

**Working Party on the Strategic Framework
and the Programme Budget**
Geneva, 3–5 September 2012

General statements by regional groups
Speaker: Nepal on behalf of the LDCs Group

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Statement by the delegation of Nepal on behalf of the Group of Least Developed Countries at the 62nd session of the Working Party on the Strategic Framework and the Programme Budget, Geneva, September 3, 2012.

Madam Chair,

Excellencies,

Mr. Heiner Flassbeck, Office in charge of UNCTAD

Distinguished Delegates:

At the outset let me congratulate you Madam Chair on your election for this session and I also would like to congratulate Vice Chair cum Rapporteur as well.

I have the honor to deliver this statement on behalf of the Group of the Least Developed Countries. I associate with the statement made earlier by the distinguished representative of Indonesia on behalf of the G77 and China.

The LDC Group has given close look at the substantive items on the agenda of this meeting as well as the corresponding reports. We are pleased to present our general views on them.

The LDCs Group welcomes the report on the evaluation of UNCTAD's technical cooperation activities dedicated to least developed countries and other specific groups of countries as contained in the document TD/B/WP/223 as well as the management response to the evaluation report as contained in the document TD/B/WP(56)/CRP.1 and the progress report on the implementation of recommendations from the independent external evaluation of UNCTAD's technical cooperation activities dedicated to least developed countries and other specific groups as contained in the document TD/B/WP/235.

We commend the evaluation team's work to assess relevance, effectiveness, efficiency and sustainability of the dedicated technical cooperation activities to countries with special needs, including LDCs. Technical cooperation to countries in need is a critical function of UNCTAD and a major pillar of its mandate. Through this, UNCTAD has been able to extend valuable support to countries, including LDCs, in the vital areas like trade and investment policy formulation, mainstreaming of trade in overall development plans and programmes, and building capacity in trade negotiations. UNCTAD has also been undertaking commendable activities in support of the LDCs including periodic assessment and monitoring of LDCs' progress towards meeting internationally agreed development goals. Given its reputation and expertise in the field of trade, and development

and interrelated issues, UNCTAD has been a source of know-how for countries trying to find how trade related capacity can be built up and how trade can be linked with larger goal of development and poverty alleviation. We concur with the evaluators' observation that UNCTAD has earned a reputation of a neutral development partner and is viewed as having no potential conflict of interest with beneficiary countries. Moreover, the evaluation report has concluded that that UNCTAD programmes are largely in line with countries' priorities and take into account the ground realities.

It is however important to stress that technical assistance provided by UNCTAD should not be limited to small activities and software support. It should be able to focus on activities larger in scale and scope. UNCTAD should also continue to improve planning, monitoring and reporting processes so as to focus on long term outcomes of its activities.

Equally vital is the issue of UNCTAD resources. Given the importance of its works and mandates, UNCTAD needs more resources. The evaluation report has also stated that total absolute amounts provided by UNCTAD are very small compared to the total trade-related assistance flows. Less than 1% of total trade related assistance flows is channeled through UNCTAD does not give justice to the importance of UNCTAD's works. Availability of resources is related to the question of sustainability of accomplished projects as well. UNCTAD should continue to support the beneficiary countries, particularly the LDCs, which lack resources and skills to maintain the accomplished projects. We reiterate our call to development partners to ensure predictable, sustainable and sound funding for technical cooperation and capacity-building activities in LDCs.

As UNCTAD advances into implementation of the Doha Mandate and takes up its vital role in the implementation of the Istanbul Programme of Action, the question of UNCTAD's resources becomes all the more critical.

The LDC Group strongly supports the evaluation team's recommendation that the role and resources of Africa, LDCs and Special Programmes Division should be reinforced and interaction between the other divisions and ALDC should be enhanced.

Madam Chair,

The LDC Group thanks the evaluation team for conducting a detailed evaluation of UNCTAD's programme on science and technology for development as contained in the report TD/B/WP/234 and the Secretariat for providing a constructive response as contained in the document TD/B/WP (59)/CRP.1. We are encouraged to learn of UNCTAD's efforts to strengthen research and analysis and technical cooperation on

STD as well as address many emergent issues like the food, energy, financial crises and climate change in its publications and other undertakings.

We support the evaluators' recommendation that UNCTAD should clarify and strengthen its role on "science for development". Formulation of an overarching strategy will be essential in this regard. Science, technology and innovation play an important part in development, but the LDCs are particularly lagging behind in these critical areas. They need support to acquire new technologies and build domestic capacity and knowledge base in order to bridge the digital divide and technology gap. While concurring with the recommendation of the report that UNCTAD should improve its planning monitoring and reporting procedures on STD. We call upon UNCTAD to continuously work on, to analyze how science and technology can be mainstreamed into LDCs' national development and how transfer of appropriate and affordable technology can be materialized.

The evaluation team has rightly pointed out the need of increased participation of local experts in project activities, by having a local counterpart for each international expert to transfer the knowledge on daily bases. This helps strengthen local capacity in handling project activities.

The LDC Group takes note of the report on the review of the technical cooperation activities of UNCTAD and their financing as contained in the document TD/B/WP/243. We note from the evaluation report that the total delivery in support of LDCs has increased to account for 36% of total delivery in 2011. We welcome such an increase, but it should be noted that this happened largely due to the concentration of activities during the Fourth UN Conference on LDCs. We underline the need of reversing the trend of decreased resources in UNCTAD LDC Trust Fund, which is critical as we advance to implement the priority areas of action contained in the Istanbul Programme of Action. Given that the developed countries have remained as important source for trust funds, the decrease in their share in total contributions, as noted in the report, is worrying. It is also essential to ensure the equitable distribution of UNCTAD activities among the countries commensurate to their needs.

The review report indicates that interregional projects accounted for 48% of total expenditure in 2011, whereas regional projects accounted for 19.4%. This left a mere 30% of resources for country projects. While we do not underestimate the importance of inter-regional and regional projects, the execution of such projects should not be at the expense of country specific projects and programmes. We encourage the secretariat and our development partners to find the right balance between the regional, inter-regional and country projects in allocating financial resources.

We commend UNCTAD's role of coordination of the UN Inter-Agency Cluster on Trade and Productive Capacity and support its efforts to ensure that the trade and productive capacity issues are given adequate importance in UN Development Assistance Framework (UNDAF) at the country level.

Finally, the LDCs Group attaches high importance to this session of the Working Party and looks forward to fruitful discussions ahead.

Thank you.