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on Trade and
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Fifteenth executive session
Geneva, 27 June 1997

**SYNOPTIC RECORD OF THE PROCEEDINGS OF THE TRADE AND DEVELOPMENT BOARD
AT ITS FIFTEENTH EXECUTIVE SESSION
(27 June 1997)**

Prepared by the UNCTAD secretariat */

Item 1: Adoption of the agenda

The Board adopted, without amendment, the provisional agenda for its fifteenth executive session circulated in TD/B/EX(15)/1.

Item 2: Matters requiring action by the Board in follow-up to the ninth session of the Conference and arising from or related to reports and activities of its subsidiary and other bodies:

(a) Reports of the Commissions on their first sessions

- (i) Report of the Commission on Trade in Goods and Services, and Commodities on its first session (6-8 November 1996 and 19-21 February 1997)

Action

The Board took note of the report of the Commission on Trade in Goods and Services, and Commodities on its first session (TD/B/44/5-TD/B/COM.1/6) and endorsed the two agreed conclusions in annex I of the report.

*/ Pending the distribution of the final report of the Trade and Development Board on its fifteenth executive session (to be issued in TD/B/EX(15)/..), the secretariat is circulating this synoptic record of the fifteenth executive session for the information of delegations and other users. The final report will contain the summaries of statements made on the various items.

- (ii) Report of the Commission on Investment, Technology and Related Financial Issues on its first session (18-22 November 1996 and 7 February 1997)

Action

The Board took note of the report of the Commission on Investment, Technology and Related Financial Issues on its first session (TD/B/44/5-TD/B/COM.2/4) and endorsed the agreed conclusions in annex I, on the understanding that the question of the status of the Expert Meeting on Competition Law and Policy and of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) and their relationship with the other expert meetings of the Commission are still the subject of further consultations by the President of the Board.

Speakers

1. Mexico (for Latin American and Caribbean Group)
2. Brazil
3. China
4. Netherlands (for European Union)
5. Morocco (for African Group)
6. Pakistan

- (iii) Report of the Commission on Enterprise, Business Facilitation and Development on its first session (20-24 January 1997)

Action

The Board took note of the report of the Commission on Enterprise, Business Facilitation and Development on its first session (TD/B/44/2-TD/B/COM.3/4) and endorsed the agreed conclusions in annex I and II of the report.

- (iv) Debate on the functioning of the new intergovernmental machinery of UNCTAD, in particular the Commissions and the Expert Meetings, since UNCTAD IX

Speakers

1. Secretary-General of UNCTAD
2. France (Chairman of Commission 1)
3. Costa Rica (Chairman of Commission 3)
4. Switzerland
5. Netherlands (for European Union)
6. Norway
7. Morocco (for African Group)
8. South Africa
9. Turkey

(b) Report of the Working Party on the Medium-term Plan and Programme Budget on its twenty-ninth session (16-17 January and 21-23 May 1997)

Speakers on item 2 (b)

1. Norway (Chairman of the Working Party)
2. Deputy Secretary-General of UNCTAD
3. Mexico (for Latin American and Caribbean Group)
4. Netherlands (for European Union)
5. United States of America
6. Deputy Secretary-General of UNCTAD (response)

Action on item 2 (b)

The Board took note of the outcome of the twenty-ninth session of the Working Party on the Medium-term Plan and Programme Budget, which dealt mainly with the proposed programme budget for the biennium 1998-1999.^{1/}

(c) Report of the Secretary-General of UNCTAD on preparations for a meeting with actors in development

Speakers on item 2 (c)

1. Secretary-General of UNCTAD
2. Netherlands (for European Union)
3. Ethiopia
4. Madagascar
5. Turkey
6. Brazil
7. Secretary-General of UNCTAD (response)

Action on item 2 (c)

The Board took note of the statement made by the Secretary-General of UNCTAD and of the comments made by delegations.^{2/}

^{1/} The agreed conclusions and Chairman's summary, adopted by the Working Party at the second part of its twenty-ninth session on 16 June 1997, were available in TD/B/WP/L.77. Subsequently, the full report of the Working Party on its twenty-ninth session was issued in TD/B/EX(15)/6-TD/B/WP/101.

