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**REPORT OF THE WORKING PARTY ON THE MEDIUM-TERM PLAN AND THE
PROGRAMME BUDGET ON ITS FORTY-FIRST SESSION**

Held at the Palais des Nations,
Geneva, from 15 to 19 September 2003

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Chapter I

DECISIONS AND AGREED CONCLUSIONS ADOPTED BY THE WORKING PARTY AT ITS FORTY-FIRST SESSION

A. Review of technical cooperation activities of UNCTAD

Draft decision for consideration by the Trade and Development Board*

The Trade and Development Board,

1. *Takes note* of the report on the review of technical cooperation activities of UNCTAD (TD/B/50/2-TD/B/WP/163 and Add. 1 and 2);
2. *Welcomes* the increase in extrabudgetary financial resources while expressing concern over the declining share going to LDCs and Africa;
3. *Recommends* that the secretariat implement the text attached to this decision as the strategy for UNCTAD's technical cooperation activities, taking into account the ideas contained in the note on capacity development (TD/B/50/9-TD/B/WP/168);
4. *Invites* the secretariat to further strengthen the coordination between the different entities of the secretariat with a view to integrated approaches and through dissemination of this strategy among all staff members, particularly project managers;
5. *Invites* the secretariat to make a presentation on this strategy and its implementation on the occasion of UNCTAD XI, and to make sustained efforts to promote it among donors and beneficiary countries;
6. *Requests* the Working Party on the Medium-term Plan and the Programme Budget, at its annual sessions dealing with technical cooperation activities, to review progress in the implementation of this strategy and report the outcome of such reviews to the Trade and Development Board;
7. *Requests* donors and beneficiaries to support the strategy and to ensure the availability of predictable and sustainable resources for its implementation.

* Submitted to the Trade and Development Board at its fiftieth regular session in document TD/B/50/L.4.

Annex

Technical Cooperation Strategy for UNCTAD

1. The strategy for UNCTAD's technical cooperation was prepared in accordance with the agreed conclusions of the second part of the fortieth session of the Working Party, held in May 2003, in which the Working Party took note of the information provided by the secretariat in document TD/B/WP/167, 'Note by the secretariat', and of the indication that a new draft strategy for UNCTAD's technical cooperation would be prepared and presented to the Working Party at its forty-first session for consideration by member States.

Scope, guiding principles and objectives

2. The strategy sets out the operational activities of UNCTAD that address the practical problems of trade and development in an era of globalization and liberalization. It is designed to strengthen the effectiveness and impact of the overall technical cooperation of UNCTAD as an essential complement to the institution's policy analysis and the work of its intergovernmental machinery.

3. The objective of UNCTAD's technical cooperation is to assist developing countries to integrate into the global economy. This strategy aims at enhancing their endogenous capacity to face challenges and reap opportunities to be derived from that integration, and to set and implement their own development strategies. The effectiveness of technical cooperation depends on national inputs, particularly the level of ownership and local capacity developed by each operation, and on the symbiosis between national development strategies and development-friendly global mechanisms.

4. In this regard, UNCTAD's technical cooperation will particularly emphasize the development of human, institutional, productive and export capacities of all beneficiary countries. Activities will be supportive of poverty reduction policies and the implementation of the international development goals, including those contained in the Millennium Declaration, and the relevant recommendations of global conferences.

5. UNCTAD's technical cooperation should be directed towards developing countries with greatest need. Least developed countries will have priority in assistance provided by UNCTAD. Specific needs of small island developing States, landlocked and transit developing countries and certain developing countries with structurally weak and small, vulnerable economies should be addressed. UNCTAD should continue to provide technical cooperation to economies in transition.

6. In providing its technical cooperation services, UNCTAD will draw on its expertise as the focal point within the United Nations for the integrated treatment of trade and development and the interrelated issues in the areas of finance, technology,

investment and sustainable development. In doing so, analytical work and operational activities will be further supportive of each other, aiming at ensuring coherence among the thematic areas of UNCTAD's expertise.

