



United Nations Conference on Trade and Development

Distr.: General
8 January 2018

Original: English

Trade and Development Board
Trade and Development Commission
Multi-year expert meeting on Enhancing
the Enabling Economic Environment at All Levels
in Support of Inclusive and Sustainable Development,
and the Promotion of Economic Integration and Cooperation
Second session
Geneva, 19–20 March 2018
Item 2 of the provisional agenda
Adoption of the agenda and organization of work

Provisional agenda and annotations

I. Provisional agenda

1. Election of officers
2. Adoption of the agenda and organization of work
3. Adapting industrial policies to a digital world for economic diversification and structural transformation
4. Adoption of the report of the meeting

II. Annotations

Item 1

Election of officers

1. It is recommended that the multi-year expert meeting elect a Chair and a Vice-Chair-cum-Rapporteur.

Item 2

Adoption of the agenda and organization of work

2. The provisional agenda for the multi-year expert meeting is reproduced in chapter I above. A detailed programme will be available one week before the meeting.

Documentation

TD/B/C.I/MEM.8/4

Provisional agenda and annotations

GE.18-00240(E)



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Item 3**Adapting industrial policies to a digital world for economic diversification and structural transformation**

3. The second session of the multi-year expert meeting will be held in accordance with the terms of reference approved by silent procedure on 1 December 2017. The objective is to discuss how to adapt industrial policies to a digital world, for economic diversification and structural transformation.

4. Many economies across the globe are experiencing a decline in manufacturing as a share of total output and employment. This decline causes concern in both developed and developing countries because of the uniqueness of manufacturing in providing, at the same time, productivity gains and well-paid employment. Historically, this uniqueness has led Governments to support economic diversification and structural transformation towards manufacturing through various forms of industrial policy.

5. The potential economic benefits of new digital technologies are significant. In particular, they are set to boost the productivity of labour and capital, as well as to facilitate connections to global markets. Yet they also present serious challenges. The increasing importance of digital technologies may accelerate the decline of the importance of manufacturing as a creator of well-paid employment, as it is often claimed that such technologies may displace manufacturing jobs on a significant scale. The overarching goal of the 2030 Agenda for Sustainable Development is inclusive prosperity, which in developing countries can be achieved, *inter alia*, through economic diversification away from commodity dependence and through structural transformation towards sectors and activities that generate greater value addition. Yet if economic growth is achieved based on automation that causes job displacement and wage erosion, then the commitment to inclusive prosperity of the 2030 Agenda may be subverted by technology before it has gotten off the ground.

6. How people, firms and countries are affected by the increasingly digitalized world, and how they can manage and adapt to its impacts, depends in great measure on the choices made by policymakers. The digital world is set to affect almost all spheres of production and consumption, changing what can be done and how it can be done across a wide range of activities. Given that the effectiveness of national policies is central to achieving the transformative goals of the 2030 Agenda, capturing the potential the digital world presents is a new challenge for policymakers. These issues are of particular interest in developing countries, as many of them lag behind with regard to the adoption of digital technologies.

7. Against this background, the second session of the multi-year expert meeting will discuss, in particular, how the diffusion of digital technologies shifts the traditional boundaries of individual industries and those between industry and services. It will focus on how policymakers can adapt the industrial policies they have pursued to date, in order to harness the potential of a digital world for economic diversification, structural transformation and greater value addition. Finally, it will explore the role that South–South and triangular cooperation can have in developing countries in this context.

8. The UNCTAD secretariat has prepared a background note to facilitate discussion. In addition, experts are encouraged to prepare articles on the subject under discussion. These papers will be made available at the meeting in the form and language in which they are received.

Documentation

TD/B/C.I/MEM.8/5

Adapting industrial policies to a digital world for economic diversification and structural transformation

Item 4
Adoption of the report of the meeting

9. The report of the multi-year expert meeting will be submitted to the Trade and Development Commission at its next session. The multi-year expert meeting may wish to authorize the Rapporteur, under the authority of the Chair, to prepare the final report after the conclusion of the meeting.

Experts are requested to advise of their intention to submit papers and contributions to the UNCTAD secretariat by 9 February 2018. Written papers and contributions must be submitted to the UNCTAD secretariat by Friday, 23 February 2018.

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