

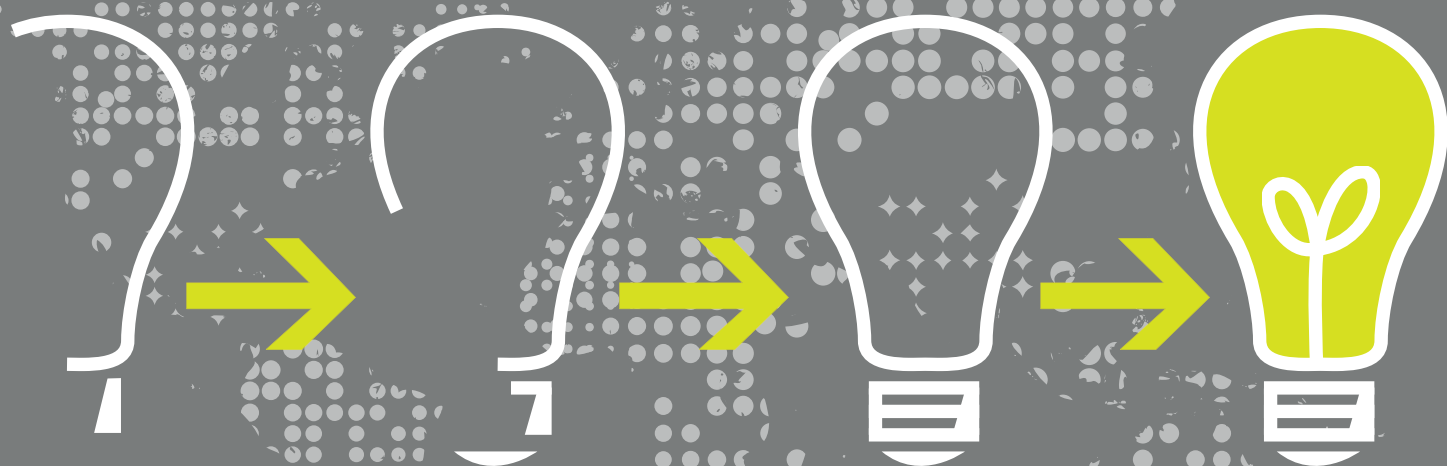


UNCTAD Annual Report 2014

**PUTTING SUSTAINABLE
DEVELOPMENT FIRST,
DELIVERING RESULTS**



UNITED NATIONS





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Within the United Nations, the United Nations Conference on Trade and Development – UNCTAD – is the focal point for the integrated treatment of trade and development, and interrelated issues in the areas of finance, technology, investment and sustainable development. Throughout 2014, we continued to pursue our mission of building a more inclusive, stable and sustainable world.



UNCTAD AT A GLANCE

482

STAFF MEMBERS



from 109
countries

5

WORK
PROGRAMMES



Globalization and development strategies; investment and enterprise development; international trade in goods and services, and commodities; technology and logistics; Africa, least developed countries and special programmes.

1964

Establishment
of UNCTAD

194

MEMBER STATES



3

WAYS OF
WORKING

Thinking,
debating, delivering



50
YEARS



of promoting development and
delivering results for developing
countries

\$

39.4
MILLION

Extrabudgetary funds for
technical cooperation –
with contributions from
developing countries
accounting for 40.7 per
cent of total contributions
to trust funds

\$

74

MILLION

Total regular
budget for 2014





FOREWORD

The year 2014 was special as UNCTAD marked the fiftieth anniversary of its establishment. In 1964, when trade and economic relations showed a sharp divide between the North and the South, UNCTAD became the global forum where countries – developed and developing – put on the table economic and social issues of national, regional and global concern. One key goal of this forum was clear for member States from the first Conference: that “economic development and social progress should be the common concern of the whole international community”, with an emphasis on “increasing economic prosperity and well-being” that in turn should “help strengthen peaceful relations and cooperation among nations”.

Prosperity for all is not only the UNCTAD motto. It also implicitly reflects the principle on which UNCTAD was established.

Since its foundation now more than 50 years ago, the three main ways in which UNCTAD has helped countries in the pursuit of shared prosperity are by backing policymaking with sound research and analysis, providing a forum for open and constructive dialogue on development issues, and providing technical support to make a difference on the ground.

We celebrate the many accomplishments of those 50 years. Yet UNCTAD recognizes that, in today’s world, concerted efforts at the national, regional and global levels are still required to ensure that trade and economic growth translate effectively into improved livelihoods for the people we serve.

Looking towards September 2015, the world is preparing to adopt a new development framework in the form of the sustainable development goals, the successors to the Millennium Development Goals. The sustainable development goals will call for efforts of an unprecedented scale from all those concerned – Governments, businesses, civil society and people – to end extreme poverty.

As the world calls for a transformative and integrated agenda, where the economic, environmental and social dimensions are more closely knit, we are ready to deliver.

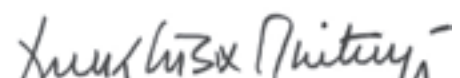
UNCTAD initiated the Geneva Dialogues in 2013 as an open dialogue platform for new ideas to be put on the table, including to feed the overall sustainable development goals process. In 2014, I organized these open consultations to explore the specific linkages between trade and development. Synergies exist and need to be further explored to make trade work for development.

This is my message throughout the Annual Report. In 2014 we took stock of the progress made, but also realized the potential we have to bring the future sustainable development goals to fruition.

For developing countries to fully reap the benefits of sustainable development goals, we need to transform economies by strengthening productive capacities, shifting local production towards higher value activities, diversifying the economic base and changing investment patterns. In doing so, we shall be reminded to create additional value for the most vulnerable countries, such as small island developing States (SIDS), landlocked developing countries (LLDCs) and the least developed countries (LDCs) so that no special need is forgotten.

We also have to work towards improving national competitiveness, creating the right conditions for a vibrant private sector to grow and flourish. We shall likewise seek to empower people, the key resources that can own, manage and master that growth process and make it lead towards increased welfare for all. And last but not least, we have to leverage global governance, with an open, transparent, inclusive and predictable multilateral trading system.

The world has changed. So has UNCTAD. With its forward-looking expertise, its evidence-based policymaking and its skilled personnel, we are on track to continue putting development first and delivering results beyond 2015.



Mukhisa Kituyi, Secretary-General of UNCTAD



OUR MISSION:



PROSPERITY FOR ALL

UNCTAD's contribution to inclusive and sustainable development is based on the three pillars of research and analysis, consensus-building and technical cooperation. In other words, thinking, debating and delivering are the ways we pursue the ultimate goal of fostering prosperity for all.

WHAT WE THINK

UNCTAD believes that policy can drive progress. Providing high-quality research and evidence-based policy analysis enables countries to make informed decisions, design better policies and thereby foster social, environmental and economic development.

During 2014, the annual flagship publications – the *Trade and Development Report*, *Least Developed Countries Report*, *The Economic Development in Africa Report*, *World Investment Report*, *Review of Maritime Transport* and *Information Economy Report* – provided rigorous research and policy recommendations on globalization, interdependence and development.



Additional publications were launched and received positive feedback from the international community. In particular, two UNCTAD studies on technology transfer, published in December 2014, are being used by faculty members at the renowned École Polytechnique Fédérale de Lausanne in their teaching activities. The lead professor has noted the usefulness to the institution of the studies, entitled *Transfer of Technology and Knowledge-sharing for Development: Science, technology and innovation issues for developing countries* and *Studies in Technology Transfer: Selected cases from Argentina, China, Taiwan Province of China and South Africa*.

"I wanted to express my positive appraisal on two technology transfer studies that I am using heavily at the EPFL [École Polytechnique Fédérale de Lausanne] to produce a massive open and online course on innovation economics and development. Both the framework and the case studies provide valuable inputs for such a significant online educational resource, which is likely to reach a large audience in developing countries."

Professor Dominique Foray,
Chair of Economics and Management
of Innovation, College of Management,
École Polytechnique Fédérale de
Lausanne, Switzerland

UNCTAD FLAGSHIP PUBLICATIONS





WHY WE DEBATE



The intergovernmental machinery of UNCTAD offers an ideal platform for all countries to engage in discussions on an equal footing to share experiences and build common approaches. UNCTAD is an opportunity for all nations – rich or poor – to take part in the global dialogue on development.

Regular forums for dialogue include:

- The United Nations Conferences on Trade and Development: held every four years;
- The Trade and Development Board: one annual session and up to three executive sessions per year; the Board can also convene special sessions;
- The consultations of the President of the Board: convened monthly;
- The Trade and Development Commission, the Investment, Enterprise and Development Commission and the Commission on Science and Technology for Development: held every year; the Commission on Science and Technology for Development, for which the UNCTAD secretariat provides substantive servicing, is a subsidiary body of the Economic and Social Council;
- The Working Party on the Strategic Framework and the Programme Budget: meets three times a year;
- The multi-year and single-year expert meetings whose themes are decided by the Board;
- The Intergovernmental Group of Experts on Competition Law and Policy: meets annually;
- The Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting: meets annually;
- The United Nations Conference to Review All Aspects of the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices: held every five years.

In 2014, seven multi-year expert meetings were organized, covering a range of topics in the areas of trade, investment and economic integration.

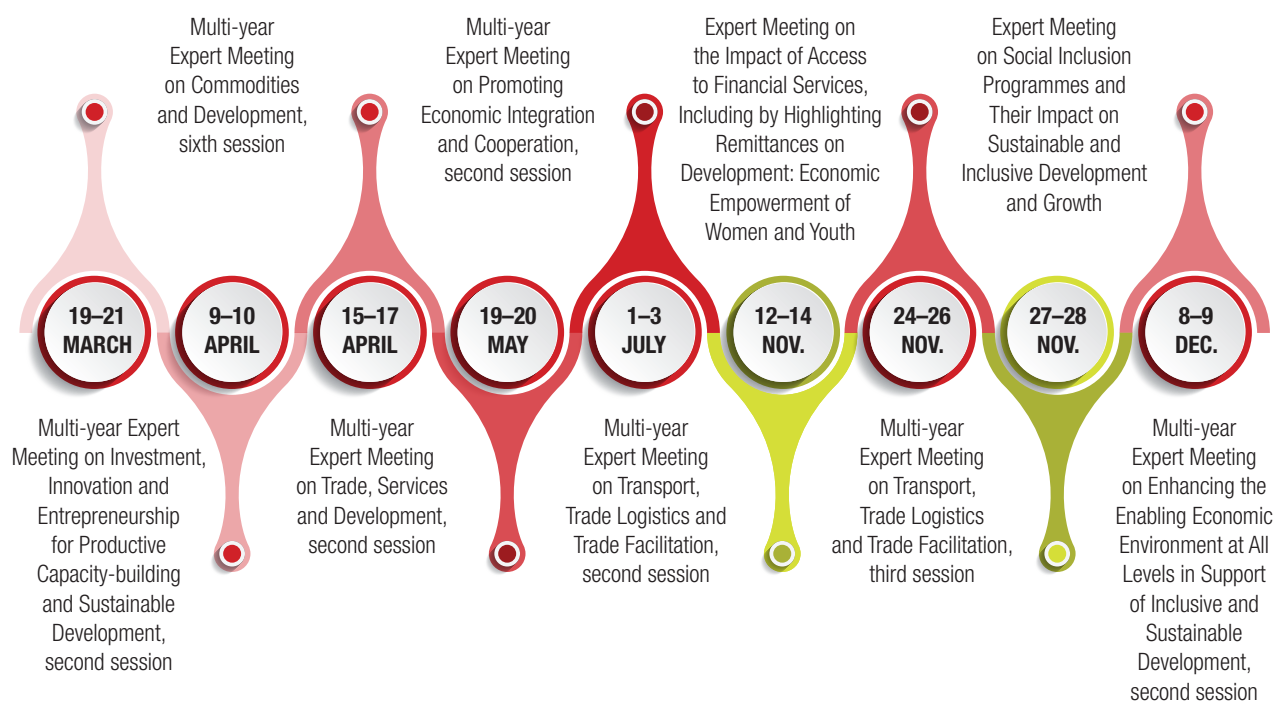
Two single-year expert meetings were conducted, which focused on social inclusion programmes and the impact of access to financial services.

The long-standing intergovernmental groups of experts, one on competition law and policy and the other on international standards of accounting and reporting, held their sessions in July and October, respectively. The Trade and Development Commission and Investment, Enterprise and Development Commission also had their sixth sessions to deliberate on the issues of concern as selected by member States through the Board.





