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Sub-Committee on Least-Developed Countries Eighteenth Session

NOTE ON THE MEETING OF 19 NOVEMBER 1999

Chair: Ambassador Benedikt Jónsson (Iceland)

I. ADOPTION OF AGENDA

1. The Sub-Committee adopted the proposed agenda contained in document WTO/AIR/1210. It was noted that no items were to be raised under Item D, "Other Business".

II. FOLLOW-UP TO THE HIGH-LEVEL MEETING ON LEAST-DEVELOPED COUNTRIES

- Oral progress report on the Implementation of the Integrated Framework

2. The Chairman said that, as indicated in the Airgram, the meeting would concentrate on the Integrated Framework for trade-related technical assistance to least-developed countries (LDCs). At the last meeting, Members had underlined the importance of continuous monitoring by the Sub-Committee of the Integrated Framework. He had therefore proposed that the Sub-Committee hold an additional meeting before the Seattle Ministerial Conference, so that delegations could be informed about the latest developments and continue to monitor progress. One reason for choosing the date of the meeting so close to the Seattle Ministerial Conference had been for the Sub-Committee to be able to consider what had happened at as many round-table meetings as possible. He had, however, been informed that unfortunately some of the round-tables scheduled to take place before the meeting had been postponed. Nevertheless, two round-tables had been held. Another reason for the choice of date had been for the Sub-Committee to be informed about developments in the Inter-Agency process. The six core Agencies involved in the Integrated Framework had held an Inter-Agency meeting on 16 and 17 November 1999.

3. Mr. Osakwe, Co-ordinator of the WTO's work with the LDCs, said that he would focus on two issues: first, to provide information about the round-tables and, second, to brief delegations about the results of the meeting of the Inter-Agency Working Group. Regarding the round-table meetings he said that the round-table for The Gambia had been postponed to 23 and 24 November, and would be held in Geneva. The Bangladesh round-table had also been re-scheduled to take place on 22 January 2000. The official report from the Tanzania round-table was available with the Administrative Unit and could be obtained upon request.

4. Mr. Osakwe continued by saying that the report of the WTO Director-General on the follow-up to the 1997 High-Level Meeting on LDCs would shortly be circulated.¹ Paragraph 13 of

¹ "The High-Level Meeting on Integrated Initiatives for Least-Developed Countries' Trade Development – Report by the Director-General on Follow-up to the High-Level Meeting", document WT/MIN(99)/7 of 19 November 1999.

that report referred to the round-tables; annexed to the report was a chart containing information such as the date when needs assessments were completed and submitted, their document reference numbers, the integrated responses by the six core Agencies, pre-informal round-table consultations, consultations in connection with WTO Trade-Policy Reviews and consultations within the framework of launch workshops.

5. Mr. Osakwe identified some of the results of the meeting of the Inter-Agency Working Group on 16 and 17 November in Geneva.² The Group had identified a number of policy issues arising from the round-tables already held. These policy issues, enumerated in paragraph 3(i)-(vii) of the report by the six Agencies, were of a systemic nature, cutting across the round-table meetings and the preparatory consultations held, and taking account of concerns and criticisms raised by Members, including the results of the informal consultations of the Sub-Committee held on 28 July 1999.³ One issue discussed was how to assess the results of round-table meetings. The Group had seen a need to identify a set of factors, on the basis of which the results of round-tables could be assessed. Those could be found in paragraph 4(a)-(i) of document WT/COMTD/LDC/6. Another issue arising from the meeting was the report of the WTO Director-General on the follow-up to the High-Level Meeting. That report had been drafted by the WTO Secretariat and, in keeping with transparency and coherence in working with the other five core Agencies, comments by these Agencies had been incorporated into the report. The report had four components: Market Access, Trade-Policy Reviews, Information Technology and the part on the Integrated Framework which had been shared with the other five Agencies.

6. Mr. Osakwe noted that, in the three years following the High-Level Meeting, the Integrated Framework had come under criticism, and recommendations had been made for its improvement. At the recent Inter-Agency Meeting, the six Agencies had decided to set out terms of reference on the basis of which the review mandated under paragraph 6 of the Integrated Framework document⁴ would be conducted, and the steps for conducting that review exercise. Elements to be included in the review were:

- (a) identifying perceptions of the objectives of the Integrated Framework: views of involved parties;
- (b) evaluation of the Integrated Framework with regard in particular to:
 - (i) the process of the Integrated Framework;
 - (ii) the output;
 - (iii) the implementation of integrated responses;
 - (iv) pledges, indications of assistance, new money;
 - (v) the impact of the Integrated Framework and the relevance and role of trade in overall development strategy of LDCs.

