

TD/B/48/19
TD/B/WP/147

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

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

held at the Palais des Nations, Geneva,
from 17 to 20 September 2001



UNITED NATIONS

Dist.
GENERAL

TD/B/48/19
TD/B/WP/147
26 October 2001

Original: ENGLISH

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Chapter I

DECISIONS ADOPTED BY THE WORKING PARTY AT ITS THIRTY-EIGHTH SESSION

A. Review of technical cooperation activities of UNCTAD

Draft decision [?]

The Trade and Development Board,

1. *Takes note with appreciation* of the report on technical cooperation activities of UNCTAD and their financing (TD/B/48/5 and Add. 1-2), as well as the indicative plan of UNCTAD's technical cooperation for 2002;

2. *Notes with satisfaction* improvements in the quality of the reports, and *requests* that comments and suggestions made at the thirty-eighth session of the Working Party be taken into account in the preparation of future reports;

3. *Notes with interest* the increase in the level of bilateral and multilateral contributions to UNCTAD trust funds, *expresses its appreciation* to bilateral and multilateral donors for their contributions, and *invites* all bilateral and multilateral donors to consider increasing their contributions to UNCTAD trust funds for developing countries and in particular in favour of Africa, which is a host of 34 of the 49 LDCs;

4. *Emphasizes* the importance of predictability of funding and the sustainability of UNCTAD's technical cooperation programmes, and in this regard *encourages* multi-year contributions;

5. *Welcomes* improvements in the utilization of developing countries' human capital in the implementation of technical cooperation activities, and *calls for* further geographical diversification of consultants and experts, especially in favour of developing countries;

6. *Requests* the UNCTAD secretariat to play its role in combined international efforts to assist developing countries to derive full benefits from trade and to reduce poverty through, *inter alia*, mainstreaming trade into development strategies and enhanced partnership with other agencies involved in delivering trade-related technical assistance, especially for LDCs in the context of the Integrated Framework;

[?] The draft decision was subsequently adopted by the Trade and Development Board on 4 October 2001 in its decision 469 (XLVIII) (see the report of the Board on its forty-eighth session in document TD/B/48/18 (Vol.I)).

7. *Requests* the secretariat to continue to work on consolidation and clustering of technical cooperation activities;

8. *Welcomes and underlines the importance* of the secretariat's initiative to conduct an internal review of technical cooperation with a view to enhancing the impact of technical cooperation activities, making the different components of programmes more cohesive and streamlining operational procedures to ensure greater efficiency and better results, and *requests* the Secretary-General of UNCTAD to present the results of the internal review to the mid-term review for discussion;

9. *Reiterates* its request, as expressed in Board decision 461 (XLVII), with regard to translation of documents in all official languages.

*146th plenary meeting
20 September 2001*

B. Evaluation of technical cooperation activities

Decision by the Working Party

The Working Party,

1. *Stresses* the importance it attaches to the process of in-depth evaluations of technical cooperation programmes and to follow-up action on the recommendations arising from those evaluations, and *encourages* the UNCTAD secretariat to continue to pay particular attention to this process;

2. *Invites* the secretariat to explore ways to foresee financing for in-depth evaluations of technical cooperation programmes requested by the Working Party in consultation with interested donors, and *invites* the secretariat to continue the current process of integrating provisions for evaluation purposes into technical cooperation programmes;

TRAINMAR

3. *Welcomes* the in-depth evaluation of the TRAINMAR Programme (TD/B/WP/144 and UNCTAD/EDM/Misc.175), *commends* the high quality and professionalism of the work undertaken by the evaluation team, as well as the support provided by the secretariat in preparing the report, and *concur*s with the recommendations contained therein;

4. *Urges* the Secretary-General of UNCTAD to implement the recommendations and, in this context, *takes* note of the secretariat's explanations on the way in which it intends to implement those recommendations, as well as of its statement indicating that the preparatory process of implementation has already started; and *requests* the Secretary-General of UNCTAD to report on implementation at the session of the Working Party in September 2002 dealing with technical cooperation;

5. *Emphasizes* the need, in the implementation of these recommendations, for account to be taken of building upon the valuable aspects of the Programme for quality control and adaptation to the latest developments in this area, as well as to achieve proper integration and coordination of the TRAINFORTRADE, TRAINMAR and Port Certificates programmes;

