efficiency and connectivity. The research should pay special attention to the needs of the most vulnerable economies, and in particular to the development and implementation of coherent transit systems that will benefit landlocked developing countries and transit developing countries, taking into account the Almaty Ministerial Declaration and Programme of Action. Attention should also be paid to the promotion of multimodal transport.

166. UNCTAD should continue to provide capacity-building and technical assistance to policymakers and other stakeholders in developing countries on such issues as reducing transport costs and improving transport connectivity and competitiveness, developing and implementing appropriate institutional and legal frameworks, and devising and implementing national and international actions to promote transport and trade facilitation, including in transit corridors. It should coordinate this work with other relevant organizations where appropriate. It should continue to assist developing countries in transport and trade facilitation negotiations, including in the context of the Doha Round, and in ensuring the effective implementation of agreed rules and standards.

167. UNCTAD should continue to provide assistance to developing countries to design and implement policies and actions aimed at improving the efficiency of trade transactions as well as the management of transport operations. It should also continue to cooperate with member States in implementing Asycuda, the automated system for customs data.

168. Through its research and policy analysis, UNCTAD should help developing countries make informed policy choices to address the environmental challenges in relation to transport strategies, and to help identify associated capacity-building needs and appropriate regulatory responses.

169. UNCTAD should intensify its activities concerning public investment and public-private partnerships, by strengthening its research and analysis on the different forms of public investment and accounting criteria, as well as by cooperation and technical assistance.

170. Without prejudice to the work undertaken in other forums and in cooperation with other organizations, UNCTAD, within its mandate, should continue to analyse the potential of migrants' remittances to contribute to development. It should focus on ways to expand the access of migrants to financial services, maximize the benefits derived from such remittances and minimize the cost through appropriate policies, while respecting their character as private funds.

IV. Sub-theme 4: Strengthening UNCTAD: enhancing its development role, impact and institutional effectiveness

171. UNCTAD is the focal point within the United Nations for the integrated treatment of trade and development and the interrelated issues of finance,

investment, technology and sustainable development. For over 40 years UNCTAD has consistently addressed the concerns of all developing countries in the areas within its mandate and expertise, with the objective of assisting them in successfully integrating into the global economy. In the context of deepening interdependence between all countries, UNCTAD should continue its unique orientation and commitment to development through its three pillars, while remaining responsive and accountable to all member States.

172. In the context of changing realities of the global economy and changing development needs, strengthening of UNCTAD's development role, impact and institutional effectiveness is needed in order for UNCTAD to be able to provide effective guidance and support with respect to both emerging issues and long-standing problems at the interface between trade and development. This strengthening process should include, inter alia, the adoption of new and improved indicators of achievement and performance measures in the context of the Strategic Framework, the continued adaptation of its working methods and structures and a more focused approach in order to better address those issues of trade and development within UNCTAD's mandate that continue to respond to the needs, concerns and priorities of its membership, as identified through the intergovernmental process.

173. In all its work UNCTAD will make efforts to mainstream cross-cutting issues of gender equality and the empowerment of women, the promotion of sustainable development and full and productive employment.

174. In a manner that preserves UNCTAD's mandated role, UNCTAD should strategically position itself by translating into practice the following principal criteria: comparative advantage; differentiation and complementarity; and strategic and catalytic intervention, so as to put the organization's strengths to the best use in achieving development results.

175. Since UNCTAD XI, discussions on strengthening the organization have involved a number of processes, namely the mid-term review conducted by the Trade and Development Board in 2006, the work of the Panel of Eminent Persons established by the Secretary-General of UNCTAD in 2005, and the preparations for UNCTAD XII.

176. In this regard the Conference notes with appreciation the agreed outcome contained in the report of the Trade and Development Board on its forty-first executive session with the objective of strengthening UNCTAD. Those recommendations contained in clusters one and two that have already been endorsed by member States should be fully implemented. The secretariat should report to and consult member States on a regular basis in this regard.

177. Efforts to strengthen UNCTAD's role are also being made within the context of United Nations reform. UNCTAD should fully engage in the United Nations reform processes, particularly concerning the role of the United Nations in development and, consequently, efforts to strengthen system-wide coherence. Trade and development will remain a core preoccupation in the ongoing reforms in the United Nations, and UNCTAD will have a distinct role to play in carrying forward the trade and development mission of the United Nations. In order to implement effectively the United Nations reform process, it is important that the process be promoted by all organizations, and that all organizations focus on their comparative advantages and cost-effectiveness and avoid the overlapping of mandates.

178. UNCTAD's three pillars of research and analysis, consensus-building and technical cooperation form an organic whole and are inherently interlinked; they must be strengthened in order to ensure that the organization fulfils its mandate. To

ensure synergy among its three pillars, UNCTAD should strengthen its internal coordination as well as align more closely the thematic focus of its research and analysis, technical assistance and intergovernmental discussions. It should also designate regional focal points, within the current structure and within existing resources, in order to deepen its regional perspectives.

179. These three pillars should contribute, from a trade and development perspective, to the integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits in the economic, social and related fields, as well as to the achievement of the internationally agreed development goals, including the Millennium Development Goals.

180. UNCTAD and other parts of the United Nations system, other international and regional organizations and relevant international bodies should actively pursue stronger and more coherent cooperation with each other on matters pertaining to trade and development and related issues. This cooperation should be based on a clearer division of labour and maximizing synergies, complementarity and efficiency. UNCTAD should also enhance its work with civil society and the private sector, while preserving its intergovernmental nature.

181. UNCTAD should continue and strengthen its participation in the Economic and Social Council policy dialogue with the Bretton Woods institutions and WTO, given the importance of this dialogue in coordinating efforts to assist countries in achieving the internationally agreed development goals, including the Millennium Development Goals.

182. The Conference reaffirms its support for the International Trade Centre (ITC). There is particular potential for greater cooperation and complementarity between ITC and UNCTAD. ITC is the export development arm of UNCTAD and WTO, and it helps the business sector in developing countries take advantage of trade opportunities. ITC and UNCTAD should cooperate, each focusing on its comparative advantages. The development impact of many ITC activities could be enhanced through stronger linkages with UNCTAD. Similarly, many UNCTAD activities could benefit from the experience of ITC in meeting the needs of the business community. UNCTAD and ITC should also enhance their collaboration at the national level through mechanisms such as the inter-agency cluster on trade and productive sectors.

183. In view of the current challenges in commodities markets, the Secretary-General of the United Nations is urged to transform the existing Commodities Branch into an autonomous unit reporting directly to the Secretary-General of UNCTAD, within existing resources of the Commodities Branch of the Division of International Trade in Goods and Services, and Commodities, while retaining the Branch mandate and taking into account, without duplicating, the work of other relevant organizations. Through the guidance and leadership of the Secretary-General of UNCTAD, this unit should contribute more effectively to developing countries' efforts to formulate strategies and policies to respond to the challenges and opportunities of commodity markets.

A. Research and analysis

184. Research and analysis is the backbone of UNCTAD's work and it should be development-oriented, independent and grounded in solid evidence. It should also:

- (a) Provide ahead-of-the-curve and innovative work on trade and development and related issues;

- (b) Focus on the main challenges that all developing countries and countries with economies in transition face in the areas of trade and development and in the interrelated issues of finance, investment, technology and sustainable development in pursuing the internationally agreed development goals, including the Millennium Development Goals. In this regard, special attention should be paid to LDCs;
- (c) Provide practical solutions and policy options and an analytical response to emerging and long-standing development challenges and continue to examine systemic issues related to trade and development and interrelated issues;
- (d) Identify opportunities within UNCTAD's mandate to help developing countries use globalization as an engine for economic growth and poverty reduction and put forward practical policy recommendations taking into account, inter alia, international, regional and national best practices;
- (e) Take into account the needs, priorities and experiences of developing countries and their different levels of development;
- (f) Prepare, on demand and with donor support, country-specific policy reviews and case studies in the areas of investment, trade, services, commodities, science and technology and innovation, and ICTs; and
- (g) Analyse existing national policies that support development, with a view to identifying various effective policies, including innovative policies, that developing countries in general and LDCs in particular could consider in their national development strategies or incorporate in a concrete plan for the implementation of such policies in cooperation with potential beneficiaries.

185. UNCTAD's research and analysis should stimulate and underpin, and draw input from, the discussion at all levels of the intergovernmental machinery in the areas of UNCTAD's mandate. The published outcome of UNCTAD's research and analysis should be subject to an effective clearance process within the secretariat to ensure coherence by the organization in all areas of major policy importance. In its research, UNCTAD should make use of inputs from national and regional think tanks and academia. It should also enhance its peer reviews to improve the quality of its work further. Greater impact and effectiveness of UNCTAD's policy research and analysis can be achieved by focusing the research commitment within each sub-programme element, ensuring interdivisional cross-fertilization and collaboration and further promoting creative partnerships with other United Nations entities and other international organizations, enhancing development-oriented complementarity, synergies and coherence consistent with each organization's mandate, and conducting systematic evaluation of research products.

186. UNCTAD should fully implement Trade and Development Board decision 449 (EX-17) and, on that basis, it should update and improve its publications policy by focusing on its flagship research products and on the major study series and high-quality technical materials. UNCTAD should also streamline its publication programme taking into consideration the needs of developing countries and the requirements identified in the intergovernmental process. UNCTAD's biennial publications programme should continue to be reviewed and endorsed by the Trade and Development Board, according to established programme budget categories (recurrent, non-recurrent and technical publications), to ensure consistency, effectiveness and relevance.

187. The secretariat should also develop a more effective communication strategy. The strategy should target a wider audience, including high-level policymakers, the media, academic and research institutions, and civil society entities in developed

and, in particular, in developing countries. There should be greater use of electronic tools, including the UNCTAD website, and an emphasis on producing timely translations in all the official languages of the United Nations. Publications should also be disseminated in partnership with national, regional and other international organizations.

188. The communication strategy, including the updated publication policy, should be approved by the Trade and Development Board no later than its fifty-sixth session.

B. Consensus-building

189. The consensus-building pillar of UNCTAD's work is of fundamental importance. The intergovernmental machinery should strive to build consensus on policies that allow developing countries to maximize the opportunities and address the challenges of globalization and economic integration, and that promote an enabling environment for sustained economic growth and sustainable development. It should also provide guidance for the work of the secretariat in all three pillars of UNCTAD. The intergovernmental character of UNCTAD must be preserved, and the coherence between the different levels of the intergovernmental process must be enhanced.

190. The outcomes of intergovernmental meetings should be more action-oriented and should identify practical solutions to trade and development problems.

191. Greater participation of non-State actors, civil society, the private sector and other stakeholders should be encouraged in UNCTAD's intergovernmental meetings, including expert meetings, in accordance with the established rules of procedure and as prescribed in paragraphs 115–118 of the São Paulo Consensus.

1. Trade and Development Board

192. As the highest body of UNCTAD between Conferences, the Board should strengthen its decision-making and policy function and its governance function. It should ensure overall consistency in the organization's activities and their implementation in accordance with established mandates. In carrying out its mandated functions, the Board should place particular focus on:

- (a) Conducting policy dialogue and intergovernmental consensus-building on substantive and strategic policy issues;
- (b) Reviewing the flagship publications and acting as a forum for disseminating key findings;
- (c) Integrating, in a systematic and coherent manner, the outcomes of its subsidiary bodies so as to provide overall policy guidance, including direction for new work covering its three pillars;
- (d) Ensuring that the interaction among the three pillars of UNCTAD is effective and that the synergies among them are operational;
- (e) Considering the work programme of the organization as a whole and its consistency with mandates;
- (f) Overseeing the operation of its subsidiary bodies and ensuring that they and the secretariat are discharging their mandates in accordance with intergovernmental decisions of UNCTAD;
- (g) Considering and approving UNCTAD's technical cooperation strategy, based on the recommendations of the Working Party on the Medium-term Plan and the Programme Budget; and

- (h) Following up on UNCTAD's communication strategy, including its publication policy and dissemination of publications, to ensure their effective implementation, and updating as necessary, based on the recommendations of the Working Party on the Medium Term-plan and the Programme Budget.

193. The Board's agenda should reflect the interests and concerns of the UNCTAD membership, be policy-oriented, include varied and topical issues falling under the purview of UNCTAD, and be organized around themes agreed to by member States. In organizing the substantive discussions, including the high-level segment, particular attention should be paid to achieving an interactive debate drawing on, inter alia, UNCTAD's research and analysis findings.

194. The Board will add to the agenda of its regular session an additional item entitled "Development strategies in a globalized world".

195. As an organ of the General Assembly, UNCTAD should enhance its contribution to the work of its parent body. The Board's report to the General Assembly will continue to comprise negotiated outcomes on Africa, the LDCs and technical cooperation, chair's summaries and negotiated outcomes addressed to the secretariat. The Board should also contribute more to the work of the Economic and Social Council, in accordance with relevant General Assembly resolutions, particularly to work related to the integrated and coordinated implementation of and follow-up to the outcomes of the major United Nations conferences and summits.

196. The annual regular session of the Board will take place in early September.

197. In accordance with its mandated functions, the Board should make arrangements to enhance links with intergovernmental bodies whose activities are relevant to its functions. In this respect, the President of the Trade and Development Board should continue to participate in the General Assembly deliberations on trade and development and in the special high-level meetings of the Economic and Social Council with the Bretton Woods institutions, WTO and UNCTAD, and may participate in other major events in Geneva, upon invitation. The President of the Board will brief UNCTAD member States on the outcomes of such meetings and his or her participation therein.

198. The President of the Board should hold monthly consultations with the extended Bureau of the Board and interested member States to allow for regular briefings by the secretariat on forthcoming meetings, informal follow-up to meetings, and procedural and housekeeping matters. The monthly consultations should continue to serve as a forum for dialogue between the secretariat and member States on issues of interest to the organization.

199. The Conference welcomes the establishment of the Global Network of Development Think Tanks, involving institutions at the country level and regional networks. The Conference invites the Secretary-General of UNCTAD, on the basis of the experience gained and the lessons drawn in the operation of the network, in particular the virtual discussion forum, to explore the feasibility of organizing an annual meeting of the Global Network to be held in conjunction with the regular session of the Board.

200. There will be an additional agenda item at the regular session of the Trade and Development Board in 2010 entitled "Evaluation and review of UNCTAD's implementation of the Accra Accord". To address this agenda item, this regular session will be extended by one week. The Secretary-General of UNCTAD will present a report on UNCTAD's implementation of the Accra Accord; this report will be the basis for member States' discussion, which may result in recommendations to the secretariat regarding its implementation of the Accord.

2. Commissions

201. The commissions are subsidiary bodies of the Trade and Development Board and their reports, including any conclusions and recommendations agreed within the scheduled time of their sessions, will be submitted to the Trade and Development Board for approval. They are intergovernmental meetings attended by government representatives. The role of the commissions is: to conduct policy dialogue on one or two selected issues; to consider reports of expert meetings; to manage and recommend for approval the work programme of expert meetings within their purview; and to promote and strengthen synergies among the three pillars.