EXPERT MEETINGS HELD IN 2014





CELEBRATING THE FIFTIETH ANNIVERSARY OF UNCTAD

A week-long fiftieth anniversary celebration included several special events attended by high-level decision makers. Marking a high point in the celebration, UNCTAD held a special session of the Trade and Development Board in June 2014. The Secretary-General of the United Nations, Ban Ki-moon, noted in his opening statement: “As an anchor in the United Nations development pillar, UNCTAD has a vital role to play in helping to deliver the post-2015 agenda. As we celebrate today, let us resolve to deepen our work together for sustainable development and a life of dignity for all. For that we will need a strong United Nations and a strong UNCTAD.”

Those words have inspired member States and staff alike, guiding them in the preparations for the fourteenth session of the United Nations Conference of Trade and Development (UNCTAD XIV) that will take place from 14 to 18 March 2016 in Lima.





HOW WE DELIVER



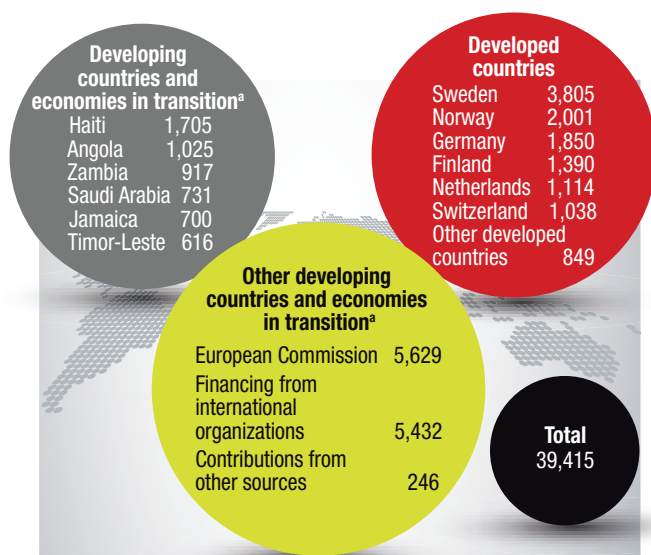
Technical assistance is tailored to the specific needs of more than 150 developing countries, including 48 least developed countries, and transition economies. UNCTAD helps countries to develop and implement policies, thereby building their capacity to effectively integrate into the global economy.

Technical cooperation activities in 2014 covered 210 projects, including interregional, regional and country-specific projects, of which 113 were national projects. Annual expenditures reached \$38.8 million, a decrease of 4 per cent over 2013. LDCs accounted for 40 per cent of these expenditures.

Total bilateral voluntary contributions amounted to \$39.4 million, an increase of 26.2 per cent over 2013. Developing countries accounted for about 41 per cent of total contributions to trust funds while those of developed countries represented 30.6 per cent. Other contributions came from the European Commission, multilateral donors, non-governmental organizations and the private sector.

The Automated System for Customs Data (ASYCUDA) continued to be UNCTAD's largest technical assistance activity, followed by the Debt Management and Financial Analysis System (DMFAS). These two programmes represented 62 per cent of total UNCTAD trust fund contributions and accounted for 59 per cent of total expenditures in 2014.

Voluntary contributions to UNCTAD technical cooperation trust funds, 2014 (In thousands of dollars)



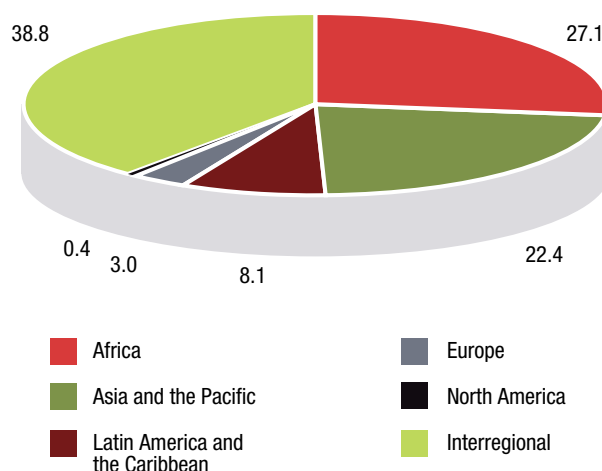
Note: Financing from member States, public donations and United Nations organizations.

^a The majority of contributions from developing countries are self-financed projects for ASYCUDA and DMFAS programmes, financed from proceeds of loans, credits or grants from international financial institutions.

Activities in support of system-wide coherence continued to increase in 2014, through UNCTAD participation in joint programmes of the United Nations Inter-Agency Cluster on Trade and Productive Capacity. UNCTAD received \$1,023,574 through specific partner contributions and multi-partner trust funds to support the joint programmes.

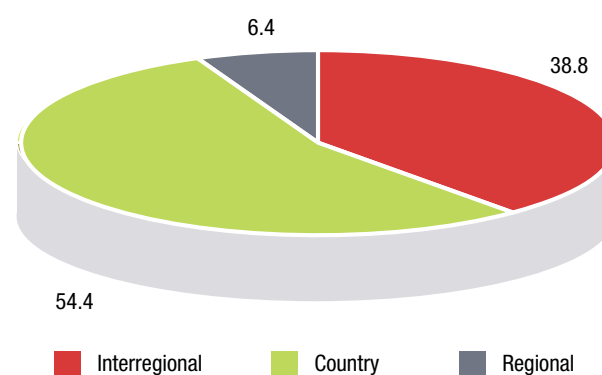
Distribution of project expenditures by region, 2014

(Percentage of yearly expenditure)



Distribution of project expenditures by project, 2014

(Percentage of yearly expenditure)







TRANSFORMING ECONOMIES

IN THIS CHAPTER:



- Investing in a transformative agenda
- Transforming the national policy landscape: UNCTAD policy reviews
- Enabling transformation with sound development data

During 2014, UNCTAD activities were undertaken with a view to 2015, when the international development community will define the world we want by 2030. In September 2015, the new ambitious sustainable development goals will lay the groundwork for development policy in the forthcoming years.

Achieving the sustainable development goals will require transforming economies for sustainable development. Actions will be needed on many fronts – such as strengthening productive capacities, shifting local production towards higher value activities, diversifying the economic base and changing investment patterns.

UNCTAD is committed to helping countries in this transformation process.

INVESTING IN A TRANSFORMATIVE AGENDA

In 2014, UNCTAD remained at the forefront of international efforts to boost investment in developing countries. Such support is critical to these countries to build a vibrant private sector and thriving, sustainable economies for the decades to come. Investment is essential in the transformation envisaged by the post-2015 development agenda

SDGs AND INVESTMENT: *THE UNCTAD 2014 WORLD INVESTMENT REPORT*

The *World Investment Report 2014* identified a significant shortfall of investment in sectors that will be covered by the sustainable development goals, particularly in the least developed countries. The publication warned that traditional sources of finance alone would be unable to bridge this gap. Therefore, it is crucial to involve the private sector as a development partner and intensify public–private efforts to drive more investment towards sustainable development. The report also identified many sources of finance that could be considered, such as sovereign wealth funds, pension and insurance funds, foreign direct investment (FDI) from transnational corporations as well as bank lending. The report is consulted by thought leaders, policymakers and the academic community.



“Every year, the World Investment Report is the single most important document for understanding how globalization is really working. The year’s report is a spectacular product. It shows how we need to change the orientation of investment to produce sustainable results.”

Jeffrey Sachs,
Director, Earth Institute
at Columbia University

“We need a strong and realistic ‘business plan’ to finance fair and efficient sustainable development. The latest UNCTAD World Investment Report showed this and proposed an action plan that offers a promising path.”

Didier Burkhalter,
President of Switzerland (2014)

World Investment Report 2014 – the reach in numbers

The *World Investment Report 2014* was downloaded more than 80,000 times in the first six months after its publication. The report generated international coverage, with some 1,700 press articles in outlets such as the *Financial Times*, *The Economist*, *Le Monde*, *The Guardian*, *Xinhua* and *The Times of India*.



INVESTING FOR SUSTAINABLE, TRANSFORMATIVE GROWTH: *ECONOMIC DEVELOPMENT IN AFRICA REPORT 2014*



With the forthcoming adoption of a new development framework beyond 2015, there is a focus on how international investment could be mobilized to help finance the sustainable development goals and contribute to sustainable and inclusive development.

The *Economic Development in Africa Report 2014*, entitled *Catalysing Investment for Transformative Growth in Africa*, underscored the need to enhance the contribution of investment to growth through boosting investment rates, improving the productivity of existing and new investments, and ensuring that investment goes to strategic and priority sectors deemed crucial for economic transformation. The report also stressed the importance of strengthening linkages between local and foreign enterprises, stemming capital flight to release more resources for investment, using aid to stimulate investment and fostering international trade to boost investment. In each of these areas, the report

emphasizes the need for policy coherence at the national and international levels.

The report received positive endorsements from several UNCTAD member States throughout the year.

*"I recommend the report
as one of the best
for policy analysts."*

Representative of
the United Republic
of Tanzania, on behalf
of the African member
States of UNCTAD



TRANSFORMING THE NATIONAL POLICY LANDSCAPE: UNCTAD POLICY REVIEWS

People everywhere want much the same thing – a decent job, a secure home, a safe environment, a better future for their children. What does it take for a country to deliver on the objectives that would transform and make its society, economy and environment more sustainable?

An integrated approach to trade and investment is essential for the policy measures and institutional reforms needed at the national and international levels. In particular, designing adequate policy, regulatory and institutional frameworks that best fit national circumstances and priorities in an increasingly open trading environment remains a critical challenge to Governments.

THE SERVICES SECTORS: A DRIVER FOR SUSTAINABLE DEVELOPMENT

UNCTAD sees a large untapped potential for developing countries to capitalize on the service sectors to help them diversify, transform structurally and enjoy sustained growth. The services sectors, including infrastructure services (transport, energy, telecommunication, information and communications technology (ICT) and finance), are essential to ensuring that modern economies function effectively, enjoy enhanced productivity and can compete dynamically.

UNCTAD has pioneered international efforts in the linkages between services, trade and development, with a focus on policy analysis and consensus-building.

Services Policy Reviews support national efforts to systematically assess the economic, regulatory, institutional and trade policy environments of national services sectors and offer recommendations on how to harness services to create jobs and raise living standards.

Services Policy Reviews help policymakers and regulators to assess the potential of the services industry as well as the robustness of regulations and institutions, in order to identify any obstacles to development of each country's services sectors.

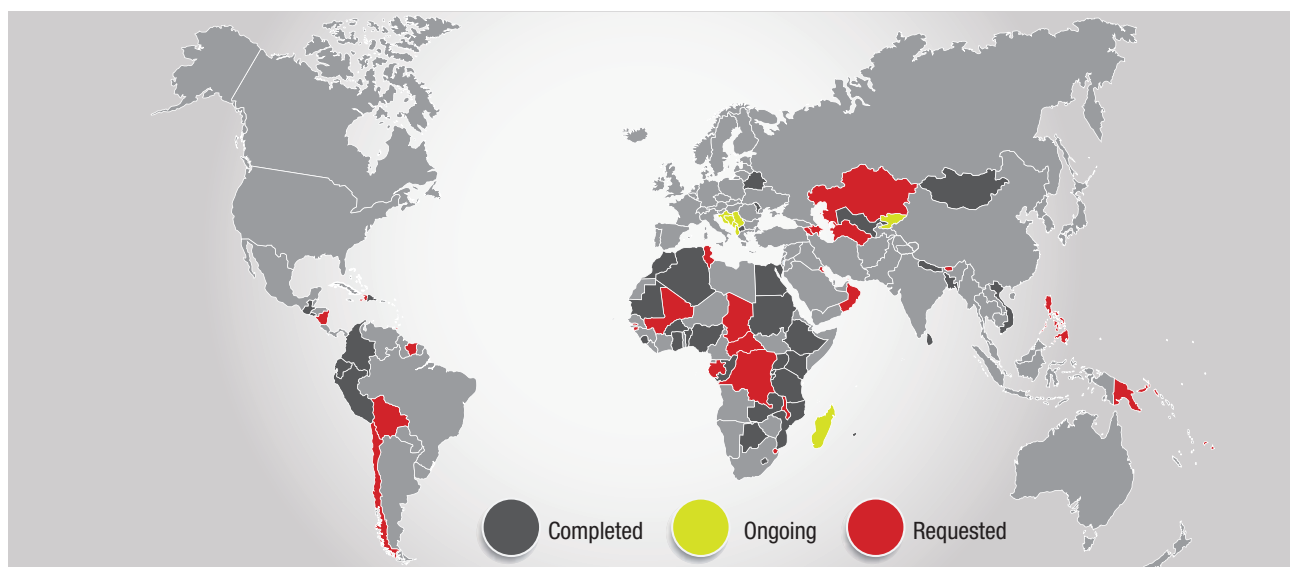
UNCTAD has carried out or is currently working on Services Policy Reviews for Bangladesh, Jamaica, Kyrgyzstan, Nepal, Nicaragua, Paraguay, Peru, Rwanda and Uganda (phases I and II).



