

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

**Report of the Working Party on the Medium-term Plan
and the Programme Budget on its resumed
thirty-third session**

held at the Palais des Nations, Geneva,
from 27 to 31 May 1999



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Chapter I

TEXTS ADOPTED BY THE WORKING PARTY AT ITS RESUMED THIRTY-THIRD SESSION

A. Agreed conclusions on the proposed programme budget for the biennium 2000-2001

The Working Party,

1. *Notes the need* for recourse to consultancy services for the implementation of the programme of work and *requests* the Secretary-General of UNCTAD to ensure efficient and cost-effective use of such resources;
2. *Encourages* the UNCTAD secretariat to use judiciously the resources allocated to convening of the *ad hoc* expert group meetings; *invites* the Secretary-General of UNCTAD to enhance transparency on this matter by appropriately informing member States on the purposes for which *ad hoc* expert groups are convened; and *recommends* that *ad hoc* expert meetings be organized on accession to WTO and implementation of the WTO agreements and that no *ad hoc* expert meetings be organized on export credit insurance;
3. On policy-making organs,
 - (i) *Recommends* that the proposed allocation in paragraph 11A.18 for contractual services for “the production of two presentation films on UNCTAD and its Conference” be deleted and the corresponding amount be reallocated to subprogramme 5 as an additional provision under other staff costs for the purposes of the preparation of the Third United Nations Conference on the Least Developed Countries (paragraph 11A.75);
4. On executive direction and management,
 - (i) *Considers* that the proposed increase of resources to be made available to Executive Direction and Management (paragraph 11A.26, the net result of the inward redeployment of one General Service (Principal level) post to the Office of the Secretary-General) is not justified when compared with the needs of another subprogrammes and *recommends* that this redeployment not take place;
5. On subprogramme 3, International trade in goods and services, and commodities,
 - (i) *Emphasizes* that the proposed outward redeployment of posts from the subprogramme does not imply any lowering of the priority attached to the subprogramme; and in this context *understands* that the D-1 post referred to in paragraph 11A.56 has been reallocated to subprogramme 1 as a result of the mid-term review to strengthen the co-ordination activities in the area of cross-sectoral issues while the work on the interface between investment and trade will continue to be carried out in the same manner as in the current biennium;

- (ii) *Recommends* against the proposed redeployment of one P-5 post to subprogramme 2 (paragraph 11A.56) in the light of the important activities likely to be undertaken within this subprogramme in relation to support for developing countries' preparations for the built-in agenda and any new Round, as well as assistance to such countries in their WTO accession needs;
- 6. On subprogramme 4, Services infrastructure for development and trade efficiency,
 - (i) *Understands* that, in view of the ongoing review of the Trade Point Programme, implementation of the "maintenance/updating of electronic trade opportunities database" (paragraph 11A.63, (b), (iv)) and the utilization of the consultancy resources for the "updating and maintenance of the GTPNet" (paragraph 11A.65) would proceed on the basis of specific authority by the Trade and Development Board;
 - (ii) *Recommends* that the consultancy resources proposed for the "development of an Internet-based global trade finance and credit insurance database" (paragraph 11A.65) be reallocated to subprogramme 5 as an additional provision under other staff costs for the purposes of the preparation of the Third United Nations Conference on the Least Developed Countries (paragraph 11A.75);
- 7. On subprogramme 5, Least developed, landlocked and island developing countries,
 - (i) *Emphasizes* the importance of ensuring the full and effective utilization of all resources allocated to the subprogramme, in particular the D-1 post, and of strengthening work on LDCs through LDC components in all activities of the Divisions.

B. Agreed conclusions on publications policy

The Working Party,

1. *Appreciates* the presentation made by the Chief of Sales and Marketing of UNOG, and *welcomes* the initiatives taken to expand the sales of UNCTAD publications, such as differentiated pricing between developed and developing countries;
2. *Encourages* the UNCTAD secretariat, together with the appropriate UNOG offices, to continue efforts to improve dissemination through innovative means.

