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## Trade and Development Board

Working Party on the Strategic Framework and Programme Budget

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Item 6 (b) of the provisional agenda

**Evaluation of technical cooperation activities: Progress report on  
UNCTAD's trade-related technical assistance and capacity-building  
on accession to the World Trade Organization**

## **Progress report on the implementation of the recommendations contained in the evaluation of UNCTAD's trade-related technical assistance and capacity-building on accession to the World Trade Organization**

Note by the secretariat\*

### *Executive summary*

At its forty-seventh session, in September 2006, the Working Party on the Medium-term Plan and the Programme Budget considered the in-depth evaluation of UNCTAD trade-related technical assistance and capacity-building on accession to the World Trade Organization (WTO) (TD/B/WP/190). A first progress report on the implementation of recommendations emanating from the evaluation was presented at the forty-ninth session of the Working Party. The Working Party noted with satisfaction the progress made so far in the implementation of recommendations, encouraged the secretariat to continue its efforts to that end and requested the secretariat to report back on further progress made on the WTO accession programme. This note was prepared in response to that request, and addresses the current status of implementation of recommendations (a), (b), (e) and (f) of the evaluation. Recommendations (c), (d), (g), (h) and (i) have already been implemented, and are therefore not included in this progress report.

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\* This document was submitted on the above-mentioned date as a result of processing delays.

## I. Implementation of the recommendations of the evaluation report

<b>Action required</b> <b>Recommendations from the evaluation report</b> <i>(TD/B/WP/190, para. 56)</i>	<b>Status of implementation as at 30 August 2007</b> <i>Extracts from TD/B/WP(XLIX)/CRP.3</i>	<b>Current status of implementation</b>
<p>Recommendation (a): Donors should provide UNCTAD with continuous and predictable multi-year funding to provide sustained, broader and deeper technical assistance and capacity-building support that spans the entire range of pre-accession, accession and post-accession negotiations and implementation.</p>	<p>At the present time, the donors provide funding for a period of two years, which spans the whole period of pre-accession, accession and post-accession. In response to this recommendation, UNCTAD has made concrete efforts to mobilize donors' support for its technical assistance and capacity-building activities, and regular contacts are maintained with donors for funding on a predictable basis. However, new funds have so far not materialized.</p>	<p>UNCTAD has continued to make concrete efforts to mobilize donors' support for its technical assistance and capacity-building activities on WTO accession. However, despite regular contacts between UNCTAD and donors regarding the predictable funding of such activities, new funds have yet to materialize.</p>
<p>Recommendation (b): Enhanced budget resources should be provided to DITC in the area of trade negotiations to make it possible to accompany acceding countries continuously during the whole process of accession, including the post-accession phase, and ensure that they implement their obligations, adjust to the new regime and benefit from opportunities in the multilateral trading system; in this context, WTO accession should be a core activity of UNCTAD.</p>	<p>The number of requests for technical assistance and capacity-building on trade negotiations and accession has increased substantially over the last few years. However, the current limited resources (human and financial) have constrained the provision of technical assistance and capacity-building. As indicated in the recommendation, enhanced budget resources are needed for the Trade Negotiations and Commercial Diplomacy Branch of the Division on International Trade in Goods and Services, and Commodities in order to make it possible to accompany acceding countries continuously during the whole process of accession, including the post-accession phase, and ensure that they discharge their obligations, adjust to the new regime and benefit from opportunities in the multilateral trading system. It will be remembered that paragraph 56 (b) of the "Evaluation of UNCTAD trade-related technical assistance and capacity-building on accession to the WTO" recommended that WTO accession be a core activity of UNCTAD. That recommendation remains to be implemented.</p>	<p>Paragraph 90 (e) of the Accra Accord states that UNCTAD should "continue to provide and strengthen technical support to and cooperation with developing countries, according to their level of development, particularly LDCs and countries with economies in transition, prior to, during and in the follow-up to their WTO accession process". At its fiftieth session, the Working Party, in its agreed conclusions on the review of the UNCTAD section of the proposed United Nations strategic framework for the period 2010–2011, emphasized that the Accra Accord was the basis for UNCTAD's work for the next four years. However, despite the increased number of requests for technical assistance and capacity-building in the area of trade negotiations and WTO accession, current limited human and financial resources do not allow technical assistance to be provided as much as would be desirable. Both the evaluation report and the Working Party have called for enhanced budget resources to be made available to the Trade Negotiations and Commercial Diplomacy Branch of the Division on International Trade in Goods and Services, and Commodities, in order to provide and strengthen such technical assistance and capacity-building activities. The importance of such assistance is reflected in recommendation (b) of the evaluation report, but this recommendation has yet to be implemented.</p>

<b>Action required</b> <b>Recommendations from the evaluation report</b> <i>(TD/B/WP/190, para. 56)</i>	<b>Status of implementation as at 30 August 2007</b> <i>Extracts from TD/B/WP(XLIX)/CRP.3</i>	<b>Current status of implementation</b>
<p>Recommendation (e): UNCTAD administrative and financial procedures need to be made more flexible to ensure a rapid response to needs and concerns of acceding countries.</p>	<p>While the UNCTAD secretariat constantly tries to improve its internal administrative and financial procedures, it must abide by the relevant rules and regulations of the United Nations and the terms of agreements with the donor agencies on individual projects. There is, however, a further need to develop and consider new approaches to improve the efficiency of administrative and financial procedures. Moreover, the terms of agreements for individual projects could be drawn up in such a way as to allow more flexible and rapid responses. Currently, the norm is to define the project activities at the outset, often months or years before implementation. Sometimes this makes a rapid and flexible response difficult. Further consideration needs to be given to the mechanics of implementing this recommendation.</p>	<p>Consultations with donors before UNCTAD XII on the thematic clustering of technical cooperation in accordance with Trade and Development Board decision 492 (LIV) resulted in the establishment of 17 thematic clusters. Within each of these clusters, the merging of contributions has started and will continue, in line with donors' instructions. Further clustering is envisaged in the coming months and years, particularly for new operations, insofar as donors are willing to establish multi-donor trust funds. This consolidation of projects into multi-donor, multi-year thematic clusters is contributing to the simplification of UNCTAD's financial structure.</p>
<p>Recommendation (f): Donor coherence in utilizing UNCTAD as the main institution for accession support is essential to avoid overlapping of programmes and competing efforts, minimize strain on the limited absorptive capacity of countries, and avoid confusing and conflicting advice.</p>	<p>Lack of donor coherence continues to be a serious problem for recipient Governments and results in reduced development effectiveness and in inefficiency. Donor policy coherence therefore needs to be effectively ensured. UNCTAD, as the focal point for dealing with trade and development issues within the United Nations system, has maintained contact with the donor community in order to promote the unique and specific characteristics of its technical assistance on WTO accession, including its assistance to countries in acceding to WTO on terms commensurate with their level of development and their ability to meet the obligations associated with WTO membership.</p>	<p>UNCTAD, as the focal point for dealing with trade and development issues within the United Nations system, continues to work with other United Nations agencies and organizations to provide technical assistance on WTO accession, with a view to improving coherence and synergy. The implementation of decisions of the Trade and Development Board and the Accra Accord mandates on UNCTAD technical cooperation is ongoing, and it is expected that the reforms being introduced in the secretariat, such as the thematic clustering of technical assistance programmes, will enhance coherence within the secretariat. However, donor coherence continues to be a serious problem for recipient Governments.</p>