

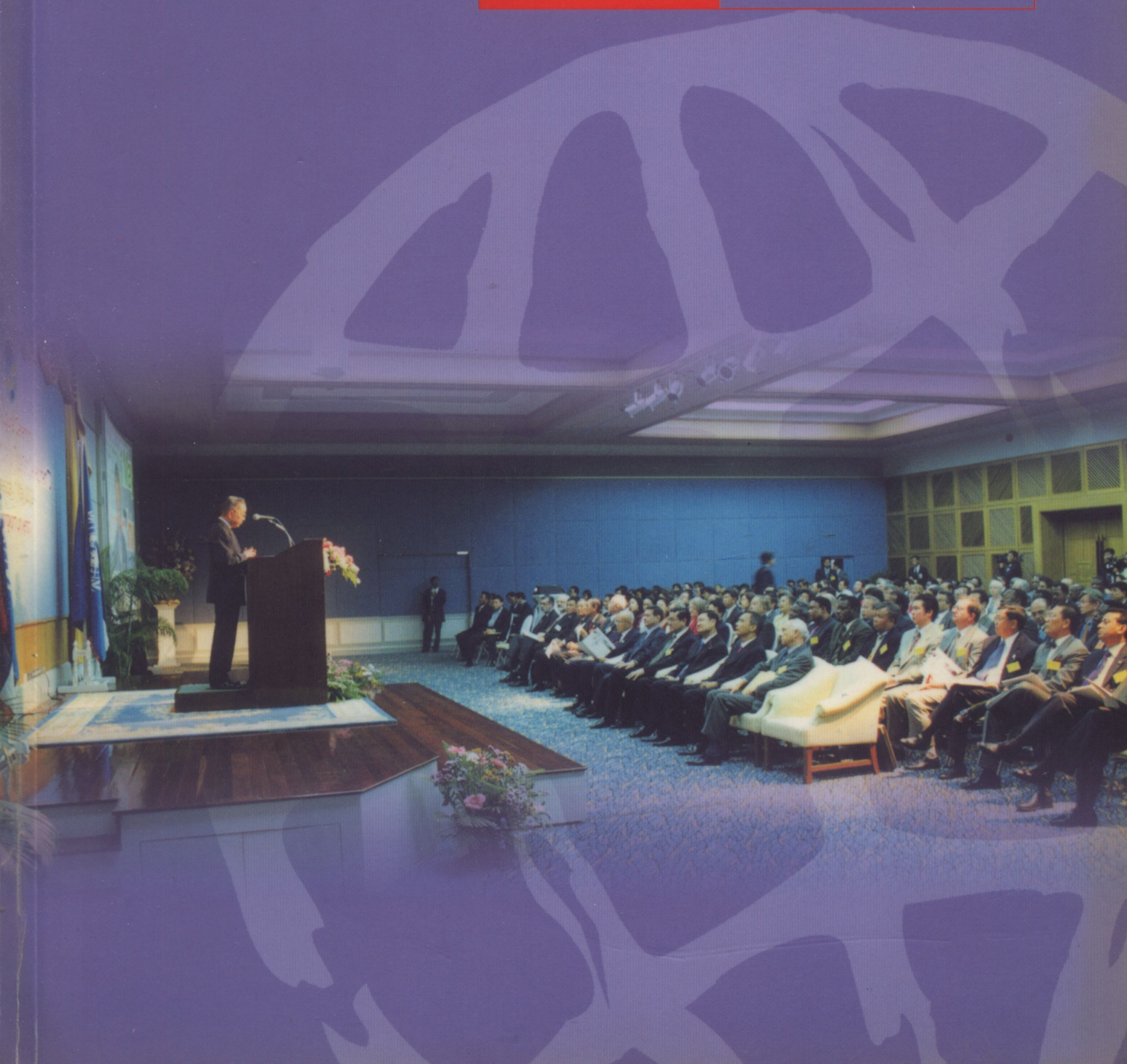


The International Institute for Trade and Development
(Public Organization)

ANNUAL REPORT

2002

1 May 2002 - 30 April 2003





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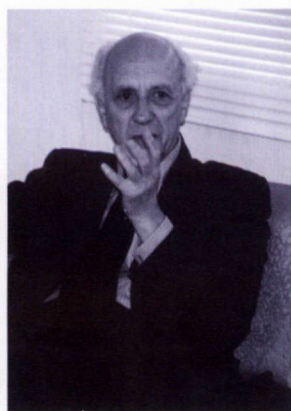
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INTRODUCTION



Both the COOPERATION AGREEMENT BETWEEN THE GOVERNMENT OF THE KINGDOM OF THAILAND AND THE UNITED NATIONS CONCERNING THE INTERNATIONAL INSTITUTE FOR TRADE AND DEVELOPMENT and THE ROYAL DECREE ESTABLISHING THE INTERNATIONAL INSTITUTE FOR TRADE AND DEVELOPMENT (PUBLIC ORGANIZATION) of 2001 call upon the Institute to submit an annual report on its activities to UNCTAD and the Council of Ministers.

In practice, the Annual Report must be prepared in both Thai and English versions. The Thai version, which was completed some time ago, has been formally submitted to the Council of Ministers. It covers the period from the inauguration of the ITD on 1st May 2002 to 30th April 2003. The Annual Report in Thai was approved by the Executive Board at its fifth meeting on 30th June 2003, after which formatting, design, artwork and printing were eventually completed and finalized.

Since this publication is the first ever Annual Report of this new Institute, its contents are rather extensive. Parts of it will soon be repeated as the second Annual Report will cover the calendar year 2003, thus overlapping for four months the contents of the first Annual Report. From then on the Annual Report will follow the calendar year, which coincides with the financial year of the Institute.



Article IV (f) of the Agreement with UNCTAD calls only for "an annual report to the Parties on the activities of the Institute." However, since this is the first Report, more has been added to its contents to give a more comprehensive picture of the young Institute in its first year of operation. This Annual Report in English has taken more time to complete due to a shortage of personnel and the high frequency of ITD's activities. While its contents follow much of the Thai version, it is not identical with the latter. The Thai version contains a more detailed history, with extensive coverage of genesis, and administrative matters, including accounting details, all of which would be superfluous to the international readers in UNCTAD and beyond.

Through most of the period under coverage, ITD would like to acknowledge with sincere appreciation that cooperation from UNCTAD has been very real and meaningful. It is only hoped that the Institute will enjoy similarly close cooperation and support from UNCTAD in its second and other years to come, in keeping with the commitments enshrined in Article V and VIII of the Cooperation Agreement between the Government of the Kingdom of Thailand and the United Nations concerning the International Institute for Trade and Development.



(unofficial translation)



**Message from the Minister of Education,
Acting Minister of University Affairs**

On 1 May 2002, His Excellency Dr. Thaksin Shinawatra, Prime Minister of Thailand, delivered an inaugural statement at the inauguration of the International Institute for Trade and Development (ITD), saying in part that: *"Recently, I represented Asia at the Summit on Financing for Development in Monterey, Mexico. The messages from there are loud and clear. Capacity-building is one of them. Partnership is another. What we are doing today—inaugurating the ITD—represents a concrete example of that partnership between a country in an important region and an international organization. We must make it work for the benefit of all developing countries."*

To date, ITD has turned 1 year old and has been constantly working in line with the Prime Minister's expectation in enhancing the capacity of both Thai and foreign personnel from developing countries in Asia and other regions by organizing research and training activities, as well as brainstorming sessions at the international level in the areas of trade, investment and development. It is hoped that these activities will enable developing countries to become better-equipped so that they may benefit further from the globalization and liberalization processes.

The Institute's mission is truly in line with the government's policy of strengthening wisdom within the society and of increasing the capacity of Thai personnel, paving the way towards a knowledge-based society. Through greater cooperation within the region, Thailand and other developing countries shall be able to pursue appropriate policies which will facilitate their integration into the global economy. For this reason, the Institute, as a public organization, has played a most significant role truly deserving of continuing support from the government.

As the Minister supervising the Institute, I would like to thank the Board of Directors, the executive team and all staff of the Institute for their endeavors in moving forward efficiently to enhance human resource development in the realm of trade and development for the benefit of Thailand and all developing countries in the region.

(H.E. Pongpol Adireksarn)

Minister of Education

Acting Minister of University Affairs



Message from the Secretary-General of UNCTAD The United Nations Conference on Trade and Development

It was indeed a pleasure and a privilege to have joined His Excellency Dr. Thaksin Shinawatra, Prime Minister of Thailand, in the inauguration of the International Institute for Trade and Development on 1 May 2002, at Chulalongkorn University in Bangkok. Since its creation, the ITD has successfully pursued its objective of training officials from developing countries in commercial diplomacy, globalization and liberalization as well as in international trade and investment facilitation.

UNCTAD is proud to be involved in the organization of capacity-building activities at the ITD. To be precise, it organised the Training Course on Key Issues on the International Economic Agenda, an activity that took place in November 2002 and that had been mandated by the UNCTAD X Plan of Action, adopted in Bangkok in 2001. This training course was designed to enhance the capacity of officials from developing countries to identify issues in, and policy approaches to, the current trade negotiations, in particular those with a development dimension and falling within UNCTAD's field of competence. It was also designed to increase awareness of the policies and conditions necessary for attaining competitiveness and participating effectively in the global economic environment.

Two other training activities were organized by UNCTAD in January of this year, namely a workshop on building capacity for improved policy making and negotiation on key trade and environment issues, and a workshop on the settlement of international trade law disputes at the WTO.

UNCTAD has also set up a digital library in order that all publications and documents of UNCTAD be available online to support and complement training and research activities at the Institute.

As regards the period ahead, UNCTAD is working on the preparation of the first seminar at the ITD on Governance in the Asia region, within the UNCTAD/UNDP Global Programme on Globalization, Liberalization and Sustainable Human Development. This seminar, scheduled to take place later this year, will bring to the forefront an array of significant issues of concern to Asia's policy makers, for example, ensuring successful exports in the face of intense competition from new economies; strengthening regional trade blocks; revisiting public-private partnerships on the basis of what works and what does not; harnessing the media; encouraging corporate social responsibility; and fostering social creativity.

UNCTAD is grateful to the Governments of Japan and Thailand for their contribution to ITD activities, helping the Institute to achieve its objectives through its training activities and to serve as a centre for the dissemination of policy knowledge and expertise in the Asia - Pacific region.

A handwritten signature in dark ink, reading "R. Ricupero".

(H.E. Rubens Ricupero)

Secretary-General of UNCTAD

(unofficial translation)



**Message from the Permanent Secretary, Ministry of
University Affairs
Chairman of the Board of Directors, ITD**

The International Institute for Trade and Development, or ITD, was established by the Cooperation Agreement between the Royal Thai Government and UNCTAD with the aim of responding to the capacity-building needs of developing countries in formulating and implementing economic policies that would enable them to integrate into the global economy and achieve optimal benefits from globalization. This requires a greater understanding of the processes pertaining to the various agreements within the framework of the WTO as well as to trade liberalization, finance, investment, technology, and development.

The principal tasks of the Institute are the provision of training workshops, seminars, and brainstorming sessions to increase the capacity not only of Thai personnel but also those from other developing countries in the region in the trade, finance, monetary, investment, technology and other related fields, which will support the research activities of personnel of various countries, especially in the Asian region.

On the auspicious occasion of the 1st anniversary of the International Institute for Trade and Development (ITD), a public organization, I wish the executives and the staff all the best and strongly hope that all of you will continue working to the best of your ability, thus fulfilling all the goals which have been set.

Prof. Police Captain

A handwritten signature in black ink, consisting of stylized Thai script followed by a horizontal line.

(Voradej Chandarasorn)
Permanent Secretary
Ministry of University Affairs
Chairman, Board of Directors, ITD



Message

**Dr. Manaspas Xuto, Executive Director
International Institute for Trade and Development
(Public Organization)**

The International Institute for Trade and Development was envisioned to be a focal point in the Asia region for the dissemination of knowledge in areas of study relevant to developing countries. These areas include international trade, finance, investment, technology and environmental issues related to trade and development. The targeted beneficiaries of the Institute's activities are officials and individuals not only within Thailand but also those from other developing countries in the Asia and Pacific region and beyond. The Institute's main activities include conducting training, seminar, and brainstorming sessions as well as research. These efforts aim to build the capacity of developing countries to better cope with the complex forces of globalization and liberalization operating in today's world.

In the past twelve months, which mark the first year of the Institute's existence counting from the Inaugural Ceremony presided over by H.E. Prime Minister of Thailand Dr. Thaksin Shinawatra, on 1 May 2002, the Institute has organized 14 events, which have informed and benefited over 400 participants from a wide range of countries in the Asian region and beyond. Two other major events were scheduled to take place this April 2003, but they have been disrupted by the unexpected outbreak of the SARS virus. One of these events is a High-level Seminar on Governance in the Asia Region; the other, a Project on Building Capacity for Improved Policy-making and Negotiation on Key Trade and Environment Issues. These events have been postponed for the coming months, and will proceed as planned once the worldwide health scare has been contained.

In terms of building its own productive network and creating partnerships, the Institute has made significant progress in its first year, most notably in the signing of a Memorandum of Understanding on Joint Technical Assistance with the World Trade Organization (WTO). The Institute is soon to sign other similar agreements with the Department of Economics of the National University of Singapore; the Research and Information System for the Non-Aligned and other Developing Countries (RIS), of India; and with the Indian Institute of Foreign Trade (IIFT). Apart from this, the Institute has also received small-scale technical assistance support from the Asian Development Bank (ADB).

As a public organization under the Thai government, the Institute has been cooperating closely with the Ministry of Foreign Affairs in organizing events that are aligned with the government's international economic

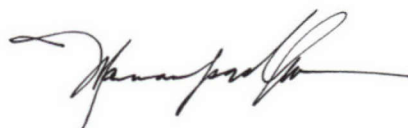


policy. One such example is the 'Seminar on Trade Facilitation and the WTO', held in October 2002. This Seminar was organized under the framework of the Asia Cooperation Dialogue (ACD), members of which comprised the participants. The aim was to foster an Asia-wide convergence of views, which might strengthen the negotiating positions of Asian countries in the continuing WTO trade negotiations. The Institute and the Foreign Ministry also jointly organized a training workshop on investment issues for Thai diplomats and officials. In addition, the Foreign Ministry has also requested the Institute to organize a training programme for BIMST-EC countries. To date, the Institute has also produced three publications to serve as records of the proceedings of selected events, as well as a testament to the kind of programmes that ITD has been generating.

