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UNCTAD deliberations on the Millennium Development Goals

Note by the UNCTAD secretariat

The São Paulo Consensus, adopted at UNCTAD XI in June 2004, states that, as the designated focal point for the integrated treatment of trade and development, UNCTAD has a special responsibility to contribute to the achievement of the international development goals, including those contained in the Millennium Declaration. At their ninth sessions, held in February/March 2005, the three Commissions of the Trade and Development Board took up the issue of the Millennium Development Goals in the context of their specific mandates. This document presents the Chairpersons' summaries of the discussions in the Commissions. These summaries, which are extracted from the Commissions' reports, reflect the views expressed by delegations and were prepared under the responsibility of the Chairpersons concerned. The annex to the document reproduces the recommendations adopted by the Commissions as they relate to the Millennium Development Goals.

I. High-level Event on Trade and the Millennium Development Goals

Summary by the Chairperson of the Committee on Trade in Goods and Services, and Commodities¹

Objective, keynote speakers and discussants

1. The High-level Event was convened taking into account the five-year review of the Millennium Declaration and the Millennium Development Goals (MDGs) that will culminate with a General Assembly high-level plenary of Heads of State in September 2005; the outcome of UNCTAD XI; and the 6th WTO Ministerial Conference in December 2005. The Officer-in-Charge of UNCTAD opened the High-Level Event, to which a number of eminent personalities contributed.²

What role can trade play in helping developing countries achieve the MDGs and under what conditions?

2. Trade, trade negotiations and trade liberalization should be seen as means of assuring development gains, including achieving the Millennium Development Goals (MDGs). Trade is inextricably linked with the MDGs, as trade policy can be a powerful tool for development, and in turn development promotes further trade. The potential developmental benefits from trade are huge. UNCTAD estimates that developing countries might gain up to US\$ 300 billion annually from trade liberalization in agriculture, manufactures and services (especially in Mode 4).

3. Developing countries, especially LDCs and those with weak and vulnerable economies, will be able to realize the full potential of trade if they have the necessary competitive capacities in trade in goods and services; transport infrastructure; efficient administrative procedures; human resources through educational policies; financial resources; and appropriate domestic policies and regulatory frameworks. Accordingly, efforts to increase trade need to be accompanied by parallel investment in the development of the supply side and related economic and social infrastructure. This should be complemented by enabling international markets without unfair restrictions and distortions; removal of market entry barriers (non-tariff barriers, excessive standards requirements, SPS measures), anti-competitive practices and monopolistic market structures; and addressing the erosion of trade preferences, as well as low and unstable prices of primary commodities.

4. Goal 8 of the MDGs includes a commitment to an open, equitable, predictable and rule-based multilateral trading system (MTS). To that end, there should be continued focus on the integration of development considerations into the principles and workings of the multilateral trading system, and more significantly into the negotiations on trade rights and obligations. The particular needs of LDCs, landlocked and transit developing countries, small island developing States, and countries lagging far behind in the achievement of the MDGs have to be given appropriate attention by the international community.

Five years after the adoption of the Millennium Declaration, what are the constraints and the opportunities in achieving an open, equitable, rule-based, predictable and non-discriminatory multilateral trading system? What progress has been made, as measured by the MDG targets and indicators?

¹ Extract from the report of the Commission on Trade in Goods and Services, and Commodities on its ninth session, held at the Palais des Nations, Geneva, from 14 to 18 March 2005 (TD/B/COM.1/73, paras. 37–50).

² H.E. Mr. Dipak K.A. Patel, Minister of Commerce, Trade and Industry of Zambia, and Mr. Patrick A. Messerlin, Professor of Economics, Institut d'Etudes Politiques de Paris, made keynote presentations. Lead discussants were H.E. Mr. Alejandro Jara, Ambassador of Chile to the WTO; H.E. Mr. Carlo Trojan, Ambassador of EC to the UN and the WTO; H.E. Mr. Hardeep S. Puri, Ambassador of India to the United Nations; H.E. Mr. Ransford A. Smith, Ambassador of Jamaica to the UN; H.E. Mr. Fernando de Mateo, Ambassador of Mexico to the WTO; H.E. Mr. Joseph Ayalogu, Ambassador of Nigeria to the UN; H.E. Mr. Enrique A. Manalo, Ambassador of the Philippines to the UN; and Mr. Richard Fallon, Deputy Permanent Representative of Ireland to the UN.