REVIEWING INVESTMENT FRAMEWORKS

In response to a growing demand from member States, UNCTAD continues to carry out the multi-phase Investment

Investment Policy Reviews



Policy Reviews. The programme offers strategic advice on FDI, as well as an assessment of a country's investment framework and how to strengthen and improve it. Each Investment Policy Review focuses on a country-specific strategy to attract and benefit from FDI. The release of an Investment Policy Review report is followed by technical assistance activities to support the implementation of recommendations.

Increasingly, Governments and policymakers recognize the critical role that Investment Policy Reviews play in decision-making. As of December 2014, close to 300 Investment Policy Review recommendations had been adopted by beneficiary countries, contributing to impact and improvement of overall investment flows and environment.

The impact of the Investment Policy Review programme can be illustrated at three levels:

- Country commitment and endorsement of Investment Policy Review recommendations
- Implementation of those recommendations
- Impact on investment flows and the investment environment.

HARNESSING SCIENCE, TECHNOLOGY AND INNOVATION FOR DEVELOPMENT

Building capacity in science, technology and innovation is one of the most important challenges facing developing countries in the transformation of their economies.

Science, Technology and Innovation Policy Reviews are the way in which UNCTAD supports countries to manage the complexities of implementing technology and innovations

policies. A total of 10 such reviews have been undertaken since 2008.

In 2014, UNCTAD carried out two Science, Technology and Innovation Policy Reviews, in Oman (see box) and in Thailand.

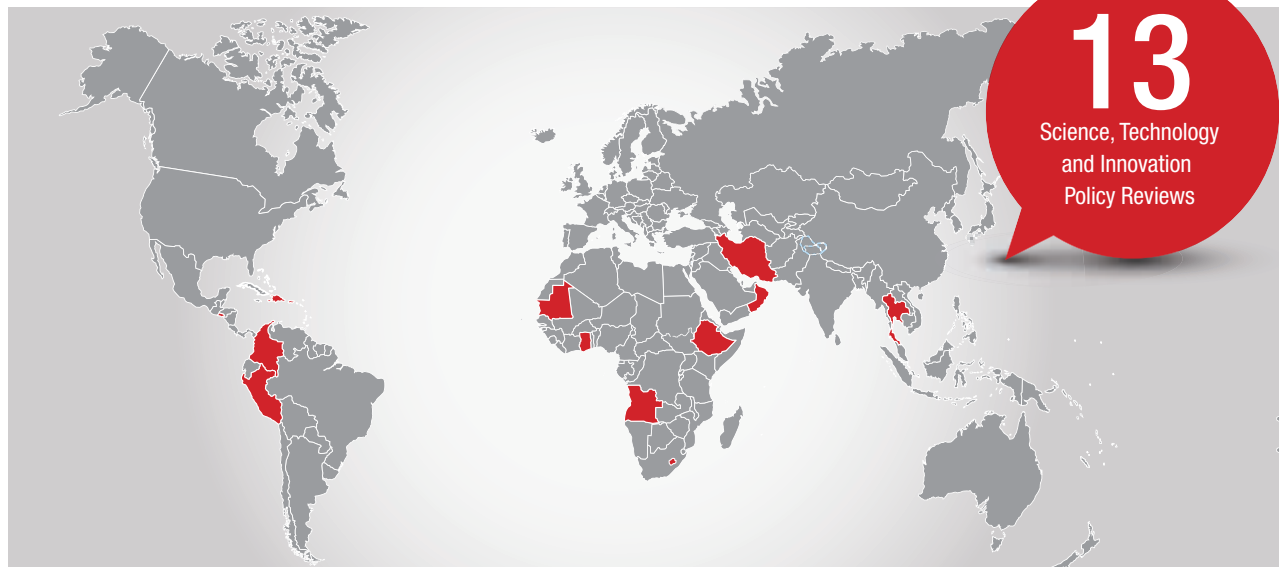
Science, Technology and Innovation Policy Review: Oman



During the seventeenth session of the United Nations Commission on Science and Technology for Development, in May 2014, the Secretary-General of the Research Council of Oman reported that the Science, Technology and Innovation Policy Review – a valuable and transparent document – used an open and inclusive methodology that was novel to the country and had been highly appreciated by national stakeholders. Immediate actions had been taken by Oman to disseminate the review at the national level and apply its recommendations when developing and implementing the national innovation strategy.

In Thailand, the first draft of the Science, Technology and Innovation Policy Review was discussed among national stakeholders in December 2014. The review's analysis and recommendations are already informing public policy design processes. In particular, the draft review has been used as supporting evidence and reference for the current discussions on policy reform in science, technology and innovation as part of the ongoing national reform process.

Science, Technology and Innovation Policy Reviews completed to date



ENABLING TRANSFORMATION WITH SOUND DEVELOPMENT DATA

Sound policies require sound data. But countries cannot improve what they cannot measure. UNCTAD statistical work helps developing economies gather sound development data to better assess and shape development-oriented national policies. These datasets are also made available to international and regional organizations, national policymakers, trade specialists, journalists, academics and the general public.

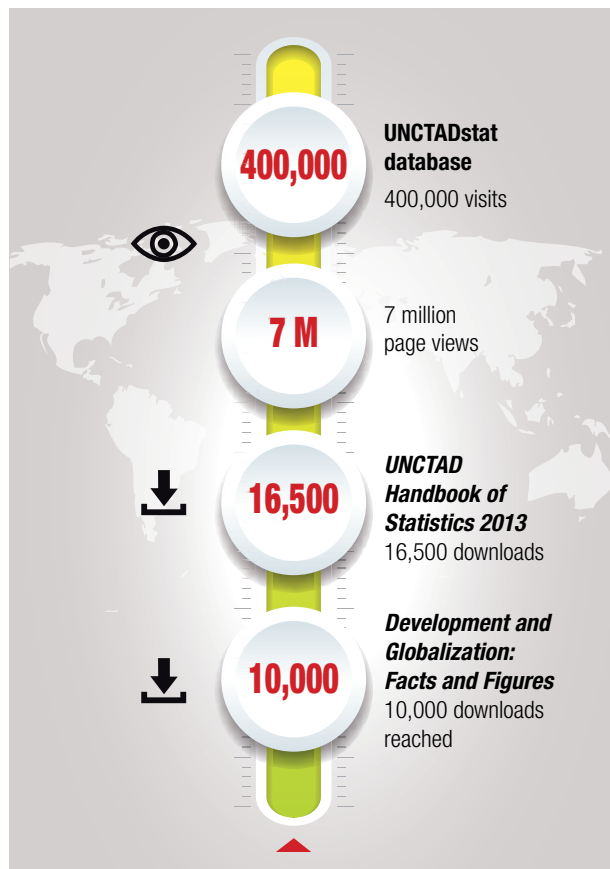
ECONOMICS STATISTICS



In 2014, UNCTAD continued to prepare and disseminate reliable and consistent economics statistics:

- The revamped UNCTADstat database website recorded close to 400,000 visits, with more than 7 million page views from over 200 countries
- Dissemination of the *UNCTAD Handbook of Statistics 2013* in print form has been complemented by close to 16,500 downloads
- Downloads of *Development and Globalization: Facts and Figures*, originally produced in 2012, continued, reaching some 10,000 times in the year.

Attention on economics data, 2014



Trade data and analysis tools, such as the UNCTAD Trade Analysis and Information System and the World Integrated Trade Solution – developed by the World Bank in close collaboration with UNCTAD – have also helped policymakers, researchers and other stakeholders to identify and address market access barriers, trade opportunities and promote more informed participation in trade negotiations at the multilateral and regional levels.

UNIQUE INVESTMENT DATA

The UNCTAD FDI database is unique, while the research on FDI issues and policies is valued by policymakers and private investors

As a global source FDI data and statistics, UNCTAD launched the Bilateral FDI Statistics 2014, which presents FDI data in a systematic way for 206 economies around the world. Covering inward and outward FDI flows and stocks by region and economy, this new service has quickly established itself as a useful reference for the investment community.

The UNCTAD FDI database is unique, while the research on FDI issues and policies is valued by policymakers and private investors.



MEASURING INFORMATION AND COMMUNICATIONS TECHNOLOGY

UNCTAD continued to develop specific sets of figures, such as statistics relating to the information economy, which help developing countries to assess and shape ICT policies.

Information and Communications Technologies and Gender



Gaining an accurate snapshot of a country's potential for development cannot be undertaken without collating data around gender, especially the use and availability of ICTs in relation to men and women. The UNCTAD *Measuring ICT and Gender: An Assessment* was published in May 2014 as a first outcome of the Task Group on Gender under the Partnership on Measuring ICT for Development. The Task Group aims at improving the availability of gender-related ICT data, especially in developing countries. The assessment identified key gaps in gender and ICT statistics and paved the way for further methodological work to be carried out by the Partnership and countries.

Priority areas where sex-disaggregated data should be collected are:

- household access and individual use of ICTs
- education and ICT indicators
- ICT employment
- ICT in business and entrepreneurship
- e-government.

Information and Communications Technology as a Driver for Women's Entrepreneurship

At the World Summit on the Information Society Forum in 2014, UNCTAD released its publication entitled *Empowering Women Entrepreneurs through Information and Communication Technologies: A Practical Guide*. The document highlights key areas where ICTs can enable women's businesses to become more productive and profitable. It presents a framework, developed by UNCTAD and the International Labour Organization, for integrating ICT into women's entrepreneurship assessments and policy recommendations. The publication featured in the November 2014 listing of the top 100 reports for women presented by the Women Moving Millions initiative.



The potential of cloud computing for low- and middle-income countries



In December 2013, UNCTAD launched the *Information Economy Report 2013: The Cloud Economy and Developing Countries*. The report marked the first time that the United Nations had examined the economic potential of cloud computing for low- and middle-income countries, which have low rates of adoption.

With Governments, businesses and other organizations in the developing world considering whether to migrate some or all of their data and activities to the cloud, the release of the report was particularly timely, with an ongoing global debate on privacy and data protection as a backdrop.

UNCTAD's analysis was likewise appreciated by stakeholders as comprehensive and authoritative, providing much-needed evidence to understand how developing countries could harness the cloud. The publication generated more than 130 media articles and several radio and TV interviews.

Innovation in information technology continues its rapid pace, with cloud computing representing one of the latest advances in this domain. Significant improvements in the capacity to process, transmit and store data are making cloud computing increasingly important for both developed and developing countries when delivering public and private services.







TACKLING VULNERABILITIES

IN THIS CHAPTER:



- Creating value for the world's most vulnerable countries
 - Mitigating the impact of the global economic crisis
 - An international approach to working out debt
 - Assistance in Palestine: Capacity-building in adversity
- Mitigating the impact of climate change: Enhancing development prospects

UNCTAD believes that to enhance sustainable development prospects, countries need to build resilience to factors such as financial instability, climate change or low economic diversification. This is the case even more so for the most vulnerable countries: LDCs, SIDS and LLDCs.

Tackling vulnerabilities is a necessary component in the pursuit of sustainable development.

CREATING VALUE FOR THE WORLD'S MOST VULNERABLE COUNTRIES

In the context of the debate on the forthcoming sustainable development goals, 2014 was a significant time for UNCTAD to ensure that the special needs of vulnerable countries were not forgotten.

GROWTH WITH STRUCTURAL TRANSFORMATION: THE *LEAST DEVELOPED COUNTRIES* REPORT 2014



The essence of *The Least Developed Countries Report 2014*, entitled *Growth with structural transformation: A post-2015 development agenda*, was an investigation into the so-called “LDC paradox”.



The report suggests that the paradox – strong economic growth yet weak progress in raising living standards – is the result of an economy moving insufficiently towards structural transformation and having an inadequate ability to create productive jobs. If the lessons learned from implementing the Millennium Development Goals are not taken account of, LDCs will not be able to achieve the ambitious sustainable development goals.

