



**United Nations  
Conference  
on Trade and  
Development**

Distr.  
LIMITED

TD/B/WP/L.84  
25 September 1998

Original : ENGLISH

---

TRADE AND DEVELOPMENT BOARD  
Working Party on the Medium-term plan  
and the Programme Budget  
Thirty-second session  
Geneva, 21 September 1998  
Agenda item 3

REVIEW OF THE TECHNICAL COOPERATION ACTIVITIES OF UNCTAD  
AND THEIR FINANCING

Agreed conclusions\*

1. The Working Party, having reviewed the technical cooperation activities of UNCTAD on the basis of the report of the Secretary-General of UNCTAD (TD/B/45/6-TD/B/WP/109 and Add. 1 and 2), stressed their continued importance.
2. The Working Party considered a number of issues concerning the technical cooperation programme as a whole, including recent developments and future prospects regarding the mobilization of resources, the distribution of activities among countries, regions and programmes, cooperation between UNCTAD and other organizations as regards operational activities, and proposals regarding partial cost recovery in selected UNCTAD technical cooperation programmes with a view to ensuring their financial self-sustainability.

---

\* Adopted by the Working Party on 23 September 1998.

3. The Working Party conducted a programme-by-programme review of activities undertaken in 1997 and exchanged views on individual programmes with the responsible secretariat officials. A representative of WTO took part in the discussion and gave an update on WTO's follow-up activities to the October 1997 High-Level Meeting on Integrated Initiatives for LDCs' Trade Development.

4. The Working Party noted with satisfaction that technical cooperation expenditures towards Africa and LDCs have increased and hoped that this trend would continue.

5. The Working Party noted with concern that the relative share and absolute level of technical cooperation expenditures in the Latin American and Caribbean region have diminished significantly over the past few years, and that this trend is likely to continue in 1998. In this connection, the Working Party recalled and reconfirmed the accent placed on the specific needs of certain developing countries with structurally weak and vulnerable economies in paragraph 95 of **1A Partnership for Growth and Development**<sup>1</sup>.

6. The Working Party noted with concern that technical cooperation expenditures in Europe have fallen by 30 per cent in 1997.

7. The Working Party also noted with concern that, though the share of the Asian region has increased in 1997, it remains at a relatively low level given the needs of the region.

8. The Working Party had a full exchange of views on the proposals concerning partial cost recovery presented by the secretariat at the request of the Trade and Development Board in its decision 444 (XLIV).

9. There was general agreement:

- (a) That the programmes concerned (ACIS, ASYCUDA, DMFAS) are very successful and are making positive contributions to the strengthening of the institutional capacities, the management systems and the efficiency of public administrations of countries where they are in operation;

- (b) That it is vital to ensure the financial self-sustainability of the programmes; in particular that adequate resources must be available to ensure continuous software enhancement, as well as maintenance of systems where they have been installed, including through a hot-line service;
- (c) The overall financial sustainability of the three programmes and the funding of their central support functions will need to depend on: (1) programme budget sources; (2) project funds for installation of the software and associated advice and training; (3) the allocation of part of the support costs generated through project implementation; and (4) continued support from donors. The possible role of partial cost recovery was noted in that respect.

10. Different views were expressed concerning the modalities of partial cost recovery as regards ACIS, ASYCUDA and DMFAS, and the Working Party agreed that further consultations are needed.

11. On the basis of its review, the Working Party recommends that the following draft decision be submitted to the Trade and Development Board for consideration under item 7 of the provisional agenda for the forty-fifth session;

1Draft decision

The Trade and Development Board,

1. Takes note with appreciation of the report on technical cooperation activities of UNCTAD and their financing and the complementary statistical information submitted by the secretariat (TD/B/45/6-TD/B/WP/109 and Add. 1 and 2);

2. Notes with satisfaction the continued increase in the level of UNCTAD's technical cooperation expenditures in 1997;

3. Expresses its appreciation to bilateral and multilateral donors for their contributions to UNCTAD's technical cooperation programmes, and appeals to them to extend their contributions in line with UNCTAD's technical cooperation strategy and plan;

4. Notes with satisfaction that the share of technical cooperation expenditures originating in the United Nations Development Programme (UNDP) increased in 1997, and encourages the secretariat to continue its efforts to deepen its cooperation with UNDP;

5. Notes with satisfaction that the level and share of technical cooperation expenditures towards LDCs have increased, welcomes the progress achieved with respect to the LDC Trust Fund, expresses its appreciation for contributions from traditional donors and developing countries to the Trust Fund, and invites further contributions;

6. Requests the secretariat, in consultation with member States, to intensify its efforts to ensure a better relative balance in the share of technical cooperation activities of the various regions, taking into account their respective needs;

7. Notes with satisfaction the progress made by UNCTAD in its cooperation with other organizations, including through the signature of Memoranda of Understanding, and requests the secretariat to pursue its efforts to intensify such cooperation, including with the World Intellectual Property Organization (WIPO) and the International Telecommunications Union (ITU);

8. Encourages the secretariat to continue to deepen its cooperation with the World Trade Organization (WTO) and the International Trade Centre (ITC) with a view, inter alia, to better coordinating technical cooperation, in particular in the implementation of the Integrated Framework for Trade-Related Technical Assistance for Least Developed Countries and of the Joint Integrated Technical Assistance Programme in Selected Least Developed and Other African Countries (JITAP);

9. Urges the secretariat, in the implementation of technical cooperation activities, to make maximum use of capacities from developing countries, including local and regional expertise;

10. Requests the secretariat to finalize the handbook on UNCTAD's technical cooperation and make it available to member States in all United Nations official languages and on the Internet as soon as possible;

11. Decides that an in-depth evaluation of the competition law and policy Programme be considered at the next session of the Working Party in 1999 dealing with technical cooperation;

12. Requests the secretariat to prepare the rolling three-year technical cooperation plan in a simplified format for 1999-2001 for consideration by the Working Party at the second part of its thirty-second session in December 1998 and thereafter by the Trade and Development Board in 1999;

13. Takes note that, during the first part of its thirty-second session, the Working Party requested its Chairman to hold further consultations with interested member States on the modalities of partial cost recovery for ASYCUDA, DMFAS and ACIS on the basis of the proposals set out in the secretariat's report (TD/B/45/6, Chap. III), taking into account comments and suggestions of the Working Party, and to report thereon to the Working Party at its resumed thirty-second session in December 1998 with a view to taking an early decision on this issue.<sup>1</sup>