Sachs Report

5. The UN Millennium Project Report entitled *"Investing in Development: A Practical Plan to Achieve the Millennium Development Goals"*, in its chapter on "A global breakthrough in trade", makes a useful contribution to the MDG+5 review process. It makes a compelling case for liberalization in agriculture, non-agricultural market access (NAMA) and services in areas of export interest to developing countries. Its recommendations on the trade-related aspects of intellectual property rights, environment protection and standards, and free trade areas are useful guides to further action. It draws attention to the special challenges facing LDCs, landlocked countries and small island developing States in meeting the MDGs and calls for complementary measures in support of these countries. The call for a trade adjustment fund is one of Report's salutary aspects.

6. However, concerns were raised with regard to the approach taken by the Report vis-à-vis a customized and differentiated approach to special and differential treatment (SDT); overstating the problem of trade preferences; proposing ambitious timeframes for achieving total free trade by 2025 with universal enforcement of reciprocity and non-discrimination, as well as for elimination of export subsidies and limiting severely domestic support in agriculture; and the call for ambitious liberalization without accompanying measures to build supply capacities to take advantage of market access. The ambitious trade liberalization schedule seems unrealistic, given the current negotiating dynamics, and would certainly be inappropriate for developing countries, most of which are likely to face considerable trade adjustment problems. A more incremental process was suggested, with a view to achieving steady progress through an accumulation of a series of modest targets. Also, the Report does not adequately treat the important issue of commodities.

Making the international trading system more MDG-friendly

7. An MDG-friendly international trading system would put development issues first and provide a nurturing environment that responds to the development needs and concerns of developing countries. The MTS should emphasize equity and fairness, with SDT that allows developing countries to maintain policy flexibility to implement trade, economic and development policies in line with their development needs and priorities. Policy space should be seen as a means of fostering a better use of available development friendly policies and options.

8. Since the signing of the Uruguay Round results and the implementation of WTO Agreements, little practical value has been drawn from SDT. An immediate resumption of substantive negotiations on SDT was considered a matter of priority, together with an increase in the level of trade-related assistance, with the G8 Summit and the MDG review as catalysts in the process. Some advocated that SDT should (a) not lead to blanket exemptions and carve-outs from obligations or liberalization commitments, and (b) be based on "differential flexibility" and not permanent opt-outs. Others rejected such an approach based on differentiation, noting that some developing countries seen as having stronger economies have in reality a greater percentage of their population living below the poverty level.

9. Agriculture liberalization should initially focus on those highly protective measures granted to producers and exporters in developed countries. Market access (reduction of high tariffs on agriculture products) remains to be effectively addressed. An improved international and domestic food aid system and social safety net is needed to ease potential negative impacts of liberalization on the poor and vulnerable groups. The possible gains from removing barriers in agriculture and enhancing South-South trade in this area should be explored.

10. In NAMA, the focus of the negotiations should be on specific products and sectors of export interest to developing countries that are highly protected by high tariffs, tariff peaks and tariff escalation in developed countries. It was proposed that, to achieve potential gains, there is a need to apply uniform protection, i.e. by harmonizing tariff rates across products, which would reduce the pressure from domestic industrial lobbies, simplify fiscal issues and custom procedures, and drive investment via true competitive advantage leading to diversification. Some suggested that liberalization in NAMA needs to be undertaken by all countries, with flexibility only for LDCs. At the same time, it was recognized that developing countries would face significant adjustment costs, which should be supported by the international community.