In its first year, the Institute has concentrated much of its efforts on organizing seminar-type programmes, with the contribution of resource persons from other organizations and countries. While this is certainly a worthwhile activity, the Institute fully realizes that it cannot call itself a true "International Institute for Trade and Development" without also developing its own research and training capabilities. Therefore, the top priority for the Institute as it enters its second year is to build its own in-house capacities in the areas of research and training, by recruiting and developing in-house resource persons who are readily available to conduct relevant research and act as trainers.

In this endeavor, the Institute hopes to receive the necessary support from its supervisory board as well as the government, so that it may fulfill this valuable objective. In doing so, the Institute will also be fulfilling the hopes of Prime Minister Thaksin Shinawatra, who well understands the need and who, with full awareness of the Institute's vision and mission, has consistently supported the Institute since its official inauguration.

Having the interest and care of top government officials is of vital importance. Therefore, the Institute is highly appreciative of the efforts of the Prime Minister as well as the Minister of Foreign Affairs, Dr. Surakiart Sathirathai, who have been introducing the Institute to numerous international gatherings around the world. They have even urged the President of the Asian Development Bank to support the Institute. Such actions on their part have given those working at ITD the moral support that is necessary to forge ahead in their efforts to create a viable and robust Institute.

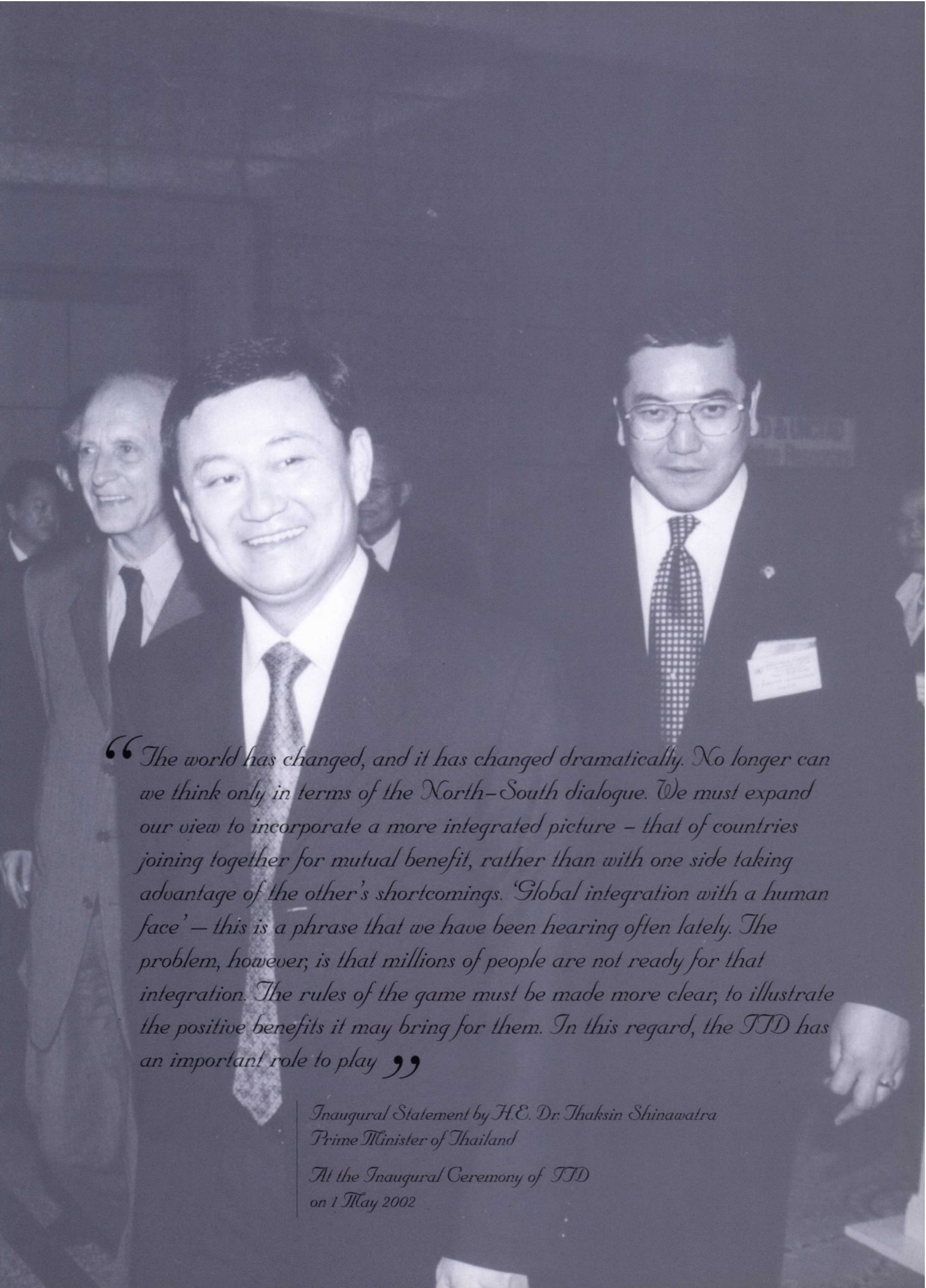


(H.E. Dr. Manaspas Xuto)

Executive Director

The International Institute for Trade and Development (Public Organization)





“The world has changed, and it has changed dramatically. No longer can we think only in terms of the North-South dialogue. We must expand our view to incorporate a more integrated picture – that of countries joining together for mutual benefit, rather than with one side taking advantage of the other’s shortcomings. ‘Global integration with a human face’ – this is a phrase that we have been hearing often lately. The problem, however, is that millions of people are not ready for that integration. The rules of the game must be made more clear; to illustrate the positive benefits it may bring for them. In this regard, the TTD has an important role to play ”

*Inaugural Statement by H.E. Dr. Thaksin Shinawatra
Prime Minister of Thailand*

*At the Inaugural Ceremony of TTD
on 1 May 2002*

BACKGROUND

OVERVIEW

Globalization has dominated international economic relations and world news throughout the latter half of the twentieth century. Full of promise and altruism in concept, in practice it has proven to be a double-edged sword introducing opportunities as well as risks.

Globalization as a process accelerated rapidly in the 1990s. It was expected to create new opportunities and generate momentum for worldwide progress, creating higher incomes, as well as better education and health care, all of which would lead to higher standards of living. In an ideal world, all countries would have entered the globalization playing field as equal participants. In reality, however, globalization has affected different countries in both positive and negative ways. For most of the world's nations, in fact, the globalization process has become yet another race in which they must struggle merely to keep pace.

The benefits of globalization have yet to be shared by everyone. Many developing countries, especially the Least Developed Countries (LDCs), have not achieved significant or

consistent increase in economic development and remain at a disadvantage in the current global marketplace. Lacking sufficient competitive capacities and basic infrastructures, they are forced to adapt along with the fast-changing advances of the more developed countries, with little or no assurance of being able to catch up. Additionally, international economic and social environments have become increasingly complex and not always conducive to the development efforts of less developed countries.

GENESIS

Idea for the establishment of the International Institute for Trade and Development originated from the initiative of H.E. Mr. Rubens Ricupero, Secretary-General of the United Nations Conference on Trade and Development or UNCTAD. The idea was partly motivated by the need to return the compliment in concrete terms to the Royal Thai Government for having offered to host the Tenth Ministerial Conference of UNCTAD in Bangkok and by



Mr. Ricupero's own yearning to have a long-lasting establishment for the dissemination of knowledge in development, particularly for the benefit of developing countries.

Thus on 17 March 1997, when H.E. Mr. Rubens Ricupero called upon H.E. General Chavalit Yongchaiyudh, Prime Minister of Thailand, and a number of senior cabinet Ministers, to discuss the organization of the Conference and its theme, he brought up the proposal to establish what he then called an institute of development. The Thai side welcomed the proposal. UNCTAD and Thai officials thereafter held a series of talks to create the International Institute for Trade and Development.

In February 2000, the Royal Thai Government hosted the 10th session of the United Nations

Conference – the Bangkok Declaration and the Bangkok Plan of Action, which emphasize the need for all development partners to strive for open dialogue and full participation of all countries in the international financial, trading and investment system. These documents also call for the rectification of imbalances and asymmetries in order to create a new global order that will distribute the benefits of globalization more fairly in the future.

The discussions for the new Institute eventually culminated within this context, through the signing of an Agreement between the Government of the Kingdom of Thailand and the United Nations concerning the International Institute for Trade and Development on 17 February 2000 by H.E. Dr. Surin Pitsuwan, Minister of Foreign Affairs of Thailand, and H.E.



Conference on Trade and Development (UNCTAD X). This occasion gathered high-level representatives of UNCTAD's 190 member states and hundreds of international and non-governmental organizations to exchange views and opinions under the theme "Development Strategies: Applying lessons of the past to make globalization an effective instrument for development of all countries and peoples." Member states and development partners endorsed two resulting documents at this

Mr. Rubens Ricupero, Secretary-General of UNCTAD, representing the United Nations. The signing of this landmark agreement became the highlight of UNCTAD X and is what Mr. Ricupero himself has termed a major "concrete result" of the Conference.

The International Institute for Trade and Development is a non-profit, legal entity established under Thai law as a public organization. It conducts activities in close cooperation with the Royal Thai Government, UNCTAD and other international and regional organizations.

Bangkok

Plan of Action



OBJECTIVES OF THE ITD

The International Institute for Trade and Development (ITD) was established with the overriding aim of creating a more equal playing field, responding to developing countries' growing needs for training and capacity-building assistance. More than ever, these tools are necessary for developing countries struggling to cope in today's world economy. Knowledge, training and capacity-building all aim to help these countries navigate increasingly complex regional and international economic arrangements resulting from globalization and liberalization processes.

According to the Cooperation Agreement between the Government of the Kingdom of Thailand and the United Nations, objectives of

the ITD are as follows:

- To provide knowledge for participants from countries in the Asian region and beyond through training and research programs in the areas of international trade, finance, investment and development as well as other relevant areas, enabling them to adjust effectively to the globalization and liberalization process;
- To assist developing countries in the region in building their capacities to meet the challenges and manage the risks of globalization and in formulating appropriate economic policies and legislative adjustments, complementing their development objectives;
- To promote and strengthen regional economic cooperation and integration through sharing and exchanging of experiences and knowledge; and
- To serve as a focal point and forum for training and capacity-building activities sponsored by UNCTAD and other interested organizations.

Scope of Activities

To achieve its objectives, the ITD, in cooperation with UNCTAD and other international organizations, will perform the following functions:

- (a) Organize seminars, workshops, training and research activities in the following areas:
 - Commercial Diplomacy: to enable developing countries to maximize the potential benefits from the international trading system by engaging effectively in negotiations and defending their rights in the implementation of international and regional trade and investment agreements;
 - Globalization and Liberalization: to help

increase the capacity of developing countries in managing and meeting the challenges and risks of globalization and liberalization and to assist them in formulating appropriate policies and legislative adjustments to the globalization and liberalization process in accordance with their development objectives; and

- International Trade and Investment Facilitation: to assist countries in improving systems and procedures for trade expansion in such areas as trade efficiency, customs, maritime transport and financial management;
- (b) Conduct and/or commission research and analysis activities on the potential and risks of globalization and liberalization for economic growth and development, in particular on issues related to trade, finance, investment and development, to provide inputs and information for the Institute's training, workshop and seminar programs;
- (c) Establish academic networks and promote linkages with national, regional and international organizations in providing training and research in the area of trade, finance, investment and development; and
- (d) Conduct other activities such as seminars and symposiums to promote better understanding of potential challenges and risks of globalization, liberalization and other economic issues, as well as their impacts on economic growth and development.

Geographical Coverage of the ITD

Activities of the International Institute for Trade and Development will be tailored towards the capacity-building needs of developing countries, particularly those in the Asian region. None-

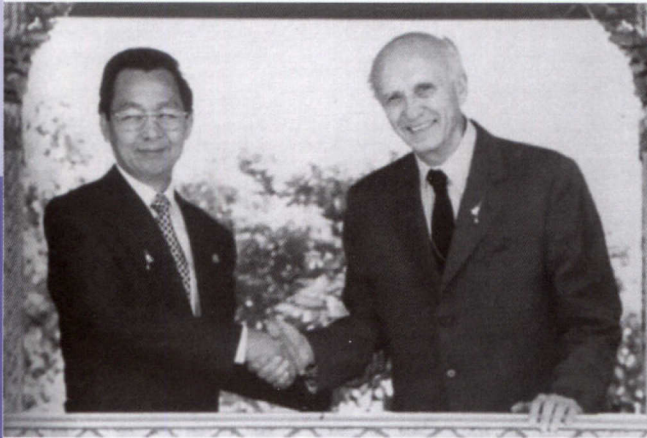


theless, participation in the Institute's activities will be open to all interested parties from public, private and non-governmental organizations from all countries.

INAUGURAL CEREMONY

The International Institute for Trade and Development was officially inaugurated on 1 May, 2002 at its headquarters and Sasin Hall on the campus of Chulalongkorn University.

The Institute's Inaugural Ceremony was presided over by Thailand's Prime Minister H.E. Dr. Thaksin Shinawatra, and was attended by high-level dignitaries from around the world who had gathered once again in Bangkok for UNCTAD's Mid-term Review Conference. In fact, as UNCTAD's distinguished Secretary-General Mr. Ricupero noted later in his address, the inauguration of the ITD was a highlight of the Mid-Term Review Conference, as it represents one of the more tangible results of UNCTAD X held two years earlier. At the Inauguration, guests in attendance at Sasin Hall watched a live telecast of the Prime Minister and Mr. Rubens Ricupero performing the ribbon-cutting and book-signing ceremony at the Institute. The Prime Minister and Mr. Ricupero - attended by the Minister of University Affairs, the Minister of Foreign Affairs, the Presi-



dent of Chulalongkorn University, and the Executive Director of the new Institute - then took a brief tour of the Institute's facilities. These facilities include a reference center and library, containing resources and materials from UNCTAD, as well as conference and training rooms.