² "Integrated Framework for Trade-Related Assistance to Least-Developed Countries. – Report of the 18th Inter-Agency Working Group Meeting, Geneva 16 and 17 November 1999", contained in document WT/COMTD/LDC/6 of 24 November 1999.

³ The Chairman's report on the 28 July 1999 informal consultations was attached to document WT/COMTD/LDC/M/17.

⁴ "An Integrated Framework for Trade-Related Technical Assistance, including for Human and Institutional Capacity-Building, to Support Least-Developed Countries in Their Trade and Trade-Related Activities", WT/LDC/HL/1/Rev.1 of 23 October 1997.

- (c) a review of trade-related assistance: institution-building, building human and enterprise capacity and infrastructure;
- (d) policy considerations: mainstreaming, enlargement of the Integrated Framework, the trade and macro-economic policy environment;
- (e) the administration of the Integrated Framework; and
- (f) recommendations for the future.

7. Mr. Osakwe stressed that the impact of the Integrated Framework was a concern for many WTO Members who were of the view that, even if the process itself was good, the real impact on the LDCs had to be known. It had therefore been made part of the review. Speaking of the administration of the Integrated Framework, he recalled that the day-to-day administration of the Integrated Framework was carried out by the Administrative Unit, physically located at the ITC; ITC thus bore a significant burden for the functioning of the Administrative Unit and had expressed several concerns to the other Agencies. Even though the willingness of the ITC remained clear, reliable and unambiguous, it was labouring under several constraints and the six Agencies had decided that that also would constitute a term of the review. The final part of the report of the Inter-Agency meeting related to the steps of the review of the Integrated Framework. In this connection, the Inter-Agency Working Group had reached a conclusion which in his view had met two requirements: first, to provide sufficient safeguards for the inclusion of the views of all parties involved, including those of WTO Members and the six core Agencies; second, to ensure that whatever emerged from the review process would be balanced. The steps defined by the Inter-Agency Working Group could be found in paragraph 14(i)-(v) of the Inter-Agency report, which stated that the World Bank would select a competent individual of high authority to provide the Inter-Agency Working Group with a draft evaluation of the Integrated Framework. That draft evaluation would not be written in a vacuum, as the evaluator would work in consultation with members of the Inter-Agency Working Group, LDC governments and their development partners. Thus, all stakeholders of the Integrated Framework. After an initial draft had been provided, the Inter-Agency Working Group would consider and comment on it at a meeting in New York on 21-22 March 2000. Subsequently, the representatives of the Inter-Agency Working Group would bring the report back to their respective Agencies for internal review of the draft. The fourth step was for the Heads of the six core Agencies to meet to consider the draft evaluation. When the report had been adopted by the Heads of the six Agencies it would be forwarded to the General Council of the WTO as well as to the governing bodies of the other five core Agencies. The Inter-Agency Working Group had agreed that it would be desirable to conclude the review as early as possible and the six Agencies were aiming to have it concluded by the end of April 2000.

8. The Chairman said that he found it interesting to hear that things were moving and he hoped that all stakeholders would learn from the difficulties encountered in order to make the process smoother in the future.

9. The representative of the World Bank said that he wished to bring to the attention of delegations the work done by the Administrative Unit to pull together a compact and informative tabulation of progress in the various LDCs, as attached to the report by the Director-General to the Seattle Ministerial Meeting. He thought that all Agencies were enthusiastic about the Integrated Framework and looked forward to continued work in line with the report they had agreed on. The World Bank had recently incorporated the Integrated Framework into its normal business procedures for LDCs. He sought information about perspectives on the process so far from the LDCs themselves. He wished to get a deeper appreciation of the amount of work that had been done in the countries which had moved forward so that the six Agencies could both note the excellent work done and

condition their responses and support for those countries to a better recognition of the effort made and the challenges faced as they saw them.

10. The representative of the International Trade Centre said that he wished to reconfirm ITC's commitment to the Integrated Framework process. ITC had been active as one of the six core Agencies and the principal support Agency for the Administrative Unit. At the current stage in the Integrated Framework process, as preparations for trade-related round-tables were progressing in growing numbers of LDCs, ITC was allocating staff and financial resources through its Global Trust Fund to meet requests for assistance coming from concerned LDCs' focal points. ITC was also finalizing arrangements for additional substantial resources that would be allocated to support preparations in LDCs which were just beginning active participation in the Integrated Framework initiative.