7. UNCTAD's technical cooperation will be determined in the light of the outcome of UNCTAD XI, by its work programme priorities set out in the final document of UNCTAD X, and as reflected in the relevant decisions of the Trade and Development Board, as well as relevant outcomes of recent global conferences, such as the International Conference on Financing for Development, the World Summit on Sustainable Development, the Third United Nations Conference on LDCs, the fourth and fifth WTO Ministerial Conferences, and the International Ministerial Conference of Landlocked and Transit Developing Countries.

8. Member States will review and update this strategy as appropriate in the light of evolving development needs and UNCTAD mandates.

9. Different short- and long-term technical cooperation instruments will be used as appropriate, according to the nature and objectives of each operation or programme and in order to respond to the different needs of beneficiaries. UNCTAD's technical cooperation will focus on capacity development, while not losing sight of short-term and targeted interventions. This focus implies enhancing developing countries' endogenous capacity to formulate, implement and evaluate home-grown policies for: (i) the development and diversification of their domestic productive sector, (ii) the design and implementation of trade and investment policies and negotiating strategies, and (iii) the development of trade support services, within the framework of their development goals and taking into account the evolving international environment.

10. Stemming from the focus on capacity development, UNCTAD's technical cooperation will have the following features:

- (a) It will be demand-driven, based on beneficiaries' needs;
- (b) It will be designed and implemented in such a manner as to ensure the ownership of the beneficiaries and to be supportive of national development efforts;
- (c) Programme design, formulation and implementation will be carried out in close consultation with beneficiaries and donors;
- (d) The main thrust will be to target long-term development needs such as human and institutional capacity;
- (e) Particular attention will be paid to the goal of sustainability of projects and programmes;

- (f) With a view to increasing the effectiveness and enhancing the impact of technical cooperation activities, a well sequenced approach will be adopted in the formulation and implementation of programmes and activities; and
- (g) The programmes will be designed and implemented in cooperation with international and regional agencies providers of trade- and investment-related technical cooperation, and in partnership with academia, the business community and NGOs.

11. An integrated approach for the delivery of technical cooperation will be pursued at both the UNCTAD and the inter-institutional level.

- (a) At the UNCTAD level, through more inter-divisional cooperation, the integrated approach will provide for delivery of holistic and multidisciplinary technical cooperation and capacity development in UNCTAD's areas of expertise. This will provide more coherence in UNCTAD's operation and lessen the incidence of fragmented interventions; and
- (b) At the inter-institutional level, UNCTAD will seek to strengthen cooperation and increase joint activities with other agencies providers of trade and investment technical assistance, and in particular with the United Nations regional commissions, UNDP, WTO, ITC, the World Bank and other intergovernmental institutions, including regional and subregional institutions. The main goal of UNCTAD's cooperation with other providers of trade and investment technical cooperation will be to maximize the impact of operations and increase the complementarities between institutions, so as to take advantage of their respective expertise, taking into account their mandates and comparative advantages, increase synergy and avoid duplication. Instruments such as Memoranda of Understanding and inter-agency task forces will be used as appropriate to determine the specific content of inter-institutional cooperation and complementarities.

12. According to the needs identified in each case, as well as to the human and financial resources available, regional and interregional activities benefiting a larger number of beneficiaries will be encouraged.

13. Subject to availability of human and financial resources, country-level activities will be intensified. This in particular applies to topics and modalities of technical cooperation that require customized, long-term and intense national-based operations, according to beneficiary interests and commitment in support of the operation. In this connection, cooperation and joint undertakings with United Nations Resident Coordinators and relevant agencies with field representation will be

increased, particularly in the formulation and implementation of countries' national trade and development strategies. Similarly, UNCTAD will seek increased participation in country-level mechanisms such as the CCA/UNDAF, the World Bank Consultative Groups, and UNDP Round Tables.