11. One practical initiative could be for all developed countries to implement schemes similar to the Everything but Arms (EBA) scheme in favour of LDCs and for the rules of origin governing such schemes to be simplified. This initiative could also be complemented by a broader set of supportive policies.

12. Negotiations on services were seen as more problematic than negotiations in goods sectors, as restrictions in services industries are embedded in domestic regulations. Potential gains from liberalization in Mode 4 are huge. Other modes of services supply should also be liberalized. Other types of services that are important include those that strengthen the linkages between trade, capacity building and development, such as transport, distribution and postal services. It was also argued that there is a gap between binding commitments and actual services liberalization.

13. International systemic coherence is an important issue in reaping full development gains from the MTS. Hence, progress should be made in the WTO and in the international financial architecture, as agreed at the 2002 International Conference on Financing for Development in Monterrey, to complement and enhance gains achieved in the MTS. To facilitate such policy coherence, UNCTAD should continue to focus on a broad development agenda of trade, finance and global economic management.

What can UNCTAD do to further the realization of the MDGs?

14. Maximizing the contribution of trade to development has been the *raison d'être* and life-long vocation of UNCTAD. It is therefore natural that UNCTAD seeks to integrate into its work the key trade aspects of the MDGs. At UNCTAD XI, the São Paulo Consensus emphasized the imperative of assuring development gains from the international trading system and trade negotiations. UNCTAD, as an intellectual centre for development, should continue to generate ideas and serve as a forum for debate on trade for development. UNCTAD's policy analyses, technical assistance and intergovernmental consensus-building work should continue to pay special attention to the MDGs.

II. Achieving the Millennium Development Goals: Panel Discussion

Summary by the Chairperson of the Commission on Investment, Technology and Related Financial Issues³

Investing in development

15. In a video link with New York, the author of the report of the United Nations Millennium Project Task Force, entitled *Investing in Development*, presented a summary of its main findings and recommendations. The report argues that massive new investments, both public and private, are essential for poor countries in order that they may achieve the MDGs. The process should start with an increase in public investment to meet critical needs, and to trigger an increase in private investment, which is impeded by the lack of basic infrastructure, and of a healthy and skilled labour force. The poorest countries, especially those in sub-Saharan Africa, need to move from subsistence to commercial agriculture, and from dependence on primary commodities to internationally competitive industries and services. These would require *inter alia* improved soil health, agro-forestry, water management, rural infrastructure services such as roads and means of transport, modern energy services and basic communication technologies. A massive increase in inputs is needed to jump-start this process. The report calls for co-financing of MDG-based investment, and concludes that aid-financed infrastructure development and human capital investments can make a vast difference in promoting investments, especially FDI.

16. The panellist commended the work done by UNCTAD in the area of investment, and encouraged it to continue its policy work, especially with regard to WTO-based rules, such as those on trade-related aspects of intellectual property rights and trade-related investment measures, to ensure that the tools needed by developing countries to gain a foothold in non-traditional export sectors are not removed. The subsequent discussion emphasized the importance for donor countries of meeting their commitment to allocate 0.7 per cent of their gross domestic product to official development assistance, made at the International Conference on Financing for Development, held in Monterrey, with monitorable time tables, and stressed the need for developing countries to identify the investment needed for achieving their goals, and determine how much assistance is required before they become self-sustaining.

Global Partnership for Development

17. Panellists described national efforts to achieve the MDGs, and the experience gained. Uganda, for example, has adopted a wide range of measures to improve the investment climate, including the setting up of the Ugandan Investment Authority, a one-stop facilitator for investors, whose aim is to attract, promote and facilitate investment. The Government has identified a number of key areas for investment, including education, health, road infrastructure and telecommunications.

18. The National Solidarity Fund of Tunisia is a public-sector-driven fund designed to lift the population in "shadow areas" out of poverty. Its financial resources are generated by voluntary contributions from Tunisian individuals, the private sector and the State. The Fund, which finances small-scale projects for basic infrastructure, such as electricity, roads, schools and health care, has helped one tenth of the Tunisian population, and has brought about a dramatic fall in the poverty rate, from 8 per cent of the population in 1985 to less than 4 per cent today.