11. The representative of the International Monetary Fund reiterated that the IMF fully supported the aims of the Integrated Framework to increase the benefits that LDCs derived from trade-related technical assistance in order to enhance their trade opportunities and to enable them to respond more readily to market demands and to integrate them more fully into the multilateral trading system. The Fund had been an active participant in the Integrated Framework initiative and continued to stand ready to assist the LDCs in their reform efforts and would work closely with the Inter-Agency Working Group.

12. The representative of UNCTAD said that he hoped that UNCTAD could make its contribution to the efficient functioning of the Inter-Agency Working Group for the benefit of the LDCs. UNCTAD reiterated its commitment to delivering within the Integrated Framework in terms of responding to the needs of the LDCs. There was impatience on the part of the LDCs in terms of the Integrated Framework delivery, as seen from the number of requests received from LDCs to assist them by providing substantive technical support in preparing for round-tables. UNCTAD would always respond positively to the extent that resources were available.

13. The representative of Japan said that she had attended several informal pre-round-table consultations. What had been remarkable throughout those meetings was the serious sense of commitment of the recipient countries. It went in line with the concept of "ownership" in which her Government believed that the developing countries should take the initiative for their own development and commit themselves to it. Her Government therefore valued highly such an endeavour expressed by the recipient countries and wished to continue to support those efforts. In fact, her Government had recently made contributions to some of the projects proposed within the scheme for Haiti, at the round-table held a few weeks earlier. However, the general progress of the Integrated Framework seemed to be somewhat slow. Since the High-Level Meeting in 1997, only a few countries had held either an informal or formal meeting. In this connection, her delegation wished to be informed of ongoing preparations of projects for the countries which were not planning to hold a meeting in an immediate future. Her Government also wished to be informed of the way that core agencies coordinated among themselves on preparation and implementation of projects. Lastly, a very important issue had been raised by Mr. Osakwe on how to assess the results of the round-tables. Her delegation was of the view that the value of pledges made at the round-tables would not necessarily determine the result of the round-table meeting, as her delegation viewed round-tables not only as a forum for pledges but also, and more importantly, a forum where recipient countries, international agencies and donor countries discussed effective development strategies for the recipient country concerned. Furthermore, her delegation believed that "the post round-table phase" was as important as the round-table meeting as it was the crucial period during which a close dialogue between the recipient country and its development partners should be encouraged to continue. Further commitment on the part of the development partners could be consolidated as a result of such a dialogue.

14. The representative of Lesotho referred to the consultations with LDCs in the review of the Integrated Framework and asked if there was any provision to revisit the needs assessment that had been submitted by LDC Members. His delegation was of the opinion that some of the issues raised in those needs assessments might no longer be valid. To increase "ownership" it was important that there was close cooperation between all Members to ensure that the needs assessments were still valid so that whatever programmes came out of the initiative were not misdirected or based on assumptions that were no longer valid.

15. Mr. Osakwe said that the needs assessments would be reviewed in the multi-year programmes. However, he had noted the statement by the representative of Lesotho. This would be communicated to the evaluator when he began his process of consultations with LDC governments and with the Inter-Agency Working Group.

16. The representative of Haiti said that previous interventions had given an impression that everything in the Integrated Framework functioned perfectly. However, things were very different in the field. He had just come back from Haiti where a sectoral round-table on trade had been held. At the government level, everything that had been asked for had been done for the round-table to be a success. It had also been a success at the broader national level. The Prime Minister had opened the meeting, the Trade Minister had chaired it, the Minister of Planning and Cooperation, the Central Bank, and all ministries concerned with trade issues had been present. Even more surprising was the presence of a large number of representatives of the private sector, where the Chamber of Commerce throughout the country, not only from the capital, had been present. The aim had been for a meeting of around forty people; in reality about a hundred had come to show the interest they attached. The press had covered the event. Everything had gone well until the point when, on the second day, the development partners were invited to give substantive responses to the programme presented by the Government: i.e. the multi-year programme placed in the framework of cooperation within the public sector and between the public sector and the private sector that the Government had been asked to prepare.

17. The representative of Haiti continued by saying that preparation for the round-table in Haiti had also been an occasion for the six Agencies to coordinate among themselves. He recalled that, at previous meetings of the Sub-Committee, he had complained about the lack of coordination among the six Agencies. He was now in a position to say that everything had been done to ensure coordination among the Agencies. The Agency which he had previously complained about most had been the Agency which had given the most positive response during the round-table, i.e. the World Bank, whose behaviour had been exemplary during the entire round-table. It was one of, if not the only, Agency to have given a clear and precise response. The World Bank had already called a mission to begin work on an export insurance project. The World Bank, together with the European Communities and Japan had addressed one of the most critical issues when they had spoken about the problem of infrastructure to foster trade. The World Bank had undertaken to continue to establish the necessary infrastructure in cooperation with the Government. It was currently no more than promises, but it was a good beginning.