^{2/} For the statement by the Secretary-General of UNCTAD on preparations for a meeting with actors in development, see annex I.

(d) Report of the Secretary-General of UNCTAD on the implementation of the proposals contained in the agreed conclusions 436 (XLIII): Development in Africa

Speakers on item 2 (d)

1. UNCTAD Coordinator for Africa
2. Morocco (for African Group)
3. UNCTAD Coordinator (response).

Action on item 2 (d)

The Board took note of the "Report of the Secretary-General of UNCTAD on the implementation of the proposals contained in Board agreed conclusions 436 (XLIII): Development in Africa" (TD/B/EX(15)/2) and of the comments made by the spokesman for the African Group.

Item 3: Other matters in the field of trade and development:

(a) Report of the Joint Advisory Group on the International Trade Centre UNCTAD/WTO on its thirtieth session (21-24 April 1997)

Speakers on item 3 (a)

1. Morocco (Chairman of Joint Advisory Group)
2. Singapore (for Asian Group and China).

Action on item 3 (a)

The Board took note of the report of the Joint Advisory Group on its thirtieth session (ITC/AG(XXX)/164) as circulated to the Board under cover of a note by the UNCTAD secretariat (TD/B/EX(15)/4).

(b) Report of the Joint UNCTAD/IMO Intergovernmental Group of Experts on Maritime Liens and Mortgages and Related Subjects on its ninth session (2-6 December 1996)

Action on item 3 (b)

The Board took note of the report of the Joint UNCTAD/IMO Intergovernmental Group of Experts on Maritime Liens and Mortgages and Related Subjects on its ninth session (TD/B/IGE.1/4) and endorsed the recommendation contained therein to propose to the United Nations General Assembly the convening of a diplomatic conference to consider and adopt a convention on arrest of ships.

In an answer to a question from the representative of Japan as to the timing of the proposed diplomatic conference, the representative of the UNCTAD secretariat stated that the recommendation of the Joint Intergovernmental Group of Experts, together with the decisions of the Board and the IMO Council, would be first submitted to the General Assembly of the United Nations. Upon approval by the General Assembly, a diplomatic Conference could be held during 1998.

Item 4: Institutional, organizational, administrative and related mattersAction on item 4**(a) Designation of intergovernmental bodies for the purposes of rule 76 of the rules of procedure of the Board**

The Board took note that there were no new applications from intergovernmental organizations.

(b) Designation of non-governmental organizations for the purposes of rule 77 of the rules of procedure of the Board

The Board approved the applications of two non-governmental organizations and decided, in accordance with the recommendation of the Secretary-General of UNCTAD and of the Bureau, to designate and classify them for the purposes of rule 77 of the rules of procedure and in accordance with paragraph 12 (b) of Board decision 43 (VII) as follows:

Special category: International Group of Protection and Indemnity Associations (TD/B/EX(15)/R.1/Add.1) to participate in the work of the Commission on Enterprise, Business Facilitation and Development; and the International Chromium Development Association (TD/B/EX(15)/R.1/Add.2) to participate in the work of the Commission on Trade in Goods and Services, and Commodities. These documents are now de-restricted.

The Board also agreed to the revised classification of in-status non-governmental organizations in the special category, as contained in annex II to document TD/B/EX(15)/3, thus bringing them into line with the post-Midrand intergovernmental machinery of UNCTAD.

The Board took note that, in the light of the adoption of Economic and Social Council resolution 1996/31 on relations between the United Nations and non-governmental organizations, the UNCTAD secretariat had prepared a revision of the arrangements for the participation of non-governmental organizations in the activities of UNCTAD, as contained in TD/B/EX(15)/3 and Corr.1. The Board decided to postpone its decision on this question until the nineteenth executive session of the Board.

