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and the Programme Budget
Thirty-eighth session
Geneva, 17-21 September 2001

**DRAFT REPORT OF THE WORKING PARTY ON THE MEDIUM-TERM PLAN
AND THE PROGRAMME BUDGET ON ITS THIRTY-EIGHTH SESSION**

Geneva, 17-21 September 2001

Rapporteur: Ms. Gothani Indikadahena (Sri Lanka)

Speakers:
Deputy Secretary-General of UNCTAD
Senegal
Belgium
United States of America
Japan
Sri Lanka
Egypt

Note for delegations

This draft report is a provisional text circulated for clearance by delegations. Requests for amendments to statements of individuals should be communicated by **Wednesday, 26 September 2001** to:
The UNCTAD Editorial Section, Room E,8106, Fax No. 907 0056, Tel. No. 907 5656/1066

Chapter I

INTRODUCTION

Minute of silence

1. The Working Party observed a minute of silence in memory of the victims of the terrorist attack on the World Trade Centre, New York, on 11 September 2001.

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.

Chapter II

ORGANIZATIONAL MATTERS

A. Opening of the session

1. 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)

2. 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)

3. 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.