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**REVIEW OF THE UNCTAD SECTION OF THE UNITED NATIONS
MEDIUM-TERM PLAN FOR THE PERIOD 2002-2005**

Draft prepared by the UNCTAD secretariat

PROGRAMME 9. TRADE AND DEVELOPMENT

1. The overall purpose of the programme is the integration of developing countries into the world economy in a manner that enhances the development opportunities offered by the globalization process while helping, through open dialogue, to shape international economic relations in the twenty-first century. The mandates for the programme flow from the role and responsibilities assigned to the secretariat of UNCTAD by: the General Assembly, beginning with its resolution 1995 (XIX), by which UNCTAD was established; the quadrennial United Nations Conference on Trade and Development; the Economic and Social Council; and the Trade and Development Board and its subsidiary bodies. Mandates for the coming four years are set out in the “Bangkok Declaration: Global Dialogue and Dynamic Engagement” and “Plan of Action” adopted at the tenth session of UNCTAD in February 2000 (TD/386 and 387).

2. The programme will be implemented by UNCTAD and the International Trade Centre UNCTAD/WTO. The Centre’s original mandate derives from General Assembly resolution 2297 (XXII). In its resolution 1819 (LV), the Economic and Social Council affirmed the role of ITC as the focal point for United Nations technical cooperation activities in trade promotion. ITC receives policy guidance from its parent bodies, UNCTAD and WTO, and general direction from the annual meetings of the Joint Advisory Group, an intergovernmental body open to States members of UNCTAD and members of WTO.

3. Governments at UNCTAD X recognized that ensuring that all countries enjoy the benefits of globalization requires meeting complex policy challenges which arise, particularly at the macroeconomic level, from the growing interdependence of the various spheres of economic activity, including particularly trade, finance and investment, and the downside risks which this interdependence sometimes carries. Governments reiterated that, as the focal point within the United Nations for the integrated treatment of trade and development and the

interrelated issues in finance, technology, investment and sustainable development, UNCTAD is pre-eminently placed to examine these issues and to build consensus on policies in a globalizing world from a development perspective.

4. In order to achieve these objectives, UNCTAD acts as a forum for intergovernmental discussions, supported by discussions with experts, aimed at consensus building; undertakes research and analysis *inter alia* to provide substantive inputs for these discussions; and provides technical assistance tailored to the needs of beneficiary countries, concentrating on capacity building. The focus will be on four areas of activity: globalization and development; investment, enterprise development and technology; trade in goods and services and commodity issues; and services infrastructure for development and trade efficiency. The strategy to be followed takes into account Governments' emphasis at UNCTAD X on UNCTAD's role as the focal point for the United Nations system for least developed country (LDC) issues, on economic cooperation among developing countries, and on a gender perspective aiming at achieving gender equality in all economic sectors. The needs and interests of countries with economies in transition, structurally weak and vulnerable economies, landlocked countries and small island developing States will also be taken into account, as specified in Part II of the Plan of Action. In its work, UNCTAD will pursue an open dialogue with the private sector, non-governmental organizations, academia and parliamentarians with a view to addressing the challenges and opportunities of globalization and making progress towards a better and fairer world.

5. For its part, ITC will complement the research, policy and normative work of its parent bodies, UNCTAD and WTO, by concentrating on operational issues related to the provision of information, product and market development and institutional development and support services for trade promotion, export development and international purchasing and supply management.

6. UNCTAD will be responsible for subprogrammes 1 to 5, while ITC will be responsible for subprogramme 6.¹

Subprogramme 9.1: Globalization, Interdependence and Development

7. The principal mandate of the subprogramme is contained in Section II.A of the "Plan of Action" (TD/386), which will be implemented with the following objective and strategy.

A. Globalization, Interdependence and Development

Objective

8. The objective of the subprogramme is to facilitate international debate on the evolution and management of globalization and to help promote policies and strategies at the national and international level that are conducive to development in the face of challenges

¹ Subprogramme 6 will be discussed by ITC's Joint Advisory Group at its next session and is therefore not included in the present document.

arising from global economic integration and the interdependence of trade, finance, investment and technology.

Strategy

9. The Division on Globalization and Development Strategies will be responsible for this subprogramme. Through dissemination of its analytical work and provision of a forum for exchange of views and perspectives, the subprogramme will aim at contributing to the increased understanding of the implications of global interdependence, macroeconomic reforms and structural adjustment for sustained economic growth and sustainable development, as well as to greater coherence of global economic policy-making and identification of policy approaches and actions with a focus on their effects on growth and development. Issues to be taken up will include the debt problems of developing countries, trends in ODA flows, and the role of regional integration. Through its analysis and technical assistance, the subprogramme will aim to support developing countries in the design of sound domestic macroeconomic, financial and structural policies, and in strengthening their domestic forces of growth through capital accumulation, institutional reforms and capacity-building. Specific technical assistance will be provided on debt management, and for the capacity building of Palestinian institutions. Work in the subprogramme will aim at contributing to the implementation of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States and related General Assembly resolutions, and to addressing the needs of land-locked and transit developing countries and structurally weak, vulnerable and small economies.

