

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

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

held at the Palais des Nations, Geneva,
from 11 to 15 September 2000



UNITED NATIONS

Dist.
GENERAL

TD/B/47/9
TD/B/WP/134
9 November 2000

Original: ENGLISH

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INTRODUCTION

1. The **Deputy Secretary-General of UNCTAD** stressed the importance of UNCTAD's technical cooperation activities. This year's review was the first to take place after UNCTAD X and was therefore an opportunity to take into consideration the guidelines that the Conference had provided on technical cooperation. He expressed appreciation for the generous support of contributors to trust funds. Delivery of technical cooperation activities had increased in 1999, but he noted with concern a decrease in trust fund contributions and indicated that a continuation of this trend could negatively affect the ability of UNCTAD to respond to increasing requests from beneficiaries. He called on donors to find ways to ensure a stable and predictable basis for the financing of UNCTAD's technical cooperation activities. He outlined the main activities undertaken by the secretariat, the continued priority given to LDCs, and the efforts made to strengthen relations with UNDP and other organizations engaged in trade-related technical cooperation.
2. In response to a request made by UNCTAD X, the Working Party had before it an annual indicative plan of technical cooperation programmes for the year 2001. The plan should be a useful instrument in responding to the call for enhanced rationalization, transparency, accountability and coordination of UNCTAD's technical cooperation activities. He invited member States to provide further guidance to the secretariat with a view to improving the plan's presentation. In response to the Bangkok Plan of Action, the plan placed particular emphasis on capacity-building.
3. With regard to agenda item 5 on the implementation of paragraph 166 of the Plan of Action of UNCTAD X, he introduced the note contained in document TD/B/WP/133 on "Strengthening UNCTAD's capacity-building programmes and activities". He particularly stressed the importance of the component on training courses on key issues of the international economic agenda as the short-term priority of the secretariat in implementing the specific mandate set out in paragraph 166.
4. With regard to agenda item 4 and the question of the financial sustainability of certain technical cooperation programmes, he recalled that the Working Party had agreed that financial sustainability called for a global and integrated solution. The secretariat was suggesting consideration of this matter be pursued by organizing consultations among individual programmes' beneficiaries, donors and the secretariat.
5. With regard to agenda item 6 on the evaluation of technical cooperation programmes, the Working Party would for the first time consider the follow-up to previous in-depth evaluations and the recommendations arising therefrom. The programmes concerned related to competition law and policy and the Trade Point Strategy, as reflected in documents TD/B/WP/130 and TD/B/WP/128. The Working Party would also consider the evaluation of the EMPRETEC programme, contained in document TD/B/WP/129; that evaluation had been undertaken using a participatory approach which had helped strengthen the evaluation process in UNCTAD.

6. Finally, under agenda item 7 on the issue of the financing of experts participating in expert group meetings held under the auspices of the Trade and Development Board, information was provided in document TD/B/WP/131.

7. The representative of the **United States of America** expressed concern at the lateness of the Working Party's documentation. She expressed disappointment at the progress report on the implementation of the Trade Point Strategy and regretted that the process leading towards the termination of the Trade Point Programme had not been fully implemented.

8. The spokesperson for the **Latin American and Caribbean Group** (Brazil) said that UNCTAD's technical cooperation activities were necessary for strengthening national development policies and the integration of countries of his Group into the world economy. While welcoming the substantial increase in overall technical cooperation expenditures, his Group remained concerned that only a fraction of overall delivery related to its region. However, he appreciated the secretariat's efforts to achieve a more balanced distribution of technical cooperation activities among different regions. Those activities should address the special needs of the least developed, landlocked and small island developing States, and to provide more efficient technical support to those countries, the Office of the Special Coordinator for Least Developed, Landlocked and Island Developing Countries should be strengthened.

9. Concerning paragraph 166 of the UNCTAD X Plan of Action, in the view of his Group a substantial part of the resources needed for implementation should be provided from the regular budget of UNCTAD so as to ensure smooth and regular implementation of activities called for in that paragraph.

10. His Group also reiterated its support for the implementation of the BIOTRADE initiative, the strengthening of whose activities would contribute to the economic growth of the region through a more efficient use of natural resources, the creation of trading opportunities, and the promotion of sustainable development of biological resources. Activities in this area should also be financed from regular budget resources.

11. His Group supported the recommendations of the EMPRETEC programme evaluation team and expressed the hope that the Latin American and Caribbean region would continue to benefit from the programme. With regard to the financial sustainability of certain UNCTAD technical cooperation programmes, his Group reiterated its earlier position that four major sources of financing should be considered: (a) programme budget resources; (b) programme support resources; (c) extrabudgetary resources from donors; and (d) annual maintenance fees.