To foster growth based on structural transformation, the report recommends that LDCs focus on three critical policy areas:

- **Resource mobilization to finance productive investment**
- **Industrial policy to upgrade and diversify the economic structure**
- **Supportive macroeconomic policy.**

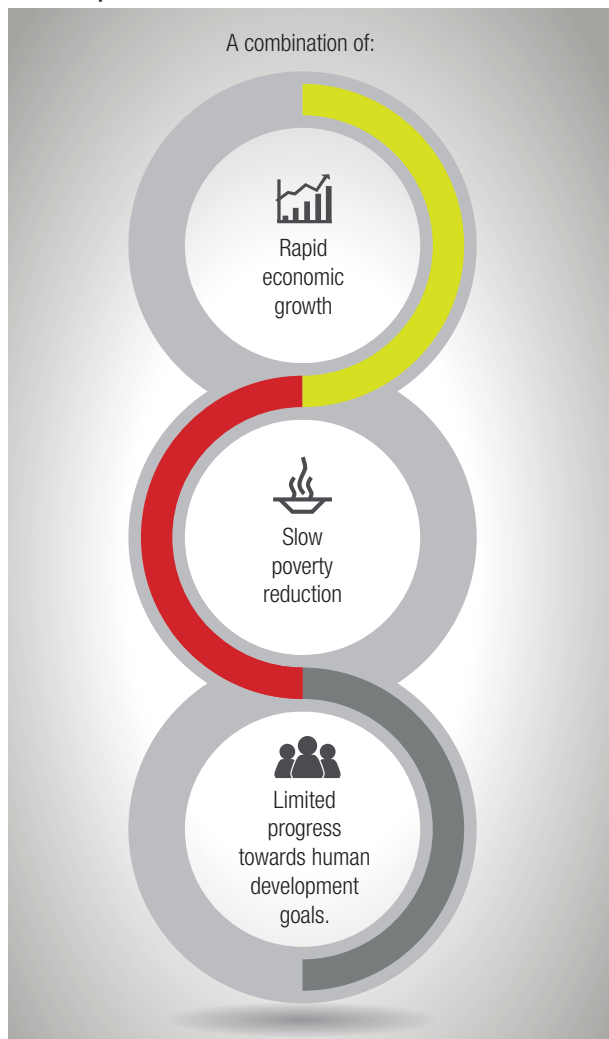
For these vulnerable countries, achieving the sustainable development goals will also require a concerted effort by the international community, notably additional and improved delivery of official development assistance, international financial and trade systems that are more development friendly, and effective and equitable responses to climate change.

Graduation from least developed country status and beyond

Ongoing UNCTAD activities in support of LDCs gained increased international relevance when the Istanbul Programme of Action – the Programme of Action for the Least Developed Countries for the Decade 2011–2020 – outlined the overarching goal of enabling at least half the number of LDCs to meet the graduation criteria by 2020. UNCTAD support to LDCs on graduation from LDC status continued in 2014, with a range of activities designed to benefit LDCs that meet at least one graduation threshold and LDCs for which the question of graduation has been much debated.

For instance, UNCTAD provided support to Myanmar in devising a road map for moving towards being taken off the list of LDCs in the most beneficial way and to Samoa (which graduated in January 2014) in developing a smooth transition strategy. Angola also benefitted from

The LDC paradox



UNCTAD support, through the examination of the country's challenges in meeting graduation criteria.

Building productive capacities:

Country benchmarking

UNCTAD has been working on indicators to measure the extent to which LDCs have developed their productive capacities and to benchmark the progress made by countries against agreed targets. Interest in this work led to an UNCTAD side event on indicators for benchmarking productive capacities in LDCs during the Ministerial Meeting on New Partnerships for Productive Capacity-Building in the Least Developed Countries, held in Benin in July 2014.

SMALL ISLAND DEVELOPING STATES: ENSURING A VOICE

SIDS face a greater risk of marginalization than other developing countries due to their small size and remoteness, trade imbalances, concentrated shipping markets and economic fragility. These countries thus remain a critical focus of UNCTAD work.

Recognizing vulnerability

The United Nations celebrated the International Year of Small Island Developing States in 2014, recognizing the specific challenges confronting SIDS as it has done since 1994. UNCTAD continued to work towards ensuring that issues on the vulnerability of SIDS were kept at the forefront of attention.

Vulnerability is at the core of the main challenges of SIDS. Since the early 1990s, UNCTAD has been supporting the

plea to specifically acknowledge the issue of vulnerability through the United Nations. A similar case could be made for SIDS by drawing on its experience from 1992 when UNCTAD pioneered the vulnerability index, which subsequently evolved into a criterion for identifying LDCs. The graduation of Cabo Verde, Maldives and Samoa starting from the 2000s has led UNCTAD to defend the idea of making vulnerability a paramount criterion for reviewing the question of the graduation of SIDS from LDC status, and a reason for granting special international support to countries with SIDS status. This continues to be the approach UNCTAD is using in its support for Kiribati, Tuvalu and Vanuatu.

In 2014, research work on SIDS continued to focus on vulnerability-related issues, more specifically, measuring vulnerability and identifying potential international measures to support the resilience-building efforts of SIDS. All these aspects are reflected in a joint document by UNCTAD and the Indian Ocean Commission, titled "Addressing the vulnerabilities of small island developing States more effectively".

Vulnerability and its implications for the future were also the subject of a high-level panel discussion jointly organized by UNCTAD and the United Nations Development Programme during the Third International Conference on Small Island Developing States (Samoa, September 2014). Panellists agreed that LDC graduation should be viewed as a desirable development, even for fragile and vulnerable countries, while also expressing a plea for "SIDS treatment". UNCTAD echoed the plea and encouraged the international community to come up with international support measures that would enable graduating SIDS to continue building resilience once they had lost the benefits associated with LDC status.



Addressing the logistics challenges of small island developing States



Since 1968, the UNCTAD *Review of Maritime Transport* has covered key developments affecting international seaborne trade, the world fleet, ports, freight markets and transport-related regulatory and legal frameworks. The 2014 report offered invaluable insights into the unique transport and trade logistics challenges faced by SIDS and how these issues could be addressed.

SIDS must contend with an array of transport and trade logistics challenges. These countries need to be connected to global trade networks, yet maritime transport services face severe structural, operational and development obstacles. Remoteness from main global trade routes creates a major disadvantage in terms of the cost and time needed, and quality and frequency of services available, to access international markets.

As small open economies, SIDS are also vulnerable to global economic and financial shocks. *The Review of Maritime Transport 2014* concluded that the most effective way to move forward was through measures that span a range of areas, including the following:

- Trade logistics
- Building resilience to climate change
- Energy
- Financing sustainable and resilient transport systems.



Special commendation

In a 2014 readership survey, the UNCTAD *Review of Maritime Transport* received the highest feedback marks from its readers, including industry stakeholders.

LANDLOCKED DEVELOPING COUNTRIES

Countries that lack territorial access to the sea face persistent challenges to growth and development. The absence of such access has been one of the main factors hindering the ability to better integrate into the global trading system. Responding to the specific problems of LLDCs requires a multidimensional approach to “landlockedness” as a development challenge. For these countries, this implies implementing policies and measures aimed at economic restructuring and specialization, while taking into account their transport-related obstacles.

The second United Nations Conference on Landlocked Developing Countries took place in November 2014 in Vienna. Two substantive contributions to the Conference by UNCTAD were:

- A joint World Trade Organization (WTO)/UNCTAD side event on harvesting the benefits of trade facilitation for LLDCs. The aim for LLDCs should be to achieve a holistic approach to the Vienna Programme of Action focusing on creating predictability and simplification in trade, with an emphasis on regional integration issues, including consolidation of the issue of freedom of transit.
- A high-level dialogue on policies and strategies to turn commodity dependence into sustainable, inclusive and equitable economic growth and development for LLDCs, organized jointly by UNCTAD, the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and the Small Island Developing States and the Common Fund for Commodities.

The outcome of the Conference was the adoption of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024 – a plan aimed at accelerating sustainable development in the world’s 32 LLDCs. The UNCTAD call to emphasize the need for LLDCs to structurally transform their economies contributed to the formulation of the Vienna Programme of Action’s priority 5, entitled “structural economic transformation”.



MITIGATING THE IMPACT OF THE GLOBAL ECONOMIC CRISIS

With sluggish recovery, globally, from economic slowdowns, developing countries can build economic resilience by looking for their own new growth drivers. An appropriate mix of economic and social policies to achieve equitable and sustainable development needs to be identified and pursued.



EXPANDING THE DRIVERS OF GROWTH: *TRADE AND DEVELOPMENT REPORT, 2014*

Every year since 1981, UNCTAD issues its *Trade and Development Report*, which analyses current international economic trends and policy issues. The report puts forward recommendations for addressing these topics at the national, regional and multilateral levels.

The *Trade and Development Report, 2014* also argues that negotiations on rule making need to refocus on multilateral agreements that take into account the specific concerns of developing countries.

Additionally, financing investment and other public spending to meet development needs requires that Governments expand their fiscal space. The report notes that the current structure of the global economy makes it difficult for countries to increase government revenues and choose tax structures.

Fiscal space and governance issues are highly relevant to many developing and transitioning economies, and UNCTAD envisages that these topics will figure prominently in the post-2015 development agenda.

"I have read the 'Trade and Development Report, 2014' and found it to be excellent. Kudos to you and your team for an amazing piece of work. I found chapter V on global policies in an evolving global governance regime to be particularly illuminating. The section on global value chains brings to light the reality of what participation in global value chains means for developing countries."

Abhijit Das,
Professor and Head of Centre for WTO Studies,
Indian Institute of Foreign Trade, New Delhi, 7 October 2014



AN INTERNATIONAL APPROACH TO WORKING OUT DEBT

In the absence of an international debt workout mechanism, the current fragmented landscape of sovereign debt restructuring creates unpredictability.

UNCTAD, as the focal point of the United Nations on global debt issues, has been engaging in a range of activities that promote dialogue on responsible sovereign financing principles. These activities include developing guidelines and fostering consensus-building around an international approach to debt workouts, together with technical tools for better debt management.

In 2014, while some developing countries made substantial improvements to their debt sustainability, others continued to face challenges and high vulnerability to debt distress. Weak economic prospects and issues around good economic governance are two key factors that compound a country's vulnerability to debt.

UNCTAD serves as an important forum for member States to discuss debt and development finance strategies. At the operational level, the UNCTAD Debt Management and Financial Analysis System (DMFAS) programme is a leading provider of technical cooperation and advisory services in the area of debt management.



Throughout 2014, the DMFAS programme helped Governments improve their capacity to manage debt.

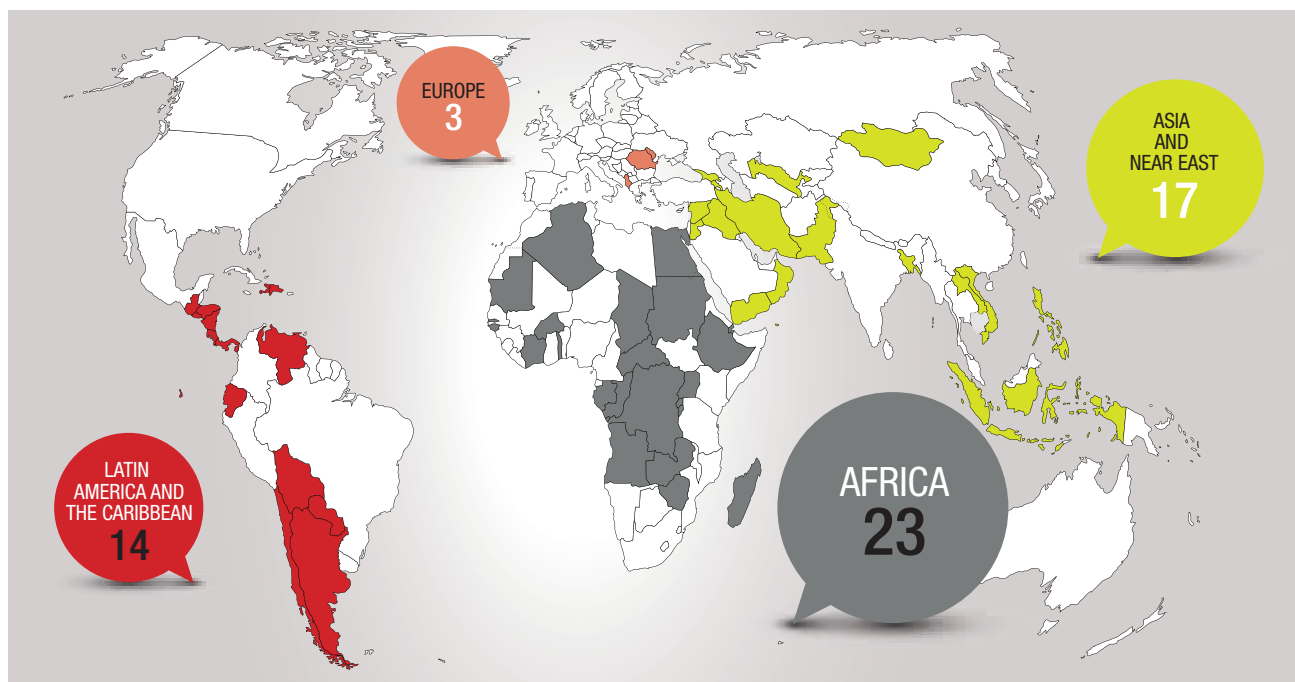
Weak economic prospects and issues around good economic governance are two key factors that compound a country's vulnerability to debt

The programme focused on providing solutions to the problems faced by debt management offices in the areas of operational, statistical and analytical debt management, which are considered the foundations for properly controlling debt. This included making improvements to specialized debt management software to handle new types of debt instruments, as well as advisory services and training activities.