202. There will be two commissions: one entitled the Trade and Development Commission and the second entitled the Investment, Enterprise and Development Commission. The Trade and Development Commission will have the mandate of the previous Commission on Trade in Goods and Services, and Commodities, and will also assume responsibility for transport and trade logistics issues from the previous Commission on Enterprise, Business Facilitation and Development. The Investment, Enterprise and Development Commission will have the mandate of the previous Commission on Investment, Technology and Related Financial Issues, and will also assume responsibility for enterprise and ICT issues from the previous Commission on Enterprise, Business Facilitation and Development.

203. The outcomes of commission sessions will be agreed conclusions from the policy dialogue and recommendations to the secretariat achieved within the scheduled time of the session. In this regard, recommendations could include suggestions on areas and topics of research. On the basis of a dialogue between beneficiaries and donors, recommendations could also include suggestions on the implementation and, if so agreed by the interested parties, on the discontinuation of technical cooperation projects. These conclusions and recommendations should be focused, brief and directly related to the agenda of the session and should provide inputs to the research and analysis pillar and the technical cooperation pillar. They will be reflected in the reports of the commissions.

204. The substantive topics for commission sessions will be decided upon by the Trade and Development Board, upon the recommendation of the Bureau of the Board, at least six months in advance of the commission session, and will be based on a topic or topics selected from the secretariat research or from issues of interest identified in the reports of expert meetings. In order to allow for greater responsiveness to member States' interest in preparing for commission sessions, between sessions the Bureau of the Trade and Development Board will follow up on preparations for the next commission's session.

205. Commission sessions will be held at the same time each year in the Spring and back-to-back, in order to allow better planning and attendance, including from capitals. Each session will have a duration of five days, and this time period will include a break of one day for informal consultations. The first three days will focus on the substantive items of the agenda, comprising one or two topics decided in advance by the Bureau of the Trade and Development Board and consideration of expert meetings' reports and work plans. After a break of one day, on the last day of the session the commission will address the institutional issues on the agenda and adopt any agreed outcome.

206. The commission meetings will have as their inputs: substantive documentation prepared by the secretariat, providing secretariat views and recommendations based on secretariat research and analysis; reports of expert meetings; inputs from the Global Network of Development Think Tanks, civil society and the private sector; and secretariat activity reports. Documentation will be produced at least six weeks

in advance of the session in all official United Nations languages, in accordance with United Nations rules.

3. Expert meetings

207. Expert meetings will continue to be held under the auspices of the commissions. Expert meetings should be strengthened so that experts make a greater contribution to UNCTAD's programme of work in all three pillars. Expert meetings will be held in single sessions or in multi-year sessions. There will be no increase in the total number of expert meetings per year (eight), and individual sessions will not last more than three days. All expert meetings will comprise experts designated by member States but serving in their personal capacities. Balanced participation from capitals in different regions should be encouraged. Expert meetings should be interactive and enable all experts to participate fully; they should encourage sharing of experience and best practices; and they should facilitate networking among experts. They may generate, as part of the report of the Chair, practical options and actionable outcomes for consideration by the commissions, such as inventories of best practices, checklists, indicative guidelines, sets of criteria or principles, and model frameworks.

208. The topics and the terms of reference for multi-year expert meetings will be determined by the Trade and Development Board at its fifty-fifth session. The multi-year expert meetings will report annually to the commissions. Multi-year expert meetings will last for up to four years, though not beyond the session of the Conference following their establishment. In this regard, the Trade and Development Board will establish a multi-year expert meeting on commodities.

209. Single-session expert meetings will be convened on specific topics that require in-depth examination. The topics will be decided by the Trade and Development Board.

210. Funding for the participation of experts from developing countries, including LDCs, and countries with economies in transition must be sustainable and predictable. Funding will come from the trust fund that exists for this purpose, and the Secretary-General of UNCTAD is requested to make a renewed, sustained effort to attract contributions to the fund on a priority basis. Member States are encouraged to contribute to the fund.

211. The Intergovernmental Group of Experts on Competition Law and Policy and the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting will continue to meet annually.

C. Technical cooperation

212. As one of the three pillars of UNCTAD, technical cooperation should be fully integrated with the other two pillars. Technical cooperation should:

- (a) Deliver tangible results at the interregional, regional and national levels, to the benefit of all developing countries;
- (b) Be demand-driven and embrace country ownership;
- (c) Be based on the principles of transparency, efficiency, effectiveness and accountability;
- (d) Continue to address the needs of all developing countries, in particular LDCs;
- (e) Particularly address the needs of the African continent;
- (f) Be planned and implemented in a geographically balanced manner;

- (g) Continue to address the special needs and problems of landlocked developing countries;
- (h) Also continue to address the special needs of small island developing States, and to address the special needs of other structurally weak, vulnerable and small economies;
- (i) Be in accordance with Trade and Development Board decisions 492 (LIV) of 2007 and 478 (L) of 2003; and
- (j) Also be in accordance with the conclusions of the Mid-term Review in 2006.

213. Regional partnership-based delivery of technical assistance activities should be maximized in order to benefit from pooled resources. Local and regional expertise and material resources should be used to the maximum to enhance the institutional capacity of recipient countries and the sustainability of benefits.

214. With regard to LDCs, UNCTAD should intensify its contribution to the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries. UNCTAD, in collaboration with other participating institutions, should contribute to strengthening in-country capacities for the effective management, implementation and monitoring of the mainstreaming of trade into LDCs' national development plans. The Conference takes note of the successful outcome of the Pledging Conference on the Enhanced Integrated Framework, held in Stockholm on 25 September 2007.

215. Efforts should be pursued to improve the management, evaluation and reporting of all technical assistance activities, with greater attention being paid to:

- (a) Measuring the effectiveness and evaluating the impact of those activities, in accordance with the relevant paragraphs of Trade and Development Board decision 478 (L) and relevant United Nations rules and procedures on technical cooperation evaluation;
- (b) Clearly identifying the roles and responsibilities within the secretariat; and
- (c) Tracking the demand for assistance and the availability of funding. There should be more cross-divisional cooperation in order to promote a holistic, UNCTAD-wide perspective and to enhance synergies, cost-effectiveness and the sharing of best practices and lessons learned in the design and implementation of technical assistance activities.

216. The Conference underscores Trade and Development Board decision 492 (LIV) and encourages its effective implementation in order to increase predictability, transparency and coherence in the planning and implementation of technical assistance programmes with a view to enhancing the effectiveness and impact of UNCTAD technical cooperation.

217. Fund-raising should also be further improved. In line with Trade and Development Board decision 492 (LIV), donors and potential donors in a position to do so are urged to provide multi-year contributions to the newly established thematic trust funds so as to increase predictability in the planning and implementation of the relevant technical assistance programmes. Other ways and options to improve fund-raising and diversify the funding base should also continue to be explored, such as more effective outreach and presentation of UNCTAD technical cooperation capacities and programmes and of funding needs.

218. One of the key aims of the current United Nations reform proposal is to improve the ways in which United Nations agencies operate at the national level. UNCTAD should reinforce its operational links with other United Nations

organizations, particularly those operating at country level. The Conference welcomes the establishment by the United Nations System Chief Executives Board for Coordination of the inter-agency thematic cluster on trade and productive sectors, the purpose of which is to enhance the role of trade and related issues in United Nations development assistance plans, undertake joint operations at the country level and enhance inter-agency cooperation in system-wide initiatives in these areas. The newly established training programme for United Nations resident coordinators on the activities and programmes of the thematic cluster should be pursued actively. As a complement to that training, the designated regional focal points referred to in paragraph 178 above should, within the framework of established secretariat procedures, also assist United Nations resident coordinators in identifying and developing UNCTAD programmes for their countries and their inclusion in United Nations development frameworks. General Assembly resolution 62/208, entitled “Triennial comprehensive policy review of operational activities for development of the United Nations system”, and subsequent resolutions on this subject, should be implemented by UNCTAD as expeditiously as possible.

219. The Conference welcomes and encourages the implementation of the Aid for Trade initiative and takes note of the Aid for Trade Global Review held from 19 to 21 November 2007. The Aid for Trade initiative includes resources for technical assistance provided through both bilateral and multilateral channels to build capacity to formulate locally-owned trade policies, participate in trade negotiations, implement trade agreements, build supply-side capacities and offset adjustment costs. UNCTAD can contribute to the realization of the Aid for Trade initiative through, inter alia, its technical cooperation activities, including through its participation in the trade and productive capacity cluster.

220. UNCTAD should also improve its technical cooperation outreach towards potential recipients, including LDCs, taking into consideration Trade and Development Board decision 478 (L). The interaction between the secretariat, potential beneficiaries and donors on UNCTAD technical cooperation should be carried out in a more structured way and facilitated within the framework of the Working Party on the Medium-term Plan and the Programme Budget (Technical Cooperation).

D. Implementation

221. In order to implement the activities outlined in the operational paragraphs on UNCTAD’s contribution and on strengthening UNCTAD in the Accra Accord in an efficient and timely manner, they should be presented, in accordance with United Nations rules and practices, as the work programme for the next four years with clearly defined objectives and outputs, including timeframes and expected outcomes. The Secretary-General of UNCTAD should present the work programme to member States for discussion at the first meeting of the Working Party on the Medium-term Plan and the Programme Budget and the subsequent session of the Trade and Development Board.

III. Statements of position²

1. The representative of the **United States of America** said that his delegation understood the “right to development” to mean that each individual should enjoy the right to develop his or her own intellectual and other capacities to the maximum extent possible, through the exercise of the full range of civil and political rights and freedoms.
2. The representative of the **Islamic Republic of Iran** said that his delegation could not accept any process that led to recognition of the Israeli regime and expressed strong reservations about the inclusion of references at the end of the first sentence of paragraph 44 of the Accra Accord to the so-called “Road Map” and other processes that had not been part of General Assembly efforts and resolutions regarding the issue of Palestine.

² Made at the closing plenary of the Committee of the Whole, on Friday 25 April 2008.

IV. Organizational, procedural and other matters

A. Opening of the Conference

(Agenda item 1)

3. The inaugural ceremony of the twelfth session of the United Nations Conference on Trade and Development was held on 20 April 2008 at the Accra International Conference Centre, Accra, Ghana. Opening statements were made by Mr. Luiz Inácio da Silva, President of Brazil, Mr. John Agyekum Kufuor, President of Ghana, and Mr. Ban Ki-moon, Secretary-General of the United Nations. The session was opened by Mr. Celso Amorim, Minister of External Relations of Brazil, speaking in his capacity as outgoing President of UNCTAD XI.

B. Election of the President

(Agenda item 2)

4. At its 270th (opening) plenary meeting, on 20 April 2008, the Conference elected by acclamation as its President Mr. Joe Baidoe-Ansah, Minister of Trade, Industry, Private Sector Development and President's Special Initiatives of Ghana.

C. Establishment of sessional bodies

(Agenda item 3)

5. At the same meeting, the Conference decided to establish a committee of the whole to consider and report on the specific substantive item referred to it by the plenary (agenda item 8). It was recalled that, in line with rule 63 of the rules of procedure, the Committee of the Whole could set up such drafting groups as might be required to carry out its function.

D. Election of vice-presidents and the Rapporteur

(Agenda item 4)

6. At the same meeting, the Conference decided that its Bureau would consist of 35 members, comprising the President, the vice-presidents, the Chair of the Committee of the Whole, and the Rapporteur of the Conference. It further decided that the composition of the Bureau should be such as to ensure equitable geographical distribution, i.e. seven members from Africa, seven from Asia, seven from Latin America and the Caribbean, nine from Group B, four from Group D, and China. It waived rule 58 of the rules of procedure concerning procedures for the election of members of the Bureau, and declared the following officers elected:

Chair of the Committee of the Whole:

Mr. Petko Draganov	Bulgaria
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Vice-presidents:

Mr. Rashid Bladehane	Algeria
Mr. Alfredo Chiaradia	Argentina
Mr. Feroz Ahmed	Bangladesh
Mr. Andrei Savinykh	Belarus
Mr. Don Stephenson	Canada
Mr. Yi Xiaozhun	China
Mr. Youssouf Soumahoro	Côte d'Ivoire

Mr. Ricardo Cabrisas Ruiz	Cuba
Mr. Ramzy Ezeldin Ramzi	Egypt
Ms. Ana Vilma Albanez de Escobar	El Salvador
Mr. Pierre Jacquemot	France
Ms. Dagmar Wöhr	Germany
Mr. Rezlan Ishar Jenie	Indonesia
Mr. Seyed Masoud Mir Kazemi	Iran (Islamic Republic of)
Mr. Ronald Robinson	Jamaica
Mr. Yasuhide Nakayama	Japan
Ms. Luz María de la Mora	Mexico
Mr. Mohamed Loulichki	Morocco
Mr. Haakon Arald Gulbrandsen	Norway
Mr. Ahmed Ba Omar	Oman
Mr. Shahid Khaqan Abbasi	Pakistan
Mr. Gonzalo Gutiérrez Reinol	Peru
Ms. Erlinda F. Basilio	Philippines
Mr. João Gomes Cravinho	Portugal
Mr. Vladimir Tkachenko	Russian Federation
Ms. Andrej Ster	Slovenia
Mr. Rob Davies	South Africa
Mr. Alfredo Bonet Baiget	Spain
Mr. Noppadon Pattama	Thailand
Mr. Nelson Gagawala Wambuzi	Uganda
Mr. George Dragnich	United States of America
Mr. Jorge Valero	Venezuela (Bolivarian Republic of)

Rapporteur:

Mr. Darius Kurek	Switzerland
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7. In accordance with past practice, the Conference decided that the coordinators of regional groups would be fully associated with the work of the Bureau.

E. Credentials of representatives to the Conference

(Agenda item 5)

(a) Appointment of the Credentials Committee

8. Also at its opening plenary meeting, on 20 April 2008, and in accordance with rule 14 of the rules of procedure, the Conference established a credentials committee consisting of nine members. In accordance with past practice, the Committee was to be composed of the same nine States as appointed by the General Assembly to serve on the Credentials Committee at its sixty-second session. The composition of the Credentials Committee was thus as follows: Angola, China, Chile, Namibia, Russian Federation, Singapore, Switzerland, Suriname and the United States of America.

(b) Report of the Credentials Committee

9. At its 280th (closing) plenary meeting, on 25 April 2008, the Conference approved the report of the Credentials Committee, contained in document TD/440.

F. Adoption of the agenda

(Agenda item 6)

10. At its opening plenary meeting, the Conference adopted the provisional agenda for its eleventh session, as contained in document TD/414 (see annex I below).