At Sasin Hall, words of congratulations and well wishes were given by the Minister of University Affairs and the Foreign Minister. An Inaugural Report was delivered by the Executive Director of the new Institute, Dr. Manaspas Xuto, who then invited the Prime Minister to give his Inaugural Statement.

In his Statement, the Prime Minister noted, "The world has changed, and it has changed dramatically. No longer can we think only in terms of the North-South dialogue. We must expand our view to incorporate a more integrated picture – that of countries joining

together for mutual benefit, rather than with one side taking advantage of the other's shortcomings. 'Global integration with a human face' – this is a phrase that we have been hearing often lately. The problem, however, is that millions of people are not ready for that integration. The rules of the game must be made more clear, to illustrate the positive benefits it may bring for them. In this regard, the Institute has an important role to play."

The Inaugural Ceremony was further highlighted by the Secretary-General of UNCTAD's improvised address based on his formal lecture titled "Towards a New Development Paradigm," the first in a series of lectures to be presented at various international gatherings and events. In this improvised lecture, Mr. Ricupero offered "some personal reflections not only on the paradigm of development, but also on the global environment and then, moving from the general to the particular, to reach some conclusions on development and the challenges we face in the developing world."

In closing his address, Mr. Ricupero expressed his hope that the new Institute will become a leading center of knowledge and cooperation in the dynamic areas of trade and development, both in the region and beyond. It is a hope shared by many people, locally and beyond as, more than ever, the key to success in today's interdependent world lies in knowledgeable and well-developed human resources. As such, the Institute endeavors to become the regional focal point for trade and development issues, furthering human resource capacities and establishing cooperative networks which will, ultimately, uncover mutual benefits for all participants in the world economy.

EARLY VIABILITY

Conceived of as a capacity-building mechanism, the International Institute for Trade and Development (or ITD) is a functional reflection of the spirit of paragraph 166 of the Bangkok Plan of Action which was adopted by consensus at UNCTAD X.

The proposal to establish the ITD was widely known to delegations attending the landmark UNCTAD X. To wit, Prime Minister Keizo Obuchi of Japan addressed the plenary saying in part that the Government of Japan would consider providing support to the Thai-proposed institute in its future activities. Other delegations also expressed general backing.

While expression of support was apparent at the time of UNCTAD X, the two-year delay in establishing the Institute inevitably led to the loss of momentum and enthusiasm on the part of potential sources of support. The onset of the economic slowdown worldwide did not augur well for the hope of financial backup from traditional donors, whether national or international.

Thus, when the ITD was inaugurated in an impressive ceremony on 1 May 2002, the newly-established centre of training and research for developing countries of Asia and beyond was in dire financial straits which threatened its very survival from the start. The first grant-in-aid of 20,000 USD from Japan was confined to the purchase of audio-visual equipment for installation at the Institute on the campus of Chulalongkorn University.

In a fortunate twist of fate, H.E. Dr. Thaksin Shinawatra, Prime Minister of Thailand, kindly authorized financial support from the emergency fund which served to guarantee the survival of the ITD at a crucial moment. H.E. Dr. Surakiart Sathirathai, Minister of Foreign

Affairs and the Director of the Budget Bureau, also supported the Institute's request to the Prime Minister, thus making the special appropriation possible for a good cause.

Nevertheless, much harder work lies ahead as fund-raising is a daunting task. Again thanks to efforts on the part of the Prime Minister and the Minister of Foreign Affairs, the Asian Development Bank turned its attention to the ITD and began a series of discussions with its executives which finally led to the Bank's decision to earmark US\$150,000 as "a small-scale technical assistance" (SSTA) to the Institute, for the first year beginning in February 2003. The TA has already been partially expended both for consultancy fees and programme support.

Other avenues are being approached, some of which have come with a positive disposition which bodes well for the future viability of the ITD as it enters its second year of establishment. However, the annual government budgetary outlay remains an important source of funding for the operational costs of the Institute.

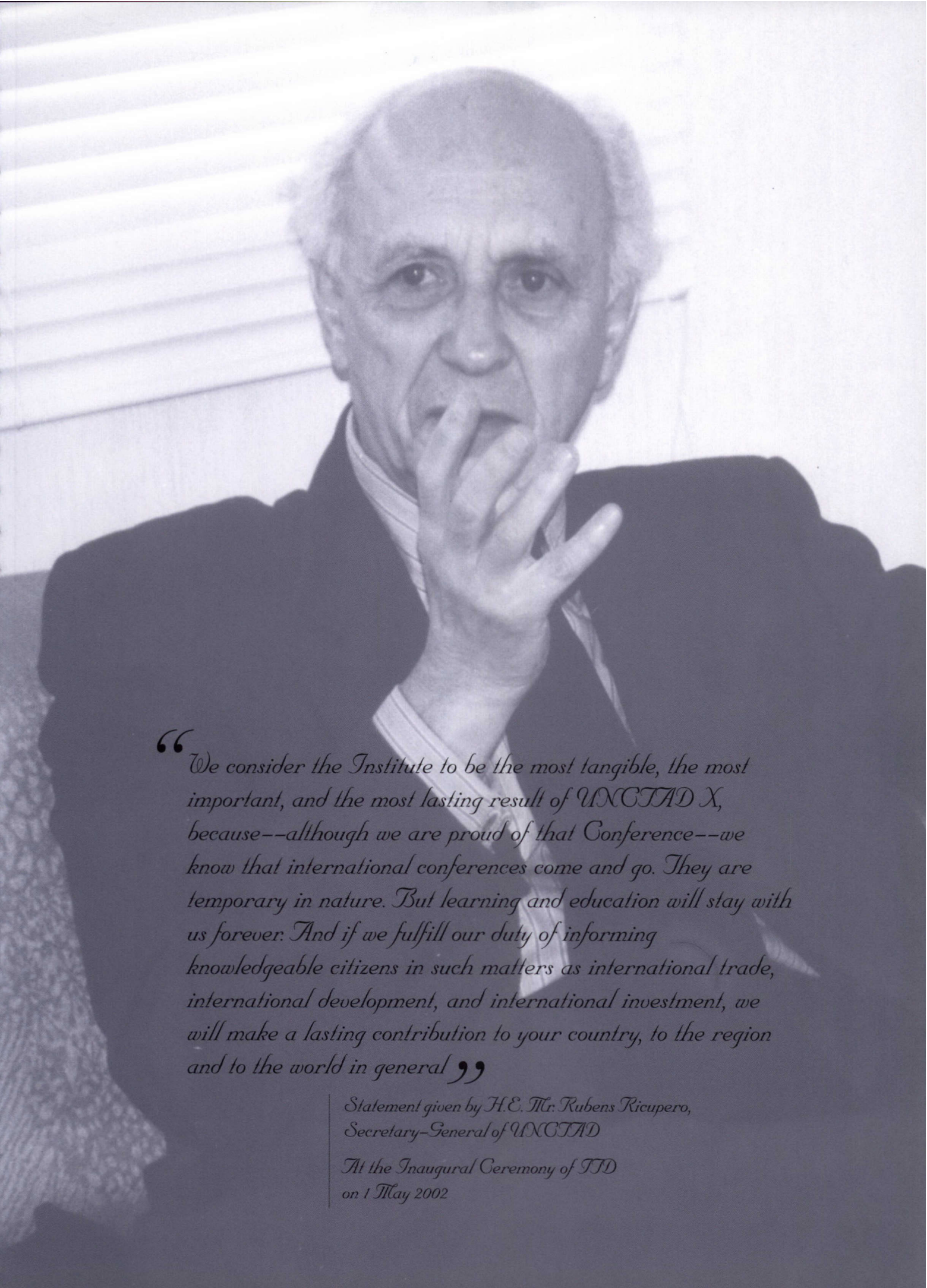
At the same time, efforts have continued to set up what the Thai-UNCTAD Agreement calls a "Trust Fund." UNDP is also involved, but concrete agreement has not been consummated as the first year of the Institute ends.

Vision

The International Institute for Trade and Development (IITD) is a centre of excellence in building capacity for developing countries in the Asian region and beyond, so that they will be able to integrate into an increasingly knowledge-based global economy and achieve optimal benefits from the dual processes of globalisation and liberalisation, while ensuring sustainable development.

Tasks

- 1: Maintain Systematic Collection of Knowledge*
- 2: Disseminate Knowledge*
- 3: Promote and Strengthen Economic Cooperation*



“We consider the Institute to be the most tangible, the most important, and the most lasting result of UNCTAD X, because—although we are proud of that Conference—we know that international conferences come and go. They are temporary in nature. But learning and education will stay with us forever. And if we fulfill our duty of informing knowledgeable citizens in such matters as international trade, international development, and international investment, we will make a lasting contribution to your country, to the region and to the world in general”

*Statement given by H.E. Mr. Rubens Ricupero,
Secretary-General of UNCTAD*

*At the Inaugural Ceremony of ITD
on 1 May 2002*

INTRODUCING THE INSTITUTE

Vision

The International Institute for Trade and Development (ITD) is a centre of excellence in building capacity for developing countries in the Asian region and beyond, so that they will be able to integrate into an increasingly knowledge-based global economy and achieve optimal benefits from the dual processes of globalisation and liberalization, while ensuring sustainable development.

Mission

ITD is committed to enhancing and strengthening the capacity of developing countries in the Asian region and beyond through training and research programmes in the areas of finance, international trade, investment, technology and development in order to enable the human resources in these countries to efficiently manage the risks and challenges of globalisation.

ITD maintains a pool of knowledge by conducting research and compiling information on subjects and issues relevant to capacity building.

ITD is a centre for human development activities, including seminars and workshops, aimed at enhancing capacity, with the support and cooperation of the Thai government and other international and regional organizations.

ITD enhances its core competence in course delivery and ability to disseminate knowledge by building up sufficient in-house research and training capabilities on a continuous basis.

ITD promotes and strengthens economic cooperation among nations. Based upon the participatory principle, it provides fora for creative dialogues and collaborative efforts which will lead to mutual benefits and harmony in the integrated world economy.

Implementation of the Main Tasks

Task 1: Maintaining Systematic Collection of Knowledge

In order to serve as a regional centre for training and dissemination of knowledge in the fields of finance, international trade, investment,



technology and development, the Institute will compile information from various sources and conduct research on topics unexplored by other organizations to build up a complete body of knowledge on relevant subjects.

The Research Division of the Institute will closely monitor current global issues and identify those that have implications on the future activities of human resources. Once the issues are selected, all information and studies related to the issues are collected for further analysis. If there is an apparent need for additional knowledge, this Division will carry out a research programme either by in-house

In the case where knowledge or research has been effectively and completely compiled by another partner organization, the Institute will utilize the expertise of that organization in the preparation of the training materials as well as the delivery of the texts. The role of the Institute is to ensure that the participants understand the varied perspectives of the issue at hand.

Task 2: Dissemination of Knowledge

Realizing that human resources in the Asian region should be better informed to effectively manage the challenges of globalisation, the main purpose of this task is to provide knowledge



researchers or by commissioned experts. This store of knowledge will then be maintained in a systematic fashion for dissemination by the Information Centre on Trade and Development.

In addition to the above function, the Research Division, in collaboration with the Training Division, will modify the research outputs and the knowledge obtained into training modules. Some of the research reports could be used in seminars to draw comments and views from experts in other organizations. The ultimate aim is to produce course materials and publications which are comprehensive, containing a wide range of views, all the while emphasizing its applicability within the Asian context.

and information regarding issues of global implication to personnel in the Asian region. Modes of dissemination vary from direct training to online posting of publications. While the Training Division has the responsibility of ensuring that participants in the training course understand the issue well, the Information Centre on Trade and Development will distribute the publications to targeted members and post the information on to ITD's website to reach world-wide audiences.

In performing its function, the Training Division would start by inquiring government agencies around Asia on their capacity building needs. From this survey, the Division can design a specific curriculum to suit specific needs. Another approach is for the Training Division, in consultation with the Research Division, to conceptualise a programme which could benefit the Asian countries and to design the curriculum accordingly.

In organizing training activities, the Training Division will have to employ the available resources wisely. In certain cases where expertise exists in such international organizations as UNCTAD, UNESCAP, ITC and ADB, lecturers can be mobilized from these organizations. In other cases, in-house experts from the Research Division or Training Division may be called on to conduct the course.

