

EU Delegation to the UN Geneva

**UNCTAD 76<sup>th</sup> Working Party on the Strategic Framework and the Programme Budget**

**3-5 September 2018**

**Statement**

***Item 3: Review of the technical cooperation activities of UNCTAD and their financing***

Chair, Excellencies, distinguished Delegates,

On behalf of the European Union and its Member States I would like to thank the UNCTAD Secretariat for the detailed overview of the Technical Cooperation activities in UNCTAD.

As the third pillar of UNCTAD's work, Technical Cooperation is a key instrument for delivery of UNCTAD's expertise in the area of trade and development to the immediate and long-term benefit of partner countries. Creating synergies and linkages between Technical cooperation and the other pillars of consensus building and research & analysis needs to continue.

We recognise the **mainstreaming of the SDGs** into technical cooperation activities, specifically through the updated UNCTAD toolbox and its implementation across different projects worldwide.<sup>1</sup> We appreciate that the **focus on gender** has not been overlooked, with new analyses into the interplay of trade, development and gender providing key data for policies and recommendations. However, we agree with the background document's conclusion that further gender mainstreaming is required, and that it is not sufficient to simply account for gender in technical cooperation projects, but rather set specific, measurable targets to achieve gender objectives in a holistic way. Indeed, while the organisation has encouraged women to participate in these projects<sup>2</sup>, we would like to see more tangible results which go beyond mere "encouragement" and address structural gender inequalities. This can be achieved by creating linkages between gender and the results-based management approach that is mandated by the Maafikiano, to ensure projects and programmes are engaging with gender in substantial and meaningful ways.

Chair,

We recognise that overall funding from Trust Fund resources and developed country donors has decreased for Technical Cooperation projects in the reporting period. Still, we would like to emphasise that the European Commission and the Member States of the European Union have contributed a noteworthy 22 per cent of total UNCTAD trust fund resources – specifically, increases from Finland, Germany and Luxembourg were setting off other's decreasing funding.

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<sup>1</sup> Technical Cooperation document (TD/B/WP/290), page 10.

<sup>2</sup> Technical cooperation document, page 16.

Let me underline that developed countries and their organizations therefore represent the second-largest group of contributions, and of course the largest group of outward-bound contributions. **The conclusion of the report (see para. 66) that developed countries are "for the first time only the third-largest group" is thus at best misleading.**

The EU and the UN have revised their respective cooperation frameworks. Some technical issues led to decreases in the past. The resolution of these technical issues has now again tripled EU Commission contributions to USD 3m.<sup>3</sup> And if I may add: the breakthrough for this resolution was already achieved two years ago thanks to the strong engagement of previous DSG Joakim Reiter.

We also note with interest that UNCTAD funding from the United Nations regular programme of technical cooperation and the Development Account has increased by 39%, demonstrating greater recognition from the UN development system of UNCTAD's work and impact. Despite this positive development, there remains scope for further funding across all of UNCTAD's work, especially considering emerging areas such as E-commerce and the Digital economy. To be able to effectively engage with these new topics, more focused efforts need to be made, more commitments will need to emerge, and we hope to continue our ongoing partnership with UNCTAD activities in this regard.

**The documentation on Technical Cooperation could benefit from more transparency and detail for sources, volume, and destination of contributions.** For example, while we appreciate the secretariat's mentioning of JPO positions, funding these posts for a number of years is a substantial contribution "in kind" which is not adequately represented in the document.<sup>4</sup> This also highlights the diverse nature of contributions, both in terms of monetary and human resource contributions that member states can provide. Services in kind would also need to be spelled out in greater detail.<sup>5</sup>

With regard to the **funding received from developing countries**, we observed with concern that contributions have decreased by 25% since 2016.<sup>6</sup> The initial optimism we held in 2016, when contributions reached a new peak of approximately 50% of trust fund resources, has wavered slightly. On top, the majority of developing countries' contributions are used for projects within their respective borders, and there is a lack of cross-border South-South Cooperation. Considering the importance of cooperation between North and South as well as South-South cooperation, we encourage developing countries in a position to do so to continue to fund technical cooperation activities. Finally, we also encourage UNCTAD to seek new partnerships and donors from private sector or foundations, to complement the funding from member states and the UN regular programme budget.

*(on RBM:) Chair,*

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<sup>3</sup> Technical Cooperation document page 4.

<sup>4</sup> E.g. almost 3 pages of details in IOM's Revision of Programme and Budget 2018 (S/22/9, p.113 ff) for JPOs and secondees.

<sup>5</sup> See e.g. again at IOM, Financial Report 2017, C/109/3, detailed table on p. 45.

<sup>6</sup> Technical cooperation document, page 4.

As we believe that results-based management (**RBM**) should be continuously enhanced throughout UNCTAD, we commend the roll-out of results-based management pilot project within UNCTAD's technical cooperation activities and urge its use across the whole organisation. We are confident that this will further boost the efficiency and effectiveness of TC projects for the benefit of recipients.

***Thank you.***