G. General debate

(Agenda item 7)

11. In the course of the general debate, statements were made by, or on behalf of, 95 member States, the observer for Palestine, six United Nations bodies and specialized agencies, and five intergovernmental organizations. Statements and archived videos of the general debate can be found at www.unctadxii.org.

H. Other business

(Agenda item 9)

(a) Periodic review by the Conference of the lists of States contained in the annex to General Assembly resolution 1995 (XIX)

12. At its closing plenary meeting, on 25 April 2008, the Conference endorsed the lists of States contained in document TD/B/INF.211 (see annex VIII).

(b) Report of the Trade and Development Board to the Conference

13. At the same meeting, the Conference took note of the report of the Trade and Development Board to the Conference, contained in document TD/441.

(c) Financial implications of the actions of the Conference

14. At the same meeting, Mr. Oluseye Oduyemi, Director of the Division of Management of UNCTAD, said that, owing to the late finalization of the Accra Accord, the secretariat had not been able to prepare the formal statement of the administrative and financial implications of the adoption of the Accord. He then read out the following statement from the United Nations Comptroller:

“It is expected that the Trade and Development Board, at its fifty-fifth session, would carry out a thorough review of the Accra Accord and would make related decisions, especially with regard to paragraphs 202–214. In this light, a resulting statement of programme budget implications, if applicable, would be submitted to the Board by the secretariat.”

15. The representative of the United States of America said that it was his understanding that the adoption of the Accord had no programme budget implications.

16. Mr. Oduyemi said that he had no information to the contrary, and emphasized that a statement would be submitted only “if applicable”.

17. The Conference took note of the statement by the Director of the Division of Management.

I. Adoption of the report of the Conference to the General Assembly

(Agenda item 10)

18. Also at its closing plenary meeting, the Conference adopted its report to the General Assembly, contained in document TD/L.399, on the understanding that it

would be finalized to take into account the proceedings of the closing plenary meeting under the authority of the Rapporteur.

J. Expression of gratitude to the Government and people of Ghana

19. At the closing plenary meeting, the Conference adopted by acclamation an expression of gratitude to the Government and people of Ghana presented by the representative of the United Republic of Tanzania.

K. Venue of the thirteenth United Nations Conference on Trade and Development

20. At the opening plenary meeting, Mr. Yusef Hussein Kamal, Minister of Finance and Acting Minister of Economy and Commerce of Qatar, announced his Government's offer to host the thirteenth United Nations Conference on Trade and Development (UNCTAD XIII), in 2012.

21. The Chair of the Group of 77 and China made a statement welcoming the offer by the Government of Qatar.

22. The President of the Conference, speaking on behalf of the Conference, welcomed the offer, which he took as a sign of confidence in UNCTAD and which augured well for the success of UNCTAD XII.

Annex I

Agenda for the twelfth session of the United Nations Conference on Trade and Development

1. Opening of the Conference
2. Election of the President
3. Establishment of sessional bodies
4. Election of vice-presidents and the Rapporteur
5. Credentials of representatives to the Conference:
 - (a) Appointment of the Credentials Committee
 - (b) Report of the Credentials Committee
6. Adoption of the agenda
7. General debate
8. Addressing the opportunities and challenges of globalization for development:
 - (a) Enhancing coherence at all levels for sustainable economic development and poverty reduction in global policymaking, including the contribution of regional approaches
 - (b) Key trade and development issues and the new realities in the geography of the world economy
 - (c) Enhancing the enabling environment at all levels to strengthen productive capacity, trade and investment: mobilizing resources and harnessing knowledge for development
 - (d) Strengthening UNCTAD: enhancing its development role, impact and institutional effectiveness
9. Other business:
 - (a) Periodic review by the Conference of the lists of States contained in the annex to General Assembly resolution 1995 (XIX)
 - (b) Report of the Trade and Development Board to the Conference
 - (c) Financial implications of the actions of the Conference
10. Adoption of the report of the Conference to the General Assembly

Annex II

Ministerial Declaration of the Group of 77 and China on the occasion of UNCTAD XII

1. We, the Ministers of the member States of the Group of 77 and China, met in Accra, Ghana, on 20 April 2008 on the occasion of the twelfth United Nations Conference on Trade and Development. We express our appreciation and gratitude to the Republic of Ghana and its people for the excellent organization and hosting of the ministerial meeting and the warm hospitality which has been bestowed on us in the city of Accra since our arrival.

2. We reaffirm the central role of UNCTAD as the focal point within the United Nations for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment and sustainable development. UNCTAD is pre-eminently placed to respond to the current and emerging challenges facing developing countries. The mandate and functions of UNCTAD give the Organization a special role in the overall configuration of multilateral institutions and the United Nations system. In this regard, we call for the strengthening of UNCTAD's three pillars (research and analysis, consensus-building and technical cooperation) and the intergovernmental machinery. We urgently call for the maintenance of the existing intergovernmental structure of UNCTAD comprising three commissions, one of which should be devoted to globalization to give advice to developing countries on issues relating to the challenges of globalization.

3. We recognize UNCTAD's unique orientation and its commitment to serving the goal of development and are assured that it will continue to play a vital role in providing insights on strategic and systemic issues. The three pillars of UNCTAD must work in an integrated and holistic manner to contribute directly to the global debate on development as we move towards the 2015 review meeting on the Millennium Development Goals (MDGs). That occasion presents us with an excellent opportunity to further enhance the role of the United Nations in international economic governance, and its centrality in development in the United Nations agenda.

4. We underscore the importance of strengthening multilateralism and the United Nations system in the face of growing unilateralism. We also reject one-size-fits-all policies and rules limiting the policy space available to developing countries and their ability to choose appropriate economic policies. Recognizing our commitments to international obligations, we reaffirm that policy space is necessary to fully implement them in a manner best suited to our diverse national circumstances and conditions.

5. We reaffirm the Bangkok Plan of Action and the São Paulo Consensus, UNCTAD XII constitutes an excellent occasion to, building on this basis, review and reinvigorate international economic cooperation with a view to enhancing the development of all developing countries and to providing a development-oriented policy paradigm, policy dialogue and consensus-building. The Conference can advance this aim by galvanizing support for a more development-friendly global economic, trade and financial system. We call on development partners to continue to strengthen the North–South dialogue in pursuit of a shared development agenda.

6. We appreciate the importance of achieving the internationally agreed development goals, as outlined at previous United Nations summits and other forums. Furthermore, we look forward to the General Assembly high-level event on the Millennium Development Goals with a focus on Africa in September 2008 to

review progress made in the fulfilment of all the commitments set out in the United Nations Millennium Declaration. We therefore welcome the United Nations Secretary-General's initiative to scale up efforts to achieve the MDGs to enable the "bottom billion" to finally escape the poverty trap. In this context, we welcome the setting-up of the MDG Africa Steering Group, as it draws together United Nations agencies and other key partners to address systematically the special needs of African countries in their pursuit of development.

7. The current global institutional architecture for global economic governance requires fundamental reforms to provide an adequate framework for dealing with the realities of today's international economic and financial relations and to respond to the needs of the vast majority of the poor. Progress must be made in enhancing the coherence of the international economic architecture, particularly the interplay of the multilateral trading system and the international financial and monetary systems. There is a need for more inclusive and transparent governance of global economic relations, with an adequate voice and participation of developing countries in international economic decision-making. We therefore call on UNCTAD to give policy recommendations on all trade and development-related matters, including those sectors being pursued in the WTO negotiations. This will help developing countries maximize development gains from multilateral trading system.

8. We are particularly concerned that the Doha Round negotiations in WTO have not concluded yet and have not met the expectations of developing countries. All WTO members should uphold and reiterate their commitment for WTO to promote an open, equitable, rule-based, predictable, non-discriminatory and development-friendly multilateral trading system. They must demonstrate their political will and shared interest in achieving the success of the Doha Round and the realization of its development agenda, with the necessary special and differential treatment for developing countries. The Doha Round should therefore also facilitate the beneficial integration of developing countries, particularly LDCs, into the multilateral trading system, and its final results should ensure fair, equitable and realizable commitments. The specific and particular needs of LDCs must be addressed appropriately to fulfill promises made at Doha and at subsequent trade negotiation forums. We also support the Maseru LDC Ministerial Declaration and urge the international community to address the needs of LDCs. We call on UNCTAD to strengthen and prioritize its effort to help all developing countries derive development gains from their participation in the multilateral trading system and trade negotiations.

9. The Doha Round should bring about improvements in multilateral rules that address and remove existing asymmetries and enhance the fairness and equity of the multilateral trading system. In this light, the centrality of agriculture needs to be stressed: the fundamental basis for the existence of a fair and balanced trade in agriculture is the removal of the distortions currently present in agricultural trade. Agricultural domestic support granted for agricultural production by some developed countries must be effectively and substantially reduced, in accordance with the Doha mandate. Moreover, the Doha Round must eliminate all forms of export subsidies. We urge those developed countries providing subsidies for the cotton section to eliminate expeditiously both export subsidies and production-related domestic support, particularly with a view to fully addressing the concerns of cotton producers in Africa. The possible adverse impacts on LDCs and net-food-importing developing countries of a WTO agreement, including implementation costs and other concerns, must be adequately addressed. Aid for Trade should be adequately funded through additionality and predictability of resources, to ensure that the needs of all developing countries, particularly LDCs, are met.

10. The North–South dialogue and negotiations, including triangular cooperation as a means of simultaneously promoting South–South and North–South cooperation, require genuine cooperation for development through global partnership. The growing number and complexity of North–South trade agreements, such as bilateral free trade agreements (FTAs) and economic partnership agreements (EPAs) between the African, Caribbean and Pacific (ACP) countries and the European Union, point to the importance of ensuring coherence for sustainable development and a positive interface between regional trade agreements (RTAs) and the multilateral trading system, as well as with national development strategies of developing countries, so that these agreements more effectively contribute to the attainment of the MDGs and poverty eradication. RTAs should be compliant with WTO rules, taking into account their development dimension. North–South RTAs should not result in additional burdens for developing countries, particularly for LDCs.

11. We emphasize the importance of strengthening WTO universality and accession. The accession process should be accelerated without political impediments and in an expeditious and transparent manner for developing countries, especially for LDCs applying to join the Organization. This would contribute to the rapid and full integration of these countries into the multilateral trading system. UNCTAD's unique role in and quality assistance for WTO accession should be strengthened and prioritized.

12. We note with concern that recent escalations in food and grain prices have caused social and political destabilization and market instability in several of our member States. Collective urgent measures at the global level are required to assure the world of adequate food security and stable food and grain markets. Renewed attention is required for the development of the agricultural sector, particularly in Africa and the net-food-importing developing countries.

13. We call on UNCTAD to help developing countries address the impact of commodity dependence, as well as the diversification of production structures in economies dependent on a few commodities. Domestic commodity diversification efforts need to be supported by specific actions by the international community to address the productive capacity deficiencies of commodity-dependent countries, particularly the LDCs. UNCTAD has been, and should remain, at the forefront of efforts to resolve the trade and development problems associated with commodity dependence. Policy options should be developed to garner assistance for commodity-dependent developing countries through UNCTAD's pillars in order to mainstream commodity policies into their national and regional development strategies.

14. We underscore the importance of the Arusha Declaration and Plan of Action on African Commodities (2005), the African Union Trade Ministers' declaration on UNCTAD XII (2008), the outcome of the pre-UNCTAD XII Brasilia Conference on the Global Initiative on Commodities (2007), the Arusha outcome of the expert meeting of LDCs (2007) in preparation for UNCTAD XII and General Assembly resolution 61/190, and request the support of the international community for their full implementation. We also underscore the importance of achieving a development-oriented outcome within the context of the Doha Round of negotiations. We call on the Secretary-General of the United Nations to urgently establish a subprogramme on commodities at UNCTAD during the current UNCTAD work programme, taking into account the recommendations of regional and international organizations; and we invite UNCTAD members to establish a commodity-specific intergovernmental machinery, in the form of a multi-year committee or a group of experts entrusted with the monitoring of the above-mentioned programme. The subprogramme on commodities should take into

account work being undertaken in regional/international organizations, including the World Trade Organization.

15. We express concern over the current subprime financial and credit crisis as well as the recent financial market instability and their adverse impact on the development prospects of developing countries, including the latter's access to crucial finance and credits. These situations require a vigorous international response to ensure that the sustained growth of the world economy and the development efforts of developing countries are not severely affected. In this respect, we also highlight the need for the establishment of new international financial architecture which guarantees the full participation of developing countries, including through reforms of the monitoring and regulatory systems. This architecture should further improve response capabilities for dealing with the emergence and spread of financial crises, and should give developing countries greater flexibility and autonomy in the management of capital flows. The discussions on the reform of the international financial architecture should place greater emphasis on the democratization of international economic decision-making, enhanced measures to mitigate excessive volatility, and financing for development.

16. We are concerned about the decline in levels of official development assistance (ODA) to less than one-third of the internationally agreed target of 0.7 per cent of the gross national product (GNP) of donor countries. We reiterate the need to meet, in an expeditious manner, the internationally agreed targets for ODA of 0.7 per cent of GNP of donor countries to developing countries and of an additional 0.15 per cent to 0.2 per cent of GNP to the least developed countries by 2015, in accordance with the Monterrey Consensus and the renewed commitments undertaken in various subsequent forums. We reiterate the call made by the leaders of the Group of 77 and China at the Second South Summit in 2005 in Qatar for the establishment of an effective monitoring mechanism to ensure that the internationally agreed ODA targets, most recently those established for Africa, are met.

17. We look forward to the Follow-up International Conference on Financing for Development to Review the Implementation of the Monterrey Consensus, later this year at Doha, Qatar. This should contribute, inter alia, to building consensus on a durable solution to developing countries' external debt problems, including through debt relief from developed country creditors. The review should also address ways and means of addressing the long-term needs and challenges in the area of development financing, inter alia by ensuring a conducive global environment for development.

18. We call on UNCTAD to assist developing countries in addressing the development dimension of intellectual property and the trade-related aspects of intellectual property rights, including improvements in the transfer of technology to developing countries, the development dimension and implications of the establishment and enforcement of intellectual property rights, as well as protection of traditional knowledge, genetic resources and folklore and fair and equitable benefit-sharing. We further call on the international community to continue its efforts towards a balanced international intellectual property system, in accordance with the Development Agenda of the World Intellectual Property Organization.

19. We call on UNCTAD to take a proactive role in addressing the trade and development dimension of the new and emerging issues of energy, climate change and migration. With regard to energy, we acknowledge the need to address the issue of renewable sources of energy, including biofuels. Special attention must be paid to the maintenance of food security while producing biofuels. Moreover, we are fully committed to the effective follow-up to the United Nations Climate Change

Conference (Bali, 2007). Finally, we recognize the challenges posed by migration; however, developing countries need to be enabled to derive development-friendly benefits from it. Special attention to these issues is needed, because of their bearing on development efforts.