19. Panellists also discussed the importance of micro-finance for entrepreneurs in developing countries and listened to the presentation by Blue Orchard Finance, a Geneva-based specialized asset manager, the creation of which was initiated by UNCTAD in 2001. Some of the main bottlenecks for faster growth of micro-financing institutions (MFIs) include restrictive regulations and market constraints such as the lack of centralized, aggregate and coherent market data. UNCTAD was called on to encourage work on the collecting of such data.

³ Extract from the report of the Commission on Investment, Technology and Related Financial Issues on its ninth session, held at the Palais des Nations, Geneva, from 7 to 11 March 2005 (TD/B/COM.2/66, paras. 77–84).

20. Panellists highlighted the importance of public–private partnerships as an effective solution to the health problems of poor countries, especially the LDCs, where over 50 per cent of the population lack regular access to essential medicine. A number of public–private partnerships have been established in the last decade to address the health needs of the poor. For example, since 2000, seven companies and five UN organizations have worked together in the Accelerating Access Initiative (AAI) to increase access to anti-retroviral drugs (ARVs) in developing countries. Thanks to the significant price discounts offered by participating companies and important political commitment, more than 50 per cent of all ARVs in developing countries are delivered through the AAI. In 1999, the Global Alliance for Vaccines and Immunization was established; it brings together major vaccine companies, donors, foundations, multilateral organizations and non-governmental organizations to improve the immunization of children in developing countries.

21. As the subsequent discussion indicated, MDGs cover a large part of the global agenda. To contribute effectively to meeting them, UNCTAD needs to focus on its own areas of competence, where it can make concrete contributions. It should, for example, continue its work on global policy analysis, especially through its work on the *World Investment Report*. It should continue to analyse the effectiveness of incentives, targeting and other policy tools. The implementation of global goals depends on action at the national level. In this regard, UNCTAD should continue to support country-level processes in policy implementation through its programmes on investment policy reviews, investment guides and the linkage programme. It should also assist government on request in creating an enabling environment for public–private partnership, as well as in building domestic capabilities in areas where global public funding is available. With regard to intellectual property rights and technology transfer, especially in the context of essential drugs, UNCTAD should help developing countries build up their productive capacity in partnership with the pharmaceutical companies. Given UNCTAD's new mandate in the area of corporate responsibility, it was proposed that it engage stakeholders in action-oriented policy dialogue through the UNCTAD/ICC Investment Advisory Council.

22. On the issue of science and technology, UNCTAD should continue to work closely with the Commission on Science and Technology for Development, which since 2003 has been examining the importance of science and technology for achieving the MDGs. In addition, UNCTAD should continue its work on science, technology and innovation policy reviews (STIPs) to ensure that they contribute effectively to development, and especially in meeting the MDGs. In addition to carrying out policy analysis, UNCTAD was called on to adopt pragmatic programmes that help developing countries in improving access to and use of ICTs. In this context, delegates welcomed the recently established partnership between UNCTAD and the Geneva Centre for Information Technologies, which is designed to help developing countries, especially the LDCs, in building up a base of skilled human resources in the area of ICTs.

III. CONTRIBUTION OF WORK ON ENTERPRISE, BUSINESS FACILITATION AND ICT FOR DEVELOPMENT TO THE INTERNATIONAL DEVELOPMENT GOALS

Summary by the Chairperson of the Commission on Enterprise, Business Facilitation and Development ⁴

23. The Commission was provided with an oral briefing on the contribution that the secretariat's work on enterprise, business facilitation and ICT for development could make to the achievement of the international development goals, including those contained in the Millennium Declaration.

24. Strengthening the competitiveness of domestic enterprises, particularly SMEs, was vital for developing countries to benefit from international trade and investment opportunities and to contribute to the achievement of the international development goals, including those contained in the Millennium Declaration, in particular Goal 1 on "Eradication of extreme poverty and hunger". It was noted that the Millennium Project Report stressed the importance of promoting the private sector, which could create jobs and generate more income in order to help reduce poverty.