Specifically, in 2014, countries benefitted from DMFAS through:

- **Complete, reliable and up-to-date databases.** Eighty-nine per cent of countries have developed comprehensive and reliable debt databases in respect of government and government-guaranteed external debt. Sixty-nine per cent of DMFAS 6 user countries whose debt management

DMFAS users by number of countries per region, 2014



office is responsible for monitoring domestic debt were using DMFAS to manage their entire domestic debt portfolio.

- **Improvements to debt statistics.** Thirty-five countries regularly produce statistical bulletins on debt; five new countries produced draft statistical bulletins in the course of the year.
- **Strengthened analytical skills.** Debt portfolio reports were produced in three additional countries; data validation calendars were produced in two countries and draft statistical bulletins on debt were produced in five additional countries (with seven national workshops, including three follow-up workshops). Procedures manuals were also produced in three countries.
- **Improved capacity for effective debt reporting.** Ninety-one per cent of DMFAS user countries effectively reported to the World Bank through its Debtor Reporting System. Two-thirds of DMFAS user countries participate in the International Monetary Fund–World Bank's quarterly external debt statistics database; one additional DMFAS user country agreed to participate in the public sector debt statistics database.

The programme operates in 57 countries (see figure, left) together with 85 institutions, delivering practical assistance in this area. DMFAS helped strengthened users' capacities to handle the day-to-day management of public liabilities and produce reliable debt data for policymaking purposes.

ASSISTANCE IN PALESTINE: CAPACITY-BUILDING IN ADVERSITY

Setting the Palestinian economy on a path of recovery and sustained growth requires creative solutions that tailor the development process not only to the economy's present distinctive features and institutional set-up, but also to the strategic imperatives of national sovereignty and State formation.

For more than three decades, UNCTAD has supported Palestinian economic development endeavours through research, technical cooperation projects and advisory services. In 2014, efforts addressed the evolving and complex needs of the Palestinian economy, notably: (a) trade policies and strategies; (b) trade facilitation and logistics; (c) finance and development; and (d) enterprise, investment and competition policy.

During 2014, UNCTAD staff contributed to a number of United Nations reports on the Occupied Palestinian Territory, with the aim of galvanizing and guiding consensus of the international community on the special needs of the Palestinian people and the increasing economic development challenges under occupation.



Trade facilitation conference on facilitating Palestinian trade, 1–2 December 2014, Ramallah.



Specifically, UNCTAD organized five study tours for Palestinian professionals, in cooperation with the training unit of the Palestinian Shippers Council, to relevant conferences and ports such as Ashdod and Haifa (Israel), Aqaba (Jordan) and Barcelona (Spain).

In September 2014, UNCTAD presented its annual report on assistance to the Palestinian people to the sixty-first session of the Trade and Development Board. Delegates commended UNCTAD technical assistance as a valuable model for capacity-building under adverse and severe conditions.

MITIGATING THE IMPACT OF CLIMATE CHANGE: ENHANCING DEVELOPMENT PROSPECTS

Climate change, and its far-reaching economic, trade and social impacts, poses real challenges to development. As the patterns of economic activity change or are scaled up, trade can impact on the environment, as well as create a rise in greenhouse gas emissions due, for instance, to increased transport. In 2014, UNCTAD continued addressing this global challenge by assisting countries to adapt to climate change while enhancing their development prospects.

IMPACT OF CLIMATE CHANGE ON MARITIME TRANSPORT

Since 2008, as part of its work on transport policy and legislation, UNCTAD has been working ahead of the curve on the implications of climate change for maritime transportation.

The focus of this work is the potential impacts on seaports and other coastal transport infrastructure, and how to adapt such infrastructure. Ports are likely to be affected by climatic changes through rising sea levels,

extreme weather events and rising temperatures. This holds broader implications for international trade and for the development prospects of the most vulnerable nations, in particular LDCs and SIDS.

Given the strategic role of ports in different parts of the world as part of the globalized trading system, ensuring that they become climate resilient is of crucial importance.



Ongoing work initiated in 2014 in this field included:

- An UNCTAD port-industry survey on climate variability and change (designed in collaboration with global port industry associations and other experts) aims at improved understanding of weather and climate-related impacts on ports and identifying data availability and information needs, as well as determining current levels of resilience and preparedness among ports. The initiative expects to gather relevant new information which is urgently required for planning of risk assessments and adaptation, including in particular ports in developing regions. The findings are expected to be released in 2015.
- Important synergies achieved through inter-agency cooperation, including with the Expert Group on Climate Change Impacts and Adaptation for International Transport Networks of the United Nations Economic Commission for Europe, which published a substantive report in 2014 on relevant impacts and adaptation, and by establishing a committed multidisciplinary network of experts.

Also, as part of its collaboration with intergovernmental and non-governmental organizations, UNCTAD has joined a working group on climate change adaptation for maritime and inland port and navigation infrastructure. This will ensure that the perspective of developing countries is taken into consideration when designing global guidance on climate change adaptation in the area of transport.

The working group, recently established by the World Association for Waterborne Transport Infrastructure (known as PIANC), was set up to develop industry guidance on climate change adaptation for maritime and inland navigational infrastructure. Such guidance is particularly required by smaller ports in SIDS, as well as those in developing regions that are potentially vulnerable to climate change impacts.

UNCTAD is also participating in the work of an advisory panel for the peer review of a regional climate change adaptation framework for the Mediterranean marize and coastal zones. The framework is being developed by the United Nations Environment Programme, under the Mediterranean Action Plan, for consideration and adoption by the Contracting Parties to the Convention for the Protection of the Marine Environment and the Coastal Region of the Mediterranean (Barcelona Convention) in late 2015.

GREENING THE ECONOMY THROUGH DIVERSIFICATION

UNCTAD helped countries throughout 2014 to examine and develop green productive and export capacities one of a series of options for transitioning into more ecological, climate-resilient economies. In particular, via a series of workshops using UNCTAD green product space analyses, stakeholders identified promising green products for production and export and made policy recommendations for creating an enabling business environment for selected sectors. In Ecuador, for example, national stakeholders selected the cocoa and fisheries industries. In Vanuatu, three sectors – coconut, cocoa and sandalwood – were selected as the focus of green industries.







IMPROVING COMPETITIVENESS, **EMPOWERING PEOPLE**

IN THIS CHAPTER:



- Competition and consumer policies
 - Fostering entrepreneurship
 - Promoting business linkages
- Protecting people and products
 - Empowering people

Competitiveness is one way to achieve sustainable job growth, improve wages and raise living standards. A dynamic economy, though, requires sound policies, adequate institutions, skilled people and constant innovation to upgrade and scale up local production capacities that deliver improved and widespread results. UNCTAD is a key partner to developing countries in addressing the challenges of building productive, regulatory and innovation capacities.

COMPETITION AND CONSUMER POLICIES

In any market economy, competition helps foster economic efficiency, resulting in increased productivity, innovation and economic growth. It can also result in lower prices and more and better products, in turn increasing consumer welfare. UNCTAD works to ensure that competition is an ingredient in national economies and that consumer policies are in place to protect citizens.

In 2014, UNCTAD continued its ongoing activities in support of national implementation of sound competition policies and anti-restrictive practices.

Paraguay, which adopted a new national competition law in 2013 after collaborating with UNCTAD over several years, received further support in compiling a specific regulation for enactment of the competition law. Based on a comprehensive analysis of the related legal situation, provided by UNCTAD, the law was enacted in 2014.

Many developing countries find themselves in a vulnerable position due to poor business infrastructures and complex regulatory and licensing regimes. Companies can find it harder to enter these markets, often restricted by unfavourable regulatory situations. Enforcement agencies also often lack the capacity to effectively detect and tackle anticompetitive behaviour.

While companies and supply chains are international, competition laws and enforcement agencies are primarily national, potentially giving rise to cross-border impacts. UNCTAD thus continues to work with regional organizations, such as the West African Economic and Monetary Union, to develop a decentralized means of applying a common competition law within countries. In 2014, it organized a training workshop for officials of the competition commission of Côte d'Ivoire to discuss and analyse different scenarios.

FOSTERING ENTREPRENEURSHIP

In today's fast-moving world, the vibrant nature of entrepreneurship is a vital component for economic growth and development. Creating new businesses also generates additional revenue and jobs, contributing to a dynamic element to competitive economies.

ENTREPRENEURSHIP POLICY FRAMEWORK

The UNCTAD Entrepreneurship Policy Framework provides a comprehensive toolkit for policymakers in developing countries, allowing them to formulate, monitor and evaluate their national policies for entrepreneurship.

Since launching the Framework in 2012, UNCTAD has followed up with over a dozen economies in transition, helping each country in identifying different priority areas. Use of a bottom-up approach that engages all key stakeholders and fosters new public-private partnerships has helped lay the groundwork for action.

SUPPORTING SMALL AND MEDIUM-SIZED ENTERPRISES

Since 1988, UNCTAD has promoted entrepreneurship and supported the international competitiveness of small and medium-sized enterprises, which play a vital role in lifting people and communities out of poverty, through its Empretec centres. The centres have helped promising entrepreneurs build business skills and set up enterprises, operating in 36 countries. In some countries, such as Brazil and Nigeria, there is more than one centre. Since its inception, the programme has assisted more than 360,000 entrepreneurs.

In 2014, 10 women were recognized for entrepreneurial excellence by the Empretec Women in Business Awards. The awards showcase women entrepreneurs in developing countries who have been successful in growing their



Empretec Women in Business Awards ceremony, 15 October 2014, Geneva, Switzerland



business and contributing to sustainable development. The top three winners received travel grants to visit research and development institutions or use for training, seminars or networking events. The awards are provided by UNCTAD, Symbiotics, the German Agency for International Cooperation, the Qatari Businesswomen Association and Emerald Publishing.

Empretec: Impact Highlights

A training assessment conducted in 2014 by the Brazilian Empretec centre, Sebrae, of 3,000 participants who attended the workshop the previous year showed positive ratings for the Empretec training in satisfaction and usefulness (the average score was 9 out of 10 points). The assessment also found that:

- 96 per cent of participants had applied what they learned during the workshop in their professional life;
- Attending the workshop influenced the decision to start a business in almost two-thirds of those who were not entrepreneurs when they started the training;
- 72 per cent of participants stated that the workshop helped them with planning and goal setting;
- 60 per cent of those who had a business before the workshop reported an increase in their monthly turnovers after attending the training and working on the competencies learned.

UNCTAD research also found that Empretec's impact has been significant on small businesses. Business performance indicators measured on some beneficiaries in Jordan and South Africa, one year after an Empretec workshop, showed improvements in several areas. For instance, businesses grew by 53 per cent in Jordan and 50 per cent in South Africa, and profitability by 82 per cent and 40 per cent, respectively.

MODERNIZING CUSTOMS MANAGEMENT

Automatically calculating customs duties using information technology to speed up and simplify clearance processes for goods and taxes results in increased State budget revenue. Together with reliable and timely trade and fiscal statistics, this assists Governments in planning their economic policy. Optimization of the customs process also helps to enhance country competitiveness.

Through the Automated System for Customs Data (ASYCUDA) programme, UNCTAD supports the modernization of customs by managing the entire customs clearance process, from (and prior to) the arrival of goods, up to their warehousing and ultimate release, after payment of duties and taxes. ASYCUDA includes an advanced risk-management/selectivity function and very strong anticorruption features.