12. The spokesperson for the **Asian Group and China** (Philippines) emphasized the role played by UNCTAD's technical cooperation services in fostering the developing countries' development process and their integration into the global economy. In that context, it was important that the international community renew its efforts to mobilize resources, and she urged donors to continue to support UNCTAD technical cooperation activities. Her Group noted with satisfaction the overall increase in the delivery and variety of technical

cooperation projects to the benefit of the developing countries in general and of the LDCs in particular.

13. With regard to the financial sustainability of selected programmes, the secretariat should carry-out a comprehensive study to estimate the cost and requirements for the maintenance of such programmes. It was on the basis of such a study that the Working Party could start working out the modalities of financial sustainability. It was however, important that the concept of cost recovery in respect of these selected programmes should not be extended to other areas of UNCTAD's technical cooperation activities. Discussions on the issue should also take into consideration special treatment for the least developed countries and small economies.

14. Her Group noted with satisfaction the strengthening of the evaluation process in UNCTAD over the past years, which had helped ensure more effective delivery of technical cooperation services. The evaluation of EMPRETEC was timely, and activities under this programme should be distributed in a more balance manner between the different regional groups.

15. She recommended that modalities should be worked out for the integration of analytical work and technical cooperation in the priority areas of agricultural exports, technology transfer, and international recognition of rights over traditional knowledge and mechanisms for benefit sharing. Participation of experts from developing countries, which had been made possible by one-off savings, had contributed to the integration of analytical work, technical cooperation and the work of the intergovernmental machinery. Ways should be found for a continuation of such assistance.

16. The spokesperson for the **African Group** (Ethiopia) expressed the strong belief of his Group that UNCTAD had become a centre of excellence in providing technical assistance in the area of its competence. UNCTAD's technical cooperation activities were more indispensable than ever before in assisting African countries in their efforts to benefit from global trade, and they also contributed to capacity building. While the overall increase in delivery of technical cooperation was welcome, it was regrettable that trust fund contributions and the share of Africa in overall UNCTAD expenditures on technical cooperation had declined, and he called upon donors to enhance their contributions. The African Group noted with satisfaction, however, that the share of the least developed countries had reached the agreed level of 40 per cent and that contributions to the Trust Fund for LDCs had surpassed the initial target. He wished to put on record the profound appreciation of his Group to those countries contributing to the Fund and expressed confidence that the Fund would be replenished.

17. With regard to the financial sustainability of selected UNCTAD technical cooperation programmes, he announced the readiness of the African Group to participate in follow-up discussions on the subject with a view to finding a lasting solution. Concerning paragraph 166 of the UNCTAD X Plan of Action, he urged the secretariat to step up its efforts to mobilize the resources required for the implementation of that recommendation.

18. Concerning participation of experts from developing countries in UNCTAD expert meetings the African Group expressed its firm conviction that the Working Party would provide guidance on that matter.

19. On evaluation of technical cooperation programmes, the African Group commended the secretariat for its continued efforts to make the process a more participatory one. In that connection, the functioning of Trade Points in Africa needed to be improved as a matter of priority. On the in-depth evaluation of EMPRETEC, his Group was favourably impressed by the methodologies used for that exercise and hoped that the recommendations contained in the evaluation report would be fully implemented.

20. The representative of **Japan** noted with appreciation the increase in the LDCs' share of total technical cooperation expenditures to 40 per cent and stressed that priority should continue to be given to activities in favour of LDCs. He requested clarification from the secretariat concerning the in-depth review of 15 technical cooperation publications, as well as the guidelines concerning cooperation between the United Nations and the business community issued by the Secretary-General of the United Nations in July 2000.

21. The representative of **China** underlined the good results achieved by UNCTAD technical cooperation activities and welcomed the increase in the level of expenditures. He also welcomed the improvement in the share of activities in support of LDCs. However, he expressed concern at the decrease in contributions to trust funds and urged developed donors to increase their contributions to ensure stable financial support for UNCTAD's technical cooperation activities. Finally, it should be noted that imbalances existed in the distribution of technical cooperation activities among the different programmes of UNCTAD.

22. The representative of **Switzerland**, responding to the comments made by the spokesperson for the Asian Group and China on the issue of financial sustainability of certain technical cooperation programmes, stressed that the programmes under consideration were of a very special nature, as they generated funds and were not limited in time. Moreover, the principle of partial cost recovery was not new and was already used in other fora. The approval of the concept would strengthen the common ownership of these programmes and ensure quality delivery. Recalling that the issue had already been discussed at length in the the Working Party, he expressed his country's disappointment at the lack of any decision on the matter. Switzerland would nevertheless keep insisting on the importance of introducing the concept.

23. The representative of the **United States of America** asked for clarification on the negative balance shown against a number of projects in some tables in the documentation before the Working Party. She also sought clarification on the apparent decline of all regional shares in technical assistance delivery.