Having heard the statement made by the UNCTAD Senior Legal Adviser in introducing the note by the secretariat,^{2/} and in conformity with the recommendations made by the Board at its meeting on 27 June 1997, the Board took note of the secretariat note entitled "Non-governmental organizations participating in the activities of UNCTAD" (TD/B/EX(15)/3 and Corr.1) and requested the UNCTAD secretariat to report to the Board at its nineteenth executive session on the implementation of Economic and Social Council resolution 1996/31 of 25 July 1996.

^{2/} For the statement made on this question by the UNCTAD Senior Legal Adviser, see annex III.

The Board also noted that, in conformity with the provisions of Board decision 43 (VII), sections III and IV, and after consultation with the Governments concerned (South Africa, the United Kingdom and India), the Secretary-General had included in the Register of national non-governmental organizations the following three national non-governmental organizations: Land and Agriculture Policy Centre (LAPC), the Foundation for International Environmental Law and Development (FIELD), and Consumer Unity and Trust Society (CUTS). Background information on these organizations was before the Board in documents TD/B/EX(15)/L.1, L.2 and L.3.

The Board also took note of the following changes in names of organizations in status with UNCTAD: The Federation of European Rope and Twine Industries (EUROCORD), which had been granted status in the special category by the Board at the first part of its twenty-fourth session, was now the Federation of European Rope, Twine and Netting Industries, retaining the acronym EUROCORD; EDI World Institute, which had been granted status in the special category by the Board at the first part of its fortieth session, was now the Electronic Commerce World Institute.

Item 5: Other business

(a) Adoption of the Technical Cooperation Strategy of UNCTAD

Action on item 5 (a)

The Board, acting on the agreement reached by member States in informal consultations, decided to adopt the text of the Technical Cooperation Strategy of UNCTAD contained in Part A of TD/B/EX(14)/3.^{4/}

Speakers on item 5 (a)

1. Mexico (for Latin American and Caribbean Group)
2. Switzerland
3. Netherlands (for European Union)
4. Japan
5. Norway
6. Chief, Inter-Organizational Affairs and Technical Cooperation (responses)
7. Switzerland (specific point)

(b) UNCTAD publications policy

Action on item 5 (b)

In the light of the agreement reached in the informal consultations of the President on this subject, the Board decided, in accordance with paragraph 107 (a) of the Midrand final document, that it would scrutinize the UNCTAD publications policy at its sixteenth executive session, following prior consultations.

^{4/} Text originally submitted to the Board at its fourteenth executive session on 24 March 1997.

(c) Designation of the President and Bureau of the forty-fourth session of the Trade and Development Board

Action on item 5 (c)

In accordance with the nomination made by the coordinator for Group D, the Board designated H.E. Mr. Goce Petreski (The Former Yugoslav Republic of Macedonia) for the post of President of the Board at its forty-fourth session.

The Board noted that the President had received the nominations of representatives of the following countries to membership of the Bureau:

<u>Rapporteur:</u>	Thailand
<u>Vice-President:</u> ^{5/}	Brazil
	Ireland
	Islamic Republic of Iran
	Jamaica
	Netherlands
	Norway
	Russian Federation
	United States of America

The President announced that he had been informed of the nomination of France for the post of Chairman of Sessional Committee I.

(d) Communication from the United Kingdom

The President drew attention to the communication circulated at the request of the United Kingdom of Great Britain and Northern Ireland concerning the question of international responsibility for Hong Kong (TD/B/EX(15)/7).

(e) Regional Symposium for Africa - International Investment Arrangements: The Development Dimension

Reporting on the Regional Symposium, held in Fez, Morocco, on 19-20 June 1997, the representative of Morocco read out the "Message" adopted by the participants in the Symposium and requested that the Message be included *in extenso* in the final report of the Board on its fifteenth executive session.^{6/}

^{5/} Two posts remain to be filled.

^{6/} For the Message from Fez, see annex II.

