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and the Programme Budget  
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**Draft proposed UNCTAD section of the United Nations  
strategic framework for the period 2008-2009\***

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\* At its forty-sixth session, on 29 June 2006, the Working Party on the Medium-term Plan and the Programme Budget concurred with the Strategic Framework as contained in this document.

**Overall orientation**

10.1 The main objective of the programme implemented by the United Nations Conference on Trade and Development (UNCTAD) and the UNCTAD/WTO (ITC) is to maximize the trade and development opportunities of developing countries and to assist them in their integration into the world economy in a manner that enhances the development opportunities offered by the globalization process, while helping to shape international economic relations in the twenty-first century.

10.2 The programme is guided by the sessions of the United Nations Conference on Trade and Development, the Trade and Development Board and its subsidiary bodies, and the Commission on Science and Technology for Development. The decisions adopted at the eleventh session of the Conference, held in Sao Paulo in June 2004, formed the basis for building upon UNCTAD's work. For the period 2008-2009, the programme will further integrate the outcomes of the twelfth session of the Conference, scheduled to take place in early 2008. The United Nations Conference on Trade and Development (UNCTAD) is responsible for subprogramme 1 to 5 within this programme while subprogramme 6 is under the responsibility of the International Trade Centre UNCTAD/WTO (ITC).

10.3 UNCTAD's work in its three pillars, namely research and analysis, consensus building and technical cooperation will be strengthened. Independent analytical capacity of UNCTAD will be enhanced to ensure the high quality of research and analysis necessary to address key issues of importance to developing countries. The results of such analysis will support and reinforce its activities in consensus building and technical cooperation.

10.4 Among the main objectives of the programme emanating from the outcomes of UNCTAD XI, the examination of development strategies in a globalizing world economy, is the principle task of subprogramme 1. Subprogramme 2 and 4 will aim to contribute to building productive capacities and international competitiveness, while subprogramme 3 and the trade facilitation component of subprogramme 4 will aim to contribute to assuring development gains from the international trading system and

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trade negotiations. Development strategies of countries in special situations will be covered under subprogramme 5, while sectoral concerns of those countries will also be addressed by other subprogrammes. The analytical work on LDCs will be more effectively mainstreamed. Integration of crosscutting issues, such as South-South cooperation, poverty alleviation and gender dimension will receive the necessary consideration within the context of pursuing the above objectives.

10.5 UNCTAD will make substantial contributions to the implementation of the outcomes of recent global conferences. Notably, it will contribute to the attainment of international development goals contained in the Millennium Declaration and in the 2005 World Summit Outcome, in particular those related to: Global partnership for development; Financing for development; Domestic resource mobilization; Investment; Debt; Trade; Commodities; Systemic issues and global economic decision-making; South-South cooperation; Sustainable development; Science and technology for development; Countries with special needs; and Meeting the special needs of Africa.

10.6 It will also contribute to the implementation of and take specific actions requested in: the Brussels Programme of Action for Least Developed Countries; the Monterrey Consensus of the International Conference on Financing for Development; the outcomes of the Johannesburg World Summit on Sustainable Development; the outcomes of the World Summit on the Information Society; the Almaty Programme of Action for landlocked developing countries; and the Mauritius Strategy for the sustainable development of small island developing States. Additionally, it will contribute to furthering the implementation of goals in the Doha Ministerial Declaration of the Fourth Ministerial Conference of the World Trade Organization and other relevant decisions in this respect.

10.7 In an effort to respond better to changing global demand and required reform of the United Nations. UNCTAD will explore ways and means to effectively contribute to the work of the Peacebuilding Commission, with a view to integrating relevant countries, particularly post-conflict ones, in the global economy. UNCTAD will attempt firstly to take an organic approach that would enable it to address immediately and coherently issues of importance for developing countries facing global challenges of today. The subprogramme for

the development of Africa, least developed countries and countries in special situation, intends to strengthen the subprogramme by maximizing the synergies of research and policy analysis and by taking a coherent approach to the issues of concern to these countries. The issue of science and technology, sine qua non for development today, is addressed in an integrated manner across subprogrammes through a special organizational arrangement. This approach will be further applied to other areas in response to the evolving demands of developing countries facing challenges of the modern economy. UNCTAD will also try to maximize its contribution by sharpening its role within the international development assistance community. It will focus on enhancing its intellectual contribution, which could be discharged through cooperative effort with other international organizations with greater country presence, or with such external entities as regional institutions, non-governmental organizations and the private sector. Furthermore, UNCTAD will more closely cooperate with other national and international think-tank like institutions with a view to enhancing its research and analysis whilst maintaining its intellectual integrity and independence. Finally, it will strive to provide technical assistance in a more organized and streamlined fashion so as to better respond to the changing needs of beneficiaries.