Main forms of technical cooperation

14. UNCTAD's technical cooperation will revolve around policy analysis, institutional capacity development, and human capacity development. With regard to forms of technical cooperation, UNCTAD's technical cooperation will include, among others:

- (a) Exchanges of development experiences;
- (b) South/South cooperation and technical cooperation among developing countries (TCDC);
- (c) National case studies and thematic studies on particular development issues as part of the secretariat's work programme and as a contribution to intergovernmental and expert deliberations;
- (d) Policy reviews in the areas of development, trade, investment and science, technology and innovation, and assessments of the efficiency of trade supporting services;
- (e) Advisory services at the country, subregional and regional level;
- (f) UNCTAD-wide integrated country-level activities for selected countries, within the context of country-level coordination, in particular for least developed countries; these should also contribute to policy dialogues at World Bank consultative groups and UNDP round tables;
- (g) Support for human resources and institution-building, including the development of tool kits (e.g. software and manuals on best practices) and advice and training on their application and utilization by beneficiary countries;
- (h) Training activities encompassing both structured HRD programmes that seek to strengthen local training and research capacities, as well as *ad hoc* training workshops and familiarization seminars; and
- (i) Dissemination of information on trade, investment and related matters from UNCTAD databases to developing countries, for use by Governments or civil society.

15. UNCTAD should also further develop guidelines for partnerships with NGOs, especially regarding their involvement in thematic discussions and in delivering technical cooperation services. Several NGOs are nowadays full-fledged partners of some UNCTAD programmes, and this situation should occur more often in the future. Cooperation with the private sector, civil society and the academic community from all regions of the world will be strengthened: in part as beneficiaries, in accordance with national priorities, of UNCTAD's operational activities, and in part as sources of relevant experience and expertise for such activities. Partnerships with beneficiaries' stakeholders will be given special attention in the design and implementation of operations.

16. In carrying out technical cooperation, and in order to facilitate the exchange of the lessons of development experiences, efforts should focus on institutional capacity building. UNCTAD will:

- (a) Enhance and make full use of national expertise and institutions, so as to ensure that national stakeholders are active partners in the design and implementation of activities in the form of priority setting, skills and resources;
- (b) Promote networking, including twinning arrangements, among institutions working in similar or related fields, including institutions in developed countries; and
- (c) Draw upon institutions and expertise in other developing countries by using TCDC modalities.

Monitoring and evaluation

17. Projects and programmes will be monitored on a continuous basis for their development impact – particularly from the point of view of the development of national capacities – and for their cost-effectiveness. To facilitate this, measurable targets will be set up when projects begin. This includes benchmarks and indicators of achievement at the stage of project formulation that will also set the ground for project evaluation.

18. Selected projects and programmes will be subject to independent evaluation in agreement with both the beneficiary country(ies) and the donor(s). Evaluations will examine the impact of activities against their objectives and will propose practical recommendations to deal with deficiencies. The Working Party on the Medium-term Plan and the Programme Budget will consider each year an in-depth study on a technical cooperation programme.

19. The Board will review the technical cooperation activities of UNCTAD, including their cost-effectiveness. It will be assisted in this task by the Working Party, which will meet for this purpose immediately prior to the Board.

20. In order to ensure the effective integration of analytical work with technical cooperation, responsibility for project preparation and implementation is entrusted to the corresponding secretariat entity responsible for the work programme. UNCTAD's Technical Cooperation Service will have responsibility for ensuring the overall coherence of the secretariat's technical cooperation activities and the implementation of the strategy.

21. Strict quality control will be exercised by the secretariat through adherence to commonly established quality standards at the project design, implementation, monitoring and evaluation stages.

22. The management of technical cooperation will be improved by streamlining administrative procedures. An appropriate share of the support costs received by UNCTAD for project execution will be allocated to the responsible substantive programme in a transparent and equitable manner.

Support by member States

23. In order to support the long-term goals entailed by the focus on capacity development, donor and beneficiary countries as well the secretariat will cooperate in ensuring that the human and financial resources allocated to the implementation of this strategy achieve the required predictability and sustainability. For this purpose, priority will be given to longer-term sustainable activities, particularly through multi-year funding mechanisms and inter-divisional operations based on the thematic priorities set by the UNCTAD work programme.

