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TRADE AND DEVELOPMENT BOARD  
Working Party on the Medium-term Plan and  
and the Programme Budget  
Thirty-seventh session  
Geneva, 15 - 19 January 2001

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

**Geneva, 15 - 19 January 2001**

Rapporteur: Ms. Nicole Clarke (Barbados)

**INTRODUCTION AND ORGANIZATIONAL MATTERS**

Speakers:  
Deputy Secretary-General  
Sweden  
South Africa  
United States of America  
Japan  
Switzerland  
China

**Note for delegations**

This draft report is a provisional text circulated for clearance by delegations. Requests for amendments to statements of individual should be communicated by **Monday, 21 January 2001** to: The UNCTAD Editorial Section, Room E.8106, Fax No. 907 0056, Tel. No. 907 5656/1066

## INTRODUCTION

1. The **Deputy Secretary-General of UNCTAD** said that, with regard to agenda item 3, the draft programme budget had been presented in line with the established practice whereby the Secretary-General of UNCTAD consulted member States on the programme of work prior to its finalization in New York. To facilitate the review, the results of the ex-ante survey on the potential usefulness of proposed publications had been distributed. Feedback was of prime importance for the secretariat to better reflect the wishes of the membership.
2. The draft programme budget had been prepared in line with the *Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the Methods of Evaluation* (ST/SGB/2000/8, 19 April 2000) and related instructions, and included all activities, irrespective of source of funding. A significant departure from the past was that the presentation of the work programme was based on a logical framework and a result-based approach, as endorsed by the General Assembly in December 2000. UNCTAD had pioneered that approach in the United Nations.
3. The final proposal of the Secretary-General of the United Nations for the programme budget would also contain resource information, including post distribution and estimates of regular budget and extrabudgetary expenditures. The Working Party might wish to meet again later in the Spring to review the final proposal and to transmit any views and comments directly to the General Assembly's review bodies, as it had done in the past.
4. The proposed work programme had been prepared with a view to advancing the implementation of the Bangkok Plan of Action. The overarching priorities and work allocations thus remained those endorsed by the Working Party in the spring of 2000, when it had discussed the medium-term plan and the revised work programme for 2000-2001. The current programme and its logical framework approach sought to enhance the link between the three pillars of UNCTAD's work, namely, research and analysis, intergovernmental deliberations and technical assistance. It reflected the additional mandate for analytical work on Africa in Subprogramme 1B, reiterated the importance of a gender perspective in the logical framework for each subprogramme, and incorporated views and concerns of civil society.
5. With regard to the DMFAS Trust Fund (TD/B/WP/136), the purpose in establishing the Fund was to ensure the proper funding of the central operation of the DMFAS Programme and its activities, including software development, maintenance and implementation, training in debt management, and networking. He recalled that the Working Party had agreed that appropriate arrangements to ensure the programme's financial sustainability were necessary, based on (i) programme budget resources; (ii) programme support resources; (iii) extrabudgetary resources from donors; and (iv) annual maintenance fees.
6. Finally, concerning the implementation of paragraph 166 of the Bangkok Plan of Action, the Working Party had before it in document TD/B/WP/137 proposals on the content, organization and financing of the training courses concerned. The Advisory Body envisaged

in paragraph 166 had now been constituted and would be beginning its work on finalizing preparations for the first course.

7. The representative of **Sweden**, speaking on behalf of the **European Union**, stressed the importance of substantive bodies, such as the Working Party, being able to influence the substantive contents of the programme budget while it was being prepared. The task in front of the Working Party was to ensure that the Bangkok Plan of Action was translated, as comprehensively as possible, into a complete work programme. In this regard, it would be important for the programme to reflect cross-cutting issues, such as the LDCs or gender mainstreaming, and to provide for follow-up to paragraph 109 (iv) of the Plan of Action on the issue of sound public administration. The presentation of the programme budget should reflect paragraph 171 of the Plan of Action in respect of such elements as objectives, expected outcomes and timeframes. Finally in this connection, priority setting among programme elements was always difficult but was also important.

8. Agenda items 4 and 5 raised a number of institutional issues such as the relationship between the Working Party and informal bodies such as the DMFAS Advisory Group and the Advisory Body provided for in paragraph 166 of the Bangkok Plan of Action. The role of the formal decision-making bodies of UNCTAD should not be undermined.

9. With regard to the DMFAS Trust Fund, she welcomed the discussions that had taken place in the DMFAS Advisory Group on issues such as the financial sustainability of the DMFAS Programme, and in that connection asked when similar advisory groups would be set up for ASYCUDA and ACIS.

10. Lastly, the European Union would welcome information on the progress made in filling the vacant posts at the Director level.

11. The representative of **South Africa**, speaking on behalf of the **African Group**, underlined that the objectives of programmes should be based on the Bangkok Plan of Action. Subprogramme 9.1B (Development of Africa) should have more than one objective, and sufficient resources should be allocated to it. On Subprogramme 9.2 (Investment, Enterprise and Technology), he stressed the importance of investment issues to the African countries and the value of studies on investment in Africa, investment guides on LDCs, science, technology and innovation policy reviews and investment policy reviews. The subprogramme should explicitly include a contribution to the United Nations New Agenda for the Development of Africa. On Subprogramme 9.3 (International Trade), there should be more linkages between analytical work and technical cooperation activities, the special situation of African countries with regard to their integration into the multilateral trading system should be taken into account, and the coverage of future seminars and workshops on the positive agenda should be geographically balanced.