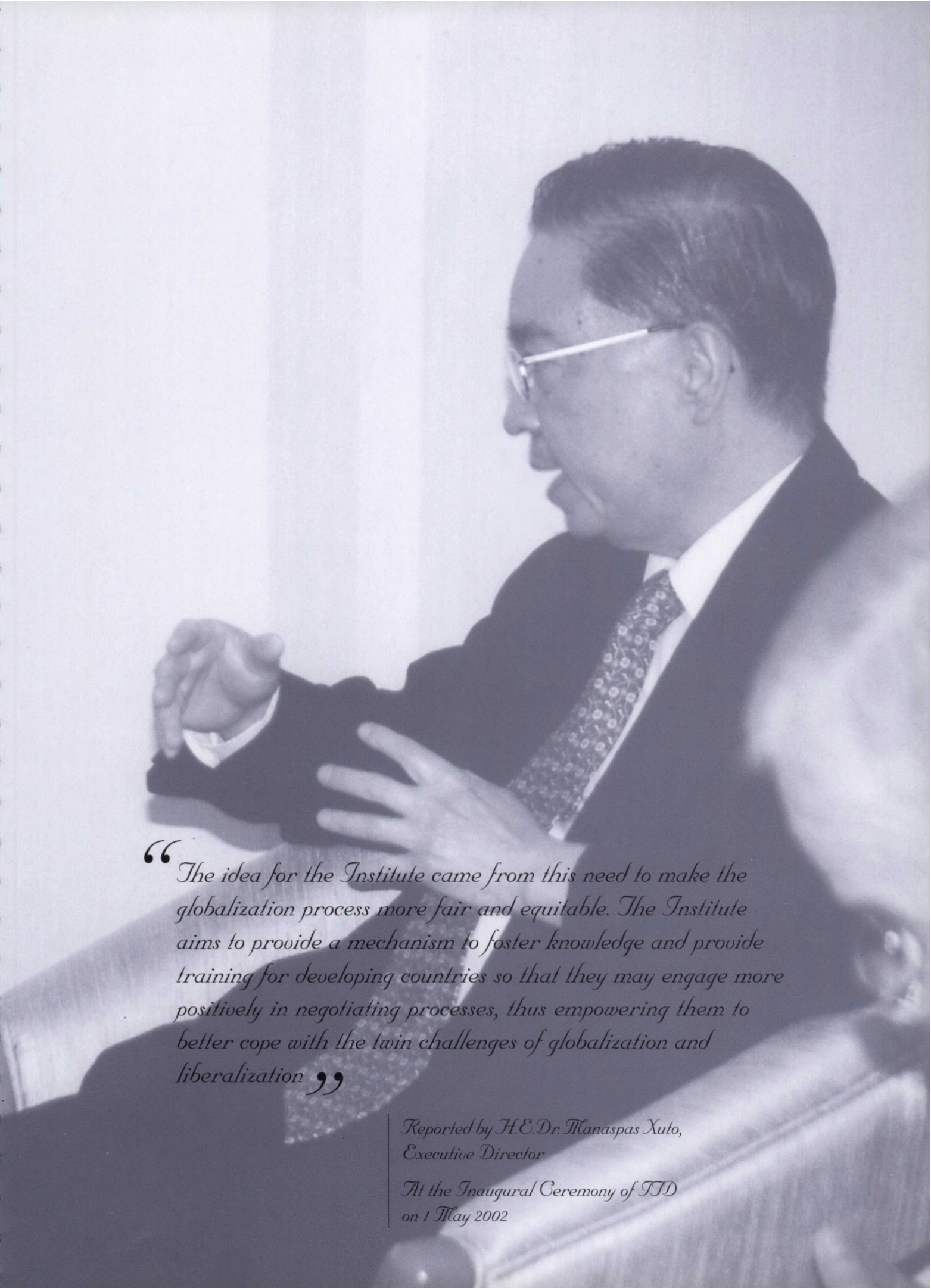
Staff members of the Training Division have been trained to be qualified instructors. They have experience in turning complex texts into understandable language, without losing the core principles. They also have expertise in the presentation of these texts. Since all of the training courses and workshops require active participation, these trainers will devise situational strategies to activate the deliberations and interaction.

Task 3: Promoting and Strengthening Economic Cooperation

ITD strongly believes that nations can cooperate in harmony despite their differences in economic and social agendas if, prior to any negotiations, their officials share and understand one another's constraints and problems. The prior condition can be achieved through informal initial dialogue among concerned countries. In this regard, ITD is keen to provide a venue where officials can learn the implications of relevant issues and share their views without being tied to their official representation.

To promote and strengthen economic cooperation, ITD will explore ways and means as well as topics or subjects of mutual concern and will invite stakeholders to engage in a process of building greater understanding. ITD will not only concentrate on bringing together, in an informal and non-binding setting, opposing viewpoints in an ongoing negotiation in order to help breaking an impasse, but also on other issues that could lead to mutual benefits. Administrators of the ITD can perform the role of mediator or moderator in the forum, which will do much to encourage cooperation among nations. All these undertakings are to pave the way for international cooperation in order to achieve the ultimate rewards of sustainable development and peaceful coexistence.





“The idea for the Institute came from this need to make the globalization process more fair and equitable. The Institute aims to provide a mechanism to foster knowledge and provide training for developing countries so that they may engage more positively in negotiating processes, thus empowering them to better cope with the twin challenges of globalization and liberalization.”

*Reported by H.E. Dr. Manaspas Xuto,
Executive Director*

*At the Inaugural Ceremony of ITD
on 1 May 2002*

ADMINISTRATION

Executive Board of the Institute

Article 12 of the Royal Decree establishing the International Institute for Trade and Development (Public Organization) in year 2002 stipulates that an Executive Board of the Institute shall be established to provide overall policy guidance and to oversee the operation of the Institute. The role of Chairperson of the Executive Board is assumed by the Permanent Secretary of the Ministry of Education, Religion and Culture. Ex officio directors of the Board comprise the Permanent Secretaries of the Ministry of Finance, the Ministry of Foreign Affairs, the Ministry of Commerce, the President of Chulalongkorn University, and the Executive Director of the Institute, who also serves as secretary to the Board.

In addition, the Council of Ministers appointed five specially-qualified Board members. These eminent persons must be knowledgeable and maintain expertise in the following areas of study: education, law, administration and international trade. At least three of these persons must not

be government officials or employees of a government agency. A provisional clause in the Royal Decree (Article 36) states that, pending the official establishment of the Ministry of Education, Religion and Culture, the Permanent Secretary of University Affairs will serve as Chairman of the Board, while the Minister of University Affairs oversees the implementation of the Royal Decree.

On the recommendation of the Ministry of University Affairs, the Council of Ministers --at its meeting on 15 January 2002-- appointed five qualified persons as Members of the Board in order to ensure efficiency and proper functioning of the Institute.

Appointment of the Executive Director

The Institute is headed by a full-time Executive Director appointed by the Executive Board. The Executive Director must be a Thai



national with thorough understanding and experience in the work of international organizations. He must also be able to mobilize financial support from both domestic and foreign sources to support the operations of the Institute.

On 24 January 2002, the Executive Board appointed a sub-committee to search for an able person to assume the position of Executive Director, the process of which was conducted through open recruitment.

After a review of potential candidates, the sub-committee recommended to the Executive Board a qualified candidate in the person of Ambassador Manaspas Xuto, a career diplomat who had extensive experience in international affairs. On February 11 2002, the Executive Board formally appointed Dr. Manaspas Xuto as the first Executive Director of the Institute.





Professor Dr. Voradej Chandarasorn
Chairperson

BOARD OF DIRECTORS



Mr. Somchainuk Engtrakul
Member



Dr. Tej Bunnag
Member



Mr. Karun Kittisatoporn
Member



Associate Professor
Dr. Tatchai Sumitra
Member



Mr. Charae Chutharatkul
Member



Professor Dr. Somchai Richupan
Member



Mr. Chainarong Indharamesup
Member



Dr. Uthai Dulyakasem
Member



Associate Professor Dr.
Chumphorn Pachusanond
Member



H.E. Dr. Manaspas Xuto
Member and Secretary

HONORARY ADVISERS TO EXECUTIVE DIRECTOR



Dr. Virabongsa Ramangkura
Honorary Adviser



Mr. Kosit Panpiemras
Honorary Adviser



Dr. Narongchai Akrasanee
Honorary Adviser



Dr. Thanong Bidaya
Honorary Adviser



Professor
Dr. Thienchay Kiranandana
Honorary Adviser



Professor
Dr. Chai-anan Samudavanija
Honorary Adviser



Dr. Khunying Suthawan
Sathirathai
Honorary Adviser



Mr. Chakramon Phasukavanich
Honorary Adviser



Professor Vitit Muntarbhorn
Honorary Adviser

MANAGEMENT TEAM



H.E. Dr. Manaspas Xuto
Executive Director

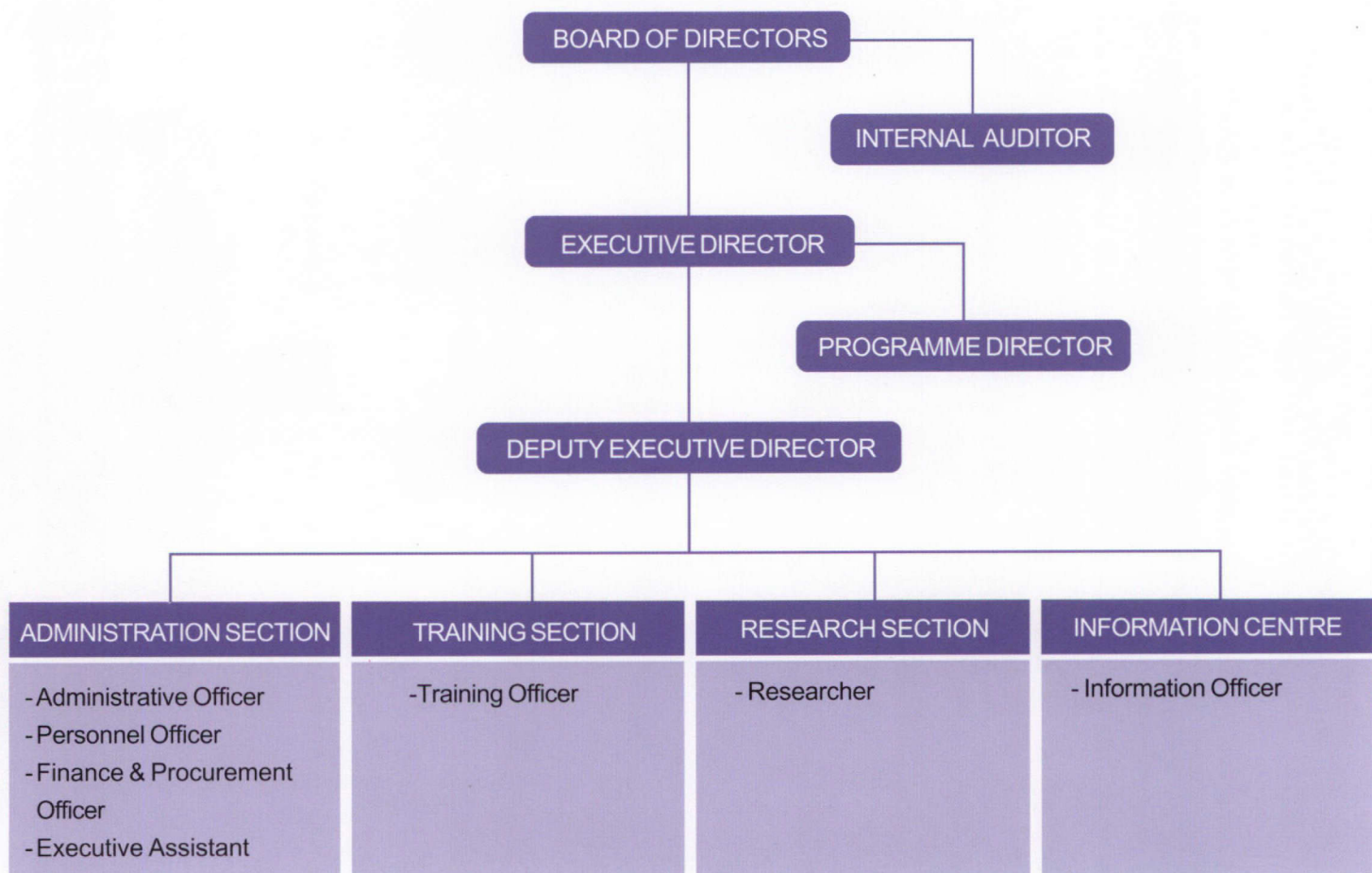


Dr. Somchin Suntavaruk
Programme Director



Ms. Piyachanid Suthinont Sukchan
Deputy Executive Director

ORGANIZATION CHART





Development

“This Institute will serve as a regional center for research and training in the areas of globalization and liberalization, commercial diplomacy, and international trade and investment facilitation. Its network with national and regional universities and research institutions as well as international organizations will better prepare this diversified region in coping with the complexities of trade negotiations and the implementation of their commitments, particularly in promoting the next multilateral trade negotiations to be a truly development round”

*Remarks by H.E. Dr. Surakiart Sathirathai,
Minister of Foreign Affairs, Thailand*

*At the Inaugural Ceremony of ITD
on 1 May 2002*

PERFORMANCE AND ACTIVITIES - 2002/3

ITD's performance during its first year is reflected chiefly through the activities it has organized, which range from training sessions, workshops and seminars, to meetings and other special events. From year 2003 on, this section will present brief capsules of the activities implemented during each financial year, which for ITD starts in January and ends in December of each year. This special first edition of the Report, however, will present coverage of the first 12 months of ITD's operation, from 1 May 2002 to 30 April 2003. Below are highlights of the activities and events undertaken and implemented in ITD's first year of existence.

Events and Activities

Special Lecture

As part of the official inauguration ceremony of the Institute on 1 May 2002, a special address was delivered by H.E. Mr. Rubens Ricupero, Secretary-General of UNCTAD, titled "Towards a New Development Paradigm", to an audience numbering over 200 persons. The lecture was

attended by a number of distinguished guests, including the Foreign Minister of Thailand, H.E. Dr. Surakiart Sathirathai.

Trainings and Workshops

Training Workshop on Investment Issues for Thai Diplomats and Officials on 18 September 2002

Jointly organized by the Ministry of Foreign Affairs and the ITD, and subsequent to the launching of UNCTAD's World Investment Report 2002 on 17 September 2002, this training workshop aimed to enhance the capacities of Thai officials in promoting foreign direct investment as an important element of economic development. Specifically, this involved promoting the understanding of principles, issues, and agendas relating to investment in Thailand as well as outward investment by Thai investors. Resource persons comprised officers from UNCTAD, UNESCAP, Board of Investment, Thailand (BOI), as well as foreign investors who had extensive investment experience in Thailand. There were

72 participants in attendance, hailing from various ministries, the BOI, the Office of the National Economic and Social Development Board (NESDB), the Secretariat of the Parliament, and the Federation of Thai Industries.

Workshop on Trade Facilitation and the WTO during 21-22 October 2002

Contributing to the on-going ACD process was a major rationale behind the organization of this course. The 25 mid-level officials attending

Training Workshop on Key Issues on the International Economic Agenda during 18-29 November 2002

Organized in collaboration with UNCTAD, this training workshop was the first regional programme of UNCTAD to take place outside Europe, with similar courses to be organized in the African and South American regions as well. Twenty-five attendees from 17 countries were invited to join the workshop, consisting of high-level officials in charge of international trade



this workshop represented almost all of the 18 core Asia Cooperation Dialogue (ACD) countries, making for an event of real regional scope. Resource persons were provided by UNESCAP who, along with Thailand's Ministry of Foreign Affairs, also covered travel and accommodation costs for some participants. The purpose of the workshop was to enhance understanding of the concept and problems of trade facilitation and the issues related to the WTO negotiations. This workshop is intended to be the first in a series of similar events on trade facilitation, with the ultimate aim of contributing concretely to improving trade procedures and practices in the various countries involved.

policy formulation and negotiation. The subjects addressed were trade negotiation, investment, intellectual property rights protection, agriculture, trade in services and other issues related to liberalization and globalization. The purpose of the training workshop was to empower participants with negotiation tactics and strategies. A negotiation simulation exercise was carried out during the training, which took place at ITD headquarters. In addition, on 21 November 2002, a special lecture was delivered by H.E. Mr. Rubens Ricupero, Secretary-General of UNCTAD, in the presence of such distinguished guests as Mr. Kim Hak-Su, Executive Secretary of UNESCAP and Mr. Robert England, Resident Representative of UNDP.