25. The Commission discussed how SMEs in developing countries could ensure that the benefits and advantages of enterprise internationalization were adequately utilized and risks were properly addressed, in particular through TNC-SME linkages, global value chains and outward investment. It was also stressed that the problem of access to capital and finance was particularly crucial and still unresolved for the majority of SMEs in most developing countries, and it was therefore important to explore finance-related issues further.

26. The Millennium Project Report also suggested that "the key to achieving the Goals in low-income countries is to ensure that each person has the essential means to a productive life", which *inter alia* required adequate human capital, of which entrepreneurial skills were one of the key elements. The Commission considered the issue of how to unleash the potential of entrepreneurship in developing countries, including through the EMPRETEC programme.

27. With respect to UNCTAD's work on trade facilitation and transport, it was noted that transport was important in the development process of countries, and that the implementation of targets related to Goal 8 (Develop a Global Partnership for Development) required linkages and networking among developing countries. Efficient transport and trade facilitation provided the background for increased competitiveness of developing countries and allowed access to global markets. The linkages between efficient transport and development prospects were particularly crucial for countries with special needs. UNCTAD's activities in connection with the implementation of the Almaty Programme of Action could be expected to contribute to reducing transit transport costs, improving the quality of transport services available to landlocked countries, and increasing the contribution of international trade to their development process.

28. The year 2005 would see a unique convergence between the work done on the social, economic, technical and political aspects of development on the one hand and information and communication technology (ITC) for development on the other because of the proximity of two major conferences: the five-year review of progress toward the achievement of the development goals of the Millennium Declaration at the General Assembly in New York in September 2005, and the second phase of the World Summit on the Information Society (WSIS) in Tunis in November 2005.

29. It was recognized that ICT for development could support the development goals of the Millennium Declaration, either directly, in the case of Goal 8 and its target 18 ("In cooperation with the private sector, make available the benefits of new technologies, especially information and communication technologies"), or indirectly. For example, ICT could support the goal of eradicating extreme poverty and hunger by stimulating macroeconomic growth. It could support the goal of achieving universal primary education by broadening the availability of quality educational material

⁴ Extract from the report of the Commission on Enterprise, Business Facilitation and Development on its ninth session, held at the Palais des Nations, Geneva, from 22 to 25 February 2005 (TD/B/COM.3/70, paras. 75–82).

and enhancing the efficiency and effectiveness of educational administration and policies. The health-related development goals of the Millennium Declaration could benefit from the potential of ICT to provide an effective and efficient channel for the distribution of healthcare and disease prevention information to the general public, and to make healthcare services like consultation, diagnosis and treatment more accessible. Finally, ICT for development could support the growth of environment-related activities by enabling greater participation by the population in activities to protect the environment through networking and information exchange, thus supporting the goal of ensuring environmental sustainability.

30. Delegates considered that the secretariat's presentation on the links between its work and the development goals of the Millennium Declaration was very useful in the light of the forthcoming UN General Assembly session, and they encouraged the secretariat to continue highlighting such links in the context of the Commission's future sessions.

Annex

Recommendations adopted by the Commissions as they relate to the Millennium Development Goals

Commission on Trade in Goods and Services, and Commodities⁵

A. Trade and Millennium Declaration goals

2. In view of UNCTAD's contribution to the implementation of international development goals, including those contained in the Millennium Declaration, and to the 2005 comprehensive review of the latter, the Commission recommends that UNCTAD should:

- (a) Contribute to the mainstreaming of development into international trade and trade negotiations, in particular the Doha negotiations, through its work on consensus-building, analytical work, technical assistance and capacity building, in line with the mandate contained in the São Paulo Consensus;
- (b) Contribute to the preparatory process for the high-level plenary meeting of the General Assembly to review progress in fulfilment of commitments contained in the UN Millennium Declaration in September 2005, in particular on the role of trade and trade negotiations in the achievement of development objectives and targets; and
- (c) Support capacity building efforts in developing countries in trade policy formulation, trade negotiations, including WTO accession negotiations, and commodities, as provided in the São Paulo Consensus (paragraph 95). It should also strengthen technical assistance to address the special needs of developing countries, in line with paragraph 66 of the São Paulo Consensus.