20. We recognize the increased relevance of South–South cooperation, both as a strategy in support of development efforts of developing countries and as a means of enhancing the participation of developing countries in the emerging global economy. We reaffirm commitments to implement fully the Havana Programme of Action, the Marrakech Framework of Implementation of South–South Cooperation and the Doha Plan of Action, which, taken together, represent a comprehensive framework for intensified cooperation among developing countries.

21. We welcome General Assembly resolution 62/209 for the convening of a high-level conference on South–South cooperation in commemoration of the thirtieth anniversary of the adoption of the Buenos Aires Plan of Action in 1978, and welcome in this regard the generous offer made by the Government of Argentina to host this event in the first half of 2009. We look forward to the follow-up in 2008 to the Buenos Aires Plan of Action for promoting and implementing technical cooperation among developing countries, and its success, and to the outcome of the Ministerial Meeting of the Africa–South America Summit, to be held in Marrakech, Morocco, in June 2008.

22. We welcome the progress made in the third round of the Global System of Trade Preferences (GSTP), as an important instrument for South–South trade. In this regard, we take note of the efforts of the participants in the Third Round of the GSTP towards the successful conclusion of the negotiations by the end of 2008.

23. We firmly reject the imposition of laws and regulations that entail extraterritorial consequences and all other forms of coercive economic measures, including unilateral sanctions against developing countries. We urge the international community to adopt urgent and effective measures to eliminate the use of such measures.

24. Support to the Palestinian people must be sustained by analysing and alleviating the adverse economic impact of the prolonged Israeli occupation and conflict conditions, with a view to ending the occupation and achieving a sovereign, economically viable and independent Palestinian State. In this regard, UNCTAD's programme of assistance to the Palestinian people should intensify its policy advice and related operational activities and dedicate adequate resources to its activities in this regard.

25. We recognize the different levels of development and size of economies among the developing countries, and call on UNCTAD to enhance its work on the special problems of LDCs, African countries, small island developing States, structurally weak, vulnerable and small economies and the related problems and challenges faced by middle-income countries. In addition, we call on UNCTAD to provide appropriate support to facilitate the implementation of the Brussels Programme of Action for the Least Developed Countries for the Decade 2001–2010, the Barbados Programme of Action and the Mauritius Strategy. We recognize the special needs of the landlocked developing countries (LLDCs), and call on UNCTAD to continue to address those needs and provide appropriate support for the comprehensive and timely implementation of the Almaty Ministerial Declaration and Programme of Action. All efforts must be made to ensure that the outcome of the mid-term review of the implementation of the Almaty Programme of Action to be held in 2008 contributes to establishing efficient transport systems and integration of LLDCs into the international trading system and addressing the

challenges and problems faced by transit developing countries. We also take note of the Ulaanbaatar Declaration.

26. We reiterate the need to continue strengthening the capabilities of the Group of 77 and China to address today's challenges and opportunities through, inter alia, further enhancing coordination among the various chapters based in the various United Nations host cities at both the formal and informal levels, and strengthening coordination and cooperation with relevant South institutions, including through the use of modern technology, so that the collective wisdom and experience of the Group could be brought to bear in addressing the international agenda, inter alia through multilateral negotiations. In accordance with the Second South Summit outcomes, the Group should continue to explore ways to establish an open-ended working group to study possible ways and means of strengthening the G77 and China and its secretariat, including identifying common modalities to facilitate inter-chapter cooperation as well as innovative approaches to address resource and personnel requirements of the G77 secretariat so that it may meet the needs of the entire Group of 77 and China.

27. We call on the donors to increase their contribution to UNCTAD in order to enable it to effectively discharge its mandate for the benefits of all developing countries.

28. We welcome and endorse the generous offer of the Government of Qatar to host UNCTAD XIII in 2012.

Annex III

Declaration of the Least Developed Countries Ministerial Meeting at UNCTAD XII

We, the Ministers of the least developed countries (LDCs), having met in Accra, Ghana, on 19 April 2008, in the context of the twelfth session of the United Nations Conference on Trade and Development (UNCTAD XII), held from 20 to 25 April 2008,

Recalling the Programme of Action for the Least Developed Countries for the Decade 2001–2010 and the outcome of the high-level meeting on the mid-term review of progress made in the implementation of actions and commitments therein,

Recalling also paragraph 114 of the Brussels Programme of Action on the holding of the Fourth United Nations Conference on the Least Developed Countries towards the end of the current decade; and *welcoming in this regard* the decision of the United Nations General Assembly at its sixty-second session, in which it invited the Secretary-General to prepare a note outlining the modalities of such a conference, including its preparatory process,

Recalling further the Millennium Declaration and the Millennium Development Goals (MDGs), aimed inter alia at reducing extreme poverty by half by 2015,

Reaffirming the declarations of Addis Ababa, Maseru and Istanbul, adopted, respectively, by the ministers of trade and finance of the African Union (1–3 April 2008), the ministers of LDCs responsible for trade (27–29 February 2008) and the Ministerial Conference of Least Developed Countries (9–10 July 2007),

Expressing our serious concerns on the current astronomical rise in food and energy prices that have adverse effects on our peoples; and *urging* development partners, especial donors and creditor institutions to provide more aid to ensure access to food to needy people and to help small farmers in our countries,

Expressing further our appreciation and full support to the United Nations Secretary-General's important and timely initiative to make the year 2008 "the year of the bottom billion" aimed at ensuring the benefits from globalization to the poorest of the poor,

Urging our trading and development partners to step up efforts to support our development process though, among other things, improved and strengthened international support measures, particularly in the areas of official development assistance (ODA), debt relief, market access, foreign direct investment (FDI), and transfer of technology and technological know-how to our countries,

Adopt the following Declaration:

1. We are encouraged by the recent improvements in the overall economic performance of our countries as a group, largely driven by improved world commodity prices, growth in traditional and non-traditional exports, improved domestic policies and increased international support measures. While such an improvement is a cause for optimism, there is a concern that it has not been accompanied by structural transformation in our economies, implying a high degree of vulnerability to shocks and crises – leading to a sudden collapse in national output, a rise in unemployment and a sharp increase in income poverty.

2. In order for our countries to take advantage of globalization, their vulnerability to shocks and crises should be mitigated through combined national

and international measures. At the national level, we reaffirm our commitment to continue improving our macroeconomic and fiscal policies in order to mitigate policy-induced risks of vulnerability and growth collapse in our countries. Our efforts will, in particular, aim at creating an enabling environment to diversify our economic base and to improve productive capacities of our economies into production of higher value-added goods and services, leading to fundamental socio-economic transformations.

3. However, our domestic efforts are necessary yet insufficient to ensure sustained, accelerated and balanced economic growth and development as a basis for mitigating the risks of economic vulnerability and improving the living standards of our peoples. Consequently, if current poverty trends continue, most of our countries will not be able to meet the MDGs, particularly poverty reduction goals. This is particularly the case with our countries, which are unable to stave off shocks and crises originating outside their borders. The support of our development partners is a crucial complement to our country-level actions to ensure sustained economic growth and accelerated poverty reduction in our countries.

4. We welcome the recent increase, in absolute terms, in net ODA flows to our countries. We express our appreciation to donors who have already met or surpassed the special ODA target of 0.15–0.20 per cent of their gross national product (GNP) to LDCs, and we urge those who have not done so to fully and expeditiously meet their commitment to devote 0.20 per cent of gross national income to LDCs before 2010.

5. We welcome the debt relief granted under the Multilateral Debt Relief Initiative (MDRI) and the Heavily Indebted Poor Countries Initiative (HIPC), which has released some resources for poverty reduction and human development. However, not all LDCs are eligible for HIPC and MDRI. All LDC external debts must be cancelled forthwith, without discrimination or conditionalities. If a country fulfils the criteria of being an LDC, it should be eligible for debt write-off to reduce its resource gaps and accelerate its economic development and poverty eradication efforts.

6. International support measures should also aim at improving the quality of development aid, including its effectiveness and sectoral balance, with greater emphasis on building productive capacities in LDCs. We call on our development partners to sustain and strengthen their constructive engagement with our countries in support of our development efforts, especially by streamlining donor practices in terms of aid delivery and by providing development aid on a more predictable basis with long-term commitments. More importantly, international policies and rules governing trade, investment, finance and environment should work in harmony and in coherence with our national policies and strategies.

7. We reiterate our strong and long-held view that both the market and the State have an important role to play in our development process, and it is vital to ensure that their respective roles are complementary and mutually supportive. An effective developmental State is vital for building physical and human infrastructure, addressing market failures where they occur and providing enabling macroeconomic conditions and a sound regulatory framework. It is essential that our countries should have policy flexibility and autonomy in designing and implementing home-grown market-oriented development policies and strategies.

8. We are convinced that trade can serve as an engine of growth and contribute to poverty reduction in our countries. However, despite decades of trade liberalization policies, LDCs, which account for nearly 12 per cent of the world population, contributed only 0.69 per cent of global output in 2005. Currently, their share stands at about 0.5 per cent of world exports and 0.7 per cent of world

imports. In this regard, trade liberalization should be gradual, better designed and properly sequenced, based on country-specific circumstances. It should be linked to the development of supply capacities and realigned with the development objectives of our countries.

9. We welcome the Aid for Trade initiative as a complement to, not a substitute for, the Doha Development Agenda. We also take note of the global review held in WTO on 19–21 November 2007 and the subsequent road map. We urge UNCTAD to play an important role in the immediate implementation of Aid for Trade as an additional, substantial and predictable financial mechanism to strengthen supply-side and infrastructure capacity, help diversify the export basket in LDCs and address the adjustment-related costs and challenges of trade liberalization.

10. LDCs accord high priority to national ownership of the Enhanced Integrated Framework for Trade-Related Technical assistance to Least Developed Countries (EIF) as an effective tool to enhance economic development by mainstreaming trade into national development plans. We urge UNCTAD, as one of the six participating EIF agencies, as well as other agencies and donors, to work towards the early operationalization of the EIF so that LDCs start benefiting from the facilities by mid-2008.

11. Market access conditions for LDCs need to be further improved and made more predictable and sustainable through the elimination of remaining tariff and non-tariff barriers, relaxation of rules of origin, expansion of product coverage and simplification of administrative procedures in relation to the Generalized System of Preferences (GSP) and other market access arrangements.

12. We call on developed countries that have not already done so to provide immediate, predictable, duty-free and quota-free market access on a lasting basis to all products originating from all least developed countries by 2008, as undertaken at the Sixth Ministerial Conference of the World Trade Organization. In this regard, we also call on those developing countries that are in a position to do so to extend commercially meaningful duty-free and quota-free market access to exports of these countries. In addition, we reaffirm the need to consider additional measures for progressive improvement of market access for least developed countries, and further reaffirm the need for WTO members to take additional measures to provide effective market access, both at the border and otherwise, including simplified and transparent rules of origin so as to facilitate exports from LDCs;

13. For our countries – depending on specific national circumstances, potentials and natural endowments – dynamic gains and poverty reduction can also accrue, particularly from other non-traditional exports. There is also considerable scope for many LDCs to join the group of successful agricultural commodity exporters in speciality and niche markets. However, most LDC exports face intense competition and must satisfy the demanding quality and delivery schedules of developed-country markets. The development and trading partners of LDCs should provide technical and financial assistance to help them meet standards-related requirements of consumers and industries. Their partners should also make efforts to harmonize their national standards with those agreed at the international level.

14. Another promising area for our countries for economic growth and poverty reduction is the services sector, including tourism. In view of the growing socio-economic importance of this sector for our countries, the modalities for special treatment for LDCs in the WTO negotiations on trade in services should be fully implemented. In this regard, special priority needs to be accorded to modes and sectors of export interest to LDCs, including on movements of natural persons under mode 4, as per the commitments undertaken in Hong Kong, China.

15. It is recognized that the accession process to WTO is complicated and lengthy, and is compounded by the lack of financial, technical and human resources capacity of acceding LDCs. LDCs that are in the WTO accession process should be provided with adequate financial and technical assistance to adjust and build their institutional, regulatory and administrative capacities. We call for a binding mechanism to fast-track accession of LDCs, as per the agreed guidelines for LDCs' accession to WTO that were adopted by the General Council in December 2002. It is also recognized that newly acceded LDCs are facing tremendous challenges in implementing their WTO commitments and reform programmes and, therefore; adequate technical and financial assistance should be provided to them in order to fulfil their work in this regard.

16. We call on WTO members to refrain from raising non-trade issues in relation to acceding countries. Furthermore, as per the General Council decision quoted above, WTO members should exercise restraint in seeking concessions and commitments on trade in goods and services from acceding LDCs and should not assume commitments and obligations that go beyond what the current WTO LDCs had undertaken. We invite UNCTAD, in collaboration with the WTO sub-committee on LDCs, to review the accession process, including the implementation of the LDC accession guidelines, in addition to strengthening technical assistance to acceding LDCs.

17. We are concerned by policies of developed countries, especially on agriculture, which are adversely affecting the role and contribution of our agricultural sector to our socio-economic progress. We reiterate our call that the ongoing Doha Round of multilateral trade negotiations should take urgent action on agricultural subsidies in industrialized countries and resolve, as expeditiously as possible, the problems arising from such subsidies, which are undermining the trade performance and competitiveness of our countries in international markets.

18. Since development is at the heart of the Doha Round of trade negotiations, we reiterate that in order to integrate LDCs in the multilateral trading system, the interests and difficulties of LDCs, as the most vulnerable group in the United Nations community, should be taken on board. In this regard, we urge the international community to address the issues mentioned in the Maseru Declaration of LDC trade ministers of February 2008.

19. We express our solidarity with the cotton-producing countries of Africa, especially LDCs. We urge developed-country members to eliminate trade-distorting support and export subsidies to cotton and cotton by-products and grant duty-free and quota-free market access to cotton imports from LDCs, as well as enhancing the development assistance aspects of cotton along with other development partners.

20. The socio-economic difficulties faced by LDCs that are facing or emerging from political unrest, civil strife or protracted armed conflicts are enormous. National, regional and international efforts to make and build lasting peace in countries in such special situations should be an integral part of an overall conflict resolution mechanism, including efforts to address the root causes of political instability and conflicts. We urge our development partners to enhance their assistance for peace-building and for rehabilitation, reconstruction and rebuilding economic infrastructure in these countries, and for their smooth transition from relief to development.

21. We welcome the graduation of a number of LDCs to developing-country status as a concrete sign of economic progress within our group. We recognize that graduation brings with it many significant challenges and opportunities. The challenges need to be effectively addressed in order for progress in graduating countries to be broad-based, long-lasting and sustainable. We therefore urge the

international community to put in place a smooth transition strategy for countries graduating from LDC status. UNCTAD should also continue to play a lead role, through its policy research and analysis, impact assessments, technical cooperation and capacity-building activities, in supporting countries that have recently graduated and those in the transition phase for graduation.