12. Concerning the DMFAS Trust Fund, the special situation of LDCs should be taken into account when addressing issues such as cost-sharing. The long-term financial sustainability of the DMFAS programme should be assured, and he appealed to donors to continue to make contributions to that end.

13. His Group attached importance to the speedy implementation of paragraph 166 of the Bangkok Plan of Action. The lack of resources for the second and third courses was a matter for concern, and the secretariat should continue to seek means of addressing the problem. The long-term solution lay in the provision of funding in the programme budget.

14. Finally, the African Group supported the financing of expert participation from developing countries in UNCTAD's expert meetings, and would encourage the Secretary-General of UNCTAD to continue to seek the necessary resources, as agreed by the Trade and Development Board.

15. The representative of the **United States of America** said that he appreciated the focus on LDCs in the work programme, as well as the use of the logical framework in the presentation of the programme. At the same time, the indicators of achievement were vague and needed to be improved. Strong leadership would be required to implement the work programme, and he expressed concern about the vacancies at the Director level in the secretariat. Issues that required further discussion included the support provided to the Group of 24 under Subprogramme 9.1, the positive trade agenda, and financing participation in UNCTAD expert meetings. With regard to DMFAS, he shared the concern of the European Union that informal bodies such as the Advisory Group could dilute decision-making at the formal level in the Working Party.

16. The representative of **Japan** expressed his appreciation for the structure of the new budget presentation and emphasized the importance of evaluation, the methods for which should be clarified in advance. Indicators must be more objective and, to the extent possible, quantifiable. When quantification was not possible, the methodology to be used must be clearly defined. The timing of UNCTAD XI would greatly influence the programme budget, and the dates of the Conference should be determined as a matter of urgency. Consideration should also be given to changing the timing of the Working Party's session so as to reflect maximally the view of the Working Party in the budget submission to Headquarters. *Ad hoc* expert group meetings should be limited to those that were essential in implementing the Bangkok Plan of Action. The Office of the Special Coordinator for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States should be strengthened to follow up the outcome of the Third United Nations Conference on Least Developed Countries effectively. On Programme Support, he encouraged timely submission of documents and the use of information technology. He sought clarification as to why there was no reference in the programme budget to the Advisory Body called for in paragraph 166 of the Bangkok Plan of Action or to how UNCTAD would be involved with the Trade Point programme after its transfer to the International Trade Points Federation.

17. The representative of **Switzerland**, referring to DMFAS, expressed concern about the very slow progress made on cost-sharing.

18. The representative of **China** said that the task before the Working Party was to formulate a work programme which corresponded to the second phase of implementing the Bangkok Plan of Action. That phase included the mid-term review by the Trade and Development Board and the preparatory process for the next Conference. The proposed work

programme well reflected the Plan of Action. Coordination would be important, and the Working Party should ensure that the Plan of Action would be fully implemented in a comprehensive manner. Regarding the implementation of paragraph 166, he hoped that proper financing would be put in place and be implemented before the end of 2001.

19. The **Deputy Secretary-General of UNCTAD**, responding to points raised by delegations, said that, on the filling of vacancies at the Director level, the selection of the candidate for one post had been completed as far as UNCTAD was concerned, and the matter was now being reviewed in New York. For the other two posts, the Secretary-General of UNCTAD had set up a high-level advisory panel for the selection of candidates. There was a shortage of qualified female candidates, on which the advisory panel was also being consulted. On the timing of the Working Party meeting, it had not been feasible to convene it before the submission of the programme budget proposal to Headquarters, but the secretariat was aware of the need to ensure that the views of the Working Party would be well reflected in the proposed work programme. On indicators of achievement, it was difficult to come up with meaningful, workable and precise indicators, and he would welcome advice from member States. He agreed that the use of questionnaires would be one way to measure achievements, but obtaining a meaningful response rate had been found to be difficult. The Advisory body for paragraph 166 had not been referred to in the UNCTAD programme budget since it was not a formal body. Finally, concerning the relationship between informal advisory bodies and formal intergovernmental bodies, the experience so far with the DMFAS Advisory Group had been positive, but member States' advice on the matter would be appreciated.

## **ORGANIZATIONAL MATTERS**

### **A. Opening of the session**

The thirty-seventh session of the Working Party was opened by Mr. Federico Alberto Cuello (Dominican Republic), Chairperson of the Working Party at its thirty-sixth session.

### **B. Election of officers**

(Agenda item 1)

At its 140<sup>th</sup> (opening) plenary meeting, the Working Party elected Mr. Mussie Delelegnarega (Ethiopia) as its Chairperson and Ms. Nicole Clarke (Barbados) as its Vice-Chairperson-cum-Rapporteur.

### **C. Adoption of the agenda and organization of work**

(Agenda item 2)

Also at its 140<sup>th</sup> meeting, the Working Party adopted its provisional agenda (TD/B/WP/135). The agenda was thus as follows:

1. Election of officers
2. Adoption of the agenda and organization of work
3. Review of the work programme: Draft programme budget for the biennium 2002–2003
4. DMFAS Trust Fund
5. Follow-up to the implementation of paragraph 166 of the UNCTAD X Plan of Action
6. Provisional agenda for the thirty-eighth session of the Working Party
7. Other business
8. Adoption of the report of the Working Party to the Trade and Development Board.