Commission on Investment, Technology and Related Financial Issues⁶

9. The Commission underlines the important contribution that investment, technology and enterprise competitiveness can make in achieving the international development goals, including those contained in the Millennium Declaration. In the light of the discussions at the current session, UNCTAD should:

- (a) Support country-level processes of policy formulation and implementation, with a view to assisting countries in maximizing the benefits that FDI can bring to achieving the international development goals, including through the UNCTAD programmes of investment policy reviews, investment guides, enterprise linkage development and related advisory services and capacity-building;
- (b) Assist Governments of developing countries in their efforts to create an enabling regulatory environment for public-private partnerships and investment in enterprises and projects providing basic services to the poor;
- (c) Within its work programme on investment, technology transfer and intellectual property, assess ways in which developing countries can develop their domestic productive capability in the supply of essential drugs in cooperation with pharmaceutical companies;
- (d) Assist Governments of developing countries in promoting the application of science and technology in achieving the international development goals, including those contained in the Millennium Declaration, in particular through the UNCTAD science, technology and innovation policy reviews and the work of the Commission on Science and Technology for Development (CSTD). The Commission welcomes the

⁵ Extract from the report of the Commission (TD/B/COM.1/73).

⁶ Extract from the report of the Commission (TD/B/COM.2/66).

partnership between UNCTAD and the Geneva Centre for Information Technologies to provide training to engineers and information professionals from developing countries and LDCs;

- (e) Continue analytical work and the exchange of information and experiences in the area of positive corporate contributions to the social and economic development of host developing countries, as foreseen by the São Paulo Consensus, including in paragraph 45;
- (f) Engage stakeholders in action-oriented policy dialogue, including through the UNCTAD/ICC Investment Advisory Council.

Commission on Enterprise, Business Facilitation and Development⁷

Improving the competitiveness of SMEs through enhancing productive capacity

1. The Commission recognizes the important contribution that the SME sector can make to job creation, economic growth and achieving the Millennium Declaration Goal of poverty reduction. It recalls that UNCTAD XI mandated UNCTAD to continue its work on enterprise development, taking account of developments in the international economic environment. It also agrees that, during the past decades, the globalization process has affected the business environment for SMEs in developing countries, with international competitiveness becoming increasingly important for them to benefit from international trade and investment opportunities.

2. The Commission agrees that the internationalization of enterprises is one of the essential ways for strengthening the competitiveness of developing country firms. That includes strategies addressing structural weaknesses, integrated forms of production and distribution networks, such as TNC-SME linkages, clusters and global value chains, and direct outward investment from developing country firms.

3. The Commission requests UNCTAD to continue its work on policy analysis in the area of enterprise competitiveness. In particular, UNCTAD should further analyse policy options for enhancing the competitiveness of developing country firms through their internationalization, including by developing linkages with larger international firms, integration into global value chains, and engaging in direct outward investment.

4. The Commission also agrees that UNCTAD continue its efforts in the area of technical assistance and capacity building with a view to contributing to the development of an SME-conducive environment and to unleashing the potential of entrepreneurship in developing countries, especially the least developed countries. This work should be continued, *inter alia*, through public-private sector partnerships and through its EMPRETEC programme. The Commission also requests the secretariat to explore ways in which issues of SME development could be better addressed. It also requests the secretariat to explore ways of providing assistance to tsunami-affected countries in their rehabilitation efforts in the area of SME competitiveness.

5. The Commission requests the secretariat to undertake a preliminary study on the possible development of a competitiveness analysis framework and relevant indicators to support progress in building a sound SME sector in developing countries and countries with economies in transition.