*159th plenary meeting
19 September 2003*

B. In-depth evaluation of the technical assistance programme on trade, environment and development

Decision

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

Having considered the in-depth evaluation of the trade, environment and development programme, as contained in document TD/B/WP/165,

1. *Expresses its appreciation* for the evaluation report and the supplementary information provided by the secretariat, as contained in document TD/B/WP(XLI)/CRP.1;
2. *Expresses its appreciation* to the Government of Japan for its financial contribution to the evaluation;
3. *Endorses* the recommendations contained in the evaluation report, taking into consideration the comments made on the report during the session; *notes* the steps already taken by the secretariat in this direction; and *encourages* the secretariat to make further improvements;
4. *Notes* the positive impact that the programme has had in many beneficiary countries; and *urges* the secretariat to make further efforts to expand the coverage of the programme to all geographical regions, in particular to Africa;
5. *Requests* the secretariat to submit, to the forty-third session of the Working Party, a progress report on the follow-up to the recommendations of and discussions on the evaluation report at the current session;
6. *Reiterates* the importance of the evaluation process in UNCTAD;
7. *Invites* the secretariat to make proposals on future evaluations, taking into consideration the outcomes of UNCTAD XI, at the forty-third session of the Working Party, so as to ensure the timely and proper preparation of and adequate support for those evaluations.

*159th plenary meeting
19 September 2003*

C. Progress report on the implementation of the second phase of UNCTAD's Web site

Agreed conclusions

1. The Working Party recognizes the work undertaken by the UNCTAD secretariat and welcomes the new functionalities of UNCTAD's Web site, in particular:
 - (a) The new calendar of events and meetings;
 - (b) The Press Newsroom;

- (c) The progressive integration of subsites;
- (d) The availability of sessional documents in the six working languages;
- (e) The forthcoming availability of publication abstracts in Arabic, English, French and Spanish.

2. The UNCTAD secretariat is requested to develop its Newsroom facility for sessional documents and to make the documents available to missions in a secure manner. More generally, the UNCTAD secretariat is requested to develop a Web information diffusion policy, particularly with regard to embargoed and restricted documents, to ensure immediate and full access to all documents by Member States.

3. The UNCTAD secretariat is also requested to enhance the search facility of its Web site within existing resources.

4. The UNCTAD secretariat is encouraged to consider organizing a briefing session for delegates on the best use of the UNCTAD Web site.

*159th plenary meeting
19 September 2003*

Chapter II

PROCEEDINGS

A. Introductory statements

1. The **Deputy Secretary-General of UNCTAD** expressed appreciation for donors' generous support for UNCTAD's technical cooperation. Technical cooperation activities continued to be financed from three main sources: trust funds, UNDP and the UN programme budget. In 2002, total expenditures from all three sources had amounted to \$21.8 million, of which 70 per cent came from trust funds. Overall expenditures had contracted by about 6 per cent from 2001, and the downward trend in UNDP's share in total expenditures that had started in 1990 had continued in 2002. Four projects financed under the third tranche of the Development Account had become operational in 2002, and four new projects involving a total amount of \$2.6 million had been proposed for the biennium 2004-2005. The share of country project expenditures had increased in 2002, while that of regional projects had dropped sharply.

2. Close cooperation with other agencies and entities providing trade-related technical cooperation continued to be a priority. In this regard UNCTAD had contributed to the preparation to the UN Secretary-General's report to the General Assembly to further clarify the technical cooperation roles and responsibilities of the various entities within the United Nations. A memorandum of understanding between UNCTAD and WTO had been signed in April 2003, and as a result of a financial and administrative agreement signed between the EU Commission and the United Nations, UNCTAD would be one of 10 organizations that would benefit from increased funding.

3. Concerning the implementation of the Integrated Framework, the major challenge had been the follow-up to the Diagnostic Trade Integration Study (DTIS) action plans through the implementation of concrete projects at the country level. Predictable and sustainable funding for priority areas of the DTIS actions plans was required for the medium and long term. The evaluation of the Integrated Framework, which was under way, should come up with recommendations in this regard. Concerning JITAP, a second phase had been launched in 2003 covering four years. The Programme had been extended to eight new countries.