24. The **Head of the Resources Management Service**, replying to the representative of Japan, suggested that the matter of the evaluation of technical cooperation publications be taken up under item 6; on the question of the guidelines on cooperation between the United Nations and the business community, copies would be made available to the Working Party.

In response to the questions raised by the representative of the United States of America, he confirmed that negative figures were not a sign of overspending but only accounting corrections corresponding to obligations incurred in 1998 and subsequently entered into the accounts in 1999. The apparent decrease in regional shares was due to an increase in interregional activities as a result of the one-time provision of funds under section 21 of the savings account and to the initiation of activities financed under the Development Account. Activities of an interregional nature had also increased in the Division on Investment, Technology and Enterprise Development due largely to the project on International Investment Agreements. He concluded by drawing the attention of the Working Party to table II in document TD/B/46/3/Add.2, and stressed the importance of analysing figures in absolute terms rather than in terms of regional shares.

Chapter I

EVALUATION OF TECHNICAL COOPERATION PROGRAMMES

Agenda item 6

25. For its consideration of this item, the Working Party had before it the following documentation:

“Evaluation of the UNCTAD EMPRETEC programme” (TD/B/WP/129);

“Progress report on the implementation of the recommendations of the in-depth evaluation of the technical cooperation activities on competition law and policy” (TD/B/WP/130);

“Implementation of the Trade Point Programme” (TD/B/WP/128);

“Transfer of the ETO system to a Non-profit Entity” (TD/B/WP(XXXVI)/CRP.1).

26. The **Chief of the Programme, Planning and Assessment Unit**, introducing the item, said that evaluation using the logical framework and a participatory approach had now become a regular feature in the review of technical cooperation programmes. The content of the EMPRETEC evaluation report was entirely the responsibility of the evaluation team, to which his Unit provided only methodological guidance and logistical support. He noted that the Working Party would need to decide on the next technical cooperation programme to be subjected to an in-depth evaluation. However, the next evaluation could be conducted only if sufficient resources were made available for this purpose.

27. **Professor Jean-Emile Denis**, representing the EMPRETEC evaluation team, introduced the report on "Evaluation of UNCTAD's EMPRETEC Programme" (TD/B/WP/129). The EMPRETEC Programme, whose aim was to assist capacity building in the context of small and medium-size enterprises (SMEs) in developing countries, had suffered a prolonged period of confusion during its transfer from New York to Geneva. Despite the high demand for the programme in the field, this confusion had caused a void in the support from the central team in UNCTAD for the field, with national programmes being left to virtually fend for themselves, and this had considerably weakened the substantive sustainability of the programme. However, the evaluation team had also found that many directors of national EMPRETEC programmes considered the central team in Geneva competent and enthusiastic. The overall cost of the programme to UNCTAD, from both the regular budget and extrabudgetary resources but excluding such auxiliary costs as printing, office space and telecommunications, was estimated to be around US\$ 3.5 million per year, about 10 per cent of which was financed under the regular budget. The evaluation was based on data from seven countries out of the eight with substantial experience in the operation of the programme. The recommendations provided in the report focused on strengthening two key aspects: substantive sustainability and international networking. The implementation of these recommendations would mean that the role of the central team in UNCTAD would shift

from its current advisory one to more of a leadership role, with finer control over programme delivery.

28. The **Officer-in-Charge of the Division on Investment, Technology and Enterprise Development** thanked the evaluation team for an accurate and insightful report, which captured the essence of the complex EMPRETEC programme. He agreed fully with the evaluation report and considered the recommendations very relevant. He intended to distribute the report to the directors of the national EMPRETEC programmes.

29. The **Chief of the Competition Law and Policy and Consumer Protection Section** introduced the "Progress report on the implementation of recommendations of the in-depth evaluation of the technical cooperation activities on competition law and policy" (TD/B/WP/130). He drew attention to the fact that, in preparation for the Fourth United Nations Review Conference on the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices to be held in September 2000, many regional meetings had been organized, and although this might appear to run counter to the recommendation in the evaluation report to shift the emphasis from regional seminars to assisting national programmes, in fact the current year was a special case because of the Review Conference and the high level of regional activities would not be a long-term trend. He also drew attention to the fact that the UNCTAD X Plan of Action (TD/386) contained broader mandates than envisaged by the evaluation report.

30. The **Chief of the Information and Training Branch** introduced the documents entitled "Implementation of the Trade Point Programme Strategy: Progress Report" (TD/B/WP/128) and "Transfer of the ETO system to a Non-profit Entity" (TD/B/WP(XXXVI)/CRP.1). The Trade Point Strategy was composed of two action plans designed to assist Trade Points to become self-sustainable: one dealt with the renovation of the GTPNet, and the other with capacity development for Trade Points. While good progress had been made with the former, the same was not true of the latter due to the lack of extrabudgetary funds. It had hence not been possible to develop an integrated capacity-development package, and it had been necessary to resort to *ad hoc* assistance within the context of country projects. As requested by the Working Party the previous year, the report provided options for a suitable non-profit organization to manage the ETO system. The secretariat was of the view that an International Federation of Trade Points would be the most suitable organization in this regard to safeguard the interests of Trade Points. In response to a request from one delegation, the secretariat had provided more detailed information on existing non-profit organizations in the conference room paper.