Chapter II

REVIEW OF THE WORK PROGRAMME

(Agenda item 3)

(a) Draft programme budget for the biennium 2000-2001

Informal meetings

1. The Working Party conducted its discussions of agenda item 3 (a) in informal meetings.

Chairman's summary of the informal discussions^{1/}

2. In general, several delegations expressed the view that the use of resources for consultants should adhere to established practice and should be devoted to the acquisition of specialized skills unavailable in the secretariat, particularly in subprogrammes 1 and 2. Delegations encouraged the secretariat to build up its internal capacity through appropriate measures, such as in-house human resources development. It was explained with examples that consultants were used when specialized, up-to-date or local expertise was needed in a non-recurrent way; collaboration between secretariat staff members and consultants was encouraged, as opposed to mere substitution of one for the other.
3. Another concern raised by several delegations was the nature and number of proposed *ad hoc* expert groups. It was explained that many so-called expert groups were intended to provide expert opinions at intergovernmental meetings, for example in the form of panel discussions or expert presentations. Delegations requested more information on these proposed activities because of the difficulty in determining their outputs. Some delegations also noted that, while the number of expert meetings in the intergovernmental machinery had been set at 10 by the ninth Conference, the number of *ad hoc* experts groups convened by the Secretary-General had had a tendency to increase.
4. Concern was expressed by some delegations at the high vacancy rate and the prolonged duration of vacancies. It was felt that the secretariat, albeit faced with external constraints, should be encouraged to improve the situation in that area as quickly as possible.
5. As regards the overall allocation of resources, many delegations expressed disappointment over the slight shift of resources to non-programme areas, and stated their preference for strengthening the programme of work instead.
6. Some delegations felt that the recommendations of the mid-term review were not sufficiently reflected in the proposed allocation of resources. An explanation was provided on how the mid-term review outcomes had been incorporated into the programmes, though this did not always involve resource shifts among the subprogrammes.

^{1/} Inclusion of the Chairman's summary in the report was authorized by the Working Party at its closing plenary meeting on 31 May 1999.

7. On subprogramme 3, there was general concern about the post reduction proposed, as many delegations attached high priority to this subprogramme. Several delegations emphasized that the *ad hoc* expert group proposed on the “development implications of diversification in the commodity sector in developing countries” should seek to produce concrete results. Clarification was sought on the reassignment of the work on the interface between investment and trade, previously carried out by the D-1 post to be redeployed to subprogramme 1. It was underlined that this was intended as a follow-up to a recommendation of the mid-term review to strengthen the capacity of UNCTAD on cross-sectoral issues.

8. On subprogramme 4, one delegation strongly opposed the inclusion of activities related to electronic trading opportunities on the grounds that there was no mandate for those activities and the past implementation record on the related activities was not satisfactory. The same delegation felt that resources allocated to that subprogramme might be better utilized if rechannelled to other areas of the programme of work. Some other delegations did not share this view, and stated that the activity in question had proven valuable in their respective countries.

9. On subprogramme 5, many delegations expressed disappointment over the lack of any increase in the posts allocated to this subprogramme, to which they attached high priority, and over the fact that the resource levels of this subprogramme were heavily dependent on voluntary contributions. It was explained that, for the biennium, provision had been made for the temporary services of one P-5 and one GS staff member for one year to assist in the preparations for the Third LDC Conference. Many delegations expressed concern over the weak coordination between the Special Coordinator’s Office and other subprogrammes, as well as over the inadequate integration of LDC work into the intergovernmental machinery of UNCTAD. The Special Coordinator explained what was being done to improve this situation and stated that member States would be further informed on this matter in the autumn. One delegation felt that the expected accomplishments listed in the proposed programme budget should specifically have included the improvement of coordination.

10. On policy-making organs, some delegations proposed that some of the funds budgeted for general temporary assistance and contractual services should be reallocated to programme areas. Another delegation, however, did not share this view. One delegation questioned the necessity of continuing to allocate resources to cover travel and DSA of 16 experts for the Commission on Investment, Technology and Related Financial Issues, even if that proposed allocation was based on a General Assembly resolution.

Action by the Working Party

11. At its closing plenary meeting, on 31 May 1999, the Working Party adopted agreed conclusions on the proposed programme budget for the biennium 2000-2001 and authorized the Chairman of the Working Party to transmit them to the Chairmen of ACABQ and CPC. (For the text of the agreed conclusions, see chapter I above).

(b) Implementation of publications policy

Informal meetings

12. The Working Party conducted its discussions of agenda item 3 (b) in informal meetings.

Action by the Working Party

13. At its closing plenary meeting, on 31 May 1999, the Working Party adopted agreed conclusions on publications policy. (For the text of the agreed conclusions, see chapter I above.)