18. On the other hand, statements in Geneva by his Government's main bilateral partners had not been reflected by commitments in Port-au-Prince. That had been something of a frustration for his Trade Minister. His Minister would raise that problem at Seattle and Haiti's partners should be prepared as he believed that his Minister would stand firm in his position with regard to the "comedy" he been forced into by the international community.⁵

⁵ The statement by Haiti at the Seattle Ministerial Conference can be found in document WT/MIN(99)/ST/79. Attention is particularly drawn to paragraphs 4-6 of the statement.

19. In spite of the difficulties faced by his country, the Government had not spared any effort. It had received valuable support from the ITC and the Administrative Unit. By contrast, the UNDP, despite its good work in the run-up, had to his surprise not been an ideal facilitator at the round-table. His Minister would state things frankly. His Government had undertaken all the preparatory work, but when it came to the realization of promises very few of the partners had been present at the meeting even though they were represented in the capital. There were even certain delegations in Geneva which, just shortly before, had claimed to have transmitted all information to their capitals and which had said that there would be concrete pledges, which finally had not even been represented at the round-table in Port-au-Prince. His Government was therefore somewhat frustrated.

20. The representative of Haiti stated his concern on hearing that the round-table for Bangladesh had been postponed. Delegations had to realize that something was not working as it should. If one only considered the Integrated Framework on paper, it worked perfectly. However, in the light of the Haitian experience, it really had to be reconsidered whether the Integrated Framework was a project worth continuing. If not, it should be completely abandoned so that LDC governments did not continue to look ridiculous. His Government, having done all that was demanded, currently felt ridiculed by the international community. His Government had undertaken enormous commitments, and those who knew the situation of Haiti knew the constraints under which it was working. The Government had made super-human efforts to carry out the round-table successfully. The document had been ready and there had been no complaints about it. It contained projects representing the priorities of the Government; however, no funds had been pledged for them. When he was in Haiti he had thought that it was because of the political situation of his country that its development partners did not participate. Other factors proved that that was not the case. Bangladesh, which was a "pet country" for donors apparently had to postpone the holding of its round-table as well. The Gambia should have held its round-table even before Haiti, but it was scheduled for 24 November 1999. That situation gave rise to concern. He did not wish to disappoint those who believed that everything was going well, but something was not working properly. The evaluation, with the assistance of the Inter-Agency Working Group, sounded perfect on paper. However, he wished to see that the LDCs who were said to be the "owners" of the process were asked for their opinions. The LDCs should be able to feel that they were the owners of the process and that they received the answers they merited. If LDCs made all necessary efforts to prepare for the holding of a round-table, received the support of the Administrative Unit and the six Agencies, and could still not manage to find funding for prioritized projects, the Integrated Framework should be scrapped. If the means did not exist, it was no longer necessary to create a coordination mechanism for the LDCs; to demand that it should be coordinated by one of the WTO Deputy Directors-General; to demand free market access for LDCs' exports; and to say that there was a willingness to integrate the LDCs into the multilateral trading system. That comedy should cease and delegations should concentrate on what was achievable. The situation was serious. It had taken time to arrive at the current situation. A justified discontent was growing, unfortunately mostly within the WTO, but it was the WTO which had initiated the experience in Singapore and the other Agencies had joined in. His Government was ready to make yet another effort, but there had to be an effort on the part of the bilateral partners as well to take the LDCs seriously.

21. He noted that, in the Sub-Committee, it was constantly reiterated that it was the LDCs who were the owners of the process and who were responsible for the projects. However, in a UNDP report, whether it was reflecting the views of the UNDP or the person writing the report, it had been stated that the projects had to be owned by those who financed them. He asked how LDCs should interpret that. It was first stated that the LDCs should be responsible for their own development and that their Governments should present their development strategies, and then that the Government was not in charge but rather those who financed the projects. There seemed to be a problem there. It was strange to hear, in the middle of all talk about the responsibility of the LDCs, that one of the core Agencies said that the responsibility was with the financing party. The situation had to be clarified. He said that, with his intervention, he had wished to take stock of what had happened so far and

highlight his delegation's concern. His Government had lived up to its responsibilities. The ball was in the court of the Government's development partners, who had to give a response.