4. With regard to the future orientation of technical cooperation, UNCTAD would continue to encourage the formulation of multi-donor, multi-beneficiary and multi-year programmes. Stronger emphasis would be placed on long-term capacity-building efforts, while at the same time short-term targeted assistance would continue to be provided in response to immediate needs. Modalities and forms of delivery would continue to seek the involvement of local entities. Support for capacity

building continued to be the main objective of UNCTAD's technical cooperation programmes. Moreover, the interaction between research and analytical work and technical assistance activities would be further integrated with a view to ensuring coherence among the thematic areas of UNCTAD's particular expertise.

5. The evaluation of technical cooperation programmes had become a very effective tool for member States to provide substantive guidance for programmes. Two particular features of evaluation in UNCTAD were its independence and its participatory approach. This year's evaluation on the technical cooperation programme on trade, environment and development put particular emphasis on capacity building and provided recommendations on how to strengthen capacity-building aspects of the programme.

6. The representative of **Thailand**, speaking on behalf of the **Group of 77 and China**, expressed concern over the decreasing level of expenditures on UNCTAD's technical cooperation in the African region and in LDCs. He reaffirmed the importance that his Group attached to JITAP, which provided an excellent example of a holistic technical cooperation programme in which three agencies cooperated in an effective manner in accordance with their expertise and specificities. He encouraged UNCTAD to ensure that other regional and interregional projects and programmes benefited from that experience. He called for new consultations between donor countries, beneficiaries and the UNCTAD secretariat in the area of trade policies and negotiations in the post-Cancun period so as to ensure that UNCTAD's role in this area was maintained.

7. On the issue of coherence, he pointed out the importance for UNCTAD of building its own vision of what coherence meant for the fulfilment of its goals and mandates, taking into account its specific characteristics and expertise. In that connection, his Group welcomed the note on capacity development presented by the secretariat, which focused on enhancing local capacities for the formulation and implementation of home-grown trade and development policies. The Group emphasized the need to ensure holistic approaches that integrated the various aspects of trade, investment and development.

8. There were two basic requirements for any technical cooperation strategy in trade and development: first, objectives and instruments that matched development needs, and second, enough flexibility to allow for activities to be updated and adjusted as required by the evolving international economic environment. In addition, predictable funding was needed for UNCTAD programmes, as long-term programmes could not be designed with short-term and fragmented resources.

9. The Group of 77 and China appreciated the effort made by the secretariat in constantly trying to improve the management of technical cooperation for the benefit of developing countries by conducting evaluations.

10. The representative of **Zimbabwe**, speaking on behalf of the **African Group**, said that his region continued to benefit from UNCTAD's expertise through technical cooperation in different thematic areas, and he expressed satisfaction over the expansion of JITAP, which had proved to be one of the most effective operations implemented in recent years. He expressed concern over the reduced share of Africa in overall delivery of UNCTAD's technical cooperation, and hoped that the situation was an exceptional one that would be reversed in 2003.

11. The best results of technical cooperation were those that stayed in the beneficiary country, embedded in its own people and institutions and harmonized with its own economy and society. He welcomed the propositions in the note on capacity development regarding a more integrated approach to technical cooperation linking different aspects of trade, investment and infrastructure.

12. The guidelines presented in the draft technical cooperation strategy reflected current trends in the organization's technical cooperation activities. Accordingly, they did not introduce changes in the overall orientation but rather placed emphasis on the most effective ways and means to achieve sustainable results.

13. The evaluation of the trade, environment and development programme placed emphasis on capacity development through a holistic approach. His Group supported the recommendations contained in the evaluation report.

14. The representative of **Mexico**, speaking on behalf of the **Latin American and Caribbean Group**, welcomed the increase in donors' contributions for UNCTAD technical cooperation, as well as the increase in operations in Latin America and the Caribbean, which represented 9.2 per cent of the 2002 total. He hoped that that figure signalled the beginning of a positive trend. On the other hand, the drop in resources devoted to regional projects was a matter for concern.