31. The representative of **Brazil** emphasized the importance attached to the EMPRETEC programme by Latin American and Caribbean countries, particularly his country. A large number of SMEs had participated in the programme - more than 20,000 enterprises in Brazil, with some 5,000 in 1999 alone. Because of that success, his Government would provide support to the programme to an amount of some US\$ 2.5 million in 2000. He thanked the evaluation team for an excellent report, which showed the originality of the programme and its contribution to the development of SMEs. The report indicated that the information flow was not sufficient and that support from Geneva for national programmes was inadequate,

especially once a national programme had become well established, and this was largely due to the confusion caused by the transfer of the programme. He agreed with the recommendations to strengthen the role of the central team in UNCTAD in monitoring and evaluating national programmes, in developing and updating training materials, and in facilitating international networking. For this, benchmarks for assessing programmes should be introduced. While the substantive strength of the central team should be upgraded, expertise could be also drawn from national programmes and from the field. All the recommendations were realistic and could be implemented. He called for the Working Party to approve them, and for resources to be provided from the regular budget or other sources.

32. The representative of **Jamaica** welcomed the progress report on the Trade Point strategy, and reiterated the importance of the programme to Latin American and Caribbean countries, and to Jamaica in particular. Trade Points had been an excellent vehicle for SMEs to expand their businesses, and a lot more had to be done, particularly in the area of capacity building. She thanked the secretariat for the support provided to the regional Forum, and for the renovation of the GTPNet. However, problems had been encountered in the transfer to the new GTPNet, and Jamaica would be ready to become a pilot case for the move to the new system. She expressed concern over the lack of extrabudgetary sources, which hampered the capacity development of Trade Points, as set out in the Strategy. While the regional forum could assist in the technological development of individual Trade Points, more assistance from the UNCTAD secretariat would be needed on the managerial aspects of Trade Points. She supported the option to transfer the ETO system to the International Trade Point Federation. In this regard, it was important to take full account of the views of Trade Points themselves, and the Working Party should wait for the meeting of Trade Point directors to be convened in November before a decision was taken.

33. The representative of the **United States of America** thanked the evaluation team and the secretariat. Evaluation was extremely important in the work of UNCTAD, and she appreciated the recent cooperation with USAID in this area. On EMPRETEC, she suggested that the programme could be better implemented in an environment more directly concerned with the international trading system as such. She found that the technical assistance programme on competition law and policy had been working well. On the Trade Point Programme, she regretted that the options for the transfer of the ETO system presented in the progress report were very weak, and that the report was clearly biased towards one option, i.e. transfer to the International Trade Point Federation. The major problem was that, despite long years of discussion on this issue, this International Federation still did not exist. Further, she did not understand why the Working Party should wait for the meeting of Trade Point directors. The secretariat should have been consulting Trade Points on this issue during the year that had elapsed since the Working Party last discussed the issue. She recommended that consideration should be given to options to immediately transfer the ETO system to other organizations, such as the International Trade Centre or one of the non-profit organizations listed in the conference room paper.

34. The representative of **France**, speaking on behalf of the **European Union**, stressed that evaluation was very useful for member States and it was the best way to know what had been happening. The participatory approach to evaluation had been yielding excellent

results, and should continue to be used. He would like to see more regular budget resources allocated to evaluation, though the use of extrabudgetary sources would be acceptable. Lack of funds should not hamper evaluation. Evaluation was important also in cases when there was a need to redirect a technical cooperation programme, or to conclude a phase of a programme. The European Union recommended that the next year's evaluation should look at the TRAINMAR programme.

35. The representative of **Uruguay** thanked the evaluation team for its report. He underscored the importance his country attached to the EMPRETEC programme, which contributed greatly to the development of SMEs, and the need to strengthen the programme. He agreed with the representative of Brazil that support for national programmes had been lacking; UNCTAD would need to actively monitor and evaluate the programmes, and the training materials should be upgraded. He hoped that the Working Party would adopt the recommendations contained in the evaluation report, that specific actions would be taken to implement them, and that funds would be made available for their implementation, whether from regular budget or extrabudgetary sources.