22. We recognize the increasing linkages between trade, development and climate change and welcome the adoption of the Bali Plan of Action for a long-term cooperative framework to address mitigation, adaptation, finance and technology transfers. In this regard, we urge the developed countries to commit to deeper cuts in emissions of greenhouse gases. We also call for urgent and concrete international actions to immediately assist the small island and low-lying coastal States which are already experiencing the impact of climate change

23. We also recognize that global warming and climate change can severely hamper the lives and livelihoods of millions of poor people living in the least developed countries, especially in the small islands and low-lying coastal States. We urge developed countries to increase financial and technological support for adaptation to climate change and facilitate transfer of eco-friendly technologies for sustainable development of our countries. We also urge UNCTAD to mainstream, both in its work and in the work of the intergovernmental machinery, environment and climate change as cross-cutting issues of importance to the development of our countries.

24. The current high and volatile energy prices have had an adverse impact, particularly on the economies of non-oil-exporting and net-food-importing LDCs, as reflected in high import bills, inter alia for their food imports, that impose major burdens on many of our countries. Concerted efforts should be made by major oil-exporting and oil-importing countries to stabilize the energy market.

25. We are particularly concerned by soaring food prices, against the backdrop of global financial crisis and economic slowdown, which have adverse socio-economic consequences that could in turn trigger major political crises in our countries. In this regard, we welcome a “new deal” to tackle the international food crisis which was endorsed at the IMF-World Bank spring meeting of finance and development ministers held in Washington on 13–14 April 2008. We urge donor countries and creditor institutions to provide additional aid to our countries in order to enhance domestic agricultural production and build infrastructure, including distribution and storage systems, and to remove policy distortions such as subsidies that discourage food production and barriers to trade.

26. In this context, we propose that the United Nations Secretary-General establish a new mechanism to address the grave food crisis in many LDCs. We feel strongly that a high-powered panel comprising eminent persons should be formed immediately to address this issue. The panel must seek to reduce market failures and improve coordination between cereal-importing and cereal-exporting countries to reduce and stabilize world food prices. The panel should address long-term food security issues, including the issues of agricultural productivity, land utilization and biofuels, and submit its findings and recommendations to the United Nations Secretary-General in three months’ time. The Secretary-General may convene an international meeting to deliberate on the recommendations and take appropriate policy actions.

27. We also request UNCTAD to enhance its expertise on South–South cooperation so as to enable LDCs to genuinely benefit from best practices and experiences that have been successfully implemented on food security and food in other developing countries.

28. Private domestic and foreign direct investments have become essential components of development finance for LDCs. However, despite the adoption by our Governments of national policies and measures aimed at creating a favourable investment climate, the share of LDCs in total inflows of FDI as a whole remains extremely low (less than one per cent of global FDI flows). Moreover, FDI flows have continued to be concentrated in only a few countries and a few sectors. We reiterate our call to our development partners to adopt home-country policies and measures to promote and enhance flows of foreign direct investment and the transfer of technology to our countries.

29. We recognize the important role, for a number of our countries, of remittances from nationals living and working abroad, as additional resources that contribute to narrowing the resources gap needed for our development purposes. There is a greater need for coordinated efforts by the international community, especially between migrant-sending and migrant-receiving countries, to promote channels, mechanisms and international policies to reduce the transaction costs and placement costs in temporary labour migration that hamper the use and flows of remittances as a source of development financing in our countries.

30. We recognize the critical role of UNCTAD in supporting our countries' development process, including through the implementation of the Brussels Programme of Action in areas of its expertise and competence. We encourage UNCTAD to further strengthen and expand its policy research and analysis, consensus-building and technical cooperation functions in favour of our countries and to make a substantive contribution to the fourth United Nations Conference on LDCs, to be convened towards the end of the present decade in accordance with General Assembly resolution 62/203.

31. While expressing our deep appreciation to UNCTAD for its long-standing support to our countries, we remain concerned by the modest level of resources available to this Organization to advance the cause of LDCs and other disadvantaged groups of countries. In this regard, we welcome the report of the Secretary-General of the United Nations on improving institutional effectiveness and efficient delivery of the mandates of the development-related activities of the United Nations. We call for adequate allocation of resources for the work of UNCTAD, as the principal United Nations agency for trade and development, especially in advancing the cause of LDCs in these areas.

32. We recognize the role of the UNCTAD trust fund for LDCs as an important vehicle for initiating, designing and implementing technical cooperation and capacity-building activities in our countries. While expressing our gratitude to those donors that have been making financial contributions to the fund, we invite other donors that have not done so to take similar measures as urgently as possible. There is a pressing need for regular replenishment of the fund on a more predictable and secure basis so as to finance multi-year, multi-sector projects in our countries.

33. We express our deep appreciation to the Secretary-General of UNCTAD for his continued efforts and personal commitment to advance the trade and development interests of our countries. While welcoming the measures he has already taken to consolidate the work of UNCTAD in favour of our countries, we encourage him to take further steps to strengthen the Division for Africa, Least Developed Countries and Special Programmes by allocating adequate human and financial resources to enable it to discharge fully its duties and responsibilities.

34. We are particularly grateful to the Secretary-General for his special role in mobilizing extrabudgetary resources to support our countries' participation in UNCTAD XII, including through undertaking a comprehensive assessment of our countries' trade and development challenges, needs and priorities. We are also

thankful to UNCTAD for having convened an expert meeting of LDCs in Arusha, United Republic of Tanzania, in preparation for the Conference. We welcome the outcome of that meeting as an important contribution to our collective engagement for the success of the Conference.

35. We invite UNCTAD, the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, and relevant United Nations agencies and other international organizations to continue to enhance their cooperation in support of our countries in their development efforts.

36. We express our sincere appreciation and gratitude to the people and Government of Ghana for their warm hospitality and for the excellent arrangements made for the organization of UNCTAD XII. We would also like to express our appreciation to our development partners for making available financial resources to assist in the participation of our countries in the Conference.

37. Finally, we reiterate the commitment of the LDC group to make UNCTAD XII a success. We hope that UNCTAD XII will come out with a work programme for the next four years that will have a development focus with particular attention to LDCs in its three pillars, namely, intergovernmental consensus-building, research and policy analysis, and technical cooperation.

Annex IV

Ministerial Communiqué of Landlocked Developing Countries

We, trade ministers of landlocked developing countries, having met on 22 April 2008 in Accra within the framework of UNCTAD XII,

Recalling the United Nations Millennium Declaration³ in which heads of State and Government recognize the special needs and problems of landlocked developing countries (LLDCs), and *urging* both bilateral and multilateral donors to increase financial and technical assistance to this group of countries in order to help them overcome the impediments of geography,

Recalling the Almaty Programme of Action “Addressing the special needs of landlocked developing countries within a new global framework for transit transport cooperation for landlocked and transit developing countries” and the Almaty Declaration endorsed by the United Nations General Assembly at its fifty-eighth session,⁴

Recalling the outcome of the 2005 World Summit,⁵ in which the special needs and challenges of LLDCs were reaffirmed along with reiterated commitments of world leaders to urgently address those challenges by effectively implementing the Almaty Programme of Action,

Recalling General Assembly resolutions 56/180, 57/242, 58/201, 59/245, 60/208, 61/212 and 62/204 on the specific actions related to the particular needs and problems of landlocked developing countries,

Recalling the Asunción Platform for the Doha Development Round, adopted at the meeting of trade ministers of LLDCs on 10 August 2005 in Asunción,

Recalling the Ulaanbaatar Declaration, adopted at the meeting of trade ministers of LLDCs on 29 August 2007 in Ulaanbaatar,

Adopt the following communiqué:

1. We recognize the adverse developmental impact of high transaction costs incurred by landlocked developing countries in international merchandise trade due to geographical isolation and remoteness, lack of territorial access to the sea, additional and often cumbersome customs procedures, as well as other administrative burdens related to transit transport operations.

2. We emphasize the need for particular attention to be given in the current negotiations at the World Trade Organization (WTO) on market access for agricultural and non-agricultural goods to products of special interest to landlocked developing countries, including cotton producers, and the granting of special and differential treatment on account of these countries’ disadvantaged geographical location that undermines their international competitiveness.

3. We underline the importance of trade facilitation measures for the growth and expansion of the external trade of landlocked developing countries and its positive impact on their economic development. As called for in the Doha Ministerial Declaration of WTO, high priority should be given to the landlocked developing countries in implementing a technical assistance programme in the area of trade facilitation.

³ General Assembly resolution 55/2.

⁴ General Assembly resolution 58/201.

⁵ General Assembly resolution 60/1.

4. We call on WTO member States to initiate the provision of assistance in the context of the Aid for Trade agenda as soon as possible and independently from the final result of the ongoing round of negotiations. Priority areas of Aid for Trade assistance should include capacity-building for the formulation of trade policies; participation in trade negotiations; implementation of international agreements; strengthening of productive capacities; and development of transport and ICT infrastructure for competitive export products of landlocked developing countries.

5. We call on WTO member States to take into account specific needs and problems of landlocked developing countries in the process of WTO accession negotiations.

6. We note the contribution that foreign direct investment (FDI) can make to strengthening productive capacities and the private sector in landlocked developing countries, so as to enable these countries to make better use of trading opportunities, and call on UNCTAD to give special attention to their needs in its analytical work and technical assistance activities that help attract FDI, including the coverage of all landlocked developing countries in UNCTAD investment policy reviews, investment guides and FDI Blue Books.

7. We call for the full and effective implementation of the Almaty Programme of Action at international, regional and national levels, and welcome the forthcoming mid-term review of the implementation of the Almaty Programme of Action to be held in October 2008, as an opportunity to take stock and to focus on the next steps.

8. We invite the organizations of the United Nations system, particularly UNCTAD, the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, the United Nations Development Programme, the regional commissions and other international bodies, especially the World Bank, the World Trade Organization and the World Customs Organization, to strengthen their work within their respective mandates towards the implementation of the Almaty Programme of Action.

9. We call for the successful implementation of the Ulaanbaatar Declaration, adopted at the Meeting of Trade Ministers of the LLDCs in August 2007, and request the Secretary-General of UNCTAD, in cooperation and consultation with the Office of the High Representative and other relevant United Nations organizations and international agencies, to assist in setting up an international think tank, which will contribute towards addressing the challenges of LLDCs and their integration into the international trading system.

10. We request the Secretary-General of UNCTAD, in cooperation and consultation with the Office of the High Representative and other relevant United Nations organizations and international agencies, to assist landlocked developing countries in organizing a meeting of ministers of trade of LLDCs in 2009.

11. We request the Secretary-General of the United Nations to undertake all necessary measures to strengthen the Office of the High Representative.

12. We call on the Secretary-General of UNCTAD to strengthen its institutional and operational capacity for addressing the complex and severe development challenges faced by LLDCs, in accordance with General Assembly resolution 56/227 and other relevant resolutions.

13. We urge both bilateral and multilateral donors, in accordance with the United Nations Millennium Declaration, to increase financial and technical assistance to the LLDCs in order to enable them to meet their special development

needs and overcome the impediments of geography, with a view to helping them participate effectively in the multilateral trading system.

14. We express our sincere appreciation to the continued efforts made by Paraguay, as coordinator of the Group of the Landlocked Developing Countries in Geneva, in close coordination with Mali, as chair of the Group of Landlocked Developing Countries in New York, on matters related to trade and development.

Annex V

Civil Society Forum Declaration to UNCTAD XII

“Poverty anywhere constitutes a danger to prosperity everywhere”

(Declaration of Philadelphia, International Labour Organization, 1944)

Civil Society Forum

1. The Civil Society Forum, meeting on the occasion of UNCTAD XII (20–25 April 2008), took place in Accra, Ghana, from 17 to 19 April 2008. It brought together social movements, pro-development groups, women’s groups, trade unions, peasants and agricultural organizations, environmental organizations, faith-based organizations and fair trade organizations (hereafter referred to as “We”), which expressed a variety of perspectives on trade, investment and competition policies and their impacts on development. Forum participants were united in the defence of a number of principles, positions and actions they wished to present to the member States of the United Nations Trade and Development Conference at its twelfth session.

I. Global context

2. The era of globalization is proving to be a time of persistent and growing inequalities. Current neoliberal policies are far from neutral. World trade growth has been accompanied by the dislocation of the poorest societies, including least developing countries (LDCs), and the continued suffering of the most vulnerable groups, particularly hundreds of millions of women.

3. UNCTAD XII is taking place at a critical juncture for the global economy and multilateral system. The looming recession, volatile food and commodity prices and the credit crunch that are part of the backdrop to UNCTAD XII are all manifestations of a dysfunctional global system.

4. The opposite poles of wealth and poverty reinforce each other with every new manifestation of the flaws of the system. The most notable problems today are, first, the massive losses (now estimated by the International Monetary Fund (IMF) at almost US\$ 1 trillion) arising from the global financial crisis, and, second, the world crisis of rising food prices and food shortages.

5. We want Governments and UNCTAD XII to take action now on these two fronts. Financial institutions and speculation must be regulated, along with the global financial system that promotes the unregulated flow of capital, particularly speculative funds and activities. The UNCTAD secretariat has done great work on finance. If the international community had followed its advice, there might not have been such a crisis today. UNCTAD XII must mandate the Organization to expand its work on finance, including how developing countries would be affected by the fallout of the financial crisis, what they can do about it, and how to overhaul the global financial architecture. The objective should be to ensure that finance serves development, not the greed of speculators. The goals of development include decent work, full employment, adequate income, environmental sustainability and gender equality.

6. The food crisis is mainly caused by a mismatch of supply and demand. Another reason is the shift from producing food to biofuels, a trend which should be reviewed and reversed. But another reason is that developing countries were wrongly pressured by the loan conditionalities of the World Bank and IMF to cut Government subsidies, support to small farmers, and food import duties. At the

same time, high agricultural subsidies continue in rich countries. Local farmers, who have been submerged by cheap, subsidized exports, have livelihood problems.

7. The food crisis makes policy change necessary. Developing countries must be allowed to defend their food security and small farmers, so as to quickly expand food production through sustainable agriculture and raise tariffs in order to prevent import surges. Developed countries must quickly phase out their trade-distorting subsidies, including those within the so-called Green Box subsidies. Land set aside for biofuel production should be reclaimed for farming. There must be changes to policies at the World Bank, the IMF and the World Trade Organization (WTO) and to free trade agreements (FTAs), including economic partnership agreements (EPAs). UNCTAD can play a central role in this reform, helping to find the right solutions to the food crisis.

8. A major achievement of UNCTAD XI was to recognize the importance of policy space for developing countries. However, policy space for government intervention and regulation has shrunk further since then. In particular, this has been caused by loan conditionalities and existing WTO rules, as well as substantial increases in bilateral and regional free trade agreements. These agreements lock developing countries into inappropriate liberalization of imported goods and services and unsuitable intellectual property rights policies. The FTAs and EPAs also introduce new rules on liberalizing investment and government procurement that go beyond WTO commitments, eroding Governments' ability to regulate for development and for the public welfare.