Item 6: Report of the Board on its fifteenth executive session

In accordance with past practice, the Board authorized the Rapporteur, under the authority of the President, to prepare the report of the Board on its fifteenth executive session.^{1/}

^{1/} The final report will be circulated in TD/B/EX(15)/9.

ANNEXES**Annex I****STATEMENT BY THE SECRETARY-GENERAL OF UNCTAD ON PREPARATIONS
FOR A MEETING WITH ACTORS IN DEVELOPMENT**

(Agenda item 2(c))

1. The meeting of all actors in development, on preparations for which I have the pleasure to report to you today, is an offspring of my proposal to UNCTAD IX for the integration of the civil society into our work. As you will recall, the goal of my initiative was to provide a new institutional mechanism that would facilitate the engagement in UNCTAD's work of the more active elements of the emerging global civil society, specially the private sector, research centres, academia and non-governmental organizations. After intense discussions, UNCTAD IX agreed to test this idea by holding a first meeting with all actors in development. This meeting would be convened by me under my own responsibility.

2. Paragraph 119 of the "A Partnership for Growth and Development" states that "the Conference notes with appreciation the Secretary-General's initiative to hold a meeting with actors in development to advise him. This meeting should be financed from extrabudgetary resources. The Secretary-General is invited to inform the next regular session of the Board of preparations for this meeting and to report subsequently on its outcome".

3. The item was placed on the agenda of the forty-third session of the Trade and Development Board under the title "Report of the Secretary-General of UNCTAD on preparations for a meeting with actors in development". At its 881st meeting, on 18 October 1996, the Trade and Development Board, in the light of the oral report by the Chairman of Sessional Committee II and following approval by the Bureau of the Board, decided to postpone consideration of agenda item 7 (a) until the next regular session of the Board.

4. The fourteenth executive session of the Board, on 24 March 1997, in approving the provisional agenda of the fifteenth executive session of the Board, simultaneously with a provisional agenda for the forty-fourth session of the Board, decided to place my report on the preparations for a meeting with actors in development on the agenda of this executive session of the Board.

5. About a year after Midrand, the view that the closer involvement of the civil society should be a distinctive feature of the United Nations in the twenty-first century is no longer as novel as it was when I first made my proposal. I am happy to see that nowadays there is practically no international organization, not only in the United Nations system but also outside it, that is not actively seeking ways of integrating the civil society. What was new in December 1995 is becoming a common concern of international organizations now. I hardly need to remind you that, independently of my proposal, Mr. Kofi Annan has stated the importance that he attaches to this question in the context of his plans for the reform and revitalization of the United Nations.

6. This is therefore a challenge for the United Nations as a whole. The question of how to open the Organization to new constituencies, particularly in the economic and social sectors, has been with us for a long time. The main lesson

that we should draw from the limited success of past efforts in this regard is that the legal, political and practical complexity of the issues involved makes it impossible to apply ready-made, generalized solutions. This must be a gradual, carefully thought-out process. It is against this background that my suggestions about mechanisms for the integration of the civil society in the work of UNCTAD should be seen as a modest but realistic contribution to a process of gradual reform that is only starting. As the Italian proverb says, *Chi va piano, va sano e va lontano*".

7. The questions that arise here affect the very essence of the United Nations as an international organization. The answers to these questions still need to mature, probably in the forum of the General Assembly and with the close involvement of the Secretary-General himself. With these arguments for caution in mind, we have decided to adjust my initial proposal in order to take into account all the understandable concerns of member States about its institutional impact, and we have come to a conclusion that I hope you will all share with us.

8. Our partnerships with the civil society would be based on the practical experience that we have gained through concrete projects between UNCTAD, Governments, the private sector and NGOs and that have produced practical results for development. This has been the reason why we have decided to call our initiative "Partners for Development". We intend to prepare a meeting of Partners for Development next year and I would like to share with you some ideas about how we intend to proceed.