36. The representative of **Senegal** thanked the evaluation team and the secretariat. He was satisfied with the evaluation of the EMPRETEC programme, and would like to be assured of the programme's continuation since the success it had had in Latin America should be emulated in French-speaking African countries. As regards the Trade Point programme, it was well known that the Trade Point of Senegal had been a great success, with its dynamism involving private sector and other actors. It should not be overlooked that the programme had contributed, by assisting the growth of SMEs, not only to economic development but also to social progress in the country. His country supported the programme, and he hoped that the support for Trade Points in French-speaking African countries would be continued. Concerning the ETO system, he would prefer that it be transferred to the International Trade Point Federation through regional fora, of Trade Points. He regretted that UNCTAD had not been good at disseminating the benefits of the Trade Point programme, and his country would like to share its successful experience, particularly with other French-speaking African countries.

37. The representative of **Malaysia** thanked the evaluation team and the secretariat. He agreed with the recommendations contained in the evaluation report on the EMPRETEC programme aimed at putting the programme on a stronger footing and giving it a broader platform. The programme should have adequate funding, and it could be expanded to Asian countries. For this to be possible, UNCTAD must have more manpower in general. His country could contribute to the work of enterprise development in UNCTAD by providing its experience.

38. The representative of **Egypt** thanked the secretariat for the Trade Point programme and noted that the efforts made by the programme were recognized in his country. While there were a few Trade Points in Egypt, many African Trade Points were known to be inactive, and he considered it important to assist them to become operational. The Trade Point Strategy had been adopted by the Working Party itself, and the resources needed for its

implementation should therefore be provided. He thanked the secretariat for its decision to upgrade and consolidate its work on electronic commerce.

39. The representative of **Colombia** thanked the evaluation team and agreed with other Latin American delegates that the recommendations contained in the evaluation report on the EMPRETEC programme should be adopted. The Working Party must not only approve the recommendations but also support their implementation.

40. The representative of **Spain**, speaking as a member of the EMPRETEC evaluation team, thanked delegations and said that the recommendations contained in the evaluation report aimed to focus the activities of the EMPRETEC programme so as to strengthen its basic elements.

41. The representative of **Egypt**, speaking as a member of the EMPRETEC evaluation team, said that the EMPRETEC programme could also enhance its trade components, possibly including a training package on trade issues, by virtue of its location in UNCTAD. He agreed with the representative of Malaysia that programmes should be offered to more Asian countries to improve the geographical balance.

42. The **Chief of the Technology and Enterprise Branch** considered that the evaluation report on the EMPRETEC programme was objective and accurate and that its recommendations were useful. In responding to the concern of the representative of Senegal, she said that the programme was interested in improving its geographical balance. In responding to the suggestion made by the representative of the United States of America, she did not see why the programme would benefit from being in an organization dealing mainly with the international trading system because enterprise development was a multi-dimensional issue, requiring broader consideration of development issues. She thanked the representative of Malaysia for his country's offer to share its experience in enterprise development, particularly on the technology transfer aspect.

43. The **Chief of the Information and Training Branch** said that he would take fully into account the views expressed by delegations in future work on the Trade Point Programme. Everything had been done to assess the various options presented in the progress report for the transfer of the ETO system, and the suggestions contained therein were not made without real justification. For example, several private sector firms had in the past attempted to take over the system and turn it into a profit-making enterprise, and the suggestion that the International Federation of Trade Points could take over the system was aimed at safeguarding the system against such attempts. One reason why the International Federation still did not exist concerned the objections raised previously by member States because of the small number of Trade Points that were operational. However, considerable progress had now been made in establishing regional Trade Point fora. In this regard, the Strategy envisaged the establishment of the International Federation around March 2002, but the proposal to transfer the ETO system to the International Federation had been made on the assumption that the Federation could be established much earlier than planned

Chapter II

ACTION BY THE WORKING PARTY

44. At its closing plenary, on 15 September 2000, the Working Party approved five draft decisions relating to agenda items 3-7 for adoption by the Trade and Development Board. (For the text of the draft decisions, see annex I.)

45. At the same meeting, the Working Party adopted the provisional agenda for its thirty-seventh session. (For the provisional agenda, see annex II.)

46. Finally, the Working Party adopted its draft report, as contained in document TD/WP/47/L.97, and authorized the Rapporteur to complete the report in the light of the proceedings of the closing plenary.

Chapter III

ORGANIZATIONAL MATTERS

A. Opening of the session

47. The thirty-sixth session of the Working Party was opened by Mr. Y. Afanassiev (Russian Federation), Chairperson of the Working Party at its thirty-fifth session.

B. Election of officers

Agenda item 1

48. At its 138th (opening) meeting, the Working Party elected Mr. Federico Alberto Cuello (Dominican Republic) as its Chairperson and Mr. Jennes H.A.C. De Mol (Netherlands) as its Vice-Chairperson-cum-Rapporteur.