Training Workshop on Introduction to the Settlement of International Trade Law Disputes at the WTO during 27-29 January 2003

Hosted by the ITD in cooperation with UNCTAD, the main purposes of this workshop were to enhance the understanding of dispute settlement



procedures under the WTO and to enable participants to adopt them as practical guidelines. Participants of this workshop comprised 35 officials from 8 countries: Pakistan, the Philippines, Sri Lanka, People's Republic of China, India, Korea, Singapore, and Thailand. The programme also included a special luncheon talk by a highly-respected representative from Thailand's Ministry of Foreign Affairs who offered views on international trade laws as well as an enlightening perspective of the dispute settlement procedure, drawn from personal experience.

Seminars

Inaugural Seminar on Reforming the Global Financial Architecture and Foreign Direct Investment Trends and Policies: Development Implications on 3 May 2002

This programme featured two resource persons from UNCTAD, and was attended by 75 participants from various sectors: government, academia, media, diplomatic corps, and international organizations. Originally intended for a local audience, participation turned out to be truly international, with participants from Africa, European Union, the World Bank, UNESCAP, and the International Monetary Fund (IMF). The Question and Answer periods witnessed lively interaction between speakers and participants on the various issues raised.

Seminar on Key Economic Issues for the Future of Asia on 6 December 2002

This seminar was held in partnership with the Faculty of Economics, Chulalongkorn University, Bangkok and the Department of Economics, National University of Singapore, and was attended by 70 participants. This seminar provided the organizers with the opportunity to discuss and agree in principle to create a network for further academic links and collaboration.

Seminar on New Round of Trade Talks: Issues Pertaining to Agriculture and Services during 18-21 March 2003

This seminar was jointly organized by the ITD and UNESCAP and co-sponsored by NORAD Fund, the National Bureau of Agricultural Commodity & Food Standards (NBACFS), and UNCTAD. It aimed to enhance the capacity of the various personnel of Colombo Plan mem-

ber countries in the matter of trade negotiations regarding agricultural products as well as trade in services. The session was conducted with an emphasis on interaction and encouraging informal discussion among the 21 senior officials from 12 countries: Bangladesh, Fiji, India, Indonesia, Iran, Malaysia, Myanmar, Nepal, the Philippines, Sri Lanka, Thailand, and Vietnam. The proceedings of this workshop is in the process of being prepared.

Meetings

Consultative Meeting on the Technical Support Document: Fisheries during 10-11 November 2002

Jointly organized by the Asia-Pacific Regional Initiative/UNDP and ITD, this meeting aimed to assist the research team by providing a forum in which comments and ideas could be discussed in order to improve the terms of reference of the technical support document. The ITD assisted the project by arranging for a group of 25 experts on fisheries, and other related specialists from both trading and processing businesses, to exchange views and comments on the terms of reference.

Meeting on Capacity Building and Technical Assistance Needs for the Enforcement of Competition Law in Thailand on 12 November 2002

In cooperation with the Department of Internal Trade, the Ministry of Commerce, the ITD staged a forum for the Internal Trade Department to address and emphasize the capacity building and technical assistance requirements to donor countries and organizations in the fields of competition law enforcement. Representatives from UNCTAD provided



supporting documents to reiterate the importance of competition policy in Thailand. There were altogether 25 participants, including experts from various countries, representatives of donor countries, international organizations, and the Thailand Development Research Institute (TDRI).

Regional Consultative Meeting on the Project on Building Capacity for Improved Policy Making and Negotiation on Key Trade and Environment Issues during 3-4 December 2002

This meeting was jointly organized by the ITD and UNCTAD, and co-sponsored by the Foundation for International Environment Law and Development (FIELD) and the Department for International Development (DFID), United Kingdom. Thirty participants from 6 countries (China, Bangladesh, the Philippines, Vietnam, Cambodia, and Thailand) were in attendance. The Project at hand aims to build capacity among public policy makers involved in trade and environment in the regions of Asia, Africa and Central America during a period of two years. The meeting was designed to contribute to this

process by gathering together key players to decide on the capacity building programme that would best benefit members or stakeholders in Asia. It was agreed in principle to organize 2 workshops in Bangkok in 2003 on 'Market Access of Environmentally-Sensitive Products' and 'Intellectual Property Rights Protection Pertaining to the Environment'.

Consultative Meeting on the Technical Support Document: Environmental Services during 20-21 January 2003

Jointly organized with the Asia-Pacific Regional Initiative/UNDP, this meeting aimed to assist the research team by providing key players with the opportunity to gather together and exchange comments and ideas on how to improve the terms of reference of the technical support document. The ITD arranged for a group of 26 experts on Environmental Services and other related specialists from various ministries and the industrial sector to exchange views and comments on the terms of reference.

Others

The Launching of the World Investment Report 2002 on 17 September 2002

UNCTAD's World Investment Report is recognized worldwide as the authoritative source of information and analysis of investment scenarios and trends. UNCTAD has chosen Bangkok as one of the venues for the worldwide launching of this Report, and the ITD was honored to assume a joint role as organizer along with UNCTAD and the Ministry of Foreign Affairs, Thailand.

The event was presented in 2 sessions. The first session was in the form of a press conference held at the Press Centre, Ministry of Foreign



Affairs. This briefing session was moderated by ITD's Executive Director, who was joined by representatives from UNCTAD, and the Ministry of Foreign Affairs. The session was well received by the press--represented by 35 local and international correspondents from 24 agencies--who showed significant interest during the Question and Answer period.

Following the press conference, the second session consisted of a brief presentation on the World Investment Report by an UNCTAD representative at the Ministry of Foreign Affairs. The audience comprised altogether 58 representatives from high-level government agencies, the private sector, diplomatic corps, and the media.

Upon expiration of the embargo, the launching was given wide coverage in various media formats, particularly newspapers, television, and radio, in both local-language and English versions. Two excerpts follow:

Thailand eases to 41st in FDI ranking: China is biggest recipient in region (Bangkok Post, 18 September 2002)

"Dr. Manaspas Xuto, Executive Director of the International Institute for Trade and Development said Thailand's strategy to target specific investors rather than rely on general investor promotions should reap gains in the form of higher FDI flows in the future. FDI in Thailand totaled \$3.8 billion in 2001, up from \$1 billion in 2000 but below the \$5 billion received in 1998."

Kingdom's FDI up \$1 bn in 2001, \$47 bn FDI to China (The Nation, 18 September 2002)

"Amidst the global economic slowdown, the FDI inflows to Thailand continued to grow because of internal stability and our status as a manufacturing industrial base, especially in the automotive sector", said Dr. Manaspas Xuto, Executive Director of the International Institute for Trade and Development."

FOREIGN DIRECT INVESTMENT

Kingdom's FDI up \$1 bn in '01



UNCTAD's chief of investment promotion, Shaba Basah, said that the reasons for the decline in the "the slowdown in the world economy and a weakening of business confidence". Both were seen as temporary setbacks in the automotive sector, said Manaspas Xuto, executive director of the International Institute for Trade and Development. Xuto said that the FDI inflows to Thailand continued to grow because of internal stability and our status as a manufacturing industrial base, especially in the automotive sector. He said that the FDI inflows to Thailand were up 24 per cent in 2001 over 2000, the largest in six years, and UNCTAD secretary-general Roberto Ruggie speaking at the launch of the World Investment Report.

\$47 bn FDI to China

From 18

investment promotion policies, such as the triple A rating by the Deputy Prime Minister Sornjai Attanasak, are also vital in attracting FDI.

China's FDI inflows in 2001 reached \$47 billion, up from \$44 billion in 2000. This was a record for China, which has been the largest recipient of FDI in the world since 2000. The growth in FDI to China was driven by a combination of factors, including the country's large market, its growing economic power, and its improving investment environment. China's FDI inflows are expected to continue to grow in the coming years.

ไทยติดอันดับ 3 เงินทุนต่างชาติไหลเข้า

● สกต. ยืนยันการขึ้นทะเบียนบริษัทกับเนื้อหา
● แนวคิดพัฒนาภาคเกษตรกรรม

กรุงเทพฯ 18 ก.ย. - สำนักงานส่งเสริมการค้าระหว่างประเทศ (สกต.) กระทรวงพาณิชย์ รายงานว่า ไทยติดอันดับ 3 ในรายชื่อประเทศที่ดึงดูดการลงทุนจากต่างชาติ (FDI) มากที่สุดในปี 2545 โดยมีมูลค่าการลงทุนรวม 3,800 ล้านดอลลาร์สหรัฐ เพิ่มขึ้นจากปี 2544 ที่ 1,000 ล้านดอลลาร์สหรัฐ

สกต. รายงานว่า ไทยติดอันดับ 3 ในรายชื่อประเทศที่ดึงดูดการลงทุนจากต่างชาติ (FDI) มากที่สุดในปี 2545 โดยมีมูลค่าการลงทุนรวม 3,800 ล้านดอลลาร์สหรัฐ เพิ่มขึ้นจากปี 2544 ที่ 1,000 ล้านดอลลาร์สหรัฐ

อังกฤษ: วิกฤตการลงทุนโลก

อังกฤษ: วิกฤตการลงทุนโลก... รายงานจากสำนักงานส่งเสริมการค้าระหว่างประเทศ (สกต.) กระทรวงพาณิชย์

สกต. รายงานว่า อังกฤษประสบกับวิกฤตการลงทุนโลก (FDI) ในปี 2545 โดยมีมูลค่าการลงทุนรวม 3,800 ล้านดอลลาร์สหรัฐ เพิ่มขึ้นจากปี 2544 ที่ 1,000 ล้านดอลลาร์สหรัฐ

อังกฤษ: วิกฤตการลงทุนโลก

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SUMMARY OF ACTIVITIES DURING THE PERIOD OF MAY 2002 - APRIL 2003

No	D/M/Y	ACTIVITIES & PROGRAMMES	CO-ORGANIZER(S)	NO. OF PARTICIPANTS
1	1 May 2002	Inaugural Ceremony of ITD: Special Lecture "Towards a New Development Paradigm"	UNCTAD	200
2	3 May 2002	Inaugural Seminar on "Reforming the Global Financial Architecture" and "Foreign Direct Investment Trends and Policies: Development Implications"	UNCTAD	75
3	17 Sept. 2002	Launching of the World Investment Report 2002	Ministry of Foreign Affairs/ UNCTAD	82
4	18 Sept. 2002	Training Workshop on Investment Issues for Thai Diplomats and Officials	Ministry of Foreign Affairs/ UNCTAD	72
5	21-22 Oct. 2002	Workshop on Trade Facilitation and the World Trade Organization (WTO)	UNESCAP	27
6	10-11 Nov. 2002	Consultative Meeting on Technical Support Document: Fisheries	UNDP/Asia-Pacific Regional Initiative	25
7	12 Nov. 2002	Meeting on Capacity Building and Technical Assistance Needs for the Enforcement of Competition Law in Thailand	Department of Internal Trade, Ministry of Commerce	25
8	18-29 Nov. 2002	Training Workshop on Key Issues on the International Economic Agenda	UNCTAD/ UNESCAP	25
9	3-4 Dec. 2002	Regional Consultative Meeting on the Project on Building Capacity for Improved Policy Making and Negotiation on Key Trade and Environment Issues	UNCTAD/FIELD/DFID	30
10	6 Dec. 2002	Seminar on Key Economic Issues for the Future of Asia	Department of Economics, Chulalongkorn University and Department of Economics, National University of Singapore	70
11	20-21 Jan. 2003	Consultative Meeting on Technical Support Document: Environmental Services	UNDP/Asia-Pacific Regional Initiative	26
12	27-29 Jan. 2003	Training Workshop on Introduction to the Settlement of International Trade Law Disputes at the WTO	UNCTAD	23
13	18-21 Mar 2003	Seminar on New Round of Trade Talks: Issues Pertaining to Agriculture and Services	Colombo Plan/UNESCAP/NORAD FUND/ NBACFS/UNCTAD	19

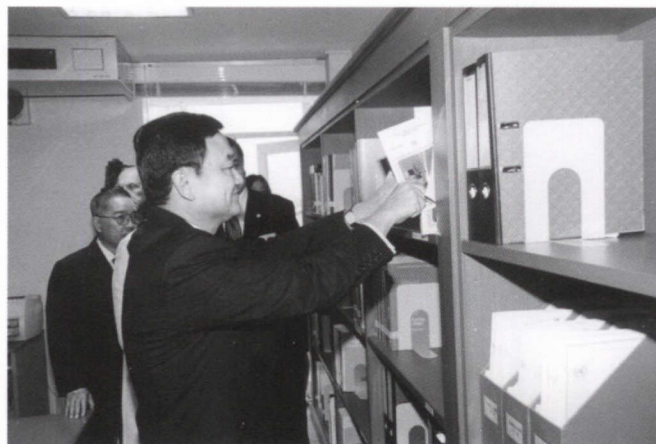
Information Services

Publications issued by ITD:

1. "Inaugural Lecture and Seminar: Towards a New Development Paradigm – International Economic Agenda and Coherence of Finance, Trade, Investment, Technology and Development" (May 2002). The Inaugural Lecture includes both the formal lecture as well as the transcript of the address delivered by Mr. Rubens Ricupero, Secretary-General of UNCTAD, at the Inaugural Ceremony of the Institute, based on the formal text. Seminar lectures were presented by Mr. Yilmaz Akyuz and Mr. Karl Sauvant, on the topics of "Reforming the Global Financial Architecture" and "Foreign Direct Investment Trends and Policies: Development Implications", respectively. Transcript of the question and answer periods are also included. The publication was extensively distributed to individuals in all sectors and civil society in Thailand and abroad.
2. "Proceedings of the Training Workshop on Investment Issues for Thai Diplomats and Officials" (September 2002). This publication features a presentation made by Ms. Nazha Benabbes-Taarji of UNCTAD and by Mr. Marc Proksch of UNESCAP. Also included in the publication are perspectives of two foreign investors with extensive experience in Thailand as well as a representative of the Thai Government's Board of Investment. Transcript of the question and answer periods are also included. Copies of this publication were circulated domestically and abroad, including to all Thai Ambassadors and Consuls-General around the world.