10.8 ITC will complement the work of its parent bodies, UNCTAD and WTO, by focusing its technical cooperation activities on supporting the efforts of developing countries and countries with economies in transition, and most particularly their business sectors, to maximize the trade and development opportunities of developing countries, and particularly their business sector, and to assist them in their integration into the world economy in a manner that enhances the development opportunities offered by the globalization process, while helping to shape international economic relations in the twenty-first century. Capacity-building support will be provided through information dissemination, training and advisory services which address both supply-side as well as market development constraints. Principal clients of such technical assistance are public and private sector trade support institutions and their networks that extend specialized trade support services to export enterprises. Africa and the least developed countries remain a priority for the direction of ITC's technical assistance.

**Subprogramme 1****Globalization, interdependence and development**

**Objective of the Organization:** To promote economic policies and strategies at the national, regional and international levels that are supportive of sustained growth and poverty reduction in developing countries, based on faster capital accumulation and increased gains from globalization, against the background of increasing interdependence between the international trading and financial systems and national development strategies and the need for their coherence.

<i>Expected accomplishments of the Secretariat</i>	<i>Indicators of achievement</i>
(a) Better understanding of policy choices at the national and international levels and their implications for faster and more stable growth and poverty reduction in developing countries as a result of policy advocacy	(a) Increased number of endorsements of policy recommendations and acknowledgement of research findings by Member States
(b) Progress towards debt sustainability in developing countries through better debt and financial management and, as appropriate, debt rescheduling or debt relief	(b) (i) Increased number of institutions using the Debt Management and Financial Analysis System (DMFAS) (ii) Increased number of countries having improved external debt positions
(c) Improved empirical and statistical foundations and informational base for decision-making at the national and international levels on trade, financial and economic policies and development strategies	(c) Increased number of requests from outside users for statistical publications and informational materials in both electronic and hard-copy format
(d) Improved policy and institutional environment and enhanced international cooperation in the development of the Palestinian economy by strengthening UNCTAD activities in this field through the provision of adequate resources	(d) Increased number of new policy and legislative measures and international cooperation initiatives taken

**Strategy**

10.9 This subprogramme is under the responsibility of the Division on Globalization and Development Strategies. In its work, the Division will focus on 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; 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; and supporting developing countries in their efforts to formulate development strategies adapted to the challenges of globalization. The objective will be pursued through policy advocacy based on: (a) timely and forward-looking research and analysis of macroeconomic and development policies as well

as debt and finance, taking into account the outcomes of relevant major international conferences; (b) the formulation of policy recommendations for appropriate development strategies at the national, regional and international levels to meet the challenges of globalization; (c) furthering consensus-building on macroeconomic and development policies that are suited to the specific conditions of developing countries; and (d) capacity-building in support of such policies, including measures related to external financing and debt. The dissemination of the reports and documents issued under the subprogramme will be linked closely to the provision of advisory services, training and workshops at the national and international levels; technical cooperation, in particular in the area of debt management; statistical and informational services as tools for policy makers and in support of the UNCTAD work programme; and the provision of special assistance to the Palestinian people.

## Subprogramme 2

### Investment, enterprise and technology

**Objective of the Organization:** To assure developmental gains from increased international investment flows and technology transfer to developing countries and countries with economies in transition and from enhanced international competitiveness of domestic enterprises in those countries.

<i>Expected accomplishments of the Secretariat</i>	<i>Indicators of achievement</i>
(a) Increased ability at the national level to discuss international investment issues and their development dimension	(a) Increased number of policy makers who indicate that they are better able to discuss international investment-related issues
(b) Better understanding of policies that will attract and benefit from foreign direct investment and technology transfer and the development dimension of international agreements	(b) Increased number of policy recommendations taken into account by Member States
(c) Improved opportunities for enterprises in developing countries and countries with economies in transition to enhance their competitiveness through effective policy and prudential regulation for expansion of the insurance sector, deepened linkages between domestic and foreign firms and better understanding of emerging issues in accounting and reporting standards, corporate responsibility, transparency and good corporate practices	(c) (i) Increased number of countries indicating that policy advice and technical assistance provided by UNCTAD were useful in the design of policies aimed at enhancing the competitiveness of their enterprises (ii) Increased number of countries indicating effective policy advice and assistance provided by UNCTAD for improving insurance legislation, regulation and sector growth