9. The word "partnership" is now heard in many statements but, in general, the expression is still lacking in concrete content. We believe that we should give the expression "partners for development" a content of action. This is why our goal will be to make next year's meeting not a meeting about declarations or documents, but about concrete approval of partnership projects. So we do not intend to devote a single minute of our future meeting to the painful negotiation of a final text.

10. Our intention would be to have the results of the Partners for Development meeting fed into the process of preparation for UNCTAD X. Thus, we will be able to present to you real examples of the partnerships that can be established between UNCTAD and the civil society, their practical modalities and their results. This, I think, will be a much sounder base for any debate on the ways to make these partnerships a standard way of work in UNCTAD. They will also attest to the organization's capacity to focus on the demands of the people of developing countries and to mobilize minds, technology, political will and, why not, resources to meet them.

11. I expect two kinds of results from the meeting of Partners for Development. First of all, Partners for Development will be asked to think together about development. They should provide a framework where the private sector, research centres, academia, NGOs and the public sector can contribute to a better understanding of some development issues linked to trade and investment and to develop solutions that go beyond our traditional outputs.

12. The other component of the outcome that I expect from the Partners for Development meeting will be practical partnerships to act together for development. These partnerships will incorporate into UNCTAD's work the efficiency, the ideas and, hopefully, the resources (not only material, but also human resources) of some of the private actors whose trade, investment and technology decisions drive development today. These are resources that international institutions working for development have not tapped so far. While we will strive to reverse the current decreasing trend in traditional resources for development, I believe that we cannot afford to continue to ignore the formidable potential for development of the

private sector. Its resources, together with the creative potential of other actors of civil society, will help us to devise and put into practice new means to promote development.

13. The theme of the Partners for Development meeting will be "Markets and development". I have chosen this theme because it encompasses all the messages and the questions that are central to UNCTAD's new approach to the fight against poverty and inequality, and of course it stresses the fact that we are going beyond the contribution of Governments; we are looking for the contribution of the people who make up the markets. The market economy is the framework of development today, and I do not have to explain all the reasons why it has moved to the centre of the stage.

14. Under this overarching theme, I will propose to Partners for Development two broad sets of topics, which will be called "Thinking together for development" (under which we will ask Partners for Development to engage in a collective reflection on issues in which we feel that the future of development would benefit from their intellectual contribution) and "Acting together for development", which will comprise a limited number of practical, action-oriented partnership projects.

15. Some of the topics that we will propose under "Thinking together for development" will relate to understanding how market mechanisms can be best adjusted in development strategies. For instance, we would deal with:

- (a) Globalization, inequality and poverty. Investment and technology choices made by companies are shaping the global economy. We should look at this phenomenon from the perspective of efficiency, but we should also think about the fears of people regarding the consequences of changes and about how we can develop together some answers to the ethical, ecological and social issues related to trade and investment. How can business, NGO, Governments and UNCTAD work together to design market incentives that make social as well as business sense? We have several ideas in that direction that we would examine with our partners.
- (b) A development-conscious society: Communication and development partners could examine the role of socially responsible media in economic development. How can the media, and even advertising, contribute to the creation of a global development-supportive environment. They could look at ways to enhance the access of developing countries to economic information as an input to truly global development, and in particular make proposals for new avenues for cooperation among the global media, communication firms and UNCTAD.

16. Under "Acting together for development", our intention would be to present a limited number of pilot practical partnership projects involving private enterprises, academia, NGOs and the public sector. We are building here from what already exists, that is we are starting from the concrete experience that has been accumulated in some specific areas. Through these partnership projects, we hope that new resources will become available for development. In selecting them, we have used three criteria: first, they should relate to programmes of work which enjoy the widest political support among member States; second, UNCTAD should have a comparative advantage in the analysis of the issues involved; and third, we should have detected enough interest among external players to ensure that in their implementation we will be able to rely on a network of external expertise.

