



Trade and Development Commission
Third session
6–10 June 2011

Agreed conclusions

The Commission,

1. *Expresses concern* over the uneven trade and economic recovery from the global economic crisis; over the continuing high levels of inequality, poverty and unemployment in many countries, in particular developing countries – especially the least developed countries (LDCs), as well as other groups of countries with special needs – and also countries with economies in transition; and also over both new and persistent protectionist measures and the risk of double-dip recession;

2. *Recognizes* that trade and development are inextricably interlinked. Trade and trade policies need to be streamlined and augmented with complementary policies for building competitive and diversified agricultural, industrial and services productive capacities, in particular for developing countries – especially LDCs, as well as other groups of countries with special needs – and also countries with economies in transition, with supportive services infrastructures, and with adequate human, regulatory and institutional frameworks, to ensure inclusive and sustainable development and the attainment of the Millennium Development Goals. There is a need to tailor policies to countries' specificities, avoiding one-size-fits-all approaches;

3. *Considers* that trade can have an impact on employment, and emphasizes that trade policies should contribute to both the quantity and quality of employment. Policies that highlight employment creation as an explicit target, address sectors with high potential for employment creation, ensure smooth adjustment in labour markets, and make available social safety nets, especially in developing countries with large informal sectors, are important. Therefore, there is a need to further explore policy options for utilizing trade to promote equitable and stable employment across income levels;

4. *Expresses the importance* of building services supply capacities, including infrastructure services, to promote diversification, competitiveness, employment creation and increased trade, including all modes of supply of services as defined under the General Agreement on Trade in Services. Comprehensive national services development policies need to be developed and implemented;

5. *Emphasizes the importance* of continuing to make substantial efforts for an early and successful conclusion of the WTO Doha Round of trade negotiations, with an ambitious, comprehensive, balanced and development-oriented outcome, thus ensuring a more open, equitable, rules-based, predictable and transparent multilateral trading system, and in this regard, underlines the serious difficulties faced by the LDCs in effectively and meaningfully integrating into the multilateral trading system; further emphasizes the importance of preventing current and new forms of protectionism and eliminating WTO-inconsistent non-tariff barriers, and of providing a stimulus to global economic recovery;

6. *Highlights* that South–South trade has been increasing and offers important opportunities for trade and development; notes the conclusion of the São Paulo Round of negotiations on the Global System of Trade Preferences among Developing Countries (GSTP), in December 2010; and calls upon the UNCTAD secretariat, within existing resources, to continue analysing and providing information on the evolution of the GSTP;

7. *Requests* UNCTAD to continue to monitor, analyse and assess the evolution of the international trading system, regional integration, and regional and free trade agreements, and to assist developing countries – especially LDCs, as well as other groups of countries with special needs – and also countries with economies in transition, to better integrate into and gain from the international trading system;
8. *Calls upon* UNCTAD, in accordance with its mandate, to continue supporting the WTO-acceding developing countries, particularly LDCs and countries with economies in transition, by providing technical assistance and capacity-building prior to, during and in the follow-up to the process of accession;
9. *Recognizes* that improvements in transport and trade facilitation, including in infrastructure, can assist all developing countries, with due regard to their specific needs to trade competitively, in particular the LDCs and LLDCs. Requests UNCTAD to continue its support in building capacities in developing countries, particularly in the LDCs and LLDCs, in accordance with both their national priorities and development strategies in the areas of transport, trade facilitation and infrastructure;
10. *Requests* UNCTAD, within its mandate, to continue its research and analysis on the contribution of migrants' remittances to development;
11. *Emphasizes* that over the last three decades, global supply chains (GSCs) – where efficiency, including cost-reduction strategies, results in goods being produced with intermediate inputs originating from several countries, including developing economies – have become common in many industries, and have been accompanied by a spectacular growth of world trade in intermediate parts and components;
12. *Notes* that participation in GSCs is viewed by many developing countries as an important tool for diversifying and increasing exports and for their value addition, as well as for attracting foreign direct investment. In this context, supportive trade and industrial policies can help integrate domestic firms into GSCs, but they are not sufficient. In order to keep competitiveness on track to integrate into GSCs, such policies should be complemented by trade facilitation measures and substantial improvements in the overall business environment, including those related to developing transport and infrastructures, fostering competition in logistics and other trade-related services, enforcing the rule of law, improving customs procedures, and investing in the human capital necessary to rise along the value chain;
13. *Expresses concern* that enterprises of LDCs as well as other groups of countries with special needs are frequently confronted with substantial disadvantages in integrating into GSCs, in particular due to higher transport and other trade costs, low skill and technology levels, the often small size of their enterprises, and weaker management skills. In this regard, trade facilitation that aims to reduce trade-related costs, including non-tariff measures, should be further strengthened, and efforts should be made, including taking into consideration development assistance and domestic policies, to upgrade human and social capital;
14. *Encourages* UNCTAD, in accordance with the mandate of the Accra Accord, to analyse the evolution of GSCs and the methodologies, both at national and international levels, necessary to ensure increasing involvement and benefits for developing countries and their enterprises, as well as in terms of adding value to their exports;
15. *Takes note* of the Report of the Multi-year Expert Meeting on Commodities and Development on its third session (TD/B/C.I/MEM.2/16); the Report of the Multi-year Expert Meeting on Services, Development and Trade: the Regulatory and Institutional Dimension on its third session (TD/B/C.I/MEM.3/9); the Report of the Multi-year Expert Meeting on International Cooperation: South–South Cooperation and Regional Integration on its third session (TD/B/C.II/MEM.2/9); the Report of the Multi-year Expert Meeting on Transport and Trade Facilitation on its third session (TD/B/C.I/MEM.1/9); and the Report of the Expert Meeting on Maximizing the Development Impact of Remittances (TD/B/C.I/EM.4/3);
16. *Recognizes the value* of the expert meetings as a platform to strengthen UNCTAD's programme of work in all the three pillars and to encourage the sharing of experiences and best practices. Recalling the Accra Accord, the Commission should use the reports of the expert meetings as inputs to its work.