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6. *Takes note with appreciation* of the steps taken for the implementation of the recommendations contained in the evaluation study, *invites* the secretariat, donors and beneficiaries to ensure follow-up on the remaining recommendations, and *requests* the secretariat to present a final report on the consolidation phase for the information of the Working Party at its session in September 2002 dealing with technical cooperation;

Trade Points Strategy

7. *Takes note with appreciation* of the progress made in the implementation of the Trade Point Strategy, in particular the creation of the World Trade Point Federation and the transfer to this entity of the ETOs system, *emphasizes* the importance of UNCTAD's role in sustaining and strengthening Trade Points and the World Trade Point Federation at its present stage of development, and *requests* the Secretary-General of UNCTAD to submit to the September 2002 session of the Working Party a report on the implementation of the Strategy;

Future evaluation

8. *Decides* to consider at the September 2002 session of the Working Party a thematic evaluation of capacity building activities of UNCTAD drawing upon, *inter alia*, the in-depth evaluations undertaken so far.

*146th plenary meeting
20 September 2001*

Chapter II

PROCEEDINGS AND OTHER ACTION

A. Minute of silence

1. The Working Party observed a minute of silence in memory of the victims of the terrorist attacks against the United States of America on 11 September 2001.

B. Introductory statements

2. The **Deputy Secretary-General of UNCTAD**, referring to agenda item 3, expressed appreciation for the generous support of donors to UNCTAD's technical cooperation activities. UNCTAD's technical cooperation in the year 2000 had seen progress in terms of the integration of operational activities with research and analytical work, as well as with the work of the intergovernmental machinery. Support for capacity building - human and institutional - continued to be the main objective of technical cooperation activities. He noted with satisfaction that trust fund contributions in 2000 had increased by 36 per cent over 1999 to reach 18.7 million dollars. An important development relating to resources was the encouraging response from an increasing number of donors to find ways to ensure a stable and predictable basis for the financing of UNCTAD's technical cooperation activities. Some donors had established fixed yearly contributions and made multi-year pledges. He outlined the main activities undertaken by the secretariat, where priority continued to be given to least developed countries, and the progress achieved with regard to the utilization of developing countries' capacities in the implementation of technical cooperation and with respect to the financial sustainability of selected technical cooperation programmes. In response to paragraph 166 of the UNCTAD X Plan of Action, the first training course on "Key issues on the international economic agenda" had taken place in 2001.

3. Further efforts were required in certain areas to make technical cooperation activities more responsive to beneficiaries' needs and donors' concerns. They concerned, for example, the need for closer coordination among agencies providing trade-related technical assistance, improvement of the reporting process and consolidation and clustering of technical cooperation activities. The Secretary-General of UNCTAD had decided to initiate an internal review of technical cooperation activities, and the review team was expected to complete its report by February 2002.

4. With regard to agenda item 4 on the evaluation of technical cooperation programmes, in addition to considering the evaluation of the TRAINMAR Programme and progress reports on EMPRETEC and the Trade Point Programme, the Working Party was also expected to decide on the programme to be evaluated in 2002. Components relating to capacity-building were suggested as a possible subject.

5. Finally, under agenda item 5 on the issue of financing the participation of experts in UNCTAD expert meetings, he underlined that the special provision for financing of experts

had directly facilitated the participation of experts from developing countries, in particular from those countries that would otherwise not have been able to participate.

6. The representative of **Senegal**, speaking on behalf of the **African Group**, noted that, although overall resources available for operational activities had increased in 2000, a drop had occurred in expenditures. He expressed sincere thanks to donors for their continued contributions and underlined that the African countries were among those countries in greatest need of UNCTAD's assistance. While the share of resources allocated to Africa had remained stable in 2000, the overall volume had fallen, and regional programmes had declined in relation to national projects. He called for a reversal of this trend, for a better distribution of resources and for a substantial increase in technical cooperation activities in favour of Africa. The African Group noted with satisfaction, however, that the share of resources devoted to the least developed countries had increased. With regard to developing countries' participation in expert meetings, such participation might be jeopardized because of lack of necessary financial support, and he called on donors to increase their support in this respect. He welcomed the inclusion of progress indicators in project documents and stressed the importance his Group attached to the implementation of paragraph 166 of the UNCTAD X Plan of Action. He concluded by stressing that Africa should be at the heart of UNCTAD's technical cooperation activities.