Information Centre on Trade and Development

Having undertaken as its core mission the task of empowering human resources of societies within the region and beyond, ITD has established on its premise an Information Centre on Trade and Development with the aim to create a 'knowledge hub' on current issues of trade and development. The materials contained in this Centre can be used by visitors and other interested parties to support their own capacity building and research works. Resources currently available are materials and publications produced by UNCTAD; this will in future be expanded to include materials from other relevant international organizations such as the World Trade Organization (WTO) and the International Trade Centre (ITC).



The objectives of the ITD Information Centre are:

1. To provide target groups with resources and information on trade and development, as a way of disseminating knowledge among global citizens;
2. To inform interested parties of work programmes and other initiatives taken by the ITD; and
3. To develop distance learning/teleconference courses whereby the more current issues in trade and development may be given a wider audience and discussed in a training environment.

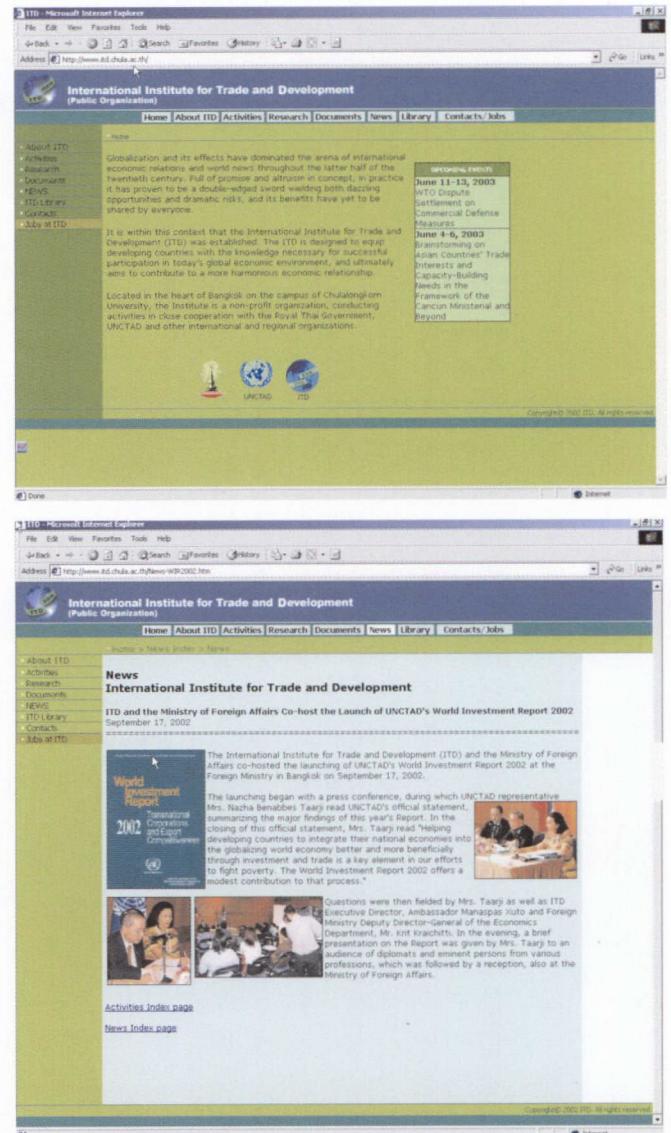
To fulfill these objectives, the Institute will:

1. **Develop an online database** – The ITD will develop an online database featuring materials and modules on topics presented at the various seminars and workshop programmes organized by the ITD. These will include transcripts or excerpts of presentations and speeches made at such events. The ITD server is housed on the premises of Chulalongkorn University, which established a computer networking system and provided technical support in the initial stages of ITD's operation.
2. **Maintain ITD website** –The ITD website was launched on 1 May 2002 to coincide with the inauguration of the Institute, with a new design launched towards the end of the year on 27 December 2002. The website will ultimately function as the core of the information hub, providing access to resources, speeches, research works and other materials relevant to ITD activities as well as to trade and development topics in general. The website also serves as a public relations tool, providing coverage of the Institute and conveying updated information on both

upcoming and past events organized by the Institute.

Features of the ITD website include:

- Background information on ITD's history and set-up
- Calendar of events and activities, with programme details on course date, time, and agenda. Users may also access brief capsules of past programmes which have been organized by the Institute, including links to related speeches, presentation transcripts and other materials, as available.



- Research works, available for downloading.
- Documents and articles on current and relevant topics of interest, such as analyses and insights on development trends, intended to provoke thought, understanding and discussion.
- An online library with electronic files for reading and downloading, as well as links to other libraries, including Chulalinet library catalog search and the UNCTAD Digital Library.
- Updates on the latest ITD news and activities.
- Links to websites of prominent international organizations, such as UNCTAD and the WTO.

3. Maintain collection of printed materials

The ITD will also maintain in its on-premise library a hard-copy collection of printed materials regularly received from prominent international organizations including the United Nations Conference on Trade and Development (UNCTAD), the International Trade Centre (ITC), The World Bank, the Asian Development Bank (ADB), the World Trade Organization (WTO) and the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP).

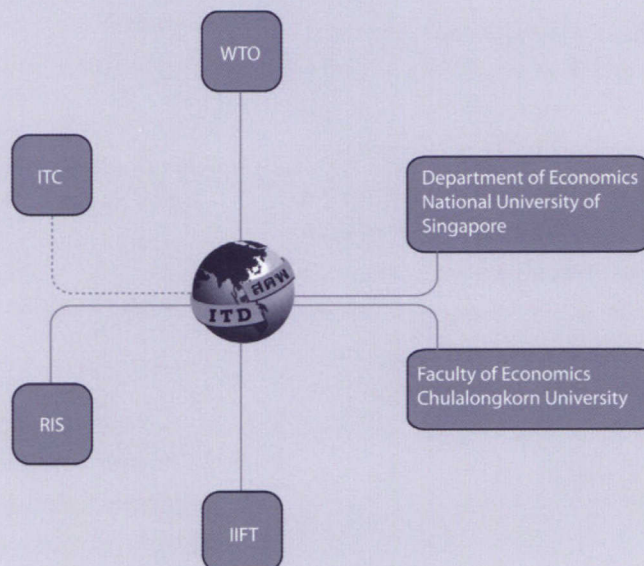
PARTNERSHIP AND NETWORKING

In the Cooperation Agreement between The Royal Thai Government and UNCTAD, it was mandated that the International Institute for Trade and Development "Establish academic networks and promote linkages with national, regional and international organizations in providing training and research in the areas of trade, finance, investment and development" (Article 3, paragraph 3). Recognizing the importance of productive partnerships, the Institute has been taking steps to fulfill this mission from the moment of its inauguration. To date, organizations with which the ITD has achieved an agreement of partnership and cooperation include:

1. The Department of Economics, National University of Singapore

This agreement originated from a meeting of minds that occurred when the Institute was invited by the Faculty of Economics, Chulalongkorn University and the Department of Economics, National University of Singapore, to attend an international, academic seminar on "Key Economic Issues for the Future of Asia" on 6 December, 2002. The idea was to establish a solid working relationship with an internationally well-respected Department in the field of economics. A Memorandum of Understanding was prepared with the Economic Executive Programme, Department of Economics, National University of Singapore and the International Institute for Trade and Development, which will create an avenue for joint collaboration on projects to disseminate knowledge, as is possible through such activities as training workshops and academic seminars. The agreement also calls for

PARTNERSHIP AND NETWORKING



WTO: World Trade Organization

ITC: International Trade Centre

RIS: Research and Information System for the Non-Aligned and Other Developing Countries

IIFT: Indian Institute of Foreign Trade

research in areas where there is an intersection of interest. Through these efforts, the two parties hope to disseminate knowledge among the general public on issues of economics and economic relations between countries, in order to develop the human resource capacities of the respective societies.

2. World Trade Organization

Dr. Supachai Panitchpakdhi, Director-General of the World Trade Organization and Ambassador Manaspas Xuto, Executive Director of the International Institute for Trade and Development signed a "Memorandum of Understanding Between the World Trade Organization and the International Institute for Trade and Development Concerning Joint Technical Assistance Programme" at the

World Trade Organization headquarters in Geneva on 28 February 2003. The technical assistance programme aims to help developing and least-developed countries increase their negotiating capacities during the current and succeeding rounds. The agreement, which has institutionalized the cooperation relationship between the two organizations, will facilitate organizational collaboration on such projects as training workshops, slated to begin in 2003. Furthermore, the Institute is planning to apportion part of its own Information Center on Trade and Development towards a "WTO Corner", featuring resources and materials generated by the WTO.

3. International Trade Centre (ITC/UNCTAD/WTO)

The International Trade Centre is a focal point for technical cooperation with developing countries in trade development, with an emphasis on supporting the commercial capacity of the business sector, and developing the export potential of developing countries, especially the SMEs. It is the technical cooperation agency of UNCTAD and the WTO on enterprise-oriented aspects of trade development. Part of the ITC's work is to re-package the basic WTO rules and principles in an accessible language in order to promote interest and understanding among members of the business community. The ITC also publishes documents and resources on related subjects for dissemination.

ITC's strengths and sound knowledge base, coupled with the Institute's own initiative to build human resource capacity, reveals great potential for the two organizations to collaborate on mutually-beneficial projects through partnership efforts. This involves jointly organizing training workshops for interested members of the business sector. It has also been suggested that ITD translate ITC/WTO resources and materials for distribution within Thailand as well as to create an "ITC Corner" for the Institute's own Information Center on Trade and Development. The ITC is in the process of drafting an agreement which will create an overall framework for partnership, under which future projects can be executed on a case by case basis.

4. Research and Information System for the Non-Aligned and Other Developing Countries (RIS), New Delhi, India

RIS is an autonomous research institute under the Ministry of External Affairs, Government of India. RIS is an important think-tank on issues of international economic relations and development cooperation, providing consultative inputs to the Government of India, and executing research projects on economic issues in Asia with the aim to stimulate a more effective and constructive dialogue within the region. RIS also acts as consultants and advisers for developing countries in order to foster increased analytical capacities among policy makers and their supporters.

It is clear then that the nature of its work greatly complements that of the ITD and that technical cooperation between the two institutes will lead to enhanced and mutual benefits for both their target audiences. The Memorandum of Understanding has been prepared and will be signed shortly. The Understanding will allow for joint cooperation on research and human resource capacity-building projects, as well as others which will focus on increasing widespread understanding of national, regional and international policy issues.

5. Indian Institute of Foreign Trade (IIFT)

The IIFT was set up by the Government of India to foster a higher level of professionalism among the country's foreign trade management and to increase export capacities through human resource development, research initiatives and analytical insights. The IIFT provides training and consulting services in areas related to international business of particular relevance to developing economies, on both a national and international level. The IIFT also operates academic programs in international business and trade at both a Masters and a Diploma level.

The Memorandum of Understanding between the IIFT and the ITD provides a framework for joint organization of training workshops and collaboration on research initiatives, which will involve a continual exchange of available resources and information, including resource persons themselves, as appropriate. The Memorandum of Understanding has been prepared and will be signed shortly.

6. Faculty of Economics, Chulalongkorn University

Partnership with the Faculty of Economics, Chulalongkorn University was originally intended to be in the form of a tripartite agreement involving the Department of Economics (National University of Singapore) and the Institute itself. However, due to technicalities in University regulations, it was necessary to enter into partnerships through separate agreements among the three entities. The separate Agreements have been drafted and will soon be signed.

7. International Development Research Centre (IDRC)

The IDRC (of Canada) is, to date, the latest organization with which the ITD is in the process of developing a partnership agreement. The objectives of the two organizations are highly complementary and the impending partnership should do well to bring about greater benefits and productivity in terms of building greater research capacity on related development issues.





ANNEX

- Cooperation Agreement between the Government of the Kingdom of Thailand and the United Nations concerning the International Institute for Trade and Development
- Inaugural Statements (in order of delivery)



**COOPERATION AGREEMENT
BETWEEN
THE GOVERNMENT OF THE KINGDOM OF THAILAND
AND
THE UNITED NATIONS
CONCERNING
THE INTERNATIONAL INSTITUTE FOR TRADE AND DEVELOPMENT**

The Government of the Kingdom of Thailand ("the Government") and the United Nations, represented by the United Nations Conference on Trade and Development ("UNCTAD"), hereinafter referred to as "the Parties;"

Noting the views expressed by Member States, international organizations and civil society at the tenth session of the United Nations Conference on Trade and Development, held in Bangkok from 12 to 19 February 2000, on the challenges and risks of globalization and liberalization for the world's economic growth and development, and on the development strategies that would enable countries to integrate effectively into the global economic system;

Recognizing the continuing growth in demand from developing countries for training and capacity-building assistance to cope with the rise in the complexity of regional and international economic arrangements due to the globalization and liberalization process in the world economy;

Recalling General Assembly resolution 1995 (XIX), as amended, A/Res/47/183 of 22 December 1992, A/Res/51/167 of 16 December 1996 and A/Res/53/192 of 15 December 1998;

Concurring that a research and training facility at the regional level would strengthen developing countries' capacities to deal with a broad range of regional and international trade and development issues;

Desiring to cooperate in supporting such research and training facilities;

Have agreed as follows:

Article I

Establishment and Status of the International Institute for Trade and Development

1. The International Institute for Trade and Development ("the Institute") shall be established by the Government as a Thai legal entity under Thai law at Chulalongkorn University.
2. The Institute shall be a non-profit organization and operate as a regional research and training centre with assistance from UNCTAD, other international agencies and donor countries.

3. UNCTAD shall assist the Government in the establishment and operation of the Institute in accordance with the provisions of this Agreement. All assistance provided by UNCTAD under this Agreement shall be subject to the availability of extrabudgetary resources and in accordance with UNCTAD regulations, rules, procedures and directives.
4. Detailed arrangements between the Parties concerning the implementation of this Cooperation Agreement shall be agreed upon subsequently.