17. The partnership projects proposed under "Acting together for development" will be grouped under different "threads". The following are some examples, but I am still considering a few additions and modifications:

- (a) **Profit and development:** This topic will comprise threads such as:
- "Trade, development and biodiversity", in which our goal will be to create partnerships between enterprises from developed and developing countries, Governments and NGOs to foster bio-business and to promote bio-resource industries, thus enhancing the capacity of developing countries to benefit from increased participation in the market for biological-based resources.
 - "Commodity finance and risk management", in which partnerships would be launched among producer associations, banks and other financial institutions and Governments in order to address this constraint faced by many developing countries by extending new financial engineering tools to commodities markets.
- (b) **Private capital for micro-banks.** Under this item Partners for Development will address a major obstacle to enterprise development in the informal and micro-enterprise sectors. Partnerships will replicate the model developed by UNCTAD with the cooperation of the Government of Luxembourg and the International Bank of Luxembourg. They will involve international banks and asset managers, micro-finance institutions, and Governments in order to improve the conditions in which micro-finance institutions obtain resources in international capital markets. This will be done by launching investment funds that channel private investors' resources (which earn market rates of return) to micro-banks and non-profit organizations that finance micro and informal enterprises in developing countries. In this particular case, what is new in relation to the initiatives that have been launched by the World Bank and other institutions is that for the first time this initiative is being launched with a private bank and will lead to investment that does not come from public funds.
- (c) **Creation of a worldwide network of academic institutions for trade- and investment-related training.** The partnership projects launched under this item will reinforce the effectiveness of national and international efforts in human capacity building in the area of international trade and investment by establishing new associations between UNCTAD and some leading academic and research institutions worldwide. They will cover issues related to the preparation and delivery of training programmes and formal courses on specific subjects such as commercial diplomacy, investment negotiations, technology, trade efficiency, etc., and the use of distance learning for human resource development. Last week I had a very interesting personal experience in this regard, when I participated in a video-conference organized by the Monterey Institute for Commercial Diplomacy in California, in collaboration with San Diego State University. This video-conference allowed the speakers to discuss issues of commercial diplomacy with an audience of 30,000 people in several developing countries. It is amazing how few resources are available for training in trade and investment negotiations, which is an extremely important issue for developing countries. I am convinced that the possibilities created by new technologies are almost boundless, and through these partnership projects we intend to exploit them to the fullest possible extent.

- (d) **Intelligent trade: partnerships for electronic commerce.** This group of partnerships will build on the success of UNCTAD's Global Trade Point Network and will aim at reinforcing the capacity of developing countries' enterprises, and particularly those from LDCs, to join the emerging global electronic marketplace, which will undoubtedly become the major source of value and wealth in the next century. This will include partnerships for the creation of "trust communities" to promote secure electronic trade, alliances to combine the interests of large information technology companies and small- and medium sized enterprises, and capacity-building for electronic trade.
- (e) **A follow-up to Africa Connect.** As you will remember, Africa Connect was held in parallel with UNCTAD IX to promote and facilitate new investment flows towards African countries. A follow-up on the outcome of this meeting is needed.

18. The particulars of the topics to be discussed at the Partners for Development meeting are open to some refinement, and one or two more may still be added, particularly in the field of enterprise development. I am, naturally, open to any comments or proposals that delegations may want to make to the secretariat through bilateral contacts. More details about the meeting, such as its day-by-day programme, a first indication of participants, etc., will be made available to you at the next High-Level Segment of the Trade and Development Board.

19. The Partners for Development meeting is planned for November 1998. Its duration will be four working days.

20. The city of Lyon, France, has expressed its interest in hosting this meeting. Conversations between the secretariat and the local authorities are progressing in a very productive manner, and we expect that we will be able to reach a mutually satisfactory understanding soon. The city of Lyon is prepared to make available its excellent conference facilities (the ones used for the 1996 G-7 meeting) and its historical *Mairie*.

21. I would also like to thank publicly the Mayor of Lyon, Mr. Raymond Barre, former Prime Minister of France, for his support for this initiative. Mr. Barre, who among other achievements has greatly contributed to the international prominence of the Davos conferences, which pioneered efforts to bring together the private sector and Governments, has expressed his personal willingness to contribute to the preparations for the meeting.

