

GENERAL AGREEMENT ON TARIFFS AND TRADE

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CONTRACTING PARTIES
Twenty-Fifth Session
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INTERNATIONAL TRADE CENTRE UNCTAD/GATT

Note by the Director-General

1. In pursuance of the decision taken by the CONTRACTING PARTIES at their twenty-fourth session in November 1967 and of General Assembly Resolution 2297 (XXII) of 12 December 1967, the activities and resources of the GATT and the UNCTAD in the field of export promotion assistance to developing countries have been integrated, with effect from 1 January 1968, in the joint operation of the International Trade Centre originally established by the CONTRACTING PARTIES in 1964 at the request of the developing countries.
2. The Secretary-General of the UNCTAD and the Director-General of GATT have taken steps to make the necessary administrative arrangements to give effect, at the secretariat level, to the joint operation by UNCTAD and GATT of the Centre on a continuing basis and in equal partnership. The Director of the Centre is responsible to the executive heads of the two bodies and is subject to their overall guidance on policy matters and on questions concerning the implementation of the work programme of the Centre. To ensure the effective functioning of the Centre as a joint operation by UNCTAD and GATT on a continuing basis and in equal partnership, the Secretary-General of UNCTAD and the Director-General of GATT have appointed two senior officers to assist them in the discharge of their responsibilities towards the Centre. The Secretary-General of UNCTAD and the Director-General of GATT have endeavoured to keep the arrangements with respect to the joint operation of the Trade Centre as flexible as possible to enable the Trade Centre to function effectively.
3. The first meeting of the Joint UNCTAD/GATT Advisory Group on the International Trade Centre took place from 28 to 31 May 1968. Governmental experts and advisers in the field of trade information and trade promotion from seventy-two countries, of which forty-six from developing countries, and representatives of a number of inter-governmental bodies participated in the meeting. The purpose of the meeting was to review the current activities of the International Trade Centre and to recommend a work programme for 1969, having regard to the demands made on the Centre by the developing countries and the joint operation of the Centre by UNCTAD and GATT. Copies of the review prepared by the secretariat on current activities and proposals for a work programme for 1969 (ITC/AG/1) and the report of the Joint Advisory Group (ITC/AG/2) have already been circulated to contracting parties. The secretariat's review gives a comprehensive account of the work of the Trade Centre and indicates how this work is likely to develop in the future. The report of the Joint Advisory Group presents a realistic minimum programme for ensuring that the Centre can meet the more urgent demands made upon its services by developing countries.

4. The budget estimates of the International Trade Centre for the financial year 1969 were reviewed by the United Nations Advisory Committee on Administrative and Budgetary Questions and the GATT Committee on Budget, Finance and Administration. The estimates, as amended in the light of the alterations made by both Committees, are being submitted to the CONTRACTING PARTIES to the GATT (document L/3080) and will be presented, in due course, to the General Assembly of the United Nations. It will be seen that, if the proposals contained in document L/3080 are approved, the budget of the Centre will increase from \$761,600 in 1968 to \$971,000 in 1969.

5. An important consideration for the establishment of the joint Centre was the expectation that this would facilitate substantive support by the Centre of projects in the field of trade promotion financed by UNDP funds. An important part of the Centre's operational programme in 1969, as recommended by the Advisory Group, consists of projects in the fields of training and trade promotion advisory missions to be financed by United Nations technical assistance funds or on the basis of voluntary contributions. In this connexion, arrangements have been worked out between the Secretary-General of UNCTAD and the Director-General of GATT for clearance of projects in the field of export promotion with the United Nations technical assistance authorities and for the subsequent processing and implementation of these projects through the technical services of the Trade Centre.