Chapter III

OTHER BUSINESS

(Agenda item 6)

14. The representative of the **United Kingdom** said it was possible that decisions taken at UNCTAD X might result in changes to the proposed programme budget for the biennium 2000-2001. He therefore suggested that the Working Party meet in Bangkok immediately after UNCTAD X and that the outcome of the Working Party's session be considered immediately afterwards at an executive session of the Trade and Development Board, also in Bangkok.

15. The **Chairman** noted that there were no objections to that proposal.

16. The representative of **Japan** expressed deep concern with regard to the UNCTAD secretariat's dependency on consultants. The secretariat should re-evaluate its need for consultants and report on the matter to member States in a timely manner. Where over-dependence on consultants was a continuous practice, the problems of personnel and management policy, including recruitment and retraining of existing staff members of the secretariat, must be made clear. With regard to evaluation of programme implementation at the end of a biennium, the expected results indicated in the programme budget should be described as concretely as possible in order to facilitate such evaluation. In some cases, target figures should be set.

Chapter IV

ORGANIZATIONAL MATTERS

A. Opening of the session

17. The resumed thirty-third session of the Working Party was opened on 27 May 1999 by Mr. Philippe Merlin (France), Chairman of the Working Party.

B. Officers

18. The officers for the resumed thirty-third session were as elected at the first part of the session, namely:

Chairman: Mr. Philippe Merlin (France)

Vice-Chairman-cum-Rapporteur: Mr. Hasnudin Hamzah (Malaysia)

C. Agenda and organization of work

19. The agenda for the resumed thirty-third session was as adopted at the first part of the session, namely:

1. Election of officers
2. Adoption of the agenda and organization of work
3. Review of the work programme:
 - (a) Draft programme budget for the biennium 2000-2001;
 - (b) Implementation of publications policy
4. Report of the Chairman of the Working Party at its thirty-second session on his informal consultations
5. Provisional agenda for the thirty-fourth session of the Working Party
6. Other business
7. Adoption of the report of the Working Party to the Trade and Development Board

20. At its resumed thirty-third session, the Working Party held one plenary meeting (131st). All other meetings were informal.

**D. Provisional agenda for the thirty-fourth session
of the Working Party**

(Agenda item 5)

21. At its 131st (closing) plenary meeting, on 31 May 1999, the Working Party approved the revised provisional agenda for its thirty-fourth session (see annex I).

**E. Adoption of the report of the Working Party to the
Trade and Development Board**

(Agenda item 7)

22. At the same meeting, the Working Party authorized the Rapporteur to prepare the report on its resumed thirty-third session.

ANNEXES

Annex I

REVISED PROVISIONAL AGENDA FOR THE THIRTY-FOURTH SESSION

1. Election of officers
2. Adoption of the agenda and organization of work
3. Review of the technical cooperation activities of UNCTAD and their financing
4. Evaluation of technical cooperation programmes:
 - (a) Competition law and policy
 - (b) Follow-up to the evaluation of Trade Point programme
5. Provisional agenda for the thirty-fifth session of the Working Party
6. Other business
7. Adoption of the report of the Working Party to the Trade and Development Board.

Annex II

ATTENDANCE

1. The following States members of UNCTAD, members of the Working Party, were represented at the session:

Brazil	Malaysia
Bulgaria	Netherlands
China	Philippines
Egypt	Russian Federation
Ethiopia	Slovakia
France	Turkey
Guatemala	United Kingdom of Great Britain and Northern Ireland
Iran (Islamic Republic of)	United States of America
Japan	Uruguay
Kenya	

2. The following States members of UNCTAD, not members of the Working Party, were represented as observers at the session:

Belarus	Mauritius
Canada	Mongolia
Chile	Morocco
Cuba	Norway
Denmark	Portugal
Ecuador	Singapore
Finland	Spain
Germany	Sri Lanka
Ghana	Sweden
Haiti	Switzerland
India	Tunisia
Indonesia	Venezuela
Italy	Zambia
Jordan	
Madagascar	

3. The following intergovernmental organization was represented at the session:

Organization of African Unity

4. The following international organization was represented at the session:

World Trade Organization