Article II

Objectives of the Institute

The objectives of the Institute shall be:

1. To provide knowledge to participants from countries in the Asian region and beyond through training and research programmes in the area of international trade, finance, investment and development and in other relevant areas to enable them to adjust effectively to the globalization and liberalization process;
2. To assist developing countries in the region in building their capacities to meet the challenges and risks of globalization and in formulating appropriate economic policies and legislative adjustments in accordance with their development objectives; and
3. To promote and strengthen regional economic cooperation and integration through sharing and exchanging of experiences and knowledge;
4. To serve as a focal point and provide a forum for training and capacity-building activities by UNCTAD and other interested organizations.

Article III

Scope of Activities

To fulfill its objectives as set out in Article II, the Institute shall carry out the following functions, *inter alia*:

1. Provide training and research activities in the following areas:
 - (a) Commercial diplomacy: to enable developing countries to maximize their potential benefits from the international trading system by engaging effectively in negotiations and defending their rights in the implementation of international and regional trade and investment agreements;
 - (b) Globalization and liberalization: to help increase the capacity of developing countries in managing and meeting the challenges and risks of globalization and liberalization and to assist them in formulating appropriate policies and legislative adjustments to the globalization and liberalization process in accordance with their development objectives; and

- (c) International trade and investment facilitation: to assist countries in improving systems and procedures for trade expansion in such areas as trade efficiency, customs, maritime transport and financial management;
- 2. Conduct and/or commission research and analysis activities on the potential and risks of globalization and liberalization for economic growth and development, in particular on issues related to trade, finance, investment and development, to provide inputs and information for the Institute's training, workshop, and seminar programmes;
- 3. Establish academic networks and promote linkages with national, regional and international organizations in providing training and research in the areas of trade, finance, investment and development;
- 4. Conduct other activities to promote better understanding of the potential, challenges and risks of globalization and liberalization and their impact on economic growth and development.

Article IV

Executive Board of the Institute

- 1. An Executive Board of the Institute shall be established to oversee the operation of the Institute. The composition of the Executive Board shall be decided by the Government. UNCTAD shall provide advisory services to the Executive Board.
- 2. The Executive Board shall, *inter alia*, have the following functions:
 - (a) Formulate policies for the activities to be carried out by the Institute;
 - (b) Consider and approve the budget, project proposals, budget allocation, annual work programmes and other activities of the Institute;
 - (c) Appoint the Executive Director of the Institute;
 - (d) Review and evaluate the operation of the Institute including the implementation of ongoing projects and activities based on the recommendations and assessment of the Executive Director;
 - (e) Advise on and approve fund-generating projects and activities to raise financial support for the Institute;
 - (f) Approve an annual report to the Parties on the activities of the Institute; and
 - (g) Advise on other matters to ensure the effective operation of the Institute.

3. A Programme Advisory Group and a Financial Advisory Group may be established by the Executive board to assist the Executive Board in preparing the work programme of the Institute and in mobilizing resources for the implementation of the work programme. The Programme Advisory Group may comprise experts from the academic arena. The Financial Advisory Group may comprise representatives from the donor countries and organizations concerned with the operation of the Institute.

Article V

Organization and Management of the Institute

1. The Institute shall be headed by a full-time Executive Director appointed by the Executive Board.
2. The Executive Director shall, under the overall policy guidance of the Executive Board, be responsible for the management of the operation and activities of the Institute, including instructor and staff selection and liaison with other institutions, and shall oversee the expenditure of the Institute's funds. In addition, the Executive Director shall submit each year to the Executive Board for its consideration the work programme, budget, and a report on the activities of the previous year.
3. The Executive Director shall be assisted by the Programme Director provided by UNCTAD.

Article VI

Financial Arrangements

1. The Institute shall establish a trust fund to receive contributions from donor countries, intergovernmental organizations, non-governmental organizations and other sources to finance the work programmes, operation and administrative costs and other related costs of the Institute, *inter alia*:
 - (a) The costs of the operation, maintenance and repair of the Institute's premises, equipment and facilities;
 - (b) Salaries and other emoluments of the Executive Director and the local staff;
 - (c) Utilities, transportation and telecommunication expenses related to the Institute's operation;
 - (d) All other costs and liabilities arising from the establishment and operation of the Institute.
2. To ensure effective and smooth operation of the Institute, UNCTAD and the Government, in cooperation with other United Nations agencies, non-governmental organizations, other international organizations, civil society and donor countries, shall use their best efforts to mobilize necessary resources for the Institute's trust fund.



3. The trust fund account shall be audited on an annual basis by an independent certified public accounting firm proposed by the Executive Board. The Executive Director shall supply to both Parties and the Executive Board each year information regarding the use of funds or assets provided or financed by either Party within the framework of this Agreement.

Article VII

Contributions by the Government

1. The Government shall provide space for the Institute at Chulalongkorn University.
2. The Government shall facilitate, on a rental basis, accommodation for instructors and participants in the training programme seminars and workshops and the work programme of the Institute.
3. The Government shall contribute 10 million baht to cover the expenses for the establishment of the Institute and its initial stage of operation.

Article VIII

Contributions by UNCTAD

1. Subject to the availability of extrabudgetary resources and in accordance with its regulations, rules, procedures and directives, UNCTAD shall:
 - (a) Cover the cost of the Programme Director;
 - (b) Make available UNCTAD staff and technical experts to assist in carrying out work programmes offered by the Institute. Such support shall include helping design and carry out training programmes. UNCTAD shall cover the cost of travel, per diem and related expenses of such UNCTAD staff and experts;
 - (c) Provide, on a regular basis, its documents, on-line library services and training materials in the areas of trade, finance and other development issues;
 - (d) Endeavor to organize its own training and capacity-building activities in the region through the Institute;
 - (e) Take any other appropriate measures to assist the Institute.

Article IX
Consultation

Any differences between the Parties concerning the interpretation and implementation of this Agreement shall be settled amicably through consultation.

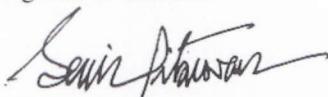
Article X
Entry into Force, Amendment and Termination

1. This Agreement shall enter into force upon signature and shall remain in force until terminated by either Party giving six months prior notice in writing.
2. The provisions of this Agreement may be amended by an agreement of the Parties in writing.
3. The termination of this Agreement shall not affect programmes which have commenced before the date of termination. In the event of termination of this Agreement, the Executive Director shall submit to the Parties a comprehensive report on the resources of the Institute and the uses to which they were put.

IN WITNESS WHEREOF the undersigned, being duly authorized by their respective authorities, have signed this Agreement.

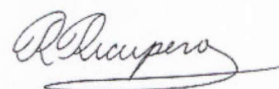
DONE at Bangkok on the 17th day of February 2000 in duplicate in English.

For the Government of
the Kingdom of Thailand



(Surin Pitsuwan)
Minister of Foreign Affairs
of the Kingdom of Thailand

For the United Nations



(Rubens Ricupero)
Secretary-General
of UNCTAD

WELCOME REMARKS

Given by H.E. Suwat Liptapallop, Minister of University Affairs

At the Inaugural Ceremony of

The International Institute for Trade and Development

Chulalongkorn University

1 May 2002

Excellency Prime Minister, Dr. Thaksin Shinawatra,
Secretary-General of UNCTAD, Mr. Rubens Ricupero,
Excellency Minister of Foreign Affairs, Mr. Surakiart Sathirathai
Distinguished participants and guests,
Ladies and gentlemen,

It gives me great pleasure today to be a part of such a distinguished group of international dignitaries. On behalf of the Ministry of University Affairs, serving as host to the International Institute for Trade and Development, I wish to extend my very warm and cordial welcome to the delegates of the UNCTAD X Mid-term Review and all honored guests.

Excellencies, Ladies and Gentlemen,

Globalization has become an eminent factor in bringing people around the world closer. A poll sponsored by the World Economic Forum earlier this year found that the overall result reflected the public's growing appreciation and high expectations for the impacts of globalization on national development. Nevertheless, one main issue lies in the fact that 80 % of the world population live in developing countries where poverty and illiteracy are acute, preventing them from gaining the positive effects of the world movement.

While calls for the cooperative effort to tackle poverty seem to be louder with the World Bank and other agencies coming up with poverty reduction strategies, it is gratifying to see that higher education is placed high on the agenda in addition to national and regional priorities.

Therefore, the establishment of the International Institute for Trade and Development (or ITD) is timely, not only to strengthen capabilities of Asian developing countries, but also to seek closer cooperation within and between regions. By so doing, developing countries should be able to integrate effectively and equitably into the global economic system. To fulfill the target goals, the Ministry of University Affairs hopes that UNCTAD and the member countries will continue to be committed to the valuable development of the ITD.

I wish to take this opportunity to thank Chulalongkorn University for kindly offering the office space for ITD. May I also assure all of you that, with the pool of committed Thai human resources, and our networking with overseas educational institutions and international organizations, the Ministry of University Affairs will continue to lend its strong support to ensure the success of the ITD.

May I again welcome you to Thailand and wish you a pleasant stay. Thank you.

REPORT

**By Ambassador Manaspas Xuto, Executive Director of
the International Institute for Trade and Development**

**At the Inaugural Ceremony of
The International Institute for Trade and Development**

Chulalongkorn University

1 May, 2002

Your Excellency, the Prime Minister,
Your Excellency, the Secretary-General of UNCTAD,
Excellencies, Ladies and Gentlemen,

This is the most important day in the life of the young Institute, inaugurated moments ago at the ribbon cutting ceremony which had been televised to you all. At this moment, we are joined by viewers throughout Thailand who are watching this event live on Thai TV channel 11, and more viewers around the world, through webcast and the Thai Global Network.

I am truly honored to be in this position and report to you what the Institute is all about.

The reasoning behind the Institute is a simple one, and a humanitarian one. Over recent decades, we have witnessed a lack of equality on the global economic playing field. Developing countries have been lacking the capacity to negotiate on an equal basis with their more advanced and better-equipped partners in the international economic arena.

The idea for the Institute came from this need to make the globalization process more fair and equitable. The Institute aims to provide a mechanism to foster knowledge and provide training for developing countries so that they may engage more positively in negotiating processes, thus empowering them to better cope with the twin challenges of globalization and liberalization.

On 17 February 2000, during the 10th session of the United Nations Conference on Trade and Development in Bangkok, the Royal Thai Government and UNCTAD signed an agreement to cooperate in establishing the International Institute for Trade and Development, or ITD. It calls for the Institute to provide a capacity-building mechanism in the areas of trade, finance, investment, technology and development that would empower developing countries. The long-term goal is to enable developing countries to become more informed and equipped, so that they may successfully handle the challenges and manage the risks of globalization and, as a whole, benefit more positively from these global forces.

The Institute's primary objective is to disseminate knowledge among participants from countries in the Asian region and beyond, to assist them in formulating appropriate economic policies and legislative adjustments in keeping with their countries' unique development objectives. In addition, it aims to promote and strengthen regional cooperation and integration through the sharing and exchanging of experiences and knowledge, and to serve as a focal point for training and capacity-building activities sponsored by UNCTAD and other interested organizations.



To achieve these objectives, ITD will cooperate with UNCTAD and other international and regional organizations to organize seminars, workshops, training and research activities on numerous topics, including commercial diplomacy, globalization and liberalization, international trade and investment. The Institute will also conduct and/or commission research and analysis activities on development potential, as well as the risks of globalization and liberalization, taking due account of the interdependent issues of trade, finance, investment and development.

Over the long term, the Institute will generate a vast network of important and mutually beneficial connections, promoting links between national, regional and international organizations. In a sense, these organizations will become partners in the sharing of training, research and ideas in the areas of trade, finance, investment and development.

These objectives are tall orders indeed for a young institute which has just been inaugurated today. The road ahead will prove both challenging and fulfilling. I believe that the Institute is performing an important service, and that it will be well-supported in its worthy endeavors.

For your information, later this afternoon, the Secretary-General of UNCTAD will give the first Rubens Ricupero Lecture, entitled "Towards a New Development Paradigm" to mark the inauguration of the ITD. In addition, the first-ever seminar to be offered by the Institute takes place the day after tomorrow, right here in this building. Seminar topics will range from reforming the global financial architecture to foreign direct investment: trends, policies and development implications. Towards the end of June, a 3-day seminar will be held on the financial crises in emerging markets, with a focus on causes, prevention and crisis management. Other national and regional seminars, workshops and training activities are on the agenda for the rest of this year, with UNCTAD playing a major supporting role.

Excellencies, Ladies and Gentlemen,

I thank the Prime Minister and other Cabinet Ministers who have made this day possible.

I thank the Government of Japan for being the first to provide concrete support in the form of audio-visual equipment to the Institute.

I thank officials of the Ministry of University Affairs and the Ministry of Foreign Affairs for their part in building the Institute, and for their diligent efforts in making it an on-going establishment. In particular, I would like to pay tribute to the Permanent Secretary of University Affairs, who is also Chairman of the Board of the Institute, for his constant guidance and attention.

I thank the distinguished Secretary-General of UNCTAD and his professional staff for supporting us in our pursuit of this worthy goal, to make this Institute a center of excellence in the field of trade and development. UNCTAD has now appointed Dr. Somchin Suntavaruk as Program Director to assist the ITD.

I thank the Executive Secretary of ESCAP and his staff for having cooperated closely with the Institute all the way through, and for furnishing the Institute's library with a series of ESCAP documentation.

I would also like to thank Chulalongkorn University for kindly providing a venue for the Institute and for having made available the University's numerous facilities for participants in the Institute's work programmes. In particular, the Center for Academic Resources deserves special thanks for helping to set up

an efficient headquarters for the Institute, and a library in both physical and digital formats. UNCTAD's extensive database in Geneva is now fully accessible at the Institute. Links to such other organizations as WTO, International Trade Centre (or ITC), World Bank, the IMF, and ESCAP are in the process of being established.

Excellencies, Ladies and Gentlemen,

I now have the distinct honor to invite His Excellency the Prime Minister, Dr. Thaksin Shinawatra, to deliver his inaugural statement.

INAUGURAL STATEMENT

By His Excellency Dr. Thaksin Shinawatra
Prime Minister of Thailand

At the Inaugural Ceremony of
The International Institute for Trade and Development

Chulalongkorn University
1 May 2002

Your Excellency, the Secretary-General of UNCTAD,
Excellencies, Ladies and Gentlemen,

I thank Ambassador Manaspas for his report.