6. The CONTRACTING PARTIES might also wish to note that, in connexion with the UNCTAD Board's consideration of measures to improve the institutional machinery and methods of work of UNCTAD, the Board adopted Resolution 44 (VII), recommending that the Assembly give UNCTAD the status of a participating organization of the United Nations Development Programme, in conformity with General Assembly Resolution 2029 (XX) of 22 November 1965. Before the adoption of this Resolution, the Secretary-General of UNCTAD made a statement in which he emphasized, inter alia, that the joint International Trade Centre would be responsible for work in the field of export promotion (for texts of the Resolution and statement of the Secretary-General of UNCTAD, see annexes to the present document).

7. The paper presented to the Advisory Group for the Trade Centre (ITC/AG/1) and the Report of the Advisory Group (ITC/AG/2) indicate that voluntary contributions from governments will be an important factor in its ability to serve the export promotion needs of developing countries in 1969.

Annex IUNCTAD RESOLUTION 44 (VII)
TECHNICAL ASSISTANCE IN TRADE AND RELATED FIELDSThe Trade and Development Board,

Taking into account General Assembly Resolution 1995 (XIX) of 30 December 1964, which provides that one of the principal functions of UNCTAD is "to promote international trade, especially with a view to accelerating economic development",

Conscious of the particular needs of the developing countries for technical assistance to promote their exports and raise their income from invisible transactions, and of the wish expressed by the developing countries to take full advantage of the assistance of the United Nations Development Programme (Technical Assistance and Special Fund),

Considering that this wish can be more efficiently met if UNCTAD is more closely associated in its technical assistance work with activities relating to the formulation and preparation of projects and the negotiation and implementation of the same,

Taking note of the statement made by the Secretary-General of UNCTAD at the 173rd plenary meeting of the Trade and Development Board;

Recommends that the General Assembly give UNCTAD the status of a participating organization of the United Nations Development Programme in conformity with General Assembly Resolution 2029 (XX) and therefore proposes to the General Assembly the adoption of the following draft resolution:

"TECHNICAL ASSISTANCE IN TRADE AND RELATED FIELDS"The General Assembly,

"Having considered Trade and Development Board Resolution 44 (VII) of 21 September 1968 on technical assistance in trade and related fields,

"Taking note of the statement made by the Secretary-General of the United Nations Conference on Trade and Development on this subject at the seventh session of the Board,

"Further to its Resolutions 2207 (XXI) of 22 December 1966 and 2297 (XXII) of 12 December 1967,

"1. Endorses the recommendations contained in Trade and Development Board Resolution 44 (VII);

"2. Decides that the United Nations Conference on Trade and Development shall be a participating organization of the United Nations Development Programme in conformity with General Assembly Resolution 2029 (XX) of 22 November 1965."

173rd plenary meeting
21 September 1968

Annex II

STATEMENT BY THE SECRETARY-GENERAL OF UNCTAD IN RELATION
TO THE DRAFT RESOLUTION ON TECHNICAL ASSISTANCE
IN TRADE AND RELATED FIELDS

Regarding the recommendation of the Trade and Development Board to the General Assembly that UNCTAD should be given the status of a participating organization in the United Nations Development Programme it is understood, as proposed in Section I(c) of document TD/B/173, that UNCTAD would continue to rely on the existing administrative and financial services of the United Nations, including the resident representatives of the UNDP. With regard to the regular technical assistance programme of the United Nations (Chapter V of the Budget), I have no intention of suggesting any modification in the present practice for the handling of projects in the field of trade and in related fields under that programme, i.e. I shall not seek that a specific portion of Chapter V be earmarked in advance for such projects, nor, of course, shall I seek that a certain amount of funds for technical assistance be taken off Chapter V to be assigned to UNCTAD under another heading for technical assistance in its field of competence.

As regards the field of export promotion, I would like to emphasize that the recently created UNCTAD/GATT International Trade Centre is responsible for work in this field. UNCTAD and GATT have no activities of their own in export promotion, these activities being performed in the joint Centre. This does not mean that UNCTAD, in consultation with the joint Centre and with due regard to the arrangements approved by General Assembly Resolution 2297 (XXII) of 12 December 1967, should not be able to allocate certain projects to other institutions active in the field of export promotion for implementation.