15. UNCTAD's technical cooperation programmes must benefit all developing countries and economies in transition and must be consistent with the thematic structure underlying the secretariat's work. Likewise, it was important to take account of demand in all developing countries in all the regions, in view of the diversity of development problems.

16. He drew the attention of donor countries to the need to disseminate UNCTAD's work in Latin America and the Caribbean through technical cooperation, particularly in the context of UNCTAD XI. His region had an outstanding tradition of research on development policies, and UNCTAD expertise and its holistic vision could be a source of effective support for Governments, academia and the productive sectors. The region had significant human and institutional capacity needs in areas such as trade and poverty, financing for development, technology transfer and investment, trade in services, regionalism and multilateralism, and the impact of globalization.

17. The Group took note with interest of the secretariat's note on capacity development, the ideas of which matched UNCTAD's philosophy. Technical cooperation had to aim at building up developing countries' own capacity to design and implement policies in the light on the characteristics of their economies, and many UNCTAD operations respected that philosophy.

18. The representative of **India**, speaking on behalf of the **Asian Group and China**, said that technical cooperation was one of the main pillars of the organization, and she expressed satisfaction over her region's increased share in UNCTAD technical cooperation activities. Until recently, the main thrust of technical cooperation policies in the area of trade and development had been the transfer of ideas generated in developed countries and on the implementation of legal obligations deriving from international commitments. Likewise, project design had often been dominated by short-term operations, for example short training activities, that did not have strong links with the national context. The proliferation of many small projects could not ensure proper development of local capacities. Her Group was confident that the debates generated by UNCTAD XI would provide inputs that could be fed into future UNCTAD technical cooperation. She invited development partners to continue their support for UNCTAD's work and to ensure that technical cooperation activities matched the needs of beneficiary countries.

19. The representative of **Benin**, speaking on behalf of the **least developed countries**, commended the secretariat's work for contributing to the effective and increased participation of least developed countries in international trade through the enhancement of their human and institutional capacities. That work had been carried out in the context of the implementation of the recommendations of the Brussels Programme of Action, as well as other recent global meetings. However, given the multifaceted needs of developing countries and in particular least developed countries, a lot remained to be done to attain the targets set. He called upon the donor community to intensify its financial support for activities in favour of least developed countries.

20. The decline in the level of technical cooperation expenditures in favour of least developed countries was a matter for concern, and in that connection he stressed the need for the rapid finalization of an UNCTAD technical cooperation strategy, a draft of which was before the current session of the Working Party. In the view of his Group, the strategy should take into account the real needs of beneficiaries and ensure their full involvement in the formulation, implementation and impact evaluation of programmes and projects; the extension to other countries of capacity development programmes initiated in partnership with other institutions and partner countries, such as the Integrated Framework, JITAP and the TrainForTrade programme; and the enhancement of local initiatives, with the creation of a mechanism for exchange of best practices. UNCTAD had a major role to play in contributing to capacity development in least developed countries in the areas of globalization and development, international trade in goods and services, commodities issues,

investment, technology and enterprise development, and services infrastructure for development and trade efficiency. Finally his group reiterated its position on the importance of the yearly publication of the *Least Developed Countries Report*.

21. The representative of **Ethiopia** thanked development partners for their contribution to UNCTAD trust funds, which were the major source of financing for UNCTAD's technical cooperation activities. Contributions to trust funds were, however, subject to yearly fluctuations, and such fluctuations could in turn affect the delivery. Multi-year pledges for UNCTAD's technical cooperation could ensure steady delivery over the years. The commitment expressed by developing countries' development partners at recent global development conferences to increase the level of support to developing countries could be translated into action by providing increased and predictable resources for technical cooperation activities. Regarding the question of the provision of experts, his delegation encouraged the use of national rather than expatriate expertise.

