

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.

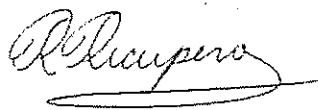
DONE at Bangkok on the 17th day of February 2000 in duplicate in English.

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