C. Adoption of the agenda and organization of work

Agenda item 2

49. Also at its 138th meeting, the Working Party adopted the provisional agenda (TD/B/WP/127), as orally amended by the representative of France speaking on behalf of the European Union. The agenda was thus as follows:

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. Review of the financial sustainability of certain technical cooperation programmes and activities, pursuant to paragraph 164 (viii) of the Plan of Action, in order to ensure sufficient funding
5. Implementation of paragraph 166 of the Plan of Action of UNCTAD X
6. Evaluation of technical cooperation programmes:
 - (a) EMPRETEC
 - (b) Follow-up to evaluations
 - (i) Competition law and policy
 - (ii) Trade Points

(c) Technical cooperation at the medium-term review

7. Financing of experts from developing countries and economies in transition when participating in UNCTAD meetings
8. Provisional agenda for the thirty-seventh session of the Working Party
9. Other business
10. Adoption of the report of the Working Party to the Trade and Development Board

Annex I

DRAFT DECISIONS APPROVED BY THE WORKING PARTY FOR ADOPTION BY THE TRADE AND DEVELOPMENT BOARD

REVIEW OF TECHNICAL COOPERATION ACTIVITIES OF UNCTAD AND THEIR FINANCING

Draft decision

The Trade and Development Board,

1. Takes note with appreciation of the report on technical cooperation activities of UNCTAD and their financing and its addenda (TD/B/47/2 and Add.1–2) as well as of the indicative plan of UNCTAD's technical cooperation for 2001 (TD/B/47/8); regrets that some documents have not been translated in the last years and requests the secretariat to do its best to have them translated into the official languages in due time in future years; and notes with satisfaction that the delivery of UNCTAD's technical cooperation reached its highest ever level in quantitative terms in 1999;
2. Expresses its appreciation to bilateral and multilateral donors for their contributions and appeals to them to continue to extend their contributions to ensure that UNCTAD in turn can respond to demand from all regions and deliver high-quality technical assistance;
3. Notes that the level of trust fund contributions fell in 1999, and that the bulk of these contributions come from a few donor countries, and calls upon all bilateral and multilateral donors to enhance their trust fund contributions on a more predictable and sustainable basis;
4. Notes with satisfaction that the level and share of technical cooperation expenditures for LDCs have increased, and requests bilateral and multilateral donors to continue to contribute to UNCTAD technical cooperation activities in favour of these countries commensurate with their needs and the priority assigned to them by member States in the UNCTAD X Plan of Action (TD/386);
5. 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;
6. Takes note of the efforts undertaken by the secretariat with a view to diversifying and enhancing its database of consultants and experts, and in particular improving its geographical coverage; urges the secretariat to intensify its efforts with a view to making maximum use of capacities from developing countries in the implementation of technical cooperation activities, including local and regional expertise; and encourages developing countries to provide names of experts to the secretariat;

7. Calls upon the secretariat to consider, in consultation with donors and beneficiaries, whenever possible and appropriate, clustering of activities and formulating umbrella projects to enhance internal coordination and coordination among donors, to create economies of scale, and to support cooperation among developing countries at the subregional, regional and interregional levels;
8. Encourages the secretariat to pursue and where appropriate extend the various consultations with interested member States regarding UNCTAD's technical cooperation activities, bearing in mind that these consultations should be transparent and open-ended, and requests the secretariat to report annually on these consultations to the Working Party;
9. Expresses its appreciation to the secretariat for its efforts in the preparation of the indicative plan for UNCTAD's technical cooperation activities for 2001, as contained in document TD/B/47/8-TD/B/WP/132; requests the secretariat to revise and reissue this document in light of the comments made by the Working Party at its thirty-sixth session; and also requests the secretariat to include, in the indicative plan of UNCTAD's technical cooperation for 2002, information on the responses it received from donors to the indicative plan for the year 2001;
10. Notes with satisfaction the introduction of a computerized programme (PROMS+), and requests the secretariat to derive the maximum use from this programme, as an additional tool, for the purpose of enhancing internal coordination, strengthening central oversight and monitoring technical cooperation activities, *inter alia* for reporting purposes;
11. Requests the secretariat to standardize the presentation of project proposals and the submission of progress reports to donors and beneficiaries and to consistently include performance indicators, impact assessment and evaluation, and in addition welcomes information from beneficiary countries on the impact of technical cooperation services they receive from UNCTAD;
12. Requests the secretariat to include information in project documents on the relationship between the project and the secretariat's research and policy analysis functions, with a view to strengthening the integration between the secretariat's research and policy analysis functions and its technical cooperation activities.

