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TRADE AND DEVELOPMENT BOARD

Commission on Trade in Goods and Services,
and Commodities

First session (Part I)

Geneva, 6 November 1996

Agenda item 3

ENABLING COUNTRIES TO RESPOND TO THE OPPORTUNITIES ARISING FROM
THE URUGUAY ROUND AGREEMENTS SO AS TO DERIVE MAXIMUM
AVAILABLE BENEFIT BY: ANALYSING THE IMPACT OF THE
URUGUAY ROUND AGREEMENTS ON DEVELOPMENT AND
ENHANCING CAPACITIES FOR PARTICIPATION
IN THE MULTILATERAL TRADING SYSTEM

Agreed conclusions */

Focus of future work

1. In the context of the work programme contained in paragraph 91 of the Midrand final document, the UNCTAD secretariat should undertake studies to support the work of future meetings of the Commission and the expert meetings to be convened.

2. The secretariat should also undertake country-specific studies that should cover, among others, the impact and dynamic effects of the Uruguay Round Agreements on development and the transitional and long-term development impact of trade liberalization, the supply capacity, trade policy, and capacity-building for strengthening the participation of developing countries in the international trading system.

 $^{^{*}}$ / Adopted by the Commission at its 2nd plenary meeting, on 8 November 1996.

- 3. Technical cooperation by the UNCTAD secretariat on capacity-building for strengthening the participation of developing countries, and particularly the least developed countries, in the international trading system should be an important component of the work in this field. It should be demand-driven and aim to enhance the capacity of countries to promote their own development process with appropriate international cooperation. Donors are invited to continue and, if possible, increase their financing of technical assistance programmes. Technical cooperation in this field should focus particularly on the following areas:
 - (a) Capacity-building to assist developing countries to prepare for negotiations in the context of the built-in agenda of the Uruguay Round MTAs and improve the understanding of the implications of new and emerging issues;
 - (b) Accession to the World Trade Organization and problems of non-WTO members, particularly those of least developed countries;
 - (c) Human, institutional and legislative capacity-building to benefit from the opportunities arising from the participation in the multilateral trading system, to exercise the rights and to comply with the obligations within the Uruguay Round Agreements;
 - (d) To promote South-South cooperation in the area of capacity-building;
 - (e) Horizontal and vertical diversification in commodity-dependent countries.
- 4. Technical cooperation activities should be structured in a coherent and coordinated manner. Attention was drawn to the need to relate the technical cooperation activities in the area of trade with those related to commodities, services, trade efficiency, promotion of foreign direct investment and technology capacity-building.

Convening of expert meetings

- 5. The Commission decided to convene, in accordance with "A Partnership for Growth and Development", the following expert meetings to:
 - (a) consider opportunities for vertical diversification in the food processing sector in developing countries, bearing in mind successful experiences, and make action-oriented recommendations;
 - (b) examine opportunities/difficulties which may confront developing countries in strengthening their capacity and expanding their exports, drawing upon the situation in the health service sector.

Provisional agenda for the second session of the Commission

6. The Chairman will hold consultations on the provisional agenda for the second session of the Commission. The issue of diversification of commodity-dependent countries was suggested as a possible item for the agenda of the second session.

Looking ahead to UNCTAD X

7. It was considered useful, from the very beginning of the Commission, to reflect on its long-term perspectives. It was agreed that the work programme should be seen in a coherent form and that its overall results should provide a deeper understanding as to where various policy options would lead and how they could affect the development process at large. In foreseeing the changing policy environment in many countries, work should be oriented towards providing a more solid analytical underpinning to, and empirical evidence for, understanding of the developmental impact of further trade liberalization.