7. The representative of **Belgium**, speaking on behalf of the **European Union**, stressed the importance of technical cooperation and in particular trade-related technical cooperation. The European Union noted with satisfaction that the share of resources devoted to the least developed countries had reached the level of 43 per cent and the share of Africa 21 per cent. Africa, with 34 least developed countries, constituted a priority for the European Union. The information contained in the secretariat documentation concerning trends in delivery and mobilization of resources demonstrated the importance of UNCTAD's technical cooperation. However, it also showed its fragmentation and the difficulty of identifying the main thrust of its activities. Given the prominence of trade in the "integrated framework", greater emphasis should be given to the integration of trade into development policies. She welcomed the evaluation report on the TRAINMAR programme, as well as the progress reports on EMPRETEC and the Trade Point Programme. Concerning participation of experts from developing countries in UNCTAD expert meetings, the presence of developing country experts constituted a decisive contribution in terms of ensuring the success of expert meetings. Finally, she expressed interest in receiving more details on the internal review of technical cooperation, as well as on the mid-term review of UNCTAD, in preparation for the upcoming session of the Trade and Development Board.

8. The representative of the **United States of America** expressed gratitude for the solidarity with his country demonstrated in connection with the recent terrorist attacks against innocent victims. With regard to the work of the Working Party, he stressed the value and need for evaluation of technical cooperation activities, as well as for greater cohesion and for a broader overview of such activities. He expressed satisfaction at the decision of the secretariat to carry out an internal review of technical cooperation activities, and efforts should continue with regard to cooperation with other agencies involved in trade-related technical cooperation. He concluded by saying that UNCTAD had been the incubator for

many useful technical cooperation programmes, but in some cases the decision had to be taken to phase out UNCTAD's participation, as it was no longer best placed to pursue them.

9. The representative of **Japan** underlined the importance of technical cooperation activities for development cooperation and the need to evaluate these activities periodically with a view to ensuring efficient implementation. Programmes whose efficiency could not be demonstrated should be abolished. He expressed satisfaction at the importance attached to activities in support of the least developed countries. Finally, he draw attention to his Government's support for the Integrated Framework and in particular for activities in favour of Cambodia.

10. The representative of **Sri Lanka**, speaking on behalf of the **Asian Group**, expressed satisfaction at the documentation prepared for the Working Party and emphasized the value of an in-depth discussion of technical cooperation programmes on a programme by programme basis.

11. The representative of **Egypt** expressed deep appreciation to donors for their support and called for a continuation of such assistance. He welcomed the increase in the share of technical cooperation resources devoted to the least developed countries. His country placed particular importance on the implementation of paragraph 166 of the UNCTAD X Plan of Action. It noted with satisfaction that four technical cooperation projects were being financed from the Development Account. Concerning participation of experts from developing countries in UNCTAD expert meetings, he emphasized that this participation was crucial for developing countries.

C. Informal meetings

12. The Working Party pursued its deliberations in informal meetings.

D. Action by the Working Party

Review of the technical cooperation activities of UNCTAD and their financing (agenda item 3)

13. At its 146th (closing) plenary meeting, on 20 September 2001, the Working Party approved a draft decision for adoption by the Trade and Development Board (issued subsequently in document TD/B/48/L.1). (For the text of the draft decision, see chapter I above.)

Evaluation of technical cooperation activities (agenda item 4)

14. At its 146th (closing) plenary meeting, on 20 September 2001, the Working Party adopted decision TD/B/WP/L.102. (For the text of the decision, see chapter I above.)

15. The representative of the **UNCTAD secretariat** said that, with regard to the request to the Secretary-General of UNCTAD to submit a report on the implementation of the Trade Point Strategy to the Working Party at its September 2002 session, the secretariat would conduct informal consultations prior to September 2002 in that connection.

Financing of participation of experts from developing countries and economies in transition in UNCTAD's intergovernmental expert meetings (agenda item 5)

16. At its 146th (closing) plenary meeting, on 20 September 2001, the Working Party took note of the note by the secretariat as contained in document TD/B/WP/146 and mandated the Chairman to hold informal consultations in order to reach an agreement on the financing of experts from developing countries and countries with economies in transition in UNCTAD's intergovernmental machinery in the context of the preparation of the Mid-term Review and to report back to the Working Party at its resumed thirty-eighth session.

E. Closing statements

17. The representative of **Senegal**, speaking on behalf of the **African Group**, emphasized the importance that his Group attached to the good implementation of technical cooperation programmes for Africa.

