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TRADE AND DEVELOPMENT BOARD  
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Agenda item 3

**PROPOSED OUTCOME DOCUMENT OF THE SECOND PART  
OF THE UNCTAD XI MID-TERM REVIEW**

*Proposal by the Group of 77 and China*

The Trade and Development Board:

1. *Recalls* that the United Nations was established to, *inter alia*, promote social progress and better standards of life;
2. *Considers* that UNCTAD continues to play a major role in implementing the development provisions embodied in the Charter of the United Nations, reiterated recently as key priorities by the 2005 World Summit and by the outcomes of various international conferences and summits on development;
3. *Recalls further* that the United Nations Conference on Trade and Development, as an organ of the UN General Assembly, is tasked with serving as the focal point in 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 as to assist developing countries to successfully integrate into the global economy;
4. *Reaffirms* the Sao Paulo Consensus as mandate given by Ministers for the work of UNCTAD;
5. *Mindful* of the role of UNCTAD, in the light of the General Assembly decision, in the follow-up to major UN conferences and summits, including with respect to review, within its mandate, of the progress made in the implementation of the of the commitment made and the agreement reached at these events, and that UNCTAD is a major institutional stakeholders in the Monterrey process;

6. *Stresses* that the Mid-Term Review of UNCTAD XI is intended to assess progress made in the implementation of the outcomes of UNCTAD XI, and to strengthen the organization so that it may better discharge its mandate and maximize the impact of its work on development;

7. *Emphasizes* that UNCTAD's three pillars of consensus building, policy analysis, and technical cooperation form an organic whole, are inherently interlinked and co-equal, and must work in a sequential manner, in order to ensure that the organization fulfills its mandate;

8. *Emphasizes further* that UNCTAD should continue to act as an advocate for development, that its work retain a strong development focus;

9. *Stresses* that UNCTAD, as an intergovernmental body, must respond to the needs and priorities of its membership and that measures to strengthen UNCTAD must take into account the need for the organization to remain responsive and accountable to member countries, while maintaining the intellectual freedom and rigor of the research and analytical work;

#### *Relationship of the Three Pillars*

10. *Notes* the report of the secretariat entitled "Strengthening the Three Pillars of UNCTAD" contained in document TD/B(S-XXIII)/3;

11. *Emphasizes* that UNCTAD's intergovernmental mechanism is one of the core areas of UNCTAD's work and work of the consensus building pillar must be conducted with a view to meaningfully advancing the global discourse on development so that this consensus could be translated into concrete action in both UNCTAD and other entities working on different aspects of development cooperation at the global level;

12. *Emphasizes further* that UNCTAD's policy analysis pillar should serve to bring to the attention of the consensus building pillar important and emerging issues on trade and development and related areas through innovative, cutting-edge, development-oriented work, of the highest intellectual integrity and caliber;

13. *Stresses* that UNCTAD's technical cooperation pillar should serve, in a demand driven manner, to operationalize the work of the consensus building pillar as anchored in UNCTAD's policy analysis work;

14. *Reaffirms* that the work of UNCTAD's three pillars, applied in a concerted and focused manner, should contribute directly to the integrated follow-up to and implementation up of the major international conferences and summits on development, and the accomplishment of the internationally agreed development goals including the MDGs;

#### *Strengthening the Policy Analysis Pillar*

15. *Recommends* that UNCTAD's Policy Analysis pillar be strengthened, *inter alia*, through ensuring that UNCTAD continues to provide cutting-edge and innovative work on trade and development and related issues by:

Maintaining and enhancing the tradition of independence, intellectual integrity, rigor and excellence in evidence based, development oriented research and analysis on substantive matters in trade, development and related areas, and challenging conventional wisdom, when necessary, and providing viable, well-considered solutions and policy options for developing countries to cope with existing and emerging challenges faced in the process of development;

Examining all related aspects of the international economic system, in the context of their relationship to trade and development, including work in the areas of debt, finance, intellectual property, science and technology and globalization; and

Contributing substantively to intergovernmental deliberations, in order to help advance consensus on important development-related issues, including in the implementation and follow-up to major conferences and summits on development;

#### *Strengthening the Consensus Building Pillar*

16. *Stresses* the key role of the Trade and Development as the highest decision making body between UNCTAD Conferences and the need to strengthen the policy and substantive content of its work and outcomes;

17. *Considers* that the respective roles of the Commissions and that of the Board in ensuring policy guidance and coherence be made fully operational, with the Commissions drawing sectoral policy conclusions and the TDB integrating such conclusions appropriately in the work of the organization;

18. *Emphasizes* that modalities should be found to address key issues of interest to developing countries in an appropriate way so that the policy content could be fully clarified and concrete outcomes be agreed upon at the expert meetings, commissions and the Trade and Development Board (TDB);

19. *Recommends* that UNCTAD's consensus building pillar be strengthened, *inter alia*, through enhancing the relationship of the Trade and Development Board, the various Commissions, and the Expert Meetings, to ensure that the full breadth and depth of UNCTAD's work contributes to the broader development discourse, including through soft law making to assist rule making in WTO and other relevant international organizations, by:

Fostering greater efficiency and effectiveness in the work of the expert meetings including arriving at a lasting and sustainable solution to the problem of financing of experts from developing countries in UNCTAD expert meetings to ensure that the broad spectrum of views from all developing countries is reflected in the work of the expert meetings, including their meaningful outcomes;

Ensuring that the Commissions consider the policy outcomes from Expert Group meetings with a view of making policy recommendations for the consideration of the Trade and Development Board to take appropriate action thereon;

Establishing a new Commission on Globalization and Systemic Issues to ensure that issues such as debt, finance including financing for development including ODA, globalization trends and their impacts, and policy coherence, find an appropriate forum for consideration and discussion in UNCTAD at the commission level;

Ensuring that the deliberations and outcomes of the annual session of the Trade and Development Board contribute directly to the work of the UN General Assembly, including through a more concrete and focused input from the TDB for the annual General Assembly Resolution on International Trade and Development;

20. *Decides* that, in order for the Sao Paulo Consensus to be fully operationalized and for UNCTAD's mandate to be adequately discharged, the outcome of intergovernmental meetings shall be in the form of agreed policy oriented decisions and resolutions reflecting the consensus emanating from the deliberations, and thus making full use of UNCTAD as a subsidiary body of the General Assembly and further enhancing its contribution to progress of the multilateral development discourse;

*Strengthening the Technical Cooperation Pillar*

21. *Recommends* that UNCTAD's Technical Cooperation pillar, in consonance with the New Strategy for Technical Cooperation, continues to serve as the principal mechanism to operationalize the work of the other two pillars by:

Ensuring that UNCTAD's technical cooperation activities continue to be demand driven, targeted and need-based, and conforming with the priorities of recipient's developing countries;

Providing adequate and predictable funding to technical cooperation activities to ensure they are implemented on a sustained basis so that activities at the country level can be meaningful, have the flexibility to respond to urgent requests of an ad hoc nature, and allow all developing countries to benefit from UNCTAD's technical cooperation work on an equal footing;

Considering the establishment of a trust fund, with contributions from the private sector, to be able to undertake studies and programs on issues of interest to developing countries;

22. Initiates studies to evaluate how the rising share of extra budgetary resources in UNCTAD's activities have affected its use of resources that rely on budgetary funding, including examining any potential effect on reorienting some of the priorities that are set according to intergovernmental consensus and the mandate derived from the intergovernmental machinery.

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