9. This erosion of policy space remains the main issue, especially since this loss of policy space also poses a threat to the ability of developing countries to deal with the finance and food crises.

10. Consequently, our principal demand is that UNCTAD XII deal even more forcefully with the issue of policy space. UNCTAD – both the Secretariat and the inter-governmental machinery – must be given an expanded mandate to empower developing countries with the use of policy tools for development.

11. As a result of orthodox policy prescriptions, the policy space to exercise governmental intervention and regulation by developing countries has diminished. While developed countries ensure they retain sufficient possibilities for national policy intervention, the needed range of policy options is not available to developing countries. Over the last decades, as part of structural adjustment programmes (SAPs) as well as WTO and bilateral North–South trade negotiations, developing countries have given up substantial policy space, resulting in an inability to respond adequately to economic instabilities and social emergencies and impeding long-term development.

12. The increasing number and expanding scope of bilateral and regional North–South agreements that go beyond WTO commitments and ruthlessly promote the North's corporate agenda constitute a grave danger for democracy, development and social solidarity at local, national and international levels, as most of these North–South FTAs, including EPAs, drastically erode the policy space required for economic and social development. The international rules and conditionalities imposed on developing country governments not only limit their ability to choose and implement appropriate development policies but also hinder genuine dialogue with citizens and civil society, since policymakers believe they are constrained to follow the policies laid down through institutions such as the World Bank, IMF and regional banks and through trade agreements.

13. Developing countries face continuous pressures to liberalize their imports, even though local industries and agricultural sectors in many countries have been

hamstrung by cheap imports. In many poor countries, the dumping of subsidized farm exports from the North onto world markets continues to destroy rural livelihoods. Many LDCs, especially in Africa, have seen their local industries close or lose their share of the local market due to import liberalization imposed by the World Bank, IMF and regional development banks. The EPAs negotiated with the European Union will cause a new wave of economic dislocation in the African, Caribbean and Pacific (ACP) countries.

14. At WTO, the Doha negotiations have so far produced very imbalanced draft proposals. Developed countries can continue their high agricultural subsidies through shifting of the boxes or categories of subsidies because many of the so-called non-trade-distorting Green Box subsidies have been found in reality to be trade distorting (and to adversely affect quality production and exports of developing countries), but proposals to improve disciplines to limit these subsidies are weak and grossly inadequate. Yet while the North maintains its subsidies, developing countries are pressured to cut their agricultural tariffs further by an average 36 per cent (which is more than the 24 per cent in the Uruguay Round), making them even more vulnerable to import surges and consequent rural dislocation.

15. In the negotiations on industrial goods, the “Swiss formula”, never before used, will slash tariffs for industrial goods in developing countries, damaging or even destroying many local industries. LDCs do not have to reduce their tariffs through the Doha Round, but most of them may also be affected by deep tariff cuts through other mechanisms, including bilateral agreements like the EPAs, and further loan conditionalities. Meanwhile, developed countries not only maintain their agricultural subsidies but also plan to protect their important agricultural products from tariff cuts through various mechanisms, and are only prepared to cut their industrial tariffs by lower rates than developing countries under the “Swiss formula”. Non-tariff barriers are increasingly used to block market access for products from developing countries. The Doha deal is turning out to work against the developing countries, although it was intended to be a Development Round.

16. Furthermore, developed countries are pushing for liberalization of services through regional and multilateral trade agreements. Strategic sectors such as finance and telecommunications may well end up dominated by foreign firms. In addition, the role of the State in providing public services may be further threatened.

17. Access to social services is also threatened by intellectual property regimes that limit access to medicines and information. In particular, women’s access to health care, information and education is affected, further denying their empowerment and undermining their efforts to participate in political and public activities and ensure a sustainable livelihood.

18. Despite the dangers of climate change, unsustainable levels and patterns of production and consumption continue to prevail in the industrialized countries, accelerating the endangerment of and stress to global natural resources. The North continues to incur an ecological debt to the South, but developing countries still come under pressure to allow exploitation of natural resources by multinational enterprises (MNEs).

19. The right to regulate and inclusiveness in decision-making processes, both nationally and internationally, are in danger. Social dialogue is weakened by structural adjustment policies. Social and economic rights, and labour and trade union rights, including freedom of association and non-discrimination, are weakened, not guaranteed by the globalization of production methods.

20. Although there is a prevalent idea that greater foreign direct investment (FDI) is the main development option for developing countries; in reality, FDI results in more costs and losses in many cases. In many countries, it exacerbates the outflow of resources, including investment resources, from these countries and the acute imbalance that arises in the global economy. Moreover, Africa, the poorest continent in the world, is a net exporter of capital, even while the burden of its external (and internal) debt continues to crush development possibilities and aspirations year after year. Domestic resource mobilization is seriously hampered by imbalanced resource flows, especially capital flight.

21. The benefits of globalization remain in the hands of a few. Development promises made by the economic export-led model and by import liberalization remain unmet in most countries. Even though prices have increased recently, the benefits of commodity production have been limited for commodity producers, as a result of the scant domestic value added to commodities and the concentration of control of much of the value chain in the hands of MNEs and others.

22. Increasing economic integration of many developing countries in the world economy has not addressed the development concerns of their populations. The need for decent and productive employment has not been met by current models of development, as unemployment and underemployment remain unacceptably high.

23. Another example is the irony of “jobless growth”, accentuated by the dislocation and expulsion of tens of millions from production activities and alternative non-market socio-economic micro-systems that have historically maintained some access to life resources for some of the most vulnerable in developing countries. What has been described as the “commodification of the commons”, together with the spread of market-driven commodity chains and attendant property forms over natural resources, is imposing unprecedented labour intensity and precarious “flexibilization” and “casualization” on a minority lucky to hold on to steady employment in the formal sector and forced to share resources, as well as compete, with a vast sea of dispossessed human capacity.

24. We reaffirm that employment is the key to poverty eradication, but this implies the inclusion of full and productive employment and decent work in agriculture, services and industrialization as the main goal in policymaking and requires trade policies and financial policies that are consistent with this objective. UNCTAD should incorporate into its activities the commitment to decent work which was adopted by all United Nations member States at the 2005 World Summit of the United Nations General Assembly and reaffirmed in the 2006 Ministerial Declaration of the United Nations Economic and Social Council.

25. As the dominant models have failed to ensure social welfare, there is a need to explore alternative diverse and participatory economic systems that are adapted to local and national realities, while also prioritizing and protecting equity, democracy and diversity, human rights, labour rights, ecology, food security and sustainable production and consumption.

II. Specific issues by sub-theme

A. Sub-theme 1: Enhancing coherence at all levels for sustainable economic development and poverty reduction in global policymaking, including the contribution of regional approaches

26. A major challenge in the discussion on coherence is the different interpretations of coherence. For States in developed countries, the main view of

coherence is the harmonization of policies that guarantee more markets and profits for their companies. For civil society, coherence means that policies should aim to promote poverty eradication, social equity, gender equity and social development; increase employment; and ensure the livelihoods of farmers and the process of industrialization through sustainable development.

27. The Bretton Woods institutions and the most powerful member States within WTO currently consider coherence to be the harmonization of national policies, in order to ensure that these do not conflict with the prevailing international neoliberal economic order. On this assumption, structural adjustment programmes, poverty reduction strategy papers, bilateral and multilateral trade and investment rules, underpinned by the aid regime, all demand that developing countries, LDCs and countries in transition tailor their economic policies to fit a corporate-driven model.

28. For the ordinary citizens of the world and for civil society organizations, however, coherence means, as stated in the São Paulo Consensus, that international economic policies must address the needs of all people. To achieve such an objective, autonomous, sovereign, and participatory development priorities must be the entry point and chief determinant of negotiations and obligations involving these countries in institutions of economic governance. Furthermore, the Governments of developing countries and LDCs and democratically elected politicians must be much more strongly represented in the decision-making processes of these institutions.

29. The lack of representation of developing countries in global governance results in top-down development approaches and policies, while maintaining a disconnect between decision-making centres and recipient countries and their peoples.

30. “Coherence” around the wrong principles and measures, which now prevails, has led to the wrong outcomes. Many North-South regional and bilateral trade agreements are used to promote the wrong kind of coherence. They make developing countries enter into undertakings that go beyond WTO commitments and include issues such as investment and government procurement that were rejected at WTO. They significantly erode whatever policy space exists in developing countries, in addition to undermining the prospects for South-South cooperation and regional integration.

31. An additional problem is the use of the so-called “development aspect” of trade agreements such as EPAs, which is used as “bait” by developed country parties to draw developing countries into the main aspects of FTAs or EPAs that are detrimental to development.

32. UNCTAD should take note of the above dangers and wrong manifestations of “coherence”, striving towards policy coherence that is appropriate, in which all policy advice, measures and agreements are focused and geared to the development of developing countries.

33. UNCTAD XII must be based on a radically different form of “coherence”: a reorientation and integration of policies that ensure that the international economic order is adjusted to meet the development needs of the groups most affected by corporate-driven globalization.

B. Sub-theme 2: Key trade and development issues and the new realities in the geography of the world economy

34. The debate on the link between trade and development is ongoing. The orthodox position is that trade and the dominant trade policy are positive for development. However, a majority of developing countries have suffered from

inappropriate import liberalization while gaining little from exports. Their local industries and agriculture have been stifled by cheap imports, with loss of farm livelihoods and industrial jobs.

35. The one-size-fits-all approach to economic and trade policymaking does not work and results in wrong policies and great cost to many developing countries and their people. Contrary to the prevailing view of the international financial institutions, the road to sustainable development is not the same for everyone.

36. North–South FTAs including EPAs, mainly promote the North’s corporate agenda and pose a grave threat to developing countries. UNCTAD’s *Trade and Development Report 2007* was valuable for highlighting the cost and benefits of North–South FTAs, and the Organization must continue to focus on this.

37. We stress the need for immediate rectification of the wrong policies of the World Bank and IMF and recently of the EPAs and FTAs. As for the EPAs, the European Union should stop pressuring the ACP countries to conclude them. An alternative to EPAs should be found, with the non-reciprocal principle at the centre of the trade aspect, which also does not contain the issues of services, intellectual property rights (IPRs), investment and government procurement.

38. African civil society, backed by European civil society, has been campaigning against the EPAs and their framework while advocating alternative approaches that retain preferences for ACP countries without an obligation for them to liberalize their goods imports on a reciprocal basis. In addition, it wishes to exclude other issues such as services, IPRs, investment, competition and government procurement. It is largely felt that the EPAs were signed not as an instrument for delivering development in ACP countries but out of fear that if access to the EU market was not preserved, some of their trade would be disrupted. There should be a renegotiation of those EPAs that have been already negotiated and a review in other countries that have not yet signed the EPAs, allowing civil society to assess the full implications so that informed decisions (including opting for alternatives to the EPAs) can be made without pressure.

39. At WTO, the latest proposals on the Doha negotiations, if adopted, would have a deeply imbalanced outcome, with developed countries continuing to maintain high agricultural subsidies while reducing their industrial tariffs at rates lower than developing countries undertaking the “Swiss formula” cuts. Developing countries would have to make deeper tariff cuts in industrial and agricultural goods. Many of the poorer countries, which may not undertake tariff cuts through the Doha negotiations, would have to do so under the EPAs.

40. Global trade rules must recognize the vital role for Governments in regulation and thus preserve or expand policy space so that each country can plan and manage its own economic development as well as mitigate the risks associated with the volatilities arising from integration of markets.

41. The use of conditionalities in loans and aid has often resulted in inappropriate trade and investment policies in many developing countries.

42. Commodity-dependent developing countries are confronted with complex problems ranging from price volatility to corporate concentration. UNCTAD XII should provide practical solutions such as price-stabilizing mechanisms and regulation of corporate activities. An expanded commodity programme for UNCTAD is needed.

43. Developing countries also face increasing non-tariff barriers (NTBs) to their products in developed countries. A major problem is the use of unilateral measures. While safety and technical regulations are needed, they are also prone to be used for

protectionist purposes. Moreover, most developing countries lack the capacity to keep up with increasing standards in developed country markets. Developed countries should not make use of unilateral, protectionist measures. Proper international standards should be established and developing countries must be assisted in negotiating and implementing those standards. UNCTAD should work on NTBs and assist developing countries in that regard.

44. South–South cooperation offers the potential for partnerships among developing countries that can be mutually beneficial. A few countries have experienced sustained high rates of growth, and this has assisted other countries through higher demand for their commodity exports. However, it is not certain that this process will be sustained, especially if there is a global recession. Consequently, concrete measures must be taken to strengthen and institutionalize South–South cooperation. There is a need to strengthen the Global System of Trade Preferences (GSTP) mechanism in order to achieve tangible concrete results. However, steps must be taken to ensure that within South–South agreements, weaker partners are accorded special and differential treatment, including sufficient incentives and preferences, and are not asked to undertake liberalization or implement policies that make them vulnerable to negative effects. UNCTAD should also play a role in promoting and assessing South–South cooperation and integration processes.

C. Sub-theme 3: Enhancing the enabling environment at all levels to strengthen productive capacity, trade and investment: mobilizing resources and harnessing knowledge for development

45. Investment and investment flows do not behave in the manner claimed by those who try to justify globalization of finance, trade and production. The share of resources going into new productive investments has declined relative to the share going to financial and speculative ventures. Africa remains a net exporter of capital due to capital flight, even as it is dependent on foreign investment and aid flows.

46. In cases where developing countries have succeeded in attracting and using investment, the factors for their success include appropriate regulation, strategic direction and a direct if selective role for the State in the economy. In poorer countries, there is a lack of domestic private investment.

47. There are benefits and costs to foreign investment in developing countries. While benefits are often exaggerated, costs are often not overlooked or left out of policy decisions. Developing countries should take a holistic view and design policy on the basis of assessments of costs and benefits, with the help of UNCTAD. In that context, what is also important are the terms of the contract between the State and the foreign investors. UNCTAD should help developing countries to improve those terms so as to increase their benefits. Also, the terms for foreign investment must be such that they do not affect the sovereignty of developing countries by limiting their policy space. Any international framework on investment should promote the rights and interests of host developing countries and ensure their policy space to regulate investments for the national and public interest. UNCTAD should also research successful experiences of developing countries that have negotiated good terms in foreign investment contracts and disseminate those experiences.

48. Of major significance for successful development is the revival of the developmental State or a democratic State that develops and sustains the capacities of decision-makers and institutions to plan and navigate the necessary strategic course, based on an autonomous and endogenous agenda whose content has been

determined by, and is an expression of, democratic political consensus for integrated and balanced development.

49. UNCTAD should counterbalance many of the instruments of the World Bank, OECD and donor agencies that lead to reforms of national investment and business laws which are designed to benefit foreign investors but which erode or remove people's rights and restrict the policy space of Governments and parliamentarians.