22. He expressed concern over the reduced share of Africa and least developed countries in the overall technical cooperation activities of UNCTAD. The African region, which accounted for the majority of least developed countries, was trapped in a vicious cycle of development problems. The least developed countries were encountering serious supply constraints in productive sectors, in economic infrastructure, and in human and institutional capacities. It was therefore encouraging to note that, in its future technical cooperation activities, UNCTAD would continue to focus on that vulnerable group of countries.

23. The representative of **Japan** said that the evaluation of the trade, environment and development technical assistance programme included constructive criticisms and comments aimed at making the programme more efficient. He stressed in particular the need for UNCTAD to continue to play an important role in this area, with particular focus on LDCs, as well as to find ways to optimize the secretariat's comparative advantage and further strengthen cooperative links with other organizations.

24. The representative of **Italy**, speaking on behalf of the **European Union and the acceding countries**, noted a number of positive aspects in the secretariat's documentation, in particular with regard to the commitment to continue to strengthen the interrelationship between research and analytical work and operational activities. He also welcomed the point concerning the need to have more intra-divisional and interdivisional interface in order to emphasize the links between different aspects of trade, investment and related development policies, as well as the assurance that better use would be made of different modalities and instruments in technical assistance delivery. He welcomed the importance given to cooperation with other international organizations and to ownership of technical cooperation programmes by beneficiary countries.

25. He expressed concern at the great variety of initiatives and projects, which tended to indicate a lack of vision and strategy. In that regard, he noted that, in 2002 despite the increase in financial contributions from bilateral donors, the share of expenditures in Africa and LDCs had declined. The European Union had frequently stressed the importance of UNCTAD activities in favour of Africa. He stressed that the funds made available by donor countries and their predictability could not be considered independently from the elaboration of a vision and a strategy that allowed for larger and longer-term commitments. Finally, since UNCTAD was one of the 10 pre-selected strategic partners of the European Union, it would be useful and important to know how UNCTAD envisaged the increased cooperation with the European Commission.

26. The representative of **Switzerland** commended the secretariat's efforts to improve the presentation of the documentation, in particular in respect to objectives and future actions. He noted with interest the increase in financial resources from bilateral donors and the initiative by the United Nations system to increase coherence in its technical cooperation activities. In that regard he noted that field presence was important when delivering technical cooperation, and the issue of project follow-up and ownership therefore needed to be discussed further. He also stressed the need to increase efforts on the dissemination of evaluation results. He emphasized the importance of having long-term goals in technical cooperation projects and of the need to strengthen cooperation with local partners.

27. In order to give secretariat divisions adequate resources, the administrative costs of 13 per cent charged to project trust funds should be allocated to the Divisions implementing the projects. With respect to capacity-development, he expressed concern that a global approach to technical cooperation that could lead to scattered efforts and lower impact. This question needed to be discussed at UNCTAD XI. He also expressed the view that small projects ran a higher risk of having a weak impact. Activities related to the training of individuals had demonstrated their limits, and they should rather be integrated into longer-term initiatives favouring institutional capacity development.

28. The representative of the **United States of America** expressed satisfaction over the continuing emphasis on capacity building activities and in particular those that fostered greater productive capacity and trade efficiency. She encouraged strengthening of assessment mechanisms and effective follow-up so as to ensure that capacity building remained targeted, flexible and relevant, and she hoped that the proposed holistic approach to UNCTAD technical cooperation would be made operational. Expressing concern over the reduced share of Africa and least developed countries in UNCTAD's technical cooperation expenditures, she called for the reversal of the situation.

29. The millennium development goals had never been negotiated, nor had they been endorsed by the Member States of the United Nations. They were rather the

product of an annex to a report by the United Nations Secretary-General. The outcome of the meeting should therefore be worded appropriately.

B. Informal meetings

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

C. Action by the Working Party

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

31. At its 159th (closing) plenary meeting, on 19 September 2003, the Working Party approved a draft decision for consideration by the Trade and Development Board (issued subsequently in document TD/B/50/L.4). (For the text of the draft decision, see chapter I above.)

