UNITED TD



United Nations Conference on Trade and Development Distr. LIMITED

TD/B(S-XXIII)/L.4 16 June 2006

Original: ENGLISH

TRADE AND DEVELOPMENT BOARD Twenty-third special session, Part II Geneva, 12–16 June 2006 Agenda item 3

STRENGTHENING THE THREE PILLARS OF UNCTAD

Agreed outcome¹

The Trade and Development Board,

- 1. Recalls that the United Nations Conference on Trade and Development, an organ of the UN General Assembly, is 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 and has as its objective assisting developing countries, and least developed countries in particular, to successfully integrate into the global economy;
- 2. Reaffirms the São Paulo Consensus;
- 3. Further reaffirms that the work of UNCTAD's three pillars should contribute directly to implementation of the São Paulo Consensus and integrated follow-up to the outcomes of the major United Nations conferences and summits, as well as the accomplishment of the internationally agreed development goals, including the MDGs;
- 4. *Emphasizes* that UNCTAD should continue to act as an advocate for development and that its work should retain a strong development focus;
- 5. Recalling paragraph 3 of the São Paolo Consensus, emphasizes further that 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 and work in order to ensure that the organization fulfills its mandate;

¹ As adopted ad referendum by the Trade and Development Board on 15 June 2006.

6. *Stresses* that UNCTAD, as an intergovernmental body, must respond to the needs, concerns and priorities of its membership, and measures to strengthen UNCTAD must take into account the need for the organization to remain responsive and accountable to member States, while maintaining its intellectual independence and rigour of research and analysis;

Strengthening UNCTAD's research and analysis

- 7. *Emphasizes* that UNCTAD is a knowledge-based institution and that research and analysis is the backbone of its work on trade and development and interrelated issues in the areas of finance, investment, technology and sustainable development;
- 8. *Stresses* that UNCTAD's research and analysis should help advance consensus on important trade and development-related issues, including within its mandate to the implementation of the outcomes of the major United Nations conferences and summits;
- 9. Agrees that UNCTAD's research and analysis should be development-oriented, independent, and grounded in solid evidence, and provide ahead-of-the-curve and innovative work on trade and development and related issues, challenging conventional wisdom when necessary, and examining all related issues of the international economic system in the context of their relationship with trade and development, including work in the areas of debt, finance, intellectual property, technology, globalization and sustainable development, in accordance with the São Paulo Consensus;
- 10. Further agrees that UNCTAD should enhance its research and analytical work for all developing countries and countries with economies in transition, including as stated in paragraphs 32 and 33 of the São Paulo Consensus;
- 11. *Recommends* that UNCTAD's research and analysis be strengthened in the context of trade and development and within its mandate, *inter alia* by:
- (a) Recognizing the need for diversity in national policies, placing greater emphasis on practical solutions and policy options for developing countries and countries with economies in transition to cope with existing and emerging development challenges;
- (b) Examining systemic issues of the international economy of particular importance to developing countries;
 - (c) Enhancing its statistical and research/analysis databases and software systems;
- (d) Ensuring inter-divisional cross-fertilization and collaboration in research and analysis;
- (e) 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;

- (f) Strengthening links with the wider development research community, inter alia by deepening contacts with research networks;
- (g) Reinforcing the relevance of research and analysis for consensus building and technical assistance in accordance with the needs and priorities of developing countries; -
- (h) Developing an effective dissemination and communication strategy, targeted at a wider audience, including policy makers and other stakeholders, particularly in developing countries.