50. Investment agreements often put the burden of costs on Governments and their populations while leaving multinational enterprises (MNEs) free of any responsibility. In some cases, those agreements include dispute settlement systems that allow a MNE to sue its host government for compensation. The new FTAs, including EPAs, incorporate new investment liberalization with many new restrictions preventing Governments from regulating activities. Countries should review their investment policies that place investors' rights above the rights of citizens. Withdrawing from bilateral investment treaties in favour of more balanced ones, as some developing countries have begun to do, is an option.

D. Sub-theme 4: Strengthening UNCTAD: enhancing its development role, impact and institutional effectiveness

51. We believe UNCTAD has a unique role, especially in these uncertain times. Its function as a support to developing countries in development issues and processes must be expanded.

52. UNCTAD was mandated by UNCTAD XI to establish a task force on commodities. This has yet to be operationalized, and the Organization should be enabled to do so as soon as possible.

53. UNCTAD's work on commodities should be expanded with a view to helping developing countries boost food production; obtain better value for their commodities; and add value to their raw materials through processing and manufacturing. UNCTAD's expanded efforts with regard to commodities should include finding solutions at the international and national levels and combining both old and innovative approaches in order to ensure that the current boom in commodity prices leads to sustainable development and diversification of developing countries. Activities can focus on helping developing countries benefit from the opportunities arising from rising commodity prices as well as avoiding and containing the negative consequences of falling commodity prices when they do fall.

54. UNCTAD should also continue its efforts to analyse the development implications of North-South FTAs, following up on the *Trade and Development Report 2007* which highlighted the imbalances in such agreements. Its work in this area and on bilateral investment agreements should be guided by the development perspective.

55. UNCTAD should rethink its investment policy advice. It should help stop the "race to the bottom" regarding incentives for investments, including tax holidays. It should provide analysis on costs and benefits of foreign investment, and advice on policies to maximize benefits while minimizing costs. It should also analyse in greater depth the development implications of bilateral investment treaties, as well as investment chapters and proposals in FTAs.

56. Independent research and alternative policy formulation by the UNCTAD secretariat are necessary. UNCTAD must continue to develop and provide analysis and support in this respect, and should be given the means to provide analysis and policy advice to developing countries.

57. The UNCTAD secretariat must be allowed to continue its research in an independent manner so that it can produce objective research aimed at supporting the development goals of developing countries, thereby adding to the diversity of views among the international agencies.

58. UNCTAD's research work makes an important contribution to knowledge about trade and development issues and has contributed historically to the definition of new trends. It is important that UNCTAD maintain its research independence. We urge member States to provide UNCTAD with the means to continue its independent research and call on the management of UNCTAD to strive to improve the dissemination of the Organization's research work and publications.

59. UNCTAD needs to expand its research to include analysis of trade liberalization proposals and their impact on the quantity and quality of employment.

60. With a rising world population, changing climate conditions and new demands for agriculture products, agriculture's role is swiftly evolving, posing a major challenge for sustainable development in coming years. UNCTAD will need to help developing countries identify the best policies for sustainable agriculture to deal with these new challenges.

61. UNCTAD should study the policy options for developing countries for industrialization, bearing in mind the changing world conditions and learning from the experiences of developing and developed countries.

62. The commissions of UNCTAD perform an important function and should continue on a more effective basis. In addition, a new commission on globalization and development strategies should be established by UNCTAD XII.

63. UNCTAD should be given an expanded mandate on policy space, the concept and its application.

64. UNCTAD should be asked to expand its work on topical issues that are important to the world, including the food crisis, finance and development, climate change, migration, trade agreements, intellectual property and South-South cooperation. It must provide a development perspective and show the way forward on these issues.

65. On climate change, UNCTAD can concentrate on the inter-relationship between climate change and trade and development, with a view to strengthening developing countries' ability to withstand the negative impact and effects of climate change on development, and also to ensure that proposals on climate change that relate to trade do not adversely affect developing countries in an imbalanced way and are in line with the "common but differentiated responsibility" principle.

66. Intellectual property rights (IPRs), and especially their implications for development, have emerged as a major issue of interest and concern to the public worldwide. Civil society organizations and developing country governments are calling for greater flexibilities for developing countries in the implementation of international obligations such as in the agreement on trade-related aspects of intellectual property rights or agreements under the World Intellectual Property Organization. UNCTAD has an important role in highlighting the development dimension in the IPR debate and in assisting developing countries to formulate their IPR measures and legislation in a manner that is development oriented. UNCTAD has been addressing IPR, access to technology and development concerns for many years, and its efforts in this area which are guided by this development perspective should be strengthened.

67. An invigorated UNCTAD is necessary and should not interpret its mandate restrictively. UNCTAD's technical assistance should be driven by the needs of

recipients, including civil society, not those of donors. It should for instance not be limited to implementing existing international frameworks, such as WTO rules, but should also creatively explore development-oriented alternatives in a fast-changing world.

68. The intergovernmental consensus-building role of UNCTAD is important and should be given more emphasis and priority. This can complement the negotiations or discussions taking place in other fora. If taken more seriously, this intergovernmental function can make UNCTAD the venue for a revitalized North–South dialogue on development issues, and on the link between development with trade, finance and other issues.

69. UNCTAD, in collaboration with other United Nations specialized agencies, is examining the impact of the concentration of market power in the hands of a few firms on the international agriculture markets. Similar examples of concentration of power can be found in manufacturing, such as electronics, textiles and clothing, where subcontracting exerts downward pressure on wages and working conditions for those at the bottom end of the supply chain. Reliance on corporate social responsibility to meet these challenges is insufficient: UNCTAD should be given a mandate to explore how best to address market concentration through laws and policies at both the national and international levels.

70. UNCTAD should also play a monitoring role as regards assessments of MNEs' role and impact on development. To that end, it could foster discussion between developing country governments, other United Nations agencies, business, unions and NGOs.

71. UNCTAD should play a stronger role in ensuring the effective implementation of the Brussels Programme of Action for the Least Developed Countries for the Decade 2001–2010, including through urging and assisting LDCs and their development partners.

72. The primacy of political sovereignty must be assured. Sovereignty over natural resources, commodities and biodiversity should be guaranteed. Although they are conflicting paradigms, both globalization and development are in essence political and political economy processes, and the actual political balance weighing in one or another direction can often be decisive. UNCTAD's efforts to further the cause of development and its collaboration with those working for development add up to a more favourable political balance.

73. Since UNCTAD X and the Bangkok Plan of Action, the hopes of civil society that UNCTAD and the United Nations would play a greater role in international social, environmental and economic policymaking have been consistently dashed. UNCTAD's role has been weakened rather than strengthened in recent years, a trend that should be reversed. Although UNCTAD is important, it continues to be deprived of the means to play a pivotal role, calling into question the credibility of the global governance system. In the current context, with the crisis at WTO and in the Bretton Woods institutions, the need for an alternative forum is even more important. However, this will require a joint effort by all members to engage towards designing a sustainable model of globalization.

74. We urge UNCTAD to work with civil society organizations, social movements, gender-based movements and community-based groups on a permanent basis throughout the world. More participation of civil society organizations, in particular NGOs and trade unions in expert meetings and commission meetings, including as panellists, as well as engagement with civil society in developing countries on technical cooperation activities and research is necessary. Research done by civil society organizations should be recognized and used by UNCTAD. Hearings with

civil society should engage the whole range of UNCTAD's membership. The Organization indeed has a global role to play. It can contribute to sustainable political and social peace globally.

75. As already stated during UNCTAD XI, we hope that all member States will provide the necessary support and commitment to make UNCTAD strong enough to contribute to the political shaping of appropriate policies in the areas of sustainable development, social inclusion and gender equality all over the world.

Annex VI

List of events

Pre-Conference events

- Global Initiative on Commodities (Brasilia, 7–11 May 2007)
- Preparatory meeting of experts from LDCs for UNCTAD XII (Arusha, 22–24 October 2007)
- India-Africa Hydrocarbon Conference and Exhibition (New Delhi, 6–7 November 2007)
- Meeting on trade and development implications of tourism services for developing countries (Geneva, 19–20 November 2007)
- Biofuels: an option for a less carbon-intensive economy (Rio de Janeiro, 4–5 December 2007)
- Science, technology, innovation and ICTs for development (Geneva, 6 December 2007)
- Globalization of port logistics: opportunities and challenges for developing countries (Geneva, 12 December 2007)
- Secretary-General's High-level Panel on Creative Economy and Industries for Development (Geneva, 14–15 January 2008)
- Aid for Trade: global and regional perspectives workshop (Bangkok, 24–25 January 2008)
- Hearing with civil society and the private sector (Geneva, 28 January 2008)
- Hearing with civil society and the private sector (Geneva, 3 March 2008)
- High-level workshop for African LDCs (Izmir, 4–5 March 2008)
- South–South trade in Asia and the role of regional trade agreements (Tokyo, 25 March 2008)
- Lessons learned from South–South trade in Asian regions (Geneva, 2 April 2008)
- Making sustainability standards work for small-scale farmers (Arusha, 7–9 April 2008)
- Workshop on Development Strategies in Africa (Accra, 19 April 2008)

Conference events

- High-level segment: “Trade and development for Africa's prosperity: action and direction”
- Round table 1: “Globalization, development and poverty reduction: their social and gender dimensions”
- Round table 2: “Creating an institutional environment conducive to increased foreign investment and sustainable development”
- Round table 3: “The changing face of commodities in the twenty-first century”
- Round table 4: “Emergence of a new South and South-South trade as a vehicle for regional and interregional integration for development”
- Round table 5: “Harnessing knowledge and technology for development”

Round table 6: “Debt management solutions supporting trade and development”

Round table 7: “Developing productive capacities in least developed countries”

Round table 8: “Strengthening UNCTAD: enhancing its development role”

Round table 9: “Strengthening UNCTAD: enhancing its impact and institutional effectiveness”

Parallel events

World Investment Forum (organized by UNCTAD in partnership with WAIPA)

Session I: Prospects for global FDI and new business opportunities

Session II: Global value chains

Session III: Africa: a new emerging market for FDI

Investment Advisory Council

Global Leaders Investment Debate

Capacity-building workshops on investment (organized by WAIPA in collaboration with UNCTAD)

1. Improving your country's investment climate
2. How to turn global trends into local prosperity
3. Lessons learned from best IPA practices around the world
4. Emerging markets: towards an alternative source of investment

Annual Conference of the World Association of Investment Promotion Agencies (WAIPA)

Civil Society Forum (Accra, 17–25 April 2008)

Meeting of the United Nations Chief Executives Board (CEB): Inter-agency Cluster on Trade and Productive Capacity

Ministerial meeting of least developed countries

Ministerial meeting of the Group of 77

Ministerial meeting of landlocked developing countries

Global System of Trade Preferences: meeting of senior officials

Global System of Trade Preferences: ministerial meeting

High-level meeting organized by the Agency for International Trade Information and Cooperation (AITIC) and the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States, in collaboration with UNCTAD, on “Trade facilitation and Aid for Trade: keys for unlocking the landlocked”

Other events

“Trade, commodities and development: perspectives on a development agenda in commodities trade” (organized by the South Centre)

“Delivering on development: the role of UNCTAD”

“Trade and gender: perspectives for sustainable growth and poverty reduction”

“Making sustainability standards work for pro-poor agricultural trade and development”

“Aid for Trade: perspectives of regional commissions” (organized by United Nations regional commissions)

“Compal: what type of deliverables on competition law and policy?”

“Making trade work for biodiversity sustainable use”

“Potential and prospects for trade and investment between developing countries and transition economies”

“Biofuels: opportunities and risks for small producers in developing countries”

Amandla (light) project initiative with Philips, and exhibition of Philips corporate social responsibility products

UNCTAD Empretec Africa Forum launch

Inauguration of the Dominican Republic Sugar Cane Industry Project

Launch of the Creative Economy Report

Exhibition of African Art

Women in Business Awards

Creative Africa: concert and film festival

Annex VII

Attendance*

1. The following States members of UNCTAD were represented at the Conference:

Afghanistan	Finland	Morocco
Albania	France	Mozambique
Algeria	Gabon	Myanmar
Angola	Gambia	Namibia
Antigua and Barbuda	Germany	Nepal
Argentina	Ghana	Netherlands
Australia	Greece	New Zealand
Austria	Guinea	Niger
Bangladesh	Guyana	Nigeria
Barbados	Haiti	Norway
Belarus	Holy See	Oman
Belgium	Hungary	Pakistan
Benin	Iceland	Paraguay
Bhutan	India	Peru
Botswana	Indonesia	Philippines
Brazil	Iran (Islamic Republic of)	Poland
Brunei Darussalam	Iraq	Portugal
Bulgaria	Ireland	Qatar
Burkina Faso	Israel	Republic of Korea
Burundi	Italy	Romania
Cambodia	Jamaica	Russian Federation
Cameroon	Japan	Rwanda
Canada	Jordan	Samoa
Cape Verde	Kazakhstan	Saudi Arabia
Central African Republic	Kenya	Sierra Leone
Chad	Kiribati	Singapore
Chile	Kuwait	Senegal
China	Kyrgyzstan	Slovakia
Colombia	Lao People's Democratic Republic	Slovenia
Comoros	Latvia	Solomon Islands
Congo	Lebanon	South Africa
Costa Rica	Lesotho	Spain
Côte d'Ivoire	Liberia	Sri Lanka
Cuba	Libyan Arab Jamahiriya	Sudan
Cyprus	Lithuania	Suriname
Czech Republic	Luxembourg	Swaziland
Democratic People's Republic of Korea	Madagascar	Sweden
Democratic Republic of the Congo	Malawi	Switzerland
Djibouti	Malaysia	Syrian Arab Republic
Dominican Republic	Maldives	Thailand
Egypt	Mali	The former Yugoslav Republic of Macedonia
El Salvador	Malta	Togo
Ecuador	Mauritania	Trinidad and Tobago
Equatorial Guinea	Mauritius	Tunisia
	Mexico	Turkey

* For the list of participants, see TD/INF.41.