### Strategy

10.10 This subprogramme is implemented under the responsibility of the Division on Investment, Technology and Enterprise Development. To achieve the objective of the subprogramme, the Division will aim to improve the understanding of issues and policy choices in international investment, enterprise development and technology transfer and will continue to strengthen its role as the major source of comprehensive information and analysis of international investment. It will focus on the development dimension of international investment and technology flows, the interface of global processes and national policy-making and the integration of investment, technology and enterprise-development policies. The Division will also aim to strengthen the capacity of developing countries, in particular the least developed countries, at their request, to formulate and implement integrated policies and to participate in discussions relating to international investment, to support efforts by developing countries to build productive capacities and to respond to technological and scientific changes through science and technology

reviews and to promote the transfer of technology and innovation and in the field of insurance to increase the capacity of developing countries to effectively regulate and upgrade the insurance sector.

### Subprogramme 3

#### International trade

**Objective of the Organization:** To assure developmental gains from international trade, the trading system and trade negotiations in goods and services and to enhance the commodity sector's contribution to the development process for the effective and beneficial integration of developing countries and countries with economies in transition in the global economy.

<i>Expected accomplishments of the Secretariat</i>	<i>Indicators of achievement</i>
(a) Improved understanding and better ability of developing countries, including non-WTO members, to analyse, formulate and implement appropriate trade policies and strategies in international trade, the international trading system and trade negotiations and improved international trading environment facilitating market access and entry conditions for developing countries' exports	(a) Increased number of developing countries, including non-WTO members, actively participating in the international trading system
(b) Strengthened analytical, statistical and information bases and tools for trade and trade-related decision-making in developing countries at the national, regional and international levels and for enhanced global understanding of interactions between trade, competitiveness and development	(b) (i) Increased number of users of the Trade Analysis and Information Analysis System either through the internet or the World Integrated Trade Solution, and the Agriculture Trade Policy Simulation Model (ii) Increased number of countries and factors covered by the Trade and Development Index
(c) Strengthened capacity of developing countries to integrate commodity production and trade into development and enhanced international partnerships on commodities and development	(c) Increased number of countries in which improvements have been achieved in integrating commodity production and trade into development in line with UNCTAD's research and analyses, and policy deliberations and technical assistance
(d) Improved capability of developing countries to identify and address competition and consumer protection issues and to deal effectively with restrictive business practices in national and international markets	(d) Increased number of countries making progress in competition or consumer-protection legislation, specifically through the preparation, adoption or revision of legal instruments or through measures aimed at enforcing their implementation
(e) Strengthened capacity of developing countries to pursue both trade and trade policy objectives and sustainable development objectives in a mutually supportive fashion, and increased attention to developing countries' sustainable development objectives in international discussions	(e) Increased number of result-oriented actions taken by developing countries and the international community to enable developing countries to take advantage of trade and investment opportunities while promoting their sustainable development objectives in international discussions or through specific policy measures for them at the national, regional and international levels

**Strategy**

10.11 This subprogramme is implemented under the responsibility of the Division on International Trade in Goods and Services and Commodities. To achieve its objectives, the subprogramme will focus on assisting developing countries and countries with economies in transition, at their request, in responding effectively to challenges and opportunities, thereby maximizing the gains from international trade, including South-South trade, in goods and services and from commodity sector development and trade. The evolution of the international trading system and trends in international trade from a development perspective will be monitored and analysed to help developing countries to develop the capacity to participate effectively in trade negotiations and in dynamic and new sectors of world trade, and to formulate relevant policies and strategies, with particular attention paid to the concerns of the least developed countries. The subprogramme will provide a forum for policy discussion and consensus-building on core and emerging issues of international trade, international trading system and trade negotiations, commodities, trade in goods and services, and new and dynamic sectors of international trade so as to ensure enhanced and predictable market access for the exports of developing countries, support their efforts to build supply capacities and competitiveness, diversification and address adjustment challenges. Special emphasis will be placed on the elaboration or improvement of development benchmarks, including through the Trade and Development Index analytical framework, the identification and quantification of non-tariff barriers, the provision of support to South-South cooperation and trade preferences, WTO accession, dispute settlement, Trade Related Intellectual Property Rights (TRIPS) and development, competition policies, environmental requirements and biotrade.

**Subprogramme 4****Services infrastructure for development, trade efficiency and human resources development**

**Objective of the Organization:** To improve the competitiveness in international trade of developing countries and countries with economies in transition through efficient and secure trade-supporting services, increased and sustainable utilization of information technology and human resources development.