Expected Achievements

10. The expected achievements of the subprogramme would be increased understanding of issues, and improved ability of policy makers to design appropriate policies and strategies related to the evolution and management of globalization, global interdependence and their implications for development policies and prospects.

Performance Indicators

11. Performance will be measured primarily by the extent to which the analytical work of the subprogramme is reflected in intergovernmental fora, international media, academia and other research institutions where policies and strategies are discussed, by the reactions to the work in such venues, and by the degree of satisfaction expressed by the beneficiaries of technical assistance or concrete benefits realized therefrom.

B. Development of Africa

Objective

12. The objective of this subprogramme is to promote understanding of the economic development problems of Africa and action required at the national and international level for the acceleration of African development and fuller participation and positive integration of African countries in the world economy.

Strategy

13. The subprogramme will coordinate analytical work of UNCTAD in support of the objectives of the United Nations New Agenda for the Development of Africa (UN-NADAF), and contribute to regional and subregional integration as well as to various other international initiatives undertaken regarding Africa, including cooperation with other United Nations organs and organizations in the context of the United Nations System-wide Special Initiative on Africa as coordinating agency for the trade access and opportunities cluster of the initiative. The Division for Globalization and Development Strategies will be responsible for the subprogramme.

Expected Achievements

14. The expected achievements would be increased understanding by African Governments and the international community of the national and global policy requirements for African development, particularly in the areas of expertise of UNCTAD.

Performance Indicators

15. Performance will be measured primarily by the quality of debate, outcomes and initiatives in response to work undertaken by the subprogramme in the relevant intergovernmental bodies and other relevant organizations and fora.

Subprogramme 9.2: Investment, Enterprise and Technology

16. The principal mandate of the subprogramme is contained in Section II.B of the “Plan of Action” (TD/386), which will be implemented with the following objective and strategy.

Objective

17. The objective of this subprogramme is to improve understanding of issues and policy choices in international investment, enterprise internationalization and technology transfer, to strengthen developing countries’ abilities to formulate and implement policies, measures and action programmes in these areas, and to promote understanding of emerging issues with a view to strengthening their ability to participate in discussions and negotiations.

Strategy

18. The Division for Investment, Technology and Enterprise Development will be responsible for this subprogramme. The subprogramme will continue to strengthen its role as the major source of comprehensive information and analysis of international investment, focusing on the development dimension and the integration of investment, technology and enterprise development issues. It will conduct research and policy analysis with a view to improving the understanding of key policy issues related to the role of foreign investment, technological capacity building and enterprise internationalization. It will also provide analysis and support international consensus-building on the role of international arrangements for the purpose of attracting and benefiting from foreign investment, enhancing

technological capacity and promoting enterprise. Through its technical assistance, the subprogramme will focus on enhancing national ability to formulate and implement policies to attract and benefit from foreign investment, to strengthen technological capacities and to foster the development of enterprises.

Expected Achievements

19. The expected achievements would be an improved understanding of issues related to international investment, enterprise internationalization and technology transfer, and the improved ability of policy makers to design appropriate policies and strategies to attract and benefit from foreign investment, to strengthen technological capacities and to foster the development of enterprises at the national, regional and international levels.

Performance Indicators

20. Performance will be measured primarily by the extent to which the subprogramme's research and analytical work are reflected in intergovernmental fora, international media, and policies and strategies at the national, regional and international levels, notably through an improved identification by developing countries of their concerns in these areas, and confidence- and consensus-building in addressing those concerns in appropriate fora in the process of formulating international rules and norms in the areas of investment, enterprise and technology.

Subprogramme 9.3: International Trade

21. The principal mandate of the subprogramme is contained in Section II.C of the "Plan of Action" (TD/386), which will be implemented with the following objective and strategy.

Objective

22. The objective of this subprogramme is to assist developing countries to integrate themselves more fully into, and derive benefits from, the international trading system.

Strategy

23. The Division for International Trade in Goods and Services, and Commodities will be responsible for this subprogramme. The strategy will involve: empirical research and policy analysis on the development dimensions of the multilateral trading system, including maximizing market access for developing countries, particularly LDCs, and the implications of existing and emerging multilateral trade rules; supporting developing countries in multilateral trade negotiations, including on agriculture, and the pursuit of regional integration; analyzing issues related to trade liberalization in the services sector and to international proposals on electronic commerce; supporting intergovernmental consensus in trade by facilitating the setting out of a positive agenda for developing countries in future trade negotiations; assisting developing countries and economies in transition to identify effective trade policy tools for development, to accede to WTO, and to expand trade among them; providing training to developing countries and interested countries with economies in

transition on key issues on the international trade agenda; enabling developing countries to address competition law and policy and consumer protection issues including the relationship between competition and competitiveness and trade-related aspects of competition; assisting developing countries in the development of their export-oriented commodity sectors; and helping to ensure balance in the trade and environment debate by highlighting issues of concern to developing countries, strengthening the development dimension and identifying issues that would yield potential benefits to developing countries, including in the areas of public health, biodiversity, transfer of environmentally sound technologies, and biotechnology.