22. The representative of Tanzania said that her Government had been actively preparing the ground for the implementation of the Integrated Framework. Last month, her Government had organized a pre-round-table meeting with the assistance of the World Bank. At that meeting, gaps had been identified which would require intervention by the international Agencies and support from the donor community. Much remained to be done in moving the process forward in preparation for the round-table which was planned to take place during the World Bank Consultative Group meeting for Tanzania in May 2000. In order for that to materialize, her Government needed support. This had been requested from UNCTAD and her Government believed that UNCTAD would be coming forward to assist with technical and substantial back-stopping. At the round-table meeting of May 2000 her Government expected to receive financial pledges from the donors who supported the Integrated Framework. Her delegation welcomed that the six core Agencies were planning to carry out a review of the Integrated Framework and its operations as envisaged at the 1997 High-Level Meeting, and hoped that it would contribute significantly to its revitalization. However, her delegation was of the opinion that the review should be undertaken by an independent review team as opposed to an individual consultant. Since after the review, the report would be made available to the governing bodies of the core Agencies, an independent team, including one of the LDCs, would ensure a more objective look at the operational problems experienced in the implementation of the Integrated Framework. It would give a more balanced review with respect to how to make the Integrated Framework more effective in addressing trade-related technical cooperation. The views of the LDCs' governments and their development partners should be sought in the course of the review as foreseen in the Integrated Framework document.

23. The representative of Djibouti said that he wished to share a positive experience of the six Agencies. He thanked Mr. Bélisle of the ITC for the technical assistance provided in September 1999 to launch the first phase of the round-table process. ITC had offered a high-level expert, in the person of Mr. Geoffroy, who he had followed to Djibouti in September to inform the Government and the other concerned institutions in Djibouti. It was a positive experience as they had informed the Government, the private sector and the six agencies in Djibouti about the importance of future preparatory work for the holding of a round-table. He hoped that that would lead to a positive result in the future. The essential was that all sectors concerned knew how to coordinate and how to put in place a common process. He hoped that after the Third Ministerial Conference, his Government would already have prepared a draft document for the round-table. He was grateful for what had been done by the UN agencies represented in Djibouti; i.e. the UNDP, the World Bank, IMF, as well as the representative of the European Communities, which had shown a willingness to assist the Government in the preparations of a transparent document reflecting the views of all.

24. The representative of the European Communities said that his delegation was encouraged by the efforts made to translate into operational conclusions what many delegations had been looking for at the meetings of last summer on improving the Integrated Framework. His delegation's first impression of the report of the Inter-Agency meeting was positive. However, there was also scope for analyzing what the interventions by the LDCs had brought into the discussion. They showed that there was a continuous need to evaluate and to see how the basic idea of the Integrated Framework, which all seemed to agree upon, could be made to work in the best possible way. In the report of the Inter-Agency Working Group, there was a list of factors that could be relevant in the factual assessment of the results of the round-table. His delegation was of the view that the points (a) to (i) in paragraph 4 were points worth taking into account in the preparation of the round-tables and not only at their assessment. Two preparatory meetings for round-tables had been held in Geneva which some had considered as pure pledging meetings. His delegation had claimed that they should be something more than pledging meetings and that they should include positive coherence and other elements. If

that was done, it might bring expectations more into line with the results of the round-tables in the end.

25. Regarding Part C of the report, on "mainstreaming", he noted that there seemed to be differences among the Agencies. However, his delegation had the impression that it had already been agreed that one Agency (normally UNDP or the World Bank) would take the lead and bring the trade-related aspects into their respective meetings. What had been stated indicated that there now seemed to be an ongoing discussion. Some enlightenment on where things stood would be useful for delegations after the long discussions held on taking trade out of the World Bank and UNDP meetings and now putting it back in. He asked what the actual state of play was. His delegation was of the opinion that the review, mentioned in Part F of the report, was a good start and wished to be kept informed about how the review was proceeding. On a first reading the date seemed ambitious, something his delegation welcomed. The review should be carried out as quickly as possible and his delegation would be disappointed if, once the deadline of April 2000 had been set, that date would not be held. It would be useful to have the results from the review as soon as possible. Finally, his delegation sought information about what assistance and financing the ITC would need from the other Agencies for the Administrative Unit, as stated in Part G of the report. Delegations did not wish to see problems in the daily running of the Administrative Unit because, if the Administrative Unit did not function, the rest of the Integrated Framework would not function properly either.