For more than 33 years, the programme has facilitated international trade by supporting the changing and evolving needs and challenges of customs administrations in 111 countries and territories. ASYCUDA projects are also always accompanied by reforms and modernization programmes, thereby often acting as a catalyst to refurbish offices or build infrastructure, such as telecommunications networks.

In 2014, 39 LDCs, 21 LLDCs and 19 SIDS benefited from the ASYCUDA programme's support. For example:

- The Zambia Revenue Authority upgraded to the latest ASYCUDA system, which allows for local development as needed, at minimal cost, of necessary applications.
- Samoa, which graduated from LDC status in 2014, also upgraded and launched the latest ASYCUDA system. It thus became the first country in the Pacific region with an opportunity to develop an e-governance platform.
- In Afghanistan, international transit became fully operational along seven corridors. The Afghanistan Customs Department also implemented ASYCUDA modules for vehicle control, valuation and an e-exemption certification system.



ASYCUDA technical assistance projects, 2014



PROMOTING BUSINESS LINKAGES

To advance social, environmental and development goals, countries have been exploring sectors where international and local value chains can interact and take advantage of emerging trade and investment opportunities.

FOSTERING SOUTH–SOUTH COOPERATION

In 2014, UNCTAD completed a project on promoting regional value chains in sub-Saharan Africa, together with the African Export-Import Bank and the Commonwealth Secretariat.

The project delivered a study identifying potential regional value chains that could be formed in the leather sector in regions of the Common Market for Eastern and Southern Africa, Economic Community of West African States and Southern African Customs Union and suggested strategic interventions needed to initiate regional value chains and strengthen a country's gainful linkages. The project has led to successful partnerships between private sector operators in Africa and small and medium-sized enterprises in India, giving rise to promising multiregional cooperation.

UNCTAD was invited by a number of organizations to share the outcome of the project. Demands for similar projects in other regions and other sectors have been received from the Secretariat of the Pacific Community as well as the Commonwealth Secretariat.

BIOTRADE FOR POVERTY ALLEVIATION

In the face of changing climate, it is urgent to ensure that global trade does not exacerbate the natural environment and that there is a shift towards goods and services that are environmentally sound.

In 1996, UNCTAD launched the BioTrade initiative. The Initiative promotes sustainable biotrade, which encompasses all activities related to collecting, producing, transforming and commercializing goods and services derived from native biodiversity in a way that meets sound environmental, social and economic criteria. Biotrade is being recognized as a tool to address poverty alleviation and support sustainable livelihoods in developing countries.

In 2014, the twentieth session of the Conference of the Parties of the United Nations Framework Convention on Climate Change was held in December 2014 in Lima, Peru. UNCTAD in partnership with the Development Bank of Latin America took advantage of the occasion to organize a joint side event on biotrade, market innovation and social inclusion in climate-diverse scenarios. The event helped reveal synergies between conserving biodiversity and mitigating the effects of climate change.

BIOFUELS

The BioFuels Initiative has served as a platform for UNCTAD's continued advocacy of developing country interest in the sustainable production and use of biofuels. Biofuels are not to be pursued as an energy option alone, but as an overall driver that allows technologies and benefits to flow towards agriculture in general.

In 2014, the BioFuels Initiative continued to be a facilitating hub for renewable energy initiatives under way in a number of institutions.

Through the initiative, UNCTAD continued its work on the climate-friendly, cost-efficient and development-oriented green sectors that are within reach for countries, and strengthened this work by undertaking further analysis on biofuels. UNCTAD is one of the implementing partners of the Nairobi Framework, established to increase the participation of developing countries, especially those in sub-Saharan Africa, in the clean development mechanism under the Kyoto Protocol to the Conference of the Parties of the United Nations Framework Convention on Climate Change.



ORGANIC AGRICULTURE

Organic agriculture is of major interest to policymakers, researchers, farmers and development stakeholders. This is particularly so in South-East Asia and sub-Saharan Africa, because of the potential economic, social and environmental benefits that this mode of agriculture can offer.

In 2014, UNCTAD continued to support the implementation of organic agriculture development activities in the Lao People's Democratic Republic, jointly with the Ministry of Agriculture and Forestry and the Ministry of Industry and Commerce, by contributing to the country's third organic agriculture forum, held in July 2014 in Vientiane.

The forum aims at facilitating information and experience sharing among stakeholders interested in organic agriculture development and keeping participants abreast of developments in organic farming in the Lao People's Democratic Republic. It is also a forum for discussing future directions that could be undertaken by public authorities and the private sector (i.e. farmers) engaged in the organic agriculture market.

BRINGING ORGANIC AGRICULTURE TO OTHER REGIONS

The United Nations Inter-Agency Cluster on Trade and Productive Capacity launched a project in the United Republic of Tanzania, implemented in partnership with the State Secretariat for Economic Affairs (Switzerland) and linked to the country's Trade Sector Development Programme, that focuses on market value chains while encouraging trade in horticultural products, responsible tourism and enhanced market access. As the Inter-Agency Cluster lead, UNCTAD is supporting organic producers and processors in partnership with the Tanzania Organic Agriculture Movement in addressing issues of access to the tourism market for premium organic products such as coffee, tea, cashews, honey and pineapples. In doing so, a study on the links between organic agriculture, good agricultural practices and the hotel sector in the United Republic of Tanzania is being prepared.

LEVERAGING THE WORLD'S MOST DYNAMIC SECTORS

The "creative economy" is an emerging concept that operates at the nexus of creativity, culture, tourism, economics and technology. Today, creative industries such as the arts, crafts, design, fashion or film are among the most dynamic sectors in the world economy. They provide new opportunities for developing countries to leapfrog into emerging high-growth areas. In 2014, for example, UNCTAD worked with United Nations partners to help the Government of Cabo Verde benefit from its tourism sector and creative economy.

Creativity on the Ground

On the occasion of fiftieth anniversary of UNCTAD in 2014, the Istanbul Commerce University signed a memorandum of understanding with UNCTAD to support creative and cultural industries through policy-oriented research, workshops to raise the profile and exchange of experiences in the sector and facilitate the development of the creative industries network in Istanbul. This cooperation is an important step towards increasing the awareness on the creative sector's potential benefits for the economy and society. UNCTAD also participated in the Creative Istanbul Ateliers project of the Creative Industries Council of Turkey. This intellectual platform brings together different sectors from within Turkey's network of creative industries.

Traditional products from rural communities

In 2014, UNCTAD continued to implement its work promoting geographical indications of traditional products to increase and diversify least developed country exports, preserve traditional products and promote sustainable growth for isolated rural communities.

Laws on geographical indications and branding initiatives can assist rural communities in the least developed countries to promote their products and enter value chains, while preserving territorial integrity and biodiversity.

PROTECTING PEOPLE AND PRODUCTS

As international trade continues to evolve and grow, it is increasingly important that communities at the heart of industry ensure good stewardship of commodities. In 2014, UNCTAD's support to sustainability in trade was reflected in different initiatives.



The Principles on Responsible Agricultural Investment arose out of the *World Investment Report 2009* on agricultural investment. The principles seek to promote responsible investor behaviour. Field-testing of the voluntary principles with 39 agribusiness investors and 550 other stakeholders concluded in 2014. The findings have been translated into policy guidance on the negotiation of contracts between investors and Governments.



The Sustainable Stock Exchanges Initiative examines how stock exchanges can work together with investors, regulators and companies to enhance corporate transparency and performance on environmental, social and corporate governance issues and encourage responsible long-term approaches to investment. Named by Forbes magazine as one of the "World's Best Sustainability Ideas", the initiative is the result of collaboration between UNCTAD, the United Nations Global Compact, the Principles for Responsible Investment and the United Nations Environment Programme. Stock exchanges (including the

NASDAQ and London Stock Exchange) representing some 17,000 companies with a market capitalization of \$36 trillion have signed up to promote sustainable development in their markets.

"We're trying to change global governance. It's not easy... I'm very pleased with the growth of the [Sustainable Stock Exchanges] Initiative... we need a goal that ensures that what stock exchanges have achieved, Governments are able to build upon."

Richard Howitt, Member
of the European Parliament

Sustainable Stock Exchanges, Global Dialogue, 14 October 2014, Geneva, Switzerland



EMPOWERING PEOPLE

In order to leverage trade as a catalyst for increased competitiveness and ultimately sustainable development, a country needs to have adequate human and institutional capacities to manage, develop and accompany the process. In 2014 UNCTAD continued working towards and advocating upgrading local skills, strengthening national ownership and fostering endogenous capacities in developing countries.

NARROWING THE GENDER GAP IN TRADE

Any gender-based inequalities impact trade policy outcomes and trade performance. Gender equality needs to be taken into account by policymakers to ensure this approach is integrated into trade. Men and women tend to work in different sectors, with women clustered in a handful of sectors and men more evenly distributed across occupations. Sectors expand or contract accordingly. Furthermore, because gender roles in households and labour markets are rather rigid, women are less likely to enter expanding, “non-traditionally female” sectors due to limited access to productive resources and training, and time constraints. Policymakers need to take into account these differences to ensure trade policy narrows this gender gap.

In 2014, UNCTAD carried out two studies on the gender impacts of trade liberalization in the Gambia and Rwanda. The studies highlight the benefits or potential benefits of trade liberalization, but also outline its possible regressive impacts if existing gender-based inequalities are not addressed.



The UNCTAD report *Looking at trade policy through a “gender lens”* presents the findings of seven country case studies on trade and gender conducted by UNCTAD between 2010 and 2014. The countries reviewed include Angola, Bhutan, Cabo Verde, the Gambia, Lesotho, Rwanda and Uruguay. The concrete and actionable trade policy recommendations presented in the study can be of relevance for a larger number of countries in addressing gender-sensitive trade policymaking



BUILDING SKILLS FOR POLICYMAKERS

The UNCTAD Course on Key Issues on the International Economic Agenda, also known as the “paragraph 166 course”, in reference to that paragraph in the Bangkok Plan of Action, primarily targets policymakers and academics in government ministries and agencies and in permanent missions to the United Nations in Geneva (Switzerland). It is delivered in two forms: (a) three-week regional courses for economic policymakers and academics working in Government; and (b) short (half-day) courses for Geneva-based delegates.



During the course, attendees:

- Gain an overview of how economic factors such as international trade, finance, investment and technology are interrelated.
- Learn how they can impact positively on the economic and social development of their countries and how appropriate and relevant economic policies in these areas can bring gains from the globalized economy.
- Follow a curriculum focused on regional specificities, that still takes into account global economic developments.

Five modules in the curriculum highlight the need for efficient macroeconomic management of an economy. The course takes a critical view of the role of structural policies such as fiscal policies and the efficient allocation of capital and finance in the economy in support of other horizontal and sectoral policies such as (a) industrial policies; (b) foreign direct investment and its corresponding impact on the development of small and medium-sized enterprises; (3) the role that science, technology and innovation can play in development; (4) trade logistics, transport and infrastructure; and (5) trade policies. The curriculum consists of presentations, debate sessions, critical review of policies and role-playing in policy development, coherence and coordination throughout the five modules. In the final module, participants reflect on the lessons learned and deliberate on a national consultation process focused on how to approach negotiations on a trade issue, particularly trade in financial services.

Two regional courses took place in 2014:

- The first course took place at the University of Belgrade, with 16 policymakers – 12 of whom were women – from Albania, Azerbaijan, Bosnia and Herzegovina, Montenegro, the Republic of Moldova, Serbia, the former Yugoslav Republic of Macedonia, Ukraine and Uzbekistan participating in the course.

- The second course, for the Western Asian region, took place in Oman and was hosted by the Ministry of Commerce and Industry in October 2014. The 18 course participants came from Egypt, Iraq, Jordan, Lebanon, Morocco, Oman, Qatar and the State of Palestine.

In 2014, UNCTAD organized six short courses updating Geneva-based policymakers on the most recent issues and developments on the international economic agenda:

1

Rethinking the global development agenda: A 50-year perspective;

2

Information and communications technologies for development: The cloud economy and developing countries;

3

UNCTAD programme on non-tariff measures in world trade;

4

Proactive fiscal, trade and industrial policies and their role in attaining development goals;

5

Global value chains: Enhancing the participation of small and medium-sized enterprises from a development perspective;

6

Transfer of technology and development: Key policy issues and recent national experiences.

Over 180 delegates, 48 per cent of them women, participated in these short courses.

Thirtieth Regional Course on Key Issues on the International Economic Agenda, Oman, 19 October–6 November 2014.