Expected Achievements

24. The expected achievements of the subprogramme would be strengthened capacities of developing countries to formulate, articulate and implement appropriate policies and strategies to participate effectively in, and derive maximum benefit from, international trade, including enhanced capacities for multilateral trade negotiations.

Performance Indicators

25. Performance will be measured primarily by improved understanding of current and emerging issues in international trade of concern to developing countries, and enhanced ability to address those concerns in the areas of agriculture, services, electronic commerce, competition law and policy and the trade-environment-development nexus, including by more effective participation of developing countries in multilateral, regional and subregional trade negotiations.

Subprogramme 9.4: Services infrastructure for development, trade efficiency and human resources development

26. The principal mandate of the subprogramme is contained in Section II.D of the “Plan of Action” (TD/386), which will be implemented with the following objective and strategy.

Objective

27. The objective of this subprogramme is to enhance the capacity of developing countries to improve their competitiveness in international trade by building up an efficient trade-supporting services infrastructure, notably through the use of information technology.

Strategy

28. The Division for Services Infrastructure for Development and Trade Efficiency will be responsible for this subprogramme. The subprogramme will aim at assisting developing countries through policy analysis, consensus building and technical assistance programmes to build up more efficient trade-supporting services in the areas of customs, transportation, banking, insurance and tourism and to enhance the availability of skills, knowledge and aptitudes relevant to the conduct of foreign trade. Emphasis will be placed on: providing assistance to facilitate trade through increased and more effective use of information

technology, especially the development-related aspects of electronic commerce; and providing assistance to government institutions and enterprises, and supporting their networking with academic institutions, so as to promote human resource development (HRD), including the gender dimension, and maximize the benefit of HRD activities to enterprises.

Expected Achievements

29. The expected achievements would be more efficient trade-supporting services and more effective human resource development in countries beneficiaries of technical assistance, and an improved understanding of policy options and strategies in these areas.

Performance Indicators

30. Performance will be measured by indicators of the effectiveness and impact of each specific technical assistance programme or project, as defined in the respective project document, and by the quality of the support provided to intergovernmental and expert meetings, as reflected in their outcomes and comments.

Subprogramme 9.5: Least developed countries, land-locked developing countries, and small island developing States

31. The principal mandate of the subprogramme is contained in Section II.E of the “Plan of Action” (TD/386), as well as General Assembly resolutions related to least developed countries (LDCs), land-locked developing countries and small island developing States, and will be implemented with the following objective and strategy.

Objective

32. The objective of this subprogramme is to contribute to the progressive and beneficial integration and participation in the global economy and international trading system of LDCs, land-locked developing countries and small island developing States in respect of trade, investment, finance, commodities and technology.

Strategy

33. The Office of the Special Coordinator for the Least Developed, Land-locked and Small Island Developing States will be responsible for this subprogramme. It will pursue its objective by following-up, monitoring and assessing the progress in the implementation of outcomes of the Third United Nations Conference on LDCs, General Assembly resolutions and other international initiatives, and by promoting the United Nations-wide coordination of their implementation. It will also promote the implementation of the Global Framework for Transit Transport Cooperation between Land-locked and Transit Developing Countries and the Donor Community, and contribute to the implementation of the relevant aspects of the Barbados Programme of Action for the Sustainable Development of Small Island Developing States. It will contribute to the consideration by the General Assembly and other relevant intergovernmental fora of the specific problems of LDCs, land-locked developing countries

and small island developing States, and coordinate technical assistance activities within UNCTAD in favour of these countries.

Expected Achievements

34. The expected achievements would be: effective implementation of outcomes of the Third United Nations Conference on LDCs; progress in the implementation of the Global Framework for Transit Transport Cooperation between land-locked and transit developing countries and donors; effective contribution to the implementation of the Barbados Programme of Action in aspects relevant to UNCTAD; and focused and well-coordinated technical assistance provided to LDCs, land-locked developing countries and small island developing States for their beneficial integration into the global economy and international trading system.

Performance Indicators

35. Performance will be measured primarily by the extent to which the subprogramme's work is reflected in intergovernmental fora and international media, by the quality of support for intergovernmental deliberations and discussions as reflected in the outcomes of, and comments made by, intergovernmental bodies, and by improvement in the coordination of technical assistance, as reflected in the acceptance and effectiveness of the integrated approach.