I thank all of you for being present here today to witness the inauguration of the International Institute for Trade and Development, or ITD.

This ceremony carries with it particular significance. We are commencing today the first center of its kind that UNCTAD has established in cooperation with any country in the world. Through this Institute, UNCTAD and the Thai Government have committed themselves to providing beneficial and relevant services for developing countries in the Asian region and beyond.

Paragraph one sixty-six (166) of the Bangkok Plan of Action, adopted at UNCTAD X (Ten) two years ago, calls for the strengthening of the capacity-building mechanism of developing countries in coping with the twin challenges of globalization and liberalization.

The International Institute for Trade and Development fits in very well with that Plan of Action.

The major topics of the Institute's work programmes answer the need of developing countries - not only in Asia but all over the world - to become better equipped with the ways and means of dealing with globalization and liberalization, commercial diplomacy, trade and investment facilitation.

UNCTAD is not alone in carrying out the task assigned to it by the Bangkok Plan of Action. Other international and regional organizations too have lent their hands, including the World Trade Organization, the World Bank, IMF, the International Trade Centre, ESCAP and others. These organizations will combine efforts to make the Institute a key agency in Asia, so that it may enable developing countries to face with greater confidence the increasingly complex trade and development issues in the global arena today.

Recently, I represented Asia at the Summit on Financing for Development in Monterey, Mexico. The messages from there are loud and clear.

Capacity-building is one of them.

Partnership is another.

What we are doing today—inaugurating the ITD—represents a concrete example of that partnership be-

tween a country in an important region and an international organization.

We must make it work for the benefit of all developing countries.

The world has changed, and it has changed dramatically. No longer can we think only in terms of the North-South dialogue. We must expand our view to incorporate a more integrated picture – that of countries joining together for mutual benefit, rather than with one side taking advantage of another's shortcomings. "Global integration with a human face" – this is a phrase that we have been hearing often lately. The problem, however, is that millions of people are not ready for that integration. The rules of the game must be made more clear, to illustrate the positive benefits it may bring for them.

In this regard, the ITD has an important role to play. Through its training, research and seminar programs, developing countries of Asia and beyond may have easy access to the knowledge that is so important today to enable them to achieve their development objectives and be an efficient part of the global system. In other words, they can at last learn how to benefit from the effects of globalization and liberalization, which are the facts of life in today's world.

Secretary-General Ricupero, I thank you for your initiative in setting up this Institute. I hope that UNCTAD and other organizations will continue to give their full support to the Institute, thus ensuring its sustainable growth and development to the benefit not only of Thailand but other developing countries as well.

On the part of my Government, we will provide necessary support to the Institute so that it may fulfill its purposes and objectives as enshrined in the Agreement between the Royal Thai Government and UNCTAD just over two years ago.

Thank you for your attention.

STATEMENT OF APPRECIATION

Given by H.E. Mr. Rubens Ricupero, Secretary-General of UNCTAD

At the Inaugural Ceremony of
The International Institute for Trade and Development

Chulalongkorn University

1 May 2002

Mr. Prime Minister,
Mr. Minister of Foreign Affairs,
Mr. Minister of University Affairs,
Mr. President of the University,
Mr. Director,
Honourable guests, Ambassadors,
Ladies and Gentlemen,

Mr. Prime Minister, we feel very honored by your presence and by your very personal participation in the act of inauguration of this Institute. We consider the Institute to be the most tangible, the most important, and the most lasting result of UNCTAD X, because--although we are proud of that Conference--we know that international conferences come and go. They are temporary in nature. But learning and education will stay with us forever. And if we fulfill our duty of informing knowledgeable citizens in such matters as international trade, international development, and international investment, we will make a lasting contribution to your country, to the region and to the world in general.

We thought of this Institute because we are convinced that UNCTAD is basically a knowledge-based Institution. Of course, all institutions, in one way or another, are based on knowledge. But in the case of UNCTAD, it is more so because, contrary to some other international institutions, we are not a bank, and we don't have money to finance projects. We are not dealing with telecommunications or with health. We generate ideas. We are basically a laboratory of ideas, of research, of knowledge for the developing countries and from the perspective of development. So, we thought it would be necessary to have an institution that would ally itself with a major country, a dynamic country that has proven its attachment to knowledge and education to try to give more reality to these ideas.

It is in some way more real nowadays than it was before that development is, above everything, a learning process, a continuous process. We have seen that in what is perhaps the most inspiring example of development, which was the case of Japan--when Japan in the Meiji Era decided to modernize its society, it did so as a learning process, learning from others without losing its rich tradition. This pathway has been followed by many Asian countries because you have inherited--perhaps better than in other regions, including mine--this idea that education, self-education and knowledge, are the keys to success.

Nowadays, this is even more so because we know that the modern economy depends on technology. It is much more technology-intensive than it is intensive in capital or in cheap labour or in natural resources. Unfortunately, we see so many countries that are rich in natural resources, but they don't have the

knowledge to make the most of it. Technology is knowledge, and knowledge will be more and more the key to success in development. It will be the difference between failure and success.

That is why we wanted to be associated with this initiative. In the spirit of openness, we think that it would be necessary that other organizations--like the World Bank, WTO, ITC, the IMF, ESCAP (particularly ESCAP because ESCAP is here [in Bangkok] and they have expertise on the Asian Pacific), and many other organizations like the UN University in Tokyo, as well as other countries--should join you in helping this problem. This is largely because, in the social sciences--I myself am a university professor--no one has the monopoly on truth. We have to be humble. We have to present our view with integrity while accepting the plurality of others' views and perspectives.

I think this will enrich your Institute and your people, and we do hope that you could use your Institute also to train people, starting with neighboring countries - the countries that are at the initial stages, for instance, of acceding to the WTO. I have visited some of those countries. I know how serious they are, but sometimes they lack everything, particularly well-trained human resources. Of course, for us, it is very expensive to take people to Geneva to be trained. Here [in Bangkok], it would be much easier - not only for the region, but also for other regions like Africa and Latin America that would like to share in your experiences and to know, firsthand, what you have done in development.

So, once more, I would like to deeply thank you for your generosity, for your interest. I'm sure your country and your government will be highly rewarded by this confidence in learning and education as the key to success for your future.

Thank you very much.

REMARKS

By H.E. Dr. Surakiart Sathirathai
Minister of Foreign Affairs of Thailand

At the Inaugural Ceremony of
The International Institute for Trade and Development
Chulalongkorn University
1 May 2002

Mr. Rubens Ricupero, Secretary General of UNCTAD,
Excellencies,
Distinguished Guests,
Ladies and Gentlemen,

Let me begin by echoing the remarks and sentiments made by H.E. the Prime Minister of Thailand regarding the importance attached to the International Institute for Trade and Development, for developing countries. The realization of this Institute as pledged by Thailand at UNCTAD X (Ten) is a crucial fulfillment of the "Bangkok Spirit".

It is also a personal gratification for me to associate myself with its establishment. This Institute is housed in Chulalongkorn University which is the first university established in Thailand and the University where I studied and taught. As a former professor in international economic law and former Dean of the Faculty of Law at this University, I truly recognize the significance of building capacity in commercial diplomacy. It was in this very building of SASIN where I taught business law as a visiting professor for over ten years. I was also a member of the Steering Committee of SASIN until I left the academic world in 1995 to become Minister of Finance. I, therefore, have a special affinity for this Institute.

Today, capacity building in commercial diplomacy is crucial and much in demand for developing countries -- crucial not in terms of taking advantage of others, but in terms of benefiting from globalization for mutual prosperity. The establishment of this Institute in Thailand brings capacity building in commercial diplomacy to the Asian region.

UNCTAD's work on capacity building and policy advice is well regarded by developing countries. UNCTAD's publications and capacity building programmes remain crucial to help developing countries integrate effectively into the global economic system. Here, I can vouch for the relevance of UNCTAD's analysis to policy formulation. From my experience in trade negotiations, whether as Advisor to the then Prime Minister of Thailand, General Chatichai Choonhavan, for two and a half years, or as a Thai delegate for trade negotiations with the United States, or as Finance Minister in dealing with international economic issues, particularly in the ASEAN Free Trade Area Council (AFTA), or as a professor in international negotiations, I fully realize the importance of capacity building for developing countries in commercial diplomacy.

To become a successful trade negotiator, knowledge needs to be reinforced with training. In my writings and publications on development and globalization during my time as an academic, I consistently

advocated the need for developing countries to link trade negotiations with the promotion of sustainable development. For this reason, I believe that this Institute will help us as we strive for a balanced global economy as well as provide balanced inputs into the international economic regulatory regime.

Indeed, over the weekend, I spent time assessing the analysis presented in the UNCTAD Trade and Development Report of 2002. Its analysis of global trends and developments are valuable inputs to economic policy formulation. I am glad that this publication was launched here in Bangkok. I suggest that this Institute assess its analysis and implications for economic development in this region.

This Institute will serve as a regional center for research and training in the areas of globalization and liberalization, commercial diplomacy, and international trade and investment facilitation. Its network with national and regional universities and research institutions as well as international organizations will better prepare this diversified region in coping with the complexities of trade negotiations and the implementation of their commitments, particularly in promoting the next multilateral trade negotiations to be a truly development round. I, therefore, hope that the WTO will join our undertaking to enhance the Institute's work for developing countries.

The courses and work programme offer practical approaches for developing countries to benefit from liberalization in trade, investment, finance and services. As this Institute is the first of its kind jointly established by UNCTAD and its Member State, I hope to see and assist in the establishment of similar Institutes in others regions in the years to come.

I look forward to working with Ambassador Manaspas Xuto, Executive Director of the Institute. A veteran diplomat, Dr. Manaspas has been closely associated with UNCTAD's work during his term as Ambassador and Permanent Representative in Geneva where he played a prominent role in voicing the concerns of the Group of 77. His wide experience in diplomacy and understanding of international development issues will allow him to guide the Institute to attaining its goals and purposes.

As the first guest speaker of this Institute, I can think of no one else more appropriate than Mr. Rubens Ricupero, Secretary-General of UNCTAD. His intellect and profound knowledge of development issues are most valuable to us. The topic of his talk, "Towards a New Development Paradigm", is most relevant to our common efforts in managing globalization for mutual prosperity.

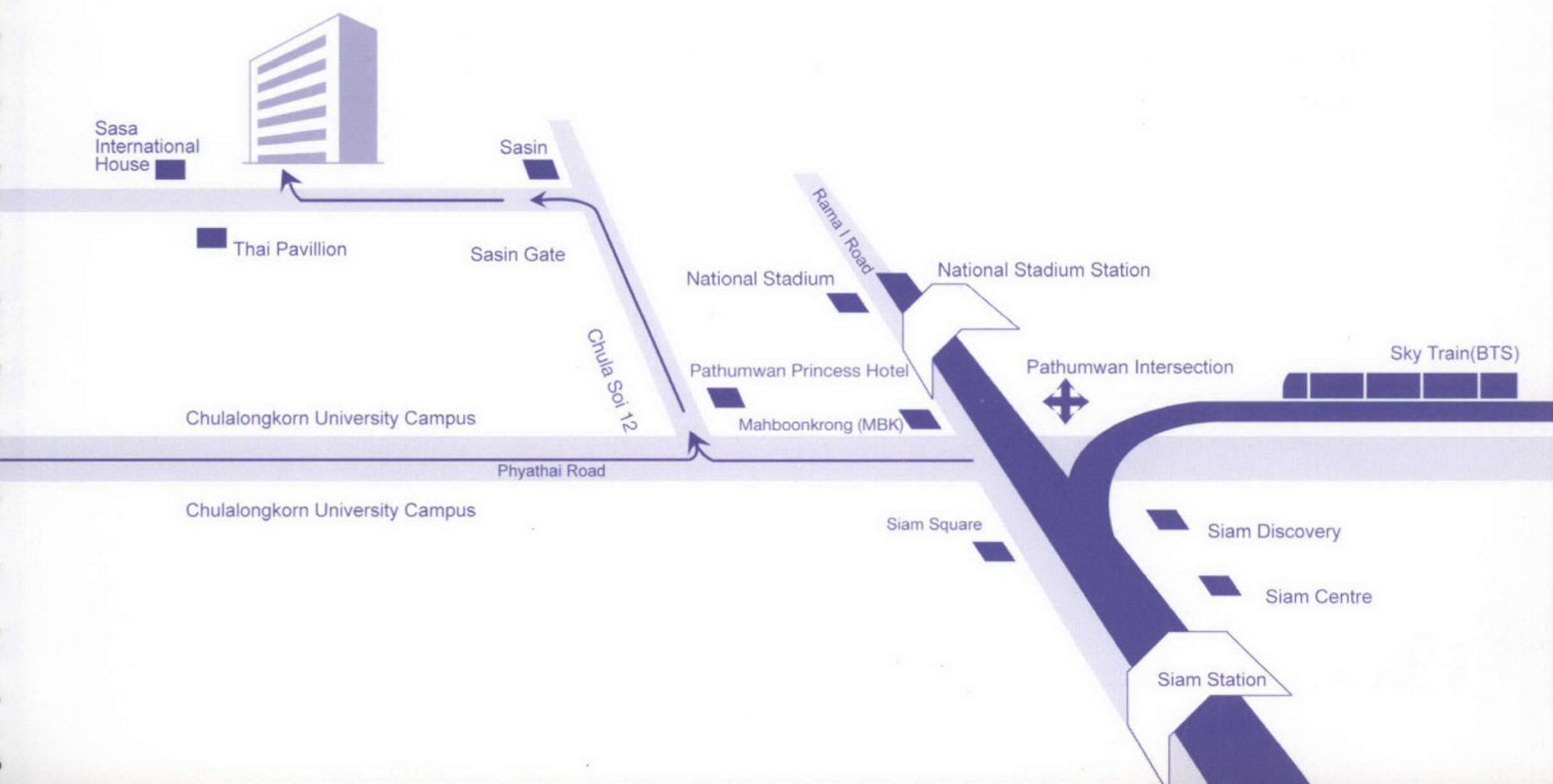
With this remark, I now have the honor to invite the Secretary-General of UNCTAD to deliver his keynote address.

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