<i>Expected accomplishments of the Secretariat</i>	<i>Indicators of achievement</i>
(a) Improved trade logistics of developing countries through, inter alia, strengthening of transport efficiency, trade facilitation and customs and legal frameworks	(a) Increased number of specific new actions taken by developing countries to improve transport efficiency and trade facilitation
(b) Improved awareness and understanding by developing countries of the policy and strategy options of the economic applications of information and communication technologies	(b) Increased number of specific new actions taken by developing countries to address economic implications of information and communication technologies
(c) Strengthened capacities in developing countries in the fields of trade, investment and trade-supporting services through human resources development, networking and sustainable use of information technology	(c) (i) Increased number of specific new actions taken by developing countries to strengthen their capacities in the fields of trade, investment and trade-supporting services  (ii) Number of government officials trained who consider that paragraph 166 courses have significantly contributed to the understanding of key issues on the international economic agenda

**Strategy**

10.12 This subprogramme is under the responsibility of the Division for Services Infrastructure for Development and Trade Efficiency. To achieve the objective, the Division will aim to promote access to and capacity to use information and knowledge. UNCTAD's assistance to land-locked countries and their transit neighbours will be strengthened, especially policy advice on transit transport agreements and infrastructure. In particular, it will focus on trade-supporting services, including the strengthening of transport efficiency, trade facilitation and customs and legal frameworks; economic applications of information and communication technologies; and development of the capacity of trade and training institutions. It will pursue the objective by: (a) carrying out timely and forward-looking research and analysis; (b) formulating policy recommendations for appropriate development strategies at the national, regional and international levels; (c) fostering dialogue for consensus-building; (d) providing technical assistance upon request; (e) supporting the capacity of trade, transport and training institutions; and (f) strengthening through increased in-house cooperation and further integrating the work of the train for trade programme, the virtual institute, the training courses on key issues on the international economic agenda, and other new initiatives. The reports and documents prepared under the subprogramme will be widely disseminated in connection with the provision of advisory services, training and workshops at the national and international levels. Where appropriate, they will draw upon the knowledge gained through technical cooperation activities.

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## Subprogramme 5

### Africa, least developed countries and special programmes

#### A. Development of Africa

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**Objective of the Organization:** To promote African economic development and fuller participation and successful integration of African countries into the world economy.

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<i>Expected accomplishments of the Secretariat</i>	<i>Indicators of achievement</i>
(a) Increase in the range of national and international policy choices to promote African development in the areas of expertise of UNCTAD	(a) Increased number of endorsements by African States of policy recommendations
(b) Increased utilization of services provided in support of the New Partnership for Africa's Development and various intergovernmental and inter-agency initiatives with regard to Africa	(b) Increased number of requests for inputs in support of the New Partnership and other such initiatives

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#### Strategy

10.13 This subprogramme is under the responsibility of the Division for Africa, Least Developed Countries and Special Programmes. The subprogramme will focus on analytical research to identify issues that have an impact on Africa's economic development and will play an advocacy role in promoting consensus in the international development community on the policy measures that best address Africa's development problems. It will contribute to a better understanding of coherence between international economic rules and national policies and development strategies. The research output will be linked closely to the provision of advisory services, training, workshops and lectures, with a view to strengthening capacity-building activities.

## B. Least developed countries

**Objective of the Organization:** To promote progressive and beneficial integration into the global economy of least developed countries and facilitate their smooth graduation.

<i>Expected accomplishments of the Secretariat</i>	<i>Indicators of achievement</i>
(a) Increased analytical understanding and consensus in the global economy of the development problems of countries concerned	(a) Increased number of policy actions agreed and recommended by least developed countries and their development partners
(b) Better integration of trade policies and priorities in the national development plans through the Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries and build capacities for country ownership and implementation of the Action Matrices of the enhanced Integrated Framework	(b) Increased number of countries making efforts to mainstream their trade policies and priorities into their national development plans as well as concrete implementation of the Action Matrices of the enhanced Integrated Framework

### Strategy

10.14 This subprogramme is under the responsibility of the Division for Africa, Least Developed Countries and Special Programmes. To achieve the above objective, the Division will focus on improving human and institutional capabilities in to the least developed countries through: research and policy analysis; making policy proposals based on such analysis; facilitating intergovernmental discussion on issues relating to the least developed countries, including the status of least developed countries and their smooth graduation; and technical assistance based on specific needs of the countries concerned. The causes of decline in the share of the least developed countries in world trade and the linkages between trade, growth and poverty reduction will continue to be examined through the Least Developed Countries Report. UNCTAD technical cooperation activities will be coordinated taking into account the specific needs of the least developed countries and through participation in the Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries and the ITC/UNCTAD/WTO Joint Integrated Technical Assistance Programme. The subprogramme will thereby contribute to implementing the Brussels Programme of Action for the Least Developed Countries for the Decade 2001-2010.