Strengthening UNCTAD's consensus building

- 12. *Emphasizes* the fundamental importance of the consensus building pillar of UNCTAD, in particular its dedicated development perspective, and *stresses* the role this pillar has in enhancing understanding and building convergence in the interrelated areas of trade, investment, finance, technology and sustainable development.
- 13. *Recommends* that UNCTAD's consensus building pillar be strengthened, *inter alia* by:
- (a) Enhancing the coherence between the different levels of the intergovernmental process;
- (b) Ensuring that, in order to advance the consensus building process, intergovernmental meetings result in development-oriented outcomes including policy options, as mutually agreed;
- (c) Providing a more focused input from the Board to the General Assembly's consideration of the agenda item on international trade and development;
 - (d) Ensuring the Board's agenda is varied and topical;
- (e) Working towards ensuring that the agendas of the Commissions are topical and focused, including by concentrating on one or two major themes of mutual interest and, when requested, a policy review on a rotating regional basis;
- (f) Ensuring that, as appropriate, the Commissions take into account the work of expert meetings in their substantive policy dialogues;
- (g) Considering the possibility of creating a Commission on Globalization and Systemic Issues;
- (h) Exploring the possibility of having some expert meetings on a multi-year basis and building networks of experts;

- (i) Finding urgently a sustainable solution to the predictable financing of experts from developing countries and countries with economies in transition in UNCTAD expert meetings;
- (j) In addition to existing intergovernmental meetings and processes, utilizing informal events to deal with current trade and development issues;
- (k) Encouraging greater participation of non-state actors working in the development fields, including the private sector, and from developing countries in UNCTAD's intergovernmental meetings, in accordance with the established rules of procedure and as prescribed in the São Paulo Consensus;
- (l) Making full use of the monthly consultations of the President of the Board as a means of regular and informal exchanges of views;

Strengthening UNCTAD's technical cooperation

- 14. *Emphasizes* that the role of the technical cooperation provided by UNCTAD is anchored on, interrelated with, and essential to the two other pillars in an appropriate sequenced manner, with a view to their operationalization;
- 15. Agrees that there is a need to ensure transparency, efficiency, effectiveness and accountability in all UNCTAD technical cooperation activities, and *emphasizes* the importance of development-oriented and demand-driven technical assistance, based on the priorities of, and ownership by, beneficiaries;
- 16. *Urges* donors to work towards predictable funding, based on needs, concerns and priorities of developing countries, in order to allow increased sustainability of technical assistance activities to developing countries and regions, with special attention to the LDCs;
- 17. *Notes* the increase in extrabudgetary resources, while recognizing that technical assistance should be grounded on the São Paulo Consensus, and *also agrees* to explore the possibility of alternative sources and mechanisms of funding to undertake studies on issues of special interest to developing countries;
- 18. *Recognizes* the need to identify potential areas for improvement in the technical cooperation strategy as elaborated in paragraph 53 of document TD/B(S-XXIII)/3;
- 19. Recommends that UNCTAD's technical assistance pillar be strengthened by:
- (a) Ensuring more cross-divisional cooperation in order to reflect the systemic perspective of the key interrelated issues of the international economic agenda in the design and the implementation of technical cooperation activities;

- (b) Working towards the introduction of integrated and multi-donor thematic programmes of technical cooperation in order to reduce the number of small and earmarked operations;
- (c) Improving management, evaluation and reporting of all technical cooperation activities according to UN Rules and Regulations and appropriate best practices;
 - (d) Introducing better monitoring of technical cooperation and fund raising;
- (e) Ensuring an effective role of UNCTAD at country level by providing analytical inputs to UN Country Teams and by improving cooperation with UNDP and UN Resident Coordinators;
- (f) Promoting synergies and strengthening the linkages between technical cooperation and the other two pillars;
- (g) Ensuring that UNCTAD is in a position to play an important role in the Aid for Trade Initiative, in accordance with UNCTAD's mandates, expertise and development approach;
- (h) Introducing an information sharing system to enhance the flow of information on technical cooperation, as well as to improve the information provided to member States on technical cooperation activities;
- (i) Maximizing the regional delivery of technical assistance activities, thus benefiting from pooled resources and enhancing relevance;
- (j) Ensuring that all technical assistance activities utilize to the maximum extent possible local and regional expertise and material resources to enhance the institutional capacity of recipient countries and the sustainability of benefits;
- (k) Within existing resources, delivering short training courses on key issues on the international development agenda for Geneva-based delegations in the context of paragraph 166 of the Bangkok Plan of Action.

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