**REVIEW OF THE FINANCIAL SUSTAINABILITY OF CERTAIN TECHNICAL
COOPERATION PROGRAMMES AND ACTIVITIES, PURSUANT TO
PARAGRAPH 164 (viii) OF THE UNCTAD X PLAN OF ACTION,
IN ORDER TO ENSURE SUFFICIENT FUNDING**

Draft decision

The Trade and Development Board,

1. Recommends to the Secretary-General of UNCTAD that he rapidly establish advisory groups for the ASYCUDA, DMFAS and ACIS programmes; such groups would be composed of technical representatives of interested member States, including existing and potential donors and beneficiaries, and the secretariat; these new groups will advise the Secretary-General on a range of issues affecting these programmes, including options for ensuring the financial sustainability of the programmes;
2. Requests the Secretary-General of UNCTAD to consider the establishment of a DMFAS trust fund in order to ensure the financial sustainability of the central operation of the DMFAS Programme, as well as the different options and modalities for such a trust fund, and to report to the Working Party at its next session.

**IMPLEMENTATION OF PARAGRAPH 166 OF UNCTAD X
PLAN OF ACTION**

Draft decision

The Trade and Development Board,

1. Takes note of the report “Strengthening UNCTAD’s capacity-building programmes and activities” (TD/B/WP/133) of 4 September 2000 and encourages the Focal Point to continue his work on the implementation of paragraph 166;
2. Takes note that the approved budget for UNCTAD for the biennium 2000-2001 does not make provision for the organization of regular training courses from existing regular budget resources or available extrabudgetary resources for the implementation of paragraph 166 of the UNCTAD X Plan of Action (TD/386);
3. Invites the Secretary General of UNCTAD to seek urgently the necessary resources to prepare and deliver three training courses in 2001 by exploring a variety of funding arrangements, including the United Nations programme budget, particularly sections 21 (the regular programme of technical cooperation) and 33 (the Development Account), voluntary contributions and a combination thereof;
4. Notes with regret that the detailed costed proposals mandated by paragraph 166 of the UNCTAD X Plan of Action are not yet available, and calls on the secretariat to provide such proposals at the latest by the next session of the Working Party;
5. Reiterates the importance it attaches to the early and full implementation of paragraph 166 of the UNCTAD X Plan of Action, and urges the Secretary-General of UNCTAD to take all necessary measures to this end in the context of the preparation of the programme budget for 2002-2003.

EVALUATION OF TECHNICAL COOPERATION PROGRAMMES

Draft decision

The Trade and Development Board,

1. Expresses satisfaction with the strengthening of the evaluation process in UNCTAD by the integration, on a systematic basis, of both the logical framework approach and participatory evaluation, and encourages the Secretary-General of UNCTAD to continue in this direction;

2. Stresses the importance of the evaluation process in UNCTAD being adequately funded, using regular budget resources and extrabudgetary resources, and encourages the secretariat to consider building evaluation into the budgets of individual programmes where appropriate;

(a) EMPRETEC

3. Welcomes the in-depth evaluation of the EMPRETEC Programme (TD/B/WP/129), commends the quality of the work undertaken by the evaluation team as well as the support provided by the secretariat and the country programmes in preparing the report, agrees with the recommendations contained therein, and urges the Secretary-General of UNCTAD to implement the recommendations and report on the implementation at the session of the Working Party in 2001 dealing with technical cooperation;

4. Stresses the necessity of implementing these recommendations in order to consolidate the EMPRETEC programme, which is a necessary condition to enhance its effectiveness;

5. Invites the secretariat, wherever resources allow, to enhance, after consolidation and improvement of the programme, the geographical coverage of the EMPRETEC Programme, in particular with respect to development of projects in Africa and Asia, and in this respect invites the secretariat to use to the maximum extent possible the national experiences existing in these regions as well as in Latin America;

6. Invites the secretariat to strengthen its cooperation with other organizations and entities dealing with entrepreneurship so as to take full benefit of potential synergies;

7. Requests the UNCTAD secretariat to improve the dissemination of information on the EMPRETEC Programme and to inform Geneva-based delegations of the organization of the annual meetings of EMPRETEC directors;

(b) follow-up to evaluations

(i) competition law and policy

8. Takes note of the progress report on the implementation of the recommendations arising from the evaluation of the programme of technical cooperation activities on competition law and policy (TD/B/WP/130) and invites the secretariat to pursue the implementation of those recommendations;

(ii) trade points

9. Takes note of the document "Implementation of the Trade Point Programme Strategy: Progress report" (TD/B/WP/128) and the document "Transfer of the ETO system to a non-profit entity" (TD/B/WP(XXXVI)/CRP.1);

10. Supports the establishment of a fully representative international Trade Point federation (ITPF), in accordance with the Trade Point Programme strategy approved at the thirty-fourth session of the Working Party;

11. Requests the secretariat to prepare a document elaborating details with regard to option 1, transfer of the ETO system to an ITPF, for the information of the members of the Working Party before the end of October 2000;