Annex II

**REGIONAL SYMPOSIUM FOR AFRICA
INTERNATIONAL INVESTMENT ARRANGEMENTS:
THE DEVELOPMENT DIMENSION**

Message from Fez

Participants thanked UNCTAD and the Government of Morocco for organizing and hosting the "Regional Symposium: Africa. International Investment Arrangements: The Development Dimension", Fez, 19-20 June 1997. The Symposium was attended by 51 representatives from 21 African countries and 17 observers from regional organizations, such as the Economic Commission for Africa, the African-American Islamic Institute and the Union du Maghreb Arabe, as well as the Government of Norway and the European Commission. The participants were grateful to the Government of Norway, the European Commission and the Government of Australia for their financial support for this event.

Participants noted that international discussions on investment are becoming more intense, as reflected in the deliberations of the Symposium, and concluded that countries need to be prepared to participate in them effectively in order to safeguard and advance their own interests. This includes a need that countries be aware of the whole range of issues involved, in order to be in the best possible position to define their own interest situations.

Participants also noted that, while there are several subregional investment arrangements in Africa, no continent-wide investment agreement exists, in the framework of which African countries deal with investment-agreements issues, analyse the issues involved in greater depth and identify their own interests. Compared to the countries of Asia, Latin America and the Caribbean and the OECD, Africa is at a disadvantage in this respect.

Participants noted, therefore, that events like this Symposium are of key importance for Africa and expressed their hope that another Symposium of this kind could be organized for Africa, examining in depth key issues relevant to international arrangements, and especially their development dimension. Such a Symposium would also profit greatly from the technical paper on key issues UNCTAD has begun to prepare.

In this context, it needs to be recognized that least developed countries need special attention and assistance in this area. Participants therefore encouraged UNCTAD to explore the possibility of holding a Symposium on these matters specifically for least developed countries.

Participants emphasized that UNCTAD's work and support in this area of international investment arrangements is of key importance for developing countries in general, and African nations in particular. They also welcomed the efforts to strengthen the cooperation of UNCTAD with regional organizations concerned with this issue.

Annex III

**STATEMENT BY THE UNCTAD SENIOR LEGAL ADVISOR
ON NON-GOVERNMENTAL ORGANIZATIONS**

(Agenda item 4 (b))

My comments relate to the note by the UNCTAD secretariat TD/B/EX(15)/3 and Corr.1 entitled "Non-governmental organizations participating in the work of UNCTAD". About 170 non-governmental organizations are entitled to participate in the activities of UNCTAD. The names of the organizations are given on pages 12 to 21 of the document.

The Trade and Development Board decides on applications for consultative status by NGOs in accordance with criteria set out in a decision adopted by the Board in 1968 in decision 43 (VII). The text of that decision is reprinted on pages 8 to 11 of the document. One of the criteria to be fulfilled is that an applicant non-governmental organization should be *international* in structure, which means that it should have members in more than one country.

For many years, the Economic and Social Council had the same rule. However, the Council decided in 1996 that in the future *national* non-governmental organizations should also be entitled to participate in the work of the Council and its subsidiary bodies.

The UNCTAD secretariat has proposed, in the note before you, that UNCTAD, following the lead of the Economic and Social Council, may wish to decide that national non-governmental organizations should also be entitled to participate in the work of all the bodies of UNCTAD. Such a decision will require an amendment of the rules, which are reprinted on pages 8 to 11 of the secretariat note. Those pages show clearly the two amendments to the rules which are being proposed for consideration by the Board.

I have a closing comment on the nature of the participation of non-governmental organizations in the work of UNCTAD. In accordance with the rules of procedure, the representatives of accepted organizations are entitled to participate as observers, without the right to vote, in the public meetings of the intergovernmental bodies. They may make oral or written statements on matters related to an item of the agenda on which they have a special competence or interest.