18. The representative of **Belgium**, speaking on behalf of the **European Union**, welcomed the internal review that the secretariat would be undertaking of technical cooperation activities. Document TD/B/WP/139/Add.1 was very useful, and her Group would be providing the secretariat with suggestions for further improvements. The secretariat was encouraged to continue its various consultations with member States on technical cooperation, especially ad hoc meetings with donors. Future reports on technical cooperation should pay particular attention to placing technical cooperation activities in their overall context in order to allow the Working Party to assess efforts to enhance coherence and cooperation with other international organizations and bilateral donors with a view to avoiding duplication and exploiting UNCTAD's comparative advantages. The European Union welcomed the willingness to transfer resources from non-priority to new activities. It regretted the low level of participation at the Working Party's session.

Chapter III

ORGANIZATIONAL MATTERS

A. Opening of the session

19. The thirty-eighth session of the Working Party was opened by Ms. Nicole Clarke (Barbados), Vice-Chairperson-cum-Rapporteur of the Working Party at its thirty-seventh session.

B. Election of officers

(Agenda item 1)

20. At its 144th (opening) plenary meeting, on 17 September, the Working Party elected Mr. Arnaldo Abeti (Italy) as its Chairperson and Ms. Gothani Indikadahena (Sri Lanka) as its Vice-Chairperson-cum-Rapporteur.

C. Adoption of the agenda and organization of work

(Agenda item 2)

21. Also at its 144th meeting, the Working Party adopted its provisional agenda (TD/B/WP/141). 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:
 - (a) Overall review
 - (b) Information on the implementation of Board decision 462 (XLVII)
4. Evaluation of technical cooperation activities:
 - (a) Evaluation of TRAINMAR Programme
 - (b) Follow-up action to the in-depth evaluation of the EMPRETEC Programme
 - (c) Progress report on the implementation of the Trade Point Strategy
5. Financing of participation of experts from developing countries and economies in transition in UNCTAD's intergovernmental Expert Meetings
6. Provisional agenda for the thirty-ninth session of the Working party
7. Other business
8. Adoption of the report of the Working Party to the Trade and Development Board.

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

(Agenda item 6)

22. At its 146th (closing) plenary meeting, on 20 September 2001, the Working Party approved the provisional agenda for its thirty-ninth session (see annex I below).

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

(Agenda item 8)

23. At the same meeting, the Working Party adopted its draft report as contained in document TD/B/WP/L.101 and authorized the completion of the report taking into account the proceedings of the closing plenary.

Annex I

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

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 activities:
 - (a) Evaluation of capacity-building activities
 - (b) Follow-up action to the in-depth evaluation of the TRAINMAR Programme
 - (c) Progress report on the implementation of the recommendations in the evaluation of EMPRETEC
 - (d) Progress report on the implementation of the Trade Point Strategy
5. Provisional agenda for the fortieth 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:

Barbados	Morocco
China	Netherlands
Dominican Republic	Pakistan
Ethiopia	Russian Federation
Indonesia	Sri Lanka
Italy	Switzerland
Japan	United States of America
Mauritius	Venezuela

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

Bahrain	Madagascar
Croatia	Mauritania
Denmark	Mexico
Democratic People's Republic of Korea	Nigeria
Egypt	Philippines
Finland	Portugal
France	Senegal
Germany	Turkey
Ireland	Uganda
Luxembourg	United Kingdom of Great Britain and Northern Ireland

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

European Community

4. The following specialized agency and related organization was represented at the session:

World Trade Organization

[?] For the list of participants, see TD/B/WP/INF.46.

5. The International Trade Centre UNCTAD/WTO was also represented at the session.
6. The following non-governmental organization was represented at the session:

General Category

International Confederation of Free Trade Unions

Annex III

LIST OF DOCUMENTS

TD/B/2P/139 and Add.1 and 2	Review of technical cooperation activities of UNCTAD
TD/B/WP/141	Provisional Agenda and Annotations
TD/B/WP/142 and Add.1	Indicative Plan of UNCTAD's Technical Cooperation for 2002
TD/B/WP/143	Implementation of the Trade Point Programme Strategy
TD/B/WP/144	Evaluation of the TRAINMAR Programme
TD/B/WP/145	Implementation of the Recommendations Arising from the In-depth Evaluation of the EMPRETEC Programme
TD/B/WP/146	Financing of Participation of Experts from Developing Countries and Economies in Transition in UNCTAD's Intergovernmental Expert Meetings
TD/B/WP/L.101	Draft Report of the Working Party on the Medium-term Plan and the Programme Budget on its thirty-eighth session
TD/B/WP/L.102	Evaluation of Technical Cooperation Activities