12. Requests the secretariat to begin immediately the tendering process, in conformity with the United Nations Financial Regulations and Rules, for the transfer of the ETO system to a suitable non-profit entity, specifying the possibility of a transfer of the ETO system to the ITPF when it has been established;

13. Requests the secretariat to further consult with Trade Points at the World Trade Point Directors Meeting in November 2000 regarding the transfer of the ETO system to the ITPF;

14. Reaffirms its decision that the secretariat should proceed with the implementation of the Trade Point Programme strategy in the timeframe agreed;

15. Encourages donor countries to make available extrabudgetary resources for capacity-building projects aiming to achieve this objective, as contained in the approved strategy;

16. Requests the secretariat to report to the autumn session of the Working Party in the year 2001 on the progress made in the implementation of the strategy, including on the work undertaken and to be undertaken, as well as on the strategy's financial aspects;

(c) Technical cooperation at the mid-term review

17. Requests the secretariat to extend the logical framework approach to all projects, to ensure that the required information will be available for examination at the mid-term review;

(d) future evaluation

18. Decides that an in-depth evaluation of the TRAINMAR Programme will be considered at the session of the Working Party in 2001 dealing with technical cooperation.

FINANCING OF EXPERTS FROM DEVELOPING COUNTRIES AND ECONOMIES IN TRANSITION WHEN PARTICIPATING IN UNCTAD MEETINGS

Draft decision

The Trade and Development Board,

1. Emphasizes the positive impact of the increased participation of developing countries' experts in UNCTAD expert meetings in 1999 as a result of the use of resources allocated by the General Assembly to finance their participation, both on the quality of deliberations and the geographical representation of participants, including participants from LDCs;
2. Affirms the importance it attaches to ensuring ways and means to finance the participation of experts from developing countries and economies in transition in UNCTAD expert meetings on a predictable basis, taking into account the favourable experience up to now;
3. Invites the Secretary-General of UNCTAD to seek urgently the necessary resources to finance the participation of experts from developing countries and economies in transition in UNCTAD expert meetings foreseen for 2001;
4. Urges the Secretary-General of UNCTAD to take all necessary measures to finance the participation of experts from developing countries and economies in transition in UNCTAD expert meetings, including in the context of the preparation of the programme budget for 2002-2003;
5. Notes the importance of and the need to retain the modalities that were agreed upon for the financing of experts participating in UNCTAD expert meetings.

Annex II

**PROVISIONAL AGENDA FOR THE THIRTY-SEVENTH SESSION
OF THE WORKING PARTY**

1. Election of officers
2. Adoption of the agenda and organization of work
3. Review of the work programme: Draft programme budget for the biennium 2002–2003
4. DMFAS Trust Fund
5. Follow-up to the implementation of paragraph 166 of the UNCTAD X Plan of Action
6. Provisional agenda for the thirty-eighth session of the Working Party
7. Other business
8. Adoption of the report of the Working Party to the Trade and Development Board.

Annex III

ATTENDANCE ¹

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

Brazil	Netherlands
China	Russian Federation
Croatia	South Africa
Dominican Republic	Sri Lanka
Egypt	Sweden
India	Switzerland
Indonesia	United States of America
Italy	Zambia
Japan	

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

Angola	Malta
Belarus	Nigeria
Bolivia	Pakistan
Colombia	Panama
Costa Rica	Paraguay
Cuba	Philippines
Democratic People's Republic of Korea	Saudi Arabia
Ethiopia	Senegal
Finland	Spain
France	Syrian Arab Republic
Germany	Thailand
Guinea	Trinidad and Tobago
Haiti	United Kindom of Great Britain and Northern Ireland
Luxembourg	Uruguay
Madagascar	Venezuela
Malaysia	

¹ For the list of participants see TD/B/WP/INF.43.

3. The following intergovernmental organizations were represented at the session:

European Community
League of Arab States

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

World Trade Organization

Annex IV

CHECKLIST OF DOCUMENTS

TD/B/WP/125 and Add. 1 and 2	Review of technical cooperation activities
TD/B/WP/127	Provisional agenda and annotations
TD/B/WP/128	Implementation of the Trade Point Programme strategy: Progress report
TD/B/WP/129	Evaluation of the UNCTAD EMPRETEC programme
TD/B/WP/130	Progress report on the implementation of the recommendations of the in-depth evaluation of the technical cooperation activities on competition law and policy
TD/B/WP/131	Financing of experts from developing countries and economies in transition when participating in UNCTAD meetings
TD/B/WP/132	Indicative plan of UNCTAD's technical cooperation for 2001
TD/B/WP/133	Strengthening UNCTAD's capacity-building programmes and activities: Implementation of paragraph 166 of the Plan of Action of UNCTAD X
TD/B/WP(XXXVI)/CRP.1	Transfer of the ETO system to a non-profit entity
TD/B/WP/L.97	Draft report of the Working Party on its thirty-sixth session

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