Seeing the impact of paragraph 166 in Trinidad and Tobago

After attending the twenty-sixth regional paragraph 166 course for Latin America and the Caribbean, in February 2013 in Medellin, Colombia, Ms. Julie David, Senior Policy Specialist at the National Institute for Higher Education, Research, Science and Technology, in Trinidad and Tobago, was asked to prepare an effective national science and technology policy. She confided that she felt the task was huge, but explained how the UNCTAD paragraph 166 programme helped her:

“...[paragraph] 166 is really an important workshop. In hindsight, six or seven months after the end of the course, I would not have led the team of analysts in preparing the policy without the knowledge I gained at the regional course in Medellin. The course not only introduced but confirmed the important variables that must be considered when trying to effect certain developmental changes in the areas of science and technology. I used the information to understand the current situation here at home and abroad and thereafter, built a national policy of relevance to [Trinidad and Tobago] society. The knowledge shared by UNCTAD in this flagship workshop is a gift – a gift which when put to effective use can ultimately create positive developmental changes targeting those for whom specific changes are intended.”

Ms. David later reported that the draft national policy was approved before the Board of Governors of the National Institute for Higher Education, Research, Science and Technology and would be taken to the Cabinet for its approval by the Minister of Science and Technology.

BUILDING SKILLS FOR TRADE OPERATORS

The Train for Trade programme provides tailor-made technical assistance to developing countries. The focus is on developing skills and knowledge through innovative development approaches based on a recognized educational method and state-of-the-art technological solutions.

In 2014, a total of 1,423 trade operators (38 per cent women) from 51 developing countries, including 15 LDCs, benefited from Train for Trade activities.

Port training programme

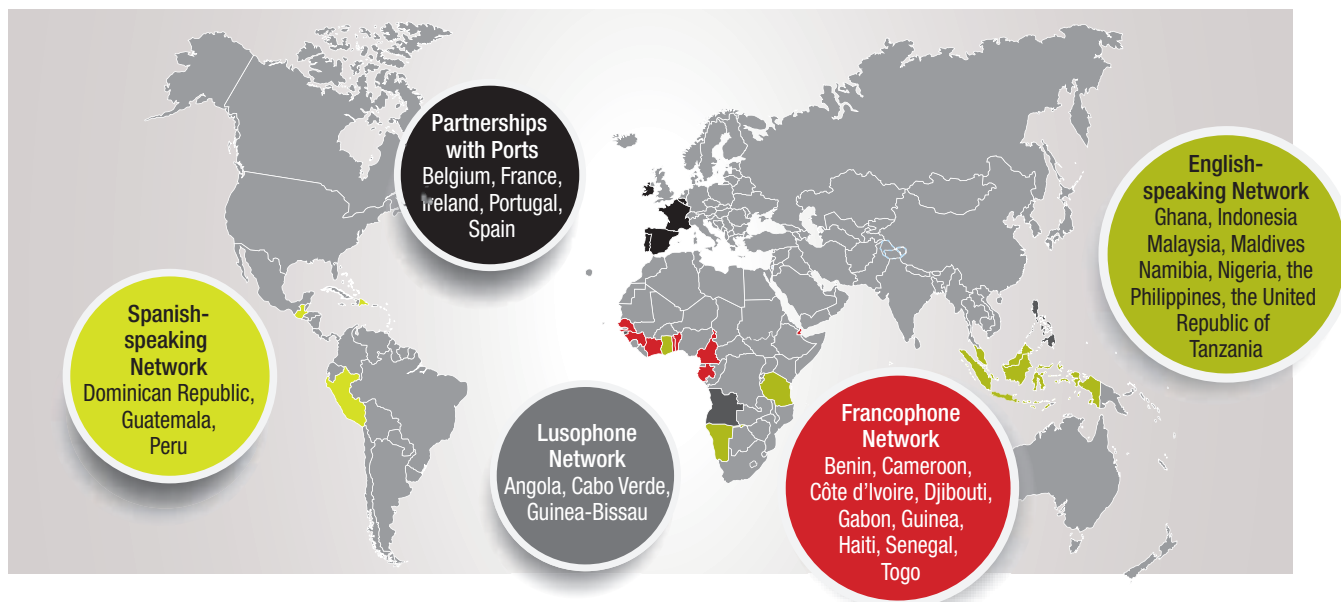
Specifically, the Train for Trade port training programme supports port communities in developing countries and their quest for efficient and competitive port management. In 2014, 460 port managers were trained through the programme.

Talent management and leadership development is a crucial part of the port training programme. The programme operates through four language-based networks in Africa, Asia, Europe and Latin America and the Caribbean. It hosts a high-end course on modern port management, a powerful scheme to encourage value added solutions in port communities.

The port training programme brings together public, private and international entities to share expertise and best practices. Partnerships have been established with European ports to share their knowledge and expertise with ports in the South. South–South collaboration between port communities is also crucial for knowledge sharing.



Modern Port Management



The Port Training Programme – Improving Services in the Port Community

In 2014, the port training programme achieved the following:



Many former participants in the modern port management course become instructors and therefore take on more responsibility at the senior management level. Another meaningful indication of the impact of the Programme is the extent to which the quality of the participants' dissertations is validated by international and regional port experts and the relevance of these dissertations to improving services in the port community.

Virtual Institute national workshop on the empirics of trade and trade policy, 12–15 August 2014, the Gambia.

Free and open source platforms make learning easy

Train for Trade's blended learning approach increases the number of beneficiaries and reduces training costs and CO₂ emissions. Distance learning gives trainees and trainers more flexibility in the training process. UNCTAD's distance-learning platform uses a free and open source learning and content management system, which facilitates sharing information and technology.

In 2014, UNCTAD pursued technical assistance projects in West Africa and Latin America, delivering nine face-to-face and massive open and online courses and three train-the-trainer sessions. A total of 765 trade operators (including 343 women) from 51 developing countries and 15 LDCs participated in the courses.

Given the state-of-the art technological platform used, UNCTAD collaborates with the Office for the Coordination of Humanitarian Affairs, the World Food Programme and with the Staff Development and Learning Section of the United Nations Office at Geneva on e-learning activities.

BUILDING SKILLS FOR ACADEMICS

In 2014, the UNCTAD Virtual Institute continued to work with universities and research institutes located in developing and transitioning countries to strengthen their teaching and research capacities on trade and development and increase the policy relevance of their work.

Coinciding with the fiftieth anniversary of UNCTAD, the Virtual Institute celebrated the tenth anniversary of its creation at the eleventh session of the Conference (UNCTAD XI) in São Paulo, Brazil.

During the year:

- The number of Virtual Institute members increased to 111 universities and research centres from 54 countries, including 12 LDCs;
- Eight national professional development workshops trained 187 researchers from Africa, Asia and Latin America;



- Two online courses graduated 91 trade researchers and practitioners from developing and transition countries;
- Seven fellowships at UNCTAD enabled academics to prepare four research papers and develop three university courses and programmes;
- Eight study tours and visits trained 251 students;
- Eleven videoconferences presented UNCTAD research findings to 434 university students and lecturers.

A three-year capacity-building project on trade and poverty culminated in the publication *Trade policies, household welfare and poverty alleviation: Case studies from the Virtual Institute academic network*, written in cooperation with national policymakers by researchers trained through a Virtual Institute online course, and mentored by experts from UNCTAD and Virtual Institute partner organizations. Two sets of case studies respectively examine the welfare consequences of the increase in global commodity prices during the 2008–2009 food crisis and analyse the welfare effects of trade policy and exchange rate changes, providing policy recommendations for national Governments.

The Virtual Institute – from 2004–2014

Since June 2004, the Virtual Institute academic network has grown from 5 founding members to 111 academic institutions in 54 countries around the world. The Virtual Institute has helped enrich the academic offer of its member universities through a palette of services and resources, including curricular advice, teaching materials and their adaptation to local contexts, and study tours. It also saw the launch of new master's programmes in 9 countries, and courses at universities in 15 countries were developed or upgraded.

The Virtual Institute's original five teaching materials nearly tripled and generated 30 adaptations to the contexts of 16 countries, as well as translations into eight languages. The Virtual Institute also kept members' libraries well stocked, distributing 25,500 UNCTAD publications, and provided training for nearly 1,500 students through its 53 study tours and visits. It helped member institutions strengthen their research capacities by providing professional development through online courses, workshops, fellowships and mentored research projects. A total of 1,267 academics from 82 countries gained new skills and knowledge through 48 Virtual Institute workshops and online courses, which also generated 16 mentored research projects by researchers in 15 countries. The network also nurtured 64 budding researchers from 20 countries through Virtual Institute fellowships at UNCTAD. Over 10 years, the Virtual Institute has thus helped embed trade and development topics into university programmes, and create pools of researchers available to provide inputs to national policymakers in UNCTAD member countries.

BUSINESS SCHOOLS FOR IMPACT

Every country has specific needs when it comes to investment and enterprise. In LDCs and the poorest communities, enterprise development can require a very different approach. Because investors may lack knowledge on these markets, they can easily be deterred by risk–return profiles.

To overcome this knowledge gap, UNCTAD launched its new Business Schools for Impact programme in October 2014. By exposing students to the opportunities of investing in frontier markets, the programme seeks to change mind-sets from within business schools and make a difference from an early stage.

The programme is a collaborative effort with top business schools and alliances and will introduce modules and accreditation on investment in sustainable development in the world's poorest countries.

Business Schools for Impact







ENRICHING MULTILATERALISM

IN THIS CHAPTER:



- Fostering global convergence in trade and investment
- Fostering global convergence in technology and innovation
- Partnerships for sustainable development

UNCTAD offers trade and investment-related insights to advance global governance issues that have an impact on the development prospects of countries. We believe that a more inclusive multilateral approach is needed to support the goal of a more sustainable world.

FOSTERING GLOBAL CONVERGENCE IN TRADE AND INVESTMENT

With the forthcoming adoption of a new development framework beyond 2015, there is a need to ensure that international investment is mobilized to contribute to sustainable and inclusive development.

THE UNCTAD WORLD INVESTMENT FORUM 2014: A DIALOGUE FOR INVESTMENT WORLDWIDE



Hosted in Geneva for the first time, the UNCTAD World Investment Forum 2014 was a highlight of the UNCTAD fiftieth anniversary celebration. The event played an important role in the process of formulating the post-2015 development agenda, with a particular focus on dialogue and action for emerging global investment-related challenges.

The UNCTAD World Investment Forum is now recognized by Governments and business leaders as one of the foremost events for the international investment community.

Attendance reached over 3,000 participants from 150 countries, representing the full spectrum of the community. In partnership with 35 international institutions, the Forum hosted more than 50 events, providing ample opportunity for interaction between key decision makers.

The continual increase in participant numbers shows the need for such a high-level global platform, where stakeholders can engage every two years on issues of investment for development.

PROGRESS FOR THE FUTURE

The 2014 Forum's principal outcome was formulated in a summary of the ministerial round table. The outcome fed into the third International Conference on Financing

for Development, which took place in Addis Ababa in July 2015. Ultimately, these inputs are expected to also contribute to the goal-setting conference on sustainable development goals to be held in New York in September 2015.

The immediate impact of the Forum included:

- Practical cooperation and networking opportunities (leading to investments on the ground)
- Launch of a business registration portal (reducing the time it takes to set up a business)
- Launch of investment guides
- An action plan for investment in LLDCs
- Development of research agendas on pro-poor investment, women and transnational corporations, and corporate reporting.

"Collaboration and partnership can ensure that investment in sustainable development is inclusive and aligned with national priorities. The Forum helps to forge such links. You have the opportunity to contribute to improved livelihoods for billions of people over decades to come."

Ban Ki-moon,
Secretary-General of the United Nations

Opening session of the UNCTAD World Investment Forum 2014, 13 October, Geneva, Switzerland.



BRIDGING THE GAP IN GLOBAL GOVERNANCE ON INVESTMENT ISSUES

While global trade and finance have a strong institutional arrangement, there is no comparable structure for investment. There is an increasing need for a coordinated international response on issues such as international investment agreements and investment dispute settlement. UNCTAD has helped to fill the void in global economic governance on investment issues by serving as a platform for the international investment community that enables critical discussions on contemporary investment issues. The approach has provided consistent, leading-edge analysis and data, as well as monitoring of global trends and policies. UNCTAD continues to support member States with technical guidance, policy reviews and practical activities that boost national investment climates, such as investment promotion and facilitation, and enterprise development.

