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UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

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

held at the Palais des Nations, Geneva,
on 15 May 2002



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Chapter I

FINANCING THE PARTICIPATION OF EXPERTS FROM DEVELOPING COUNTRIES AND COUNTRIES WITH ECONOMIES IN TRANSITION IN UNCTAD'S EXPERT MEETINGS

Decision

The Working Party on the Medium-term Plan and the Programme Budget,

Recalling its decision at the first part of its thirty-eighth session in September 2001 requesting the Chairman to hold informal consultations with all interested delegations on the financing of experts from developing countries and countries with economies in transition with the purpose of reaching an agreement on this matter,

Recognizing that, in order to build consensus and have views reflected in expert discussions, it is important that experts from developing countries and countries with economies in transition be able to participate in UNCTAD expert meetings,

Recalling paragraph 15 of the guidelines for the functioning of the UNCTAD intergovernmental machinery (TD/B(S-XIX)/4) adopted in Bangkok at the nineteenth special session of the Board on the Mid-term Review, which states that the participation of experts from developing countries in UNCTAD expert meetings will be enhanced through the provision of predictable financial resources,

Further recalling the annex of the guidelines, particularly paragraph 1, where members: agreed to find, by the end of 2002, a long-term solution for predictable financing of the participation of experts in intergovernmental expert meetings, taking into consideration the enhancement of the participation of experts from developing countries and countries with economies in transition based on the principle of equitable geographical representation, beneficiary needs, in particular LDCs, and the expertise of the experts concerned; further agreed to continue the necessary consultations in the Working Party; and decided that, in the event that a solution is not reached, a special session of the Board will be held to resolve the matter,

Noting that the special provisions for financing of experts have facilitated the participation of experts from developing countries, and that such participation has enhanced the quality and relevance of both the discussions at, and the outcome of, expert meetings and that the intergovernmental machinery of UNCTAD has clearly benefited from their participation,

1. *Notes* the assurances provided by the secretariat concerning the availability of funding for the financing of 10 experts from developing countries and countries with economies in transition per expert meeting for all expert meetings in 2002 and for some expert meetings in 2003;
2. *Welcomes* the extrabudgetary contributions from a number of countries in that connection and *invites* contributions from donors to fill the funding gap for 2003;
3. *Decides* to continue consultations in order to find, by the end of 2002, a long-term solution for predictable financing of the participation of experts in intergovernmental expert meetings, in accordance with the annex to the guidelines for the functioning of the UNCTAD intergovernmental machinery;
4. *Further decides* to include the issue of financing of experts as an item on the agenda for its thirty-ninth session in September 2002; and *calls on* the Chairman of the Working Party to continue informal consultations with a view to reaching solution(s) to the issue of long-term financing and to report to the thirty-ninth session on the outcome of such consultations;
5. *Expresses appreciation* to its Chairman for his efforts in finding a short-term solution for 2002-2003 for the financing of experts and in putting in motion the mechanism for reaching a long-term solution for predictable funding.

Chapter II

FINANCING THE PARTICIPATION OF EXPERTS FROM DEVELOPING COUNTRIES AND COUNTRIES WITH ECONOMIES IN TRANSITION IN UNCTAD'S EXPERT MEETINGS

Introductory statements

1. The **Chairman** recalled that he had been requested 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 and to report back to the Working Party. He presented an informal draft decision for the consideration of the Working Party.

2. The **Head of the Resources Management Service of the UNCTAD secretariat** said that, at the recent Mid-term Review, the Trade and Development Board, in adopting guidelines on the functioning of the intergovernmental machinery, had agreed on arrangements for financing the participation of experts from developing countries and countries with economies in transition in UNCTAD expert meetings (TD/B(S-XIX)/4). On the basis of these arrangements, the secretariat would invite States members of the Board from developing countries and countries with economies in transition to nominate experts as possible beneficiaries of the funding arrangements. On the basis of equitable geographical distribution, the secretariat would then provide funding for 10 experts per expert meeting. A total of \$560,000 would be required over the biennium as a whole to defray the travel and related costs, assuming eight expert meetings per year, and using standard costs of \$3,500 per expert for each meeting of three days.

3. As of 13 May 2001, the secretariat estimated that a total of \$383,617 was available, from the following sources: \$218,293 from the balance of funds provided by the General Assembly under the "savings account", and the secretariat had ascertained that these funds remained available in the current biennium; \$10,513 currently available in the Trust Fund for the financing of experts from developing countries, encompassing the earlier contributions from Iceland and Mauritius and the remaining small balance on the Finnish contribution in 2000 for the financing of experts from least developed countries; \$70,000 (or \$61,947 net of programme support costs) provided by the Government of Italy, from the UNCTAD/Italy general trust fund; \$25,836 (or \$22,864 net of programme support costs) provided by the Government of France for the financing of experts from LDCs from an existing UNCTAD/France trust fund; \$70,000 provided by the Government of the United Kingdom of Great Britain and Northern Ireland, for the financing of experts at the two expert meetings on investment issues convened by the Commission on Investment, Technology and Related Financial issues in 2002 - this contribution would be administered in accordance with the guidelines established by the Board.

4. Those funds should be sufficient to cover the financing requirements for eight intergovernmental expert meetings in 2002 and three out of the eight anticipated expert meetings in 2003. It therefore followed that there remained a gap of about \$176,300 (roughly

equivalent to the financing required for five expert meetings). This additional amount would need to be provided from extrabudgetary sources to ensure the full application in 2003 of the financing arrangements set out in the recent Board decision.

Informal meeting

5. The Working Party pursued its deliberations in an informal setting.

Action by the Working Party

6. At its closing plenary meeting, the Working Party adopted the draft decision presented by the Chairperson, as orally amended by delegations. (For the decision, see chapter I above.)

Closing statements

7. The representative of **Egypt**, speaking on behalf of the **Group of 77 and China**, requested the Chairman of the Working Party to continue working on the issue of financing the participation of experts and to begin informal consultations as soon as possible, hopefully in the course of June.

8. The representative of **Venezuela** regretted that it had not yet been possible to find a long-term solution to the issue of financing of experts. She welcomed the short-term solution that had been found, though it was not fully satisfactory, and she looked forward to reaching a definitive solution to the problem involving the regular budget. She hoped that consultations on the matter would begin as soon as possible.

9. The representative of **Bangladesh**, speaking on behalf of the **least developed countries**, welcomed the Working Party's decision. He drew attention to the Chairperson's summary on the review of the efficiency and functioning of the intergovernmental machinery, which indicated that a decision by the Board on the financing of experts from the regular budget should be taken not later than 30 November 2002 (TD/B(S-XIX)/4, part I, para. 17).

10. The representative of **Sri Lanka** welcomed the Working Party's decision, which took care of the immediate requirements, and hoped that discussions for a complete solution would prove fruitful.

11. The representative of **Japan** stressed his country's interest in making expert meetings function better.

12. The representative of **Belarus** emphasized her country's support for the Working Party's decision.

Chapter III

ORGANIZATIONAL MATTERS

A. Opening of the session

13. The thirty-eighth session of the Working Party was opened by the Chairperson of the Working Party.

B. Officers

14. The officers at the Working Party's second resumed thirty-eighth session were as elected at its 144th plenary meeting on 17 September 2001, namely: Chairperson - Mr. Arnaldo Abeti (Italy), and Vice-Chairperson-cum-Rapporteur - Ms. Gothani Indikadahena (Sri Lanka).