Efficient transport and trade facilitation to improve participation by developing countries in international trade

6. The Commission recognizes the importance of access to adequate transport and logistics services by developing countries as a prerequisite for the achievement of the international development goals, including those contained in the Millennium Declaration, particularly for countries

⁷ Extract from the report of the Commission (TD/B/COM.3/70).

with special needs. Given the long-term nature of the problems addressed in the area of transport and trade facilitation and based on the São Paulo consensus, the UNCTAD secretariat should continue to:

- (a) Keep under review and monitor developments relating to efficient transport and trade facilitation and examine their implications for developing countries;
- (b) Provide assistance to developing countries in the ongoing negotiations relating to the Doha Development Agenda at the WTO. In particular, UNCTAD, in cooperation with other relevant international organizations, should strengthen assistance to the trade facilitation negotiations process. It should also seek the support of the donor community in expanding its activities within the Global Facilitation Partnership. The secretariat should conduct consultations immediately with relevant stakeholders in order to create a better understanding of the developmental aspects of trade facilitation with a view towards the development of an appropriate consultative framework;
- (c) Provide technical assistance and capacity building activities in the area of transport and trade facilitation, including on the use of automated systems to improve international trade and transport management. Special attention should be paid to the improvement of transit arrangements for the landlocked and transit developing countries;
- (d) Monitor developments and disseminate information on security measures affecting the international trade and transport of developing countries and analyse their potential implications;
- (e) Cooperate with other intergovernmental and non-governmental organizations in their work relating to the development of international legal instruments affecting international transport and trade facilitation, including multimodal transport, as provided for in paragraphs 59 and 60 of the São Paulo Consensus.

Electronic commerce strategies for development

7. Recognizing the contribution that the wider adoption and use of ICT and e-business in developing countries can make to the achievement of the international development goals, including those contained in the Millennium Declaration, and welcoming the initiatives undertaken within the Partnership on ICT for Development in the areas of measuring ICT, free and open source software, and e-tourism, the Commission recommends that UNCTAD should:

- (a) Carry out research and policy-oriented analytical work on the implications for trade and development of the different aspects of ICT and e-business that fall within UNCTAD's mandate, with a focus on those sectors of main interest for developing countries. Particular attention should be paid to supporting the consideration of the trade and development dimensions of international discussions pertaining to ICT and e-business, including in the contexts of the World Summit on the Information Society (WSIS), the high-level plenary meeting of the General Assembly to review the implementation of the Millennium Declaration, and WTO;
- (b) Continue, with an appropriate implementation strategy, to provide a forum for international discussion and exchange of experiences concerning ICT, e-business and their applications, including dissemination of best practices and standards, in the promotion of trade and development. In this context, free and open source issues and topics should be incorporated into UNCTAD's contribution to and support for the high-level General Assembly plenary meeting on the Millennium Declaration and WSIS Phase II processes, as well as in contributions to ECOSOC activities and other relevant United Nations bodies considering ICTs in the development context, especially in LDCs;

- (c) Continue work in the field of the measurement of ICT, including the development of statistical capacity, to enable developing countries to measure the access, use and impact of ICT and to monitor progress in this field. Activities concerning the statistical measurement of ICT should be undertaken in the context of the Partnership on Measuring ICT for Development that was launched at UNCTAD XI;
- (d) Contribute to capacity building in the area of ICT for development, particularly in trade sectors of special interest to developing countries or those that can be more profoundly enhanced through the use of ICT, such as tourism, SME development and poverty alleviation. Such work should address aspects of the identification of specific needs in the area of ICT and e-business, the exchange of experiences and the dissemination of information, and the enhancement of technical and managerial skills and other capacities. Without prejudice to other technology and content models, UNCTAD should provide advisory services to developing countries in the context of its capacity-building activities and the multi-stakeholder partnerships launched at UNCTAD XI, and facilitate an informed and factual discussion on free and open source software, in partnership with private sector and civil society entities so that they can take advantage of developments in this area.