26. The representative of Uganda said that it was encouraging, as seen from the report of the Inter-Agency Working Group, that there seemed to be coordination and a meeting of minds. However, in order to be translated into real action, that cooperation had to percolate down to the country-level. In that respect, Part C on "mainstreaming" became critical. His Government had already held a round-table in the margins of a World Bank Consultative Group meeting. His Government had aimed at ensuring that in considering the policy framework paper, trade would be mainstreamed, not only by the agencies, but also by the Government itself. While that was the objective, there was also a danger that had to be taken into account: trade could easily get side-lined when issues such as the global aspects of finance and macroeconomic stability were dealt with. How to use the round-table mechanism to produce the appropriate results had to be carefully examined. He was encouraged by what the World Bank had said about integrating the Integrated Framework into its country programmes. He hoped the same was true for the UNDP, as the country level was critical. His delegation was looking forward to see that issue taken up in the evaluation report. As his delegation was one of those which had emphasized the importance of an evaluation, he wished to ensure that the outcome of the evaluation would feed back into an improvement of the Integrated Framework. He therefore welcomed the elements mentioned in paragraph 13 of the report of the Inter-Agency Working Group as elements of focus for the evaluation as well as the steps to be taken. It was important that the views of the LDCs, the recipients themselves, be taken into account at various stages of the evaluation. The evaluation should be developed as part of a capacity building exercise. That tied into what had been said by the representative of Japan. The post-round-table processes had to be considered in terms of their impact on trade assistance and capacity building at the national level. The Integrated Framework should also be seen in the context of other relevant programmes carried out by the Agencies, such as the JITAP, for those to be synchronized. He took note of the experience of the representative of Haiti, who had raised important issues which merited attention.

27. The representative of Lesotho said that he wished to underscore the issue of post round-table follow-up, which had been highlighted by the representatives of Japan and Uganda. The experience of his Government was that organizing the round-table was the easy part, while the difficult part was to follow-up on the pledges and the process. A structure should therefore be created to assist LDC Members to follow-up on the outcome of the round-table at the country level to ensure that whatever projects came out of the round-table were implemented as agreed. The structure should also ensure that the link between the Governments' cooperating partners and the Agencies was maintained. What

normally happened was that, immediately after a round-table conference, the Agencies that had helped coordinate the round-table disappeared from the scene. The LDC Members were then left with the task of following up on whatever came out of the round-table. As most LDCs had supply-side problems, it was not easy for them to do that and as a result, the positive outcome of a round-table was not fully realized. It was therefore important that the content was maintained throughout the process, especially after the round-table meeting.

28. The representative of Bangladesh said that the experience of Haiti had not been as encouraging as was expected. However, despite the Haitian experience, his Government planned to go ahead. Unfortunately, the round-table for Bangladesh, which had initially been scheduled for 25 November 1999 had been postponed at the last moment, but he did not have full information as to why.⁶ His Government's experience in the run-up to the round-table had not been as pleasant as it had expected it to be in the sense that the responses from the Agencies had not been as warm, quick and spontaneous as expected. Even if it was understandable that they had their own difficulties of coordination, his Government was ready whereas the Agencies were not. However, his Government's respect for the Agencies had not been lessened because of that. The multi-year program document prepared by professionals in his capital on instructions and information given by the mission in Geneva, the WTO, the ITC and others was already on the Internet. In light of the postponement of the round-table for Bangladesh, his Government felt that interested donors and Agencies might look at the projects in the document that also gave a brief outline of things that needed to be done. Rather than to wait for the round-table meeting to take place, donors, development partners and friends could pick their item from the menu in the document and go ahead to finance or implement it. There was no legally binding obligation to go through a round-table before acting. His Government was ready to begin action. The document was available on the Web, with the Administrative Unit and at his mission and could be supplied upon request. His Government remained committed to the fulfilment of its side of the responsibilities in the round-table process.

29. Mrs. Bartoli of the WTO Secretariat, who had attended the Haiti Round-Table, said that she found the report by the representative of Haiti complete and precise. In her own back-to-office report she had tried to underline three types of coordination by which the effectiveness of the Integrated Framework was to be judged, i.e. coordination among the six multilateral Agencies, among LDCs governments, and among other development partners. Coordination among agencies had functioned well for Haiti and the other round-tables, as well as coordination within the different parts of the LDC government. In fact, an effort should be made by the LDC government during the preparation of the multi-year programme to clarify and agree on a coherent trade policy. That had been well done in Haiti, Tanzania and Uganda, which were the three round-tables she knew best. It was also done in the multi-year programme for Bangladesh. In addition, the coordination between the Government and the private sector was important in the LDCs. That had been achieved in Haiti, Tanzania, and Bangladesh. The partnership between the government and the private sector, which was created during the preparatory process of the Integrated Framework had been underlined as a lasting success in the conclusions of the Round-Table of Haiti. Two of the three types of coordination had thus functioned well in Haiti, but the third type, coordination among bilateral donors - i.e. between the trade representatives in Geneva and the development representative normally participating at the local Round-Tables - had not been successful. She agreed with the representative of the European Union that pledges were not the only criteria for the success of a Round-Table, but she assumed that he did not mean that pledges were not an important criteria. Coordination among bilateral donors must be improved: it had to be ensured that what was said in Geneva about trade-related assistance as a development priority, was also reflected in the donors' capitals and in their missions in the LDCs.