In 2014, UNCTAD initiated a global effort to help transform the international investment agreements regime and supported discussions around investment dispute settlement, thus adding to the essential work to help Governments and policymakers move towards sustainable economic growth for businesses – large and small.

GLOBAL COMMODITIES FORUM 2014

Advances in transportation and information and communications technologies have fragmented supply chains across the world. This new framework shifts the opportunities available for commodity-dependent countries. In 2014, UNCTAD hosted the fifth annual Global Commodities Forum, on the theme of global value chains, transparency and commodity-based development. UNCTAD estimates that global value chains account for 60 per cent or more of global trade. Participants at the Forum debated how developing countries could pursue global value chain strategies that fit with their overall development plans, contributing to structural transformation, job creation and entrepreneurship opportunities for their citizens.

The sub-theme of transparency was also timely, as participants debated on the features of a governance reform in the commodities sector that could reinforce transparency and accountability in the disclosure of information about physical and financial flows.

To pursue some of the topics debated at the Global Commodities Forum, participants recommended that UNCTAD create a multi-stakeholder working group on commodities governance. They tasked the working group with elaborating practical policy recommendations for improving transparency and accountability in the commodities value chain. The working group began its deliberations shortly after the 2014 Forum and agreed to present the progress made at the next Forum in 2015.



UNCTAD AT THE GROUP OF 20: A VOICE FOR DEVELOPMENT

The annual Group of 20 meetings of Governments and central bank governors from major economies are held to discuss and promote international financial stability, together with key themes of the day.

Since 2009, UNCTAD has played an active role at the summits, leveraging the Group of 20 platform to provide advisory services in policy areas related to macroeconomic and development issues around employment, global imbalances, global economic governance, growth, trade and the spillovers of macroeconomic policies in developed countries to the rest of the world. UNCTAD continued to do so in 2014, in the host country of Australia. Participating at the Group of 20 meetings has proved vital connecting with policymakers and reaching global influencers.

STRENGTHENING HUMAN AND INSTITUTIONAL CAPACITIES FOR WORLD TRADE ORGANIZATION ACCESSION

Enabling a country's accession to the World Trade Organization (WTO) is vital to helping countries shape their trade and development strategies and integrate into the international trading system. WTO accession, however, brings significant challenges for countries that often have to reform or design trade and policy frameworks that support long-term sustainable development objectives and simultaneously ensure that those measures are in line with WTO rules and disciplines.

“In 2014, UNCTAD helped 22 acceding countries to negotiate or prepare their accession to the WTO including all LDCs currently undergoing the process.”

To facilitate WTO accession, there is a need to strengthen institutional and human capacities within the relevant aims of acceding countries so that they can effectively analyse, formulate and implement trade and development strategies. Building the necessary capacities would also empower them to negotiate with trading partners' terms of accession while still recognizing their own development needs.

In 2014, UNCTAD helped 22 acceding countries to negotiate or prepare their accession to the WTO including all LDCs currently undergoing the process. Assistance covers all stages before, during and after accession. UNCTAD has been a major partner in providing this kind of technical assistance since the inception of WTO in 1995.



Seychelles: Accession to the World Trade Organization

UNCTAD has worked closely with countries that have recently acceded to the WTO, including Yemen and Seychelles. Since Seychelles applied for WTO membership in 1995, UNCTAD has provided consistent support to national negotiating teams and trade policy communities, together with hands-on assistance on how to better manage accession processes and negotiations. Such support took the form of evidence-based analysis to assess the development implications of WTO accession and assistance on trade policy reform, regulatory assessment and action plan capacity-building. On 10 December 2014, WTO members adopted the WTO terms of entry of Seychelles at the General Council meeting, clearing the way for the country to become the 161st WTO member in 2015.



FACILITATING MARKET ACCESS

In today's trading environment, market entry of exports depends on compliance with trade regulatory measures such as sanitary requirements and goods standards. These non-tariff measures pose important challenges for exporters, importers and policymakers in developing countries and account for a large share of trade costs.

UNCTAD has been engaged in analysing these non-tariff measures, over several years, through a range of activities that include data collection to research and technical cooperation.

In 2014, work on data collection focused on increasing transparency in the global trading environment with a view to helping countries identify and harmonize non-tariff measures affecting intraregional and world trade:

- As the lead agency on the collection of non-tariff measures data in the Transparency in Trade Initiative, UNCTAD has been gathering existing data on non-tariff measures in major economies, with a view to obtaining such data for over 90 per cent of world trade by the end of 2015.
- UNCTAD has collaborated with the World Bank in a non-tariff measures data collection and classification project. As part of the project, UNCTAD collected or is in the process of collecting data on non-tariff measures of Australia, Canada, Japan, New Zealand, the United States of America and the European Union, as well as of regional groupings such as the Economic Community of West African States and Latin American Integration Association.
- As part of a non-tariff measures data collection project for member countries of the Association of Southeast Asian Nations (ASEAN), in collaboration with the Economic Research Institute for ASEAN and East Asia, UNCTAD embarked on an ambitious project to collect and classify all available non-tariff measures for those countries using UNCTAD classification and methodology.



HARNESSING THE POTENTIAL OF RULES OF ORIGIN

UNCTAD has been providing policy advice and technical assistance on rules of origin for better utilization of trade preferences granted by preference-giving countries for several years.

In the run-up to the WTO Ninth Ministerial Conference in Bali, Indonesia, held in December 2013, for instance, UNCTAD assistance contributed to the ministerial decision on preferential rules of origin for LDCs adopted at the Conference. As a follow-up, a workshop organized in 2014 provided an opportunity for the WTO LDC Group in Geneva to discuss the challenges faced by those countries in complying with rules of origin matters. UNCTAD subsequently provided assistance in drafting a paper on those challenges and the favourable impact that Canadian and European Union reforms had had on LDC trade flows. The paper, which made a case for more lenient rules of origin allowing the insertion of LDCs into supply chains, was presented to the WTO Committee on Rules of Origin in October 2014.

AGREEMENT ON TRADE FACILITATION OF THE WORLD TRADE ORGANIZATION

UNCTAD has been assisting countries as they prepare to implement the WTO Agreement on Trade Facilitation and continued to collaborate with the United Nations Economic Commission for Europe and the International Trade Centre. In cooperation with the International Trade Centre, more than 25 advisory missions were undertaken by UNCTAD to help countries finalize their national trade facilitation implementation plans, categorize measures of the Agreement on Trade Facilitation and provide training on specific trade-facilitation issues.

- Overall, the impact of UNCTAD support in 2014 included establishing various national trade facilitation committees, as well as notifications of category A measures to the WTO.
- By year's end, more than 50 developing countries had notified their category A measures to the WTO, including many countries that benefited from UNCTAD and International Trade Centre support.

World Trade Organization: Category A measures

In trade facilitation, the provision of mandatory information – notifications – to the WTO secretariat by a WTO member is based on a self-assessment of the readiness of that member to implement a specific provision under the WTO Agreement on Trade Facilitation.



FOSTERING GLOBAL CONVERGENCE IN TECHNOLOGY AND INNOVATION

Increased recognition of the opportunities that information and communications technologies offer for sustainable development goes hand in hand with growing awareness of the challenges of information security, privacy and the widening digital divide.

TECHNOLOGY AND INNOVATION FOR INCLUSIVE DEVELOPMENT

In 2014, UNCTAD continued its work on science, technology and innovation policy to promote inclusive innovation and development. This is a key goal in light of a global concern around growing inequality and/or access to technology as an obstacle to development despite progress in the field.



- Since 2006, the Commission on Science and Technology for Development has assisted the Economic and Social Council, which serves as the focal point in the United Nations system-wide follow-up to the outcomes of the World Summit on the information Society. The year 2014 was marked by preparations for the 10-year review of the implementation of World Summit on the Information Society outcomes, requested by the Economic and Social Council for 2014–2015.
- The seventeenth session of the Commission on Science and Technology for Development took place in May 2014, in Geneva. Preparations for the post-2015 development agenda featured strongly throughout. Participants noted the critical role of science, technology and innovation in addressing global challenges and transforming national economies. They requested that the post-2015 development framework should include establishing national innovation

systems and the building of capacity in science, technology and innovation through global partnerships. For instance, science, technology and innovation should be harnessed for information and communications technology, transportation, the environment and life-saving medicines.

REVIEWING THE WORLD SUMMIT ON THE INFORMATION SOCIETY

The 2014–2015 intersessional panel of the Commission on Science and Technology for Development took place in Geneva, in November 2014. The meeting was attended by around 150 participants – member States, international organizations, civil society, private sector and non-governmental organizations – from 40 countries.

The panel used the innovative “World Café” format that allowed for three simultaneous expert discussions around three sub-themes, namely:

- Science, technology and innovation and ICT trends, and implications for the transition from the Millennium Development Goals to sustainable development goals and the post-2015 development agenda.
- Foresight through sharing national experiences and methodologies.
- Collaboration, in particular regional, international, North–North and South–South.

“World Café” discussions with delegates during the 2014–2015 intersessional panel of the Commission on Science and Technology for Development, 26 November 2014, Geneva, Switzerland.



ADVANCEMENTS IN ICTS AND THE INTERNATIONAL LAW ENVIRONMENT

Building confidence and security in the use of ICTs

In 2014, the UNCTAD E-commerce and Law Reform Programme continued to expand synergies with its partners: the Commonwealth Parliamentary Association, Commonwealth Telecommunications Organization, International Telecommunication Union, Organization for Economic Cooperation and Development, as well as regional institutions such as the East Africa Community secretariat, the Economic Community of West African States and the Association of Southeast Asian Nations secretariat. UNCTAD has also worked with the United Nations Working Group on Cybersecurity and Cybercrime, the United Nations Commission on International Trade Law and the United Nations Office on Drugs and Crime. These partnerships aim to increase access to secure and trustworthy ICTs, which are essential tools of a sustainable development strategy.

Global mapping of cyberlaws

In 2014, UNCTAD launched the Global Cyberlaw Tracker, which presented the first global mapping of cyberlaws covering the 194 UNCTAD member States. The tool tracks the status of e-commerce legislation in the field of e-transactions, consumer protection, data protection/privacy and cybercrime adoption. Contributions to the database also came from partner organizations, including the Commonwealth Secretariat, Council of Europe, Economic and Social Commission for Western Africa, Organization for Economic Cooperation and Development,

United Nations Office on Drugs and Crime and United Nations Commission on International Trade Law. The database serves as a tool for member States to identify policy areas that require particular attention in order to facilitate greater use of e-commerce.

Global Cyberlaw Tracker

UNCTAD launched the first global mapping of cyberlaws in 2014, through its Global Cyberlaw Tracker. The tool maps the cyberlaws of 194 countries.

unctad.org/cyberlawtracker



Cyberlaw implementation

In Africa, UNCTAD continued to support member countries of the Economic Community of West African States in national implementation of regional e-commerce legislation, with a particular focus on e-transactions, cybercrime and data protection.

As a result of adopting cyberlaw frameworks I and II in the East African Community, Governments in the region are making progress on cyberlaw reforms. For example, in Uganda in 2014, the National Information Technology Authority, together with the Ministry of Information and Communications Technology, continued to organize awareness workshops and campaigns on cyberlaws with a view to encouraging ministries, agencies and private sector organizations to put in place minimum information security controls to ensure safe e-transactions.

In Latin America, UNCTAD provided capacity development activities to enhance knowledge on cyberlaw issues and foster cross-fertilization of best practices at the regional level.



PARTNERSHIPS FOR SUSTAINABLE DEVELOPMENT

In 2014, UNCTAD leveraged multi-agency and international cooperation opportunities, joining efforts in implementing impactful projects and initiatives.

ENHANCED INTEGRATED FRAMEWORK



The Enhanced Integrated Framework is a multi-donor programme that helps LDCs play a more active role in the global trading system. As a core agency of the programme, UNCTAD has been requested to play the role of lead agency for the updates of seven Diagnostic Trade Integration Studies, namely, for Djibouti, Ethiopia, the Gambia, Mali, Mozambique, the Niger and Senegal. The requests to lead those studies are a reflection of the trust countries have in UNCTAD trade policy analysis.

Diagnostic Trade Integration Studies, as part of the Enhanced Integrated Framework process, are major national policy studies that are instrumental in defining key sectors where trade can foster inclusive growth and development. In the course of 2014, UNCTAD initiated or concluded the Diagnostic Trade Integration Studies updates for Djibouti, Ethiopia, Mali, Mozambique and the Niger.

UNITED NATIONS INTER-AGENCY CLUSTER ON TRADE AND PRODUCTIVE CAPACITY