### C. Special programmes

**Objective of the Organization:** To respond to the special needs of small, vulnerable economies, small island developing States and landlocked and transit developing countries.

<i>Expected accomplishments of the Secretariat</i>	<i>Indicators of achievement</i>
(a) Enhanced international cooperation to implement the Almaty Programme of Action to address the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries and to improve the effective participation of LLDCs, as well as other groups of countries mentioned in paragraph 33 of the São Paulo Consensus, in the global trading system	(a) Increased number of initiatives by countries towards advancing the implementation of the Almaty Programme of Action and a more effective participation of LLDCs in the global trading system, such as the formulation and amendment of transit traffic agreements
(b) Contribution to the follow-up to the international meeting on the sustainable development of small island developing States in 2005	(b) Timely completion of inputs to this follow-up

#### Strategy

10.15 This subprogramme is under the responsibility of the Division for Africa, Least Developed Countries and Special Programmes. To achieve the above objective, the Division will focus on improving human and institutional capabilities in the countries concerned through: research and policy analysis; and technical assistance based on specific needs of the countries concerned. The subprogramme will thereby contribute to: the implementation of 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 Barbados Programme of Action for the Sustainable Development of Small Island Developing States, including the outcome of its review at the international meeting held in Mauritius. The subprogramme through mainstreaming will enhance the work on structurally weak, vulnerable, and small economies as stated in paragraph 33 of the São Paulo Consensus.

#### Subprogramme 6

##### Operational aspects of trade promotion and export development

[Subprogramme 6 is under the responsibility of ITC]

**Legislative mandates (all subprogrammes)***General Assembly resolutions*

2297 (XXII)	Establishment of ITC as an UNCTAD/GATT organ
55/2	United Nations Millennium Declaration
55/279	Programme of Action for the Least Developed Countries for the Decade 2001-2010
56/210B	International Conference on Financing for Development
57/253	World Summit on Sustainable Development
58/201	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
59/185	The right to development
59/209	Smooth transition strategy for countries graduating from the list of least developed countries
59/220	World Summit on the Information Society
59/221	International trade and development
59/223	External debt crisis and development
59/224	Commodities
59/225	Follow-up to and implementation of the outcome of the International Conference on Financing for Development
59/229	Further implementation of the Programme of Action for the Sustainable Development of Small Island Developing States
59/240	Role of the United Nations in promoting development in the context of globalization and interdependence
59/244	Third United Nations Conference on the Least Developed Countries
59/245	Specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation
59/254	New Partnership for Africa's Development: progress in implementation and international support
60/1	2005 World Summit Outcome
60/157	The right to development

60/184	International trade and development
60/185	Unilateral economic measures as a means of political and economic coercion against developing countries
60/186	International financial system and development
60/187	External debt crisis and development
60/188	Follow-up to and implementation of the outcome of the International Conference on Financing for Development
60/194	Follow-up to and implementation of the Mauritius Strategy for the Further implementation of the Programme of Action for the Sustainable Development of Small Island Developing States
60/204	Role of the United Nations in promoting development in the context of globalization and interdependence
60/205	Science and technology for development
60/208	Specific actions related to the particular needs and problems of landlocked developing countries: outcome of the International Ministerial Conference of Landlocked and Transit Developing Countries and Donor Countries and International Financial and Development Institutions on Transit Transport Cooperation
60/209	Implementation of the first United Nations Decade for the Eradication of Poverty (1997-2006)
60/212	South-South cooperation
60/222	New Partnership for Africa's Development: progress in implementation and international support
60/228	Third United Nations Conference on the Least Developed Countries: high-level meeting on the midterm comprehensive global review of the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001-2010
60/252	World Summit on the Information Society

*Economic and Social Council resolutions*

1819 (LV)	United Nations export promotion programmes
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*Trade and Development Board resolutions*

TD/386	Plan of Action, adopted by the United Nations Conference on Trade and Development at its tenth session, on 19 February 2000
TD/387	Bangkok Declaration: Global Dialogue and Dynamic Engagement, adopted by the United Nations Conference on Trade and Development at its tenth session, on 19 February 2000
TD/412	Part I: UNCTAD XI — The Spirit of São Paulo Part II: The São Paulo Consensus

*WTO resolutions (subprogramme 6)*

WT/MIN(01)/DEC/1 Ministerial Declaration, Doha, 2001

WT/MIN(05)/DEC Ministerial Conference, Hong Kong 2005

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