30. Mr. Osakwe said that he and his colleagues in the Inter-Agency Working Group were grateful for the warm reception that the report they had circulated had received. Several points had been

⁶ Rescheduled for 22 January 2000.

raised by Members which would be taken into account, including the comment by the representative of Uganda that, in the consultations to be undertaken by the evaluator producing the first draft of the evaluation, explicit account should be taken of the views expressed by LDC governments. That point was also mentioned in the report and the Inter-Agency Working Group would ensure that that would be done.

31. Members had raised seven specific policy issues. The first concerned pledges, of which Mrs. Bartoli had already spoken. Japan and the European Communities had "implored" the Sub-Committee to remember that pledges, were not the only criteria for assessing the results of round-tables. The Inter-Agency Working Group agreed. That was why pledges were only one out of seven variables identified for the assessment. Second, the representative of Lesotho had mentioned that as most needs assessments had been completed about two years earlier, they had to be updated and revised. They would be reviewed in the context of the multi-year programmes and some sort of revision would need to be taken into account in the course of the review exercise. The third point, raised by the representative of Haiti, was that there was something in the Integrated Framework that was not functioning. He did not wish to make any comment which would prejudice the review at that moment. As had been said in the beginning, the Integrated Framework should be reviewed in its entirety. The comment that the pledges might not be functioning had been noted, and was considered as the view of an important LDC Member that would be taken up in the review process. The report of the review should be objective and meaningful for Members. Fourth, the representative of Tanzania had expressed the opinion that the review should be conducted by an independent team. The Inter-Agency Working Group had considered all options, including having an independent reviewer. However, it was an Inter-Agency institutional exercise in which the institutional sensitivities of all the Agencies involved had to be respected. The Integrated Framework operated within the context of an intergovernmental exercise. What was critical was that the results of the evaluation exercise were balanced. He was confident that the steps for the review detailed in paragraph 14 of the report of the Inter-Agency Working Group would lead to balanced results. Fifth, a point about mainstreaming had been raised by the representative of Uganda. There were round-tables which took place in the context of World Bank Consultative Group meetings or UNDP Round-Tables. The point made by the representative of Uganda was that mainstreaming had value and benefits, but what was critical was that trade was central even in those round-tables. Sixth, the representative of the European Communities had mentioned the running of the Administrative Unit. The Administrative Unit was the daily motor for the operation of the Integrated Framework. It was physically located at the ITC, which had borne and continued to bear a disproportionate burden with regard to the space and resources it invested. That had created real difficulties. This would also be the subject of review. The seventh and final point related to evaluation. He was pleased that the steps outlined for the review in the report of the Inter-Agency Working Group had been welcomed by the Members of the Sub-Committee. The Inter-Agency Working Group would pursue it with vigour. The ambitious deadline for the review had been set in light of the urgency and priority Members had attached to it. The Integrated Framework had existed for only about two years. These two years had constituted a learning period. The Agencies were trying to develop an institutional rhythm, reflexes and standard operating procedures. There was confidence that they would get there, but what was most important was that Members were unanimous in considering the Integrated Framework a good idea that should be better implemented. The Agencies were all deeply committed to that.

32. The representative of Lesotho posed a question with regard to the proposal to enlarge the Core Group of Agencies. His delegation appreciated the concerns raised with regard to undertaking a possible enlargement. However, it was of the view that there was an urgent need to consider including some other intergovernmental organizations with active trade-related technical cooperation activities. One example was that the LDCs were seeking enhanced market access while even if LDCs were to get full market access the following day, it would still be difficult for them to take full advantage of it because of the nature of their exports. Most LDC exports did not contain any value-added. It was therefore important to ensure that most LDC exports had some value-added and that

there was a certain degree of product diversification. LDCs would otherwise not be able to take full advantage of the market access opportunities sought. That brought him to the organizations which were helping LDCs in that regard, one of them being UNIDO. For the initiative to be meaningful, there had to be a wider approach to the problems of LDCs. Even if capacity problems were addressed from the administrative side, there would still be problems on the other side. If an initiative was to have any impact, supply-side constraints had to be given the urgent consideration they deserved. His delegation was aware that this might pose some administrative coordination problems, but it was worth considering if LDCs were to benefit fully from the Integrated Framework initiative.