Uganda	United States of America	Viet Nam
United Arab Emirates	Uruguay	Yemen
United Kingdom of Great Britain and Northern Ireland	Vanuatu	Zambia
United Republic of Tanzania	Venezuela (Bolivarian Republic of)	Zimbabwe

2. Palestine was represented as an observer at the Conference.

3. The following intergovernmental organizations were represented at the Conference:

African, Caribbean and Pacific Group of States	European Parliament
African Export-Import Bank	Inter-African Coffee Organization
African Union	Inter-Parliamentary Union
Agency for International Trade Information and Cooperation	International Cotton Advisory Committee
Cocoa Producers' Alliance	International Sugar Organization
Common Fund for Commodities	Investment Climate Facility for Africa
Common Market for Eastern and Southern Africa	Islamic Development Bank
Commonwealth Secretariat	League of Arab States
Economic Community of West African States	Organization for Economic Cooperation and Development
European Commission	Organisation Internationale de la francophonie
	Southern African Customs Union
	South Centre
	West African Monetary Institute

4. The following United Nations organs, bodies and programmes were represented at the Conference:

Economic Commission for Africa	Intergovernmental Panel on Climate Change
Economic Commission for Europe	International Trade Centre UNCTAD/WTO
Economic Commission for Latin America and the Caribbean	United Nations Centre for Human Settlements
Economic and Social Commission for Asia and the Pacific	United Nations Development Programme
Economic and Social Commission for Western Asia	United Nations Framework Convention on Climate Change
	World Food Programme

5. The following specialized agencies and related organizations were represented at the Conference:

Food and Agriculture Organization of the United Nations	United Nations Industrial Development Organization
International Labour Organization	World Bank
International Monetary Fund	World Intellectual Property Organization
United Nations Educational, Scientific and Cultural Organization	World Tourism Organization
	World Trade Organization

6. The following non-governmental organizations with status with UNCTAD were represented at the Conference:

General Category

Action Aid International	Fundación Global Democracia y Desarrollo
African Insurance Organization	Institute for Agriculture and Trade Policy
Commission of the Churches on International Affairs of the World Council of Churches	International Centre for Trade and Sustainable Development
Environment Development Action in the Third World	Coopération internationale pour le développement et la solidarité
	Public Services International

Special Category

Center of Concern	International Centre for Trade and Sustainable Development
International Federation of Agricultural Producers	Organization of African Trade Union Unity
International Institute for Sustainable Development	Organisation camerounaise de promotion de la coopération économique internationale
International Trade Union Confederation	Third World Network
Oxfam International	Traidcraft Exchange
Service Centre for Development Cooperation – KEPA	Village Suisse ONG
	World Association of Former United Nations Interns and Fellows

Accredited to UNCTAD XII

Action Aid Ghana	Canadian Council for International Cooperation
Africa Women's Economic Policy Network	Commission africaine des promoteurs de la santé et des droits de l'homme / African
African Cocoa and Coffee Farmers' Organization	Commission of Health Promoters
African Peace Network	Centre for Community Economics and Development Consultants Society
Agency for Cooperation and Research in Development	Center for Research on Multinational Corporations
Alliance for Arab Women	Centre du commerce international pour le développement
Alliance ivoirienne pour l'habitat	Christian Aid
Arc-en-ciel	Cercle d'Initiative Commune pour la Recherche, l'Environnement et la Qualité
Asociación Boliviana de Economía Política de la Globalización	Civil Society Trade Network of Zambia
Association pour l'action sociale et le développement	Collectif des femmes pour la protection de l'enfant et de l'environnement
Association des femmes de Côte d'Ivoire – Madina	Comité français pour la solidarité internationale
Association jeunesse et enfance Côte d'Ivoire	Community Action of Brazil
Association tunisienne des mères	Cellule de coordination des ONG africaines des droits de l'homme
Banana Link	Consumer Unity and Trust Society
Benin Rural Assistance	Cooperation for Fair Trade in Africa
Conference of NGOs in Consultative Relationship with the United Nations	Coordination S.U.D.
	Credo-Action
	Consumer Unity and Trust Society – London Resource Centre

Eco-Accord
Ecologie du village (Eva)
Ethiopian Economic Association /
Ethiopian Economic Policy Research
Institute
Ehuzu Africa International
Equitable Tourism Options (Equations)
Pan-African Federation of Filmmakers
Fondation des œuvres pour la solidarité et
le bien-être social
Free World Foundation
Friedrich-Ebert-Stiftung
Ghana Trade and Livelihoods Coalition
Groupement des aides privées
International Federation of Agricultural
Producers
Iniciativa Cultural – Instituto das
Industrias Caritativas
Institute for African Development
Institute for Sustainable Development and
Research
Institute of Socioeconomics Studies
Instituto Observatorio Social
International Centre for Conflict and
Human Rights Analysis
International Federation of University
Women
Italian Confederation of Trade Union
Workers
Jonction
Kenya Human Rights Commission
Least Developed Country Watch (LDC
Watch)

Magnificat Environment Association
Maison de l'entreprise du Burkina Faso
Microteam éducation, apprentissage et nouvelles
technologies
Network for Women's Rights in Ghana (Netright)
Office africain pour le développement et la
coopération
Organización Regional Interamericana de
Trabajadores
Oxfam Novib
Pan-African Federation of Filmmakers
Panos London
Prague Global Policy Institute, Glopolis
Rainbow Push – Public Policy Institute
Reality of Aid
Réseau des plates-formes nationales des ONG
d'Afrique de l'Ouest et du Centre
Resource Link Foundation
Southern and Eastern African Trade Information
and Negotiations Institute
Social Development Network
Social Enterprise Development Foundation of
West Africa
Students in Free Enterprise
Tax Justice Network Association International
Third World Network Africa
Ubuntu – World Forum of Civil Society Networks
United Youth Front International
Voices of African Mothers
Women in Development Europe
World Development Movement
Zonta International

Annex VIII

Lists of States contained in the annex to General Assembly resolution 1995 (XIX)

List A

Afghanistan	Guinea-Bissau	Pakistan
Algeria	India	Palau
Angola	Indonesia	Papua New Guinea
Bahrain	Iran (Islamic Republic of)	Philippines
Bangladesh	Iraq	Qatar
Benin	Israel	Republic of Korea
Bhutan	Jordan	Rwanda
Bosnia and Herzegovina	Kenya	Samoa
Botswana	Kuwait	Sao Tome and Principe
Brunei Darussalam	Lao People's Democratic Republic	Saudi Arabia
Burkina Faso	Lebanon	Senegal
Burundi	Lesotho	Seychelles
Cambodia	Liberia	Sierra Leone
Cameroon	Libyan Arab Jamahiriya	Singapore
Cape Verde	Madagascar	Solomon Islands
Central African Republic	Malawi	Somalia
Chad	Malaysia	South Africa
China	Maldives	Sri Lanka
Comoros	Mali	Sudan
Congo	Marshall Islands	Swaziland
Côte d'Ivoire	Mauritania	Syrian Arab Republic
Democratic People's Republic of Korea	Mauritius	Thailand
Democratic Republic of the Congo	Micronesia (Federated States of)	Timor-Leste
Djibouti	Mongolia	Togo
Egypt	Morocco	Tonga
Equatorial Guinea	Mozambique	Tunisia
Eritrea	Myanmar	Turkmenistan
Ethiopia	Namibia	Uganda
Fiji	Nepal	United Arab Emirates
Gabon	Niger	United Republic of Tanzania
Gambia	Nigeria	Vanuatu
Ghana	Oman	Viet Nam
Guinea		Yemen
		Zambia
		Zimbabwe

(100)

List B

Andorra	Holy See	Norway
Australia	Iceland	Portugal
Austria	Ireland	San Marino
Belgium	Italy	Spain
Canada	Japan	Sweden
Cyprus	Liechtenstein	Switzerland
Denmark	Luxembourg	Turkey
Finland	Malta	United Kingdom of Great Britain and Northern Ireland
France	Monaco	United States of America
Germany	Netherlands	
Greece	New Zealand	

(31)

List C

Antigua and Barbuda	Dominican Republic	Paraguay
Argentina	Ecuador	Peru
Bahamas	El Salvador	Saint Kitts and Nevis
Barbados	Grenada	Saint Lucia
Belize	Guatemala	Saint Vincent and the Grenadines
Bolivia	Guyana	Suriname
Brazil	Haiti	Trinidad and Tobago
Chile	Honduras	Uruguay
Colombia	Jamaica	Venezuela (Bolivarian Republic of)
Costa Rica	Mexico	
Cuba	Nicaragua	
Dominica	Panama	

(33)

List D

Albania	Kazakhstan	Serbia
Azerbaijan	Kyrgyzstan	Slovakia
Belarus	Latvia	Slovenia
Bulgaria	Lithuania	The former Yugoslav Republic of Macedonia
Croatia	Moldova	Ukraine
Czech Republic	Montenegro	Uzbekistan
Estonia	Poland	
Georgia	Romania	
Hungary	Russian Federation	

(24)

Annex IX

List of documents⁶

TD/413	Report of the Secretary-General of UNCTAD to UNCTAD XII
TD/414	Provisional agenda and annotations
TD/414/Add.1	Organization of the work of the Conference
TD/415	Outcome of the expert meeting in preparation for UNCTAD XII: identifying issues and priorities for least developed countries for action during and beyond UNCTAD XII
TD/416	Outcome of the conference “Biofuels: an option for a less carbon-intensive economy”
TD/417	Outcome of the meeting “Science, technology, innovation and ICTs for development”
TD/418	Outcome of the India-Africa Hydrocarbon Conference and Exhibition
TD/419	Outcome of the meeting “Globalization of port logistics: opportunities and challenges for developing countries”
TD/420	Developing productive capacities in least developed countries
TD/421	Harnessing knowledge and technology for development
TD/422	Globalization, development and poverty reduction: their social and gender dimensions
TD/423	Pre-conference event Outcome of the Secretary-General’s high-level panel on the creative economy and industries for development
TD/424	Debt management solutions for trade and development
TD/425	Emergence of a new South and South–South trade as a vehicle for regional and interregional integration for development
TD/426	Creating an institutional environment conducive to increased foreign investment and sustainable development
TD/427	Pre-conference event Meeting on trade and development implications of tourism services for developing countries
TD/428 and Corr.1	The changing face of commodities in the twenty-first century
TD/429	Pre-conference event Aid for Trade and development: towards a new global solidarity initiative
TD/430	Strengthening UNCTAD: enhancing its development role
TD/431	Strengthening UNCTAD: enhancing its impact and institutional effectiveness

⁶ These documents are available on the UNCTAD XII website (www.unctadxii.org).

TD/432	Pre-conference event Outcome of the high-level workshop for African LDCs
TD/433	High-level Segment of Heads of State and Government Trade and development for Africa's prosperity: action and direction
TD/434	Declaration of the Least Developed Countries Ministerial Meeting at UNCTAD XII
TD/435	World Investment Forum – Session I, “Prospects for global FDI and new business opportunities”, and Session II, “Global value chains: Opportunities and challenges for international and domestic firms”
TD/436 and Corr.1	Ministerial Declaration of the Group of 77 and China on the occasion of UNCTAD XII
TD/437	Civil Society Forum Declaration to UNCTAD XII
TD/438	World Investment Forum – Session III, “A new emerging market for FDI”
TD/439	Ministerial Communiqué of Landlocked Developing Countries
TD/440	Report of the Credentials Committee
TD/441	Report of the Trade and Development Board to the Conference
TD/L.398 and Add.1–4	Draft UNCTAD XII negotiated text
TD/L.399	Draft report of the United Nations Conference on Trade and Development at its twelfth session
TD/L.400	Summary of the UNCTAD XII pre-event, Workshop on Development Strategies in Africa
TD/L.401	Summary of the Creative Africa free dialogues
TD/L.402	Summary of the High-level Segment Trade and development for Africa's prosperity: Action and direction
TD/L.403	Summary of the seventh meeting of the UNCTAD/ICC Investment Advisory Council on the occasion of UNCTAD XII
TD/L.404	Summary of interactive thematic round table 3 The changing face of commodities in the twenty-first century
TD/L.405	Summary of interactive thematic round table 1 Globalization, development and poverty reduction: their social and gender dimensions
TD/L.406	Summary of interactive thematic round table 2 Creating an institutional environment conducive to increased foreign investment and sustainable development
TD/L.407	Summary of the UNCTAD side event Compal: what type of deliverables on competition law and policy?
TD/L.408	Summary of interactive thematic round table 4 Emergence of a new South and South–South trade as a vehicle for regional and interregional integration for development

TD/L.409	Summary of the UNCTAD side event Trade and gender: Perspectives for sustainable growth and poverty reduction
TD/L.410	Summary of the UNCTAD side event Making trade work for biodiversity sustainable use
TD/L.411	Summary of the UNCTAD side event Potential and prospects for trade and investment between developing countries and transition economies
TD/L.412	Summary of interactive thematic round table 5 Harnessing knowledge and technology for development
TD/L.413	The Accra Declaration
TD/L.414	Draft Accra Accord
TD/L.415	Summary of the UNCTAD side event Aid for Trade: Perspectives of regional commissions
TD/L.416	Summary of interactive thematic round table 7 Developing productive capacities in least developed countries
TD/L.417	Summary of interactive thematic round table 6 Debt management solutions supporting trade and development
TD/L.418	Summary of interactive thematic round table 8 Strengthening UNCTAD: enhancing its development role
TD/L.419	Summary of interactive thematic round table 9 Strengthening UNCTAD: enhancing its impact and institutional effectiveness
TD/INF.40	General information
TD/INF.41	List of participants
TD(XII)/BP/1	Report on the pre-UNCTAD XII event, the conference “Global initiative on commodities: Re-launching the commodities agenda”
TD(XII)/BP/2	The interface between trade and climate change policies and the role of UNCTAD
TD(XII)/BP/3	UNCTAD XII pre-event: “Globalization of port logistics: opportunities and challenges for developing countries”
TD(XII)/BP/4	Secretary-General’s high-level panel on the creative economy and industries for development
TD(XII)/Misc.1	Provisional list of participants
TD(XII)/PC/1	Pre-Conference negotiating text
TD(XII)/PC/2	Report of the hearing with civil society and the private sector Geneva, 28 January 2008
TD(XII)/PC/3	Report of the hearing with civil society and the private sector Geneva, 3 March 2008
TD/B/IGO/LIST/7	List of intergovernmental organizations participating in the activities of UNCTAD
TD/B/NGO/LIST/9	List of non-governmental organizations participating in the activities of UNCTAD



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**Report of the United Nations Conference on Trade
and Development on its twelfth session**

Held in Accra, Ghana, from 20 to 25 April 2008

Corrigendum

Annex VII. Attendance

Replace paragraph 6 with the paragraph overleaf.

6. The following non-governmental organizations with status with UNCTAD were represented at the Conference:

General Category

Action Aid	International Federation of Agricultural Producers
African Insurance Organization	International Institute for Sustainable
Commission of the Churches on	Development
International Affairs of the World	International Trade Union Confederation
Council of Churches	Organisation camerounaise de promotion de la
Coopération internationale pour le	coopération économique internationale
développement et la solidarité	Organization of African Trade Union Unity
Environmental Development Action	Oxfam International
in the Third World	Public Services International
Fundación Global Democracia y	Service Centre for Development Cooperation
Desarrollo	Third World Network
Institute for Agriculture and Trade	Traidcraft Exchange
Policy	Village Suisse ONG
International Centre for Trade and	World Association of Former United Nations
Sustainable Development	Interns and Fellows

Special Category

Center of Concern