In-depth evaluation of the technical assistance programme on trade, environment and development (agenda item 4)

32. At its 159th (closing) plenary meeting, on 19 September 2003, the Working Party adopted a decision. (For the text of the decision, see chapter I above.)

Progress report on the implementation of the second phase of UNCTAD's Web site (agenda item 5)

33. At its 159th (closing) plenary meeting, on 19 September 2003, the Working Party adopted agreed conclusions. (For the text of the agreed conclusions, see chapter I above.)

Chapter III

ORGANIZATIONAL MATTERS

A. Election of officers

(Agenda item 1)

34. At its 158th (opening) plenary meeting, on 15 September, the Working Party elected Mr. José Antonio Fernandez Estevez (Cuba) as its Chairperson and Mr. Robert Fairweather (United Kingdom) as its Vice-Chairperson-cum-Rapporteur.

B. Adoption of the agenda and organization of work

(Agenda item 2)

35. Also at its 158th meeting, the Working Party adopted its provisional agenda (TD/B/WP/166). 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. Evaluation of technical cooperation activities: In-depth evaluation of the technical assistance programme on trade, environment and development
5. Progress report on the implementation of the second phase of UNCTAD's web site
6. Provisional agenda for the forty-second session of the Working Party
7. Other business
8. Adoption of the report of the Working Party to the Trade and Development Board

C. Provisional agenda for the forty-second session of the Working Party

36. At its 159th (closing) plenary meeting, on 19 September, the Working Party approved the provisional agenda for its forty-second session (see annex I below).

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

37. At the same meeting, the Working Party adopted its draft report as contained in document TD/B/WP/L.111 and authorized the completion of the report taking into account the proceedings of the closing plenary.

Annex I

PROVISIONAL AGENDA FOR THE FORTY-SECOND SESSION OF THE WORKING PARTY

1. Election of officers
2. Adoption of the agenda and organization of work
3. Review of the UNCTAD section of the United Nations medium-term plan for the period 2006–2009¹
4. Review of the UNCTAD programme of work for the biennium 2004–2005, in the light of the outcome of the eleventh session of the Conference²
5. Provisional agenda for the forty-third session of the Working Party
6. Other business
7. Adoption of the report of the Working Party to the Trade and Development Board.

¹ Item 3 will be taken up at the first part of the session (June/July 2004).

² Item 4 will be taken up at the second part of the session (September 2004).

Annex II

ATTENDANCE *

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

Bangladesh	Japan
Belarus	Mexico
Benin	Netherlands
China	Poland
Cuba	Russian Federation
Ethiopia	Spain
France	United Kingdom of Great Britain and Northern Ireland
Germany	United States of America
Honduras	
Iran (Islamic Republic of)	

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

Algeria	Morocco
Angola	Nigeria
Argentina	Oman
Barbados	Philippines
Colombia	Portugal
Ecuador	Republic of Korea
Egypt	Senegal
Finland	Serbia and Montenegro
India	Switzerland
Indonesia	Thailand
Iraq	Venezuela
Italy	Zambia
Madagascar	Zimbabwe

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

European Community

* For the list of participants, see TD/B/WP/INF.49.

4. The following United Nations agency was represented at the session:

International Trade Center

5. The following related agency was represented at the session:

World Trade Organization

Annex III

LIST OF DOCUMENTS

TD/B/50/1	Provisional agenda
TD/B/50/2 TD/B/WP/163 Add. 1 & 2	Review of Technical Cooperation Activities of UNCTAD.
TD/B/EX(32)/3 TD/B/WP/164	Report of the Working Party on the Medium-term Plan and the Programme Budget on its Fortieth session
TD/B/WP/165	Evaluation of UNCTAD's Trade, Environment and Development Programme
TD/B/WP/166	Provisional Agenda of the 41 st session
TD/B/WP/167	Draft Technical Cooperation Strategy of UNCTAD
TD/B/WP/168	Capacity Development
TD/B/WP/L.111	Draft Report of the Working Party on the Medium-term Plan and the Programme Budget on its Fortieth session
TD/B/WP/INF.49	List of participants