

**REPORT ON COMMISSION ON ENTERPRISE,  
BUSINESS FACILITATION AND DEVELOPMENT  
AT ITS ELEVENTH SESSION (19-23 February 2007)  
TO THE PLENARY OF THE BOARD**

**Presented by Dr. Dayaratna Silva, Minister (E & C)  
Vice President of the Commission to the TDB at its Forty-first Executive Session,  
Geneva, 18 April 2007**

Mr. President,

Mr. Secretary General

Excellencies,

Distinguished delegates,

On behalf of the Chairperson, I have the honour to report on the work of the Commission on Enterprise, Business Facilitation and Development at its eleventh session, which took place from 19 to 23 February 2007. In addition to the opening and closing plenary meetings, the Commission held eight informal meetings that discussed four substantive agenda items, including the reports of several expert meetings held in 2006, and progress in the implementation by the Secretariat of previous recommendations of the Commission. The session enjoyed a relatively good level of participation and lively debate on the agreed recommendations. I am therefore pleased to present the Board with the report of the Commission as contained in document TD/B/COM.3/82.

Let me now reflect on the out come of the discussion on the main agenda items.

The first substantive agenda item of the Commission was on "Improving the competitiveness of small and medium-sized enterprises (SMEs) through enhancing productive capacity". You may recall that this has been a central theme since UNCTAD XI in São Paulo. During this session, panellists and the Secretariat exposed the role of global value chains in building national productive capacities, and the influence of regional integration on the development of SMEs.

The Commission recognized the importance of SMEs for economic development, growth, employment, poverty reduction and productive capacity-building, and requested the Secretariat to continue its analytical work in this area. The Secretariat was also asked to continue providing technical assistance to countries on enterprise development,

including on global and regional value chains, outward investment, supply-side improvement, research and development, and business linkages. It should also help countries identify policies and measures to enhance SME competitiveness, and address the opportunities and challenges of regional integration for the internationalization of SMEs. UNCTAD's EMPRETEC programme continues to be a very good vehicle for enterprise development work.

The second substantive item that the Commission deliberated was agenda item on "Efficient transport and trade facilitation to improve participation by developing countries in international trade", the Commission recommended that, given the critical role of transport and trade facilitation in supply chain efficiency, UNCTAD analysis and reports should pay particular attention to the linkages between access to and supply of transport services, a facilitative trade environment and development prospects within globalized trade and production networks. UNCTAD should enhance cooperation with member States and other relevant organizations for the implementation of transport and trade facilitation policies, including transit corridors. It should also continue its important support to the participation of countries in trade facilitation negotiations in the context of the Doha Development Round.

With respect to the third agenda item on "ICT and E-Business for Development", the Commission requested the Secretariat to assist countries in identifying approaches, strategies and policies on ICT, taking into account the work of other relevant organizations. Furthermore, UNCTAD should continue its role in the implementation and follow-up of the World Summit on the Information Society. To maximize the benefits derived from the information economy for developing countries, it is important to assess the economic impact of ICT, to develop national and international ICT strategies, and to adopt an appropriate legal framework for e-commerce.

This year, the Commission also considered the report of an ad hoc expert meeting on "Building skills in developing countries: training, networking and ICTs". Many developing countries are faced with many challenges and problems in integrating into international trade because of gaps in the knowledge and skill capacities of their human resources, and of their training and research institutions. Local economic research can inform policymaking and the positions of developing countries in trade negotiations. UNCTAD's unique perspective on trade and development adds value to its trade-related

capacity-building activities, which can be supported by ICT and networks that offer new ways of collaboration and access to information.

Thus the Commission recognized the importance of building knowledge and skills in support of policymaking in developing countries. The Commission requested the Secretariat to continue its work to strengthen local capacities on trade, investment, enterprise development, technology, and finance and development issues, through the training programmes of the Virtual Institute, Train for Trade and Paragraph 166. Knowledge and skills development require the support of all UNCTAD Divisions, as well as inter-agency cooperation and donor support to this long-term process.

With respect to the selection of topics for expert meetings and a provisional agenda for the Commission, it was decided to wait for the outcome of the discussions on the overarching them and sub themes of UNCTAD XII. I understand that this task has now been accomplished and as proposed by the Commission the Board decided on topics for these expert meetings and also suggests an agenda that would contribute or relevant to next year's conference.

Finally, Mr. President, I would like to thank all member States that took an active interest in leading the eleventh session of the Commission towards a meaningful outcome. I hope that the Board will endorse the contents of the Commission's report.

Thank you Mr. President.