33. Mr. Tulloch of the WTO Secretariat, said that he had listened carefully to all the remarks made and wished to add a couple of things from the point of view of a director who was in charge of a division which was supposed to overview all the development efforts in the WTO but which was not directly in charge of the day-to-day running of the Integrated Framework. When he came to the meeting, he had been prepared to say that, although the Integrated Framework had been a slow process in getting started, the fact that a number of round-table meetings were about to be held or which had been held showed that things were beginning to go well. He hoped that that was still the case. He had taken good note of the highly critical remarks made by the representative of Haiti. He could well understand his disappointment and frustration after seeing all the work that he and his Government had put into the preparation of the round-table. The full title of the "Integrated Framework for Trade-Related Technical Assistance, including for Human and Institutional Capacity-Building, to Support LDCs in Their Trade and Trade-Related Activities" was worth recalling. As had been stated by the representative of Lesotho, the capacity-building exercise was a key to the whole effort and the focus should be on it in the coming year, both when conducting exercises under the Integrated Framework and when reviewing its operation. It had been said many times in the Sub-Committee that the results of the Integrated Framework was not the round-table meetings, the round-tables were merely a stage on the way. The round-tables had to result in practical projects on the ground. That was the success by which it should be judged. The Inter-Agency Working Group had looked honestly at the process. There was a need to continue that follow-up. The outcomes of round-tables, including the projects that might result from them, had to be carefully monitored. The representative of Japan had raised the question of what was happening in relation to planned round-table meetings and LDCs which had not yet held round-tables. A first stage round-table had been held for Tanzania which was to be completed at a Consultative Group meeting in May 2000. Delegations had received a report on the Haiti round-table by the representative of Haiti. The Government of The Gambia would hold a round-table, assisted mainly by the UNDP, on 23 and 24 November 1999 in Geneva. The round-table for Bangladesh had been postponed until January 2000. The Government of Mauritania planned to hold a pre-round-table workshop (assises de commerce) on 10-12 January 2000 in Nouakchott, and was planning the holding of a round-table in March 2000. Other countries such as Malawi, Zambia, Guinea, Mali and Burundi were also preparing for round-tables to be held in the first part of the year 2000. Full information on the present state of round-table planning could be found on the Integrated Framework Website which was continuously updated.⁷ He assured the representative of Haiti that his comments had been taken note of by the Secretariat.

34. The Chairman said that since the Sub-Committee had to keep the Committee on Trade and Development and the General Council informed about developments in the Sub-Committee, he suggested that he would write a letter to the Chairperson of the Committee on Trade and Development to be forwarded to the Chairman of the General Council, to which he would attach the Director-General's report on the Integrated Framework. He would also mention the main points raised during the discussion and Members would receive a copy of the letter.

35. It was so agreed.

⁷ <http://www.ldcs.org>

36. The Chairman continued by saying that he believed that the information-sharing aspect of the discussion was important. However, he thought that the Sub-Committee could be somewhat more creative. In the Sub-Committee, delegations had followed the Integrated Framework quite closely for a long time. Many delegations, representing LDCs, development partners of the LDCs and others had pointed out problems with the implementation of the Integrated Framework. Difficulties had also been mentioned in various oral and written reports by the Secretariat. He therefore asked delegations if they would find it useful for the Sub-Committee to submit a paper to the Inter-Agency Working Group, stating concerns raised and suggesting possible ways to improve the functioning of the Integrated Framework. If delegations agreed, he suggested that the Sub-Committee ask the Secretariat to make a compilation of concerns raised and improvements suggested for consideration at the following meeting.

37. It was so agreed and the Sub-Committee took note of the statements made.

III. REPORT BY THE SECRETARIAT REGARDING THE COMPILATION OF EXISTING MARKET ACCESS INFORMATION

38. The Chairman said that the meeting had been called essentially to discuss progress in the Integrated Framework. However, he had found it appropriate to also draw delegations attention to the document containing the compilation of existing information on market access barriers facing LDCs exports. As delegations would recall, the Secretariat had provided delegations whose country name appeared in the tables with copies of the tables for verification and updating. The deadline for submitting changes to the Secretariat had been set to first November 1999. However, some delegations had asked for more time and flexibility had been offered. The Sub-Committee had, at its last meeting, asked the Secretariat to circulate a final version of the tables. It had now been issued as document WT/COMTD/LDC/W/16. The Sub-Committee had also asked the Secretariat to write a short note summarizing and giving an overview of the data compiled. Work on this note was still in progress. In addition, delegations had only received the tables a couple of days ago. He therefore suggested that the issue be taken up for thorough discussion at the following meeting of the Sub-Committee and that the Secretariat be asked to circulate the summary note in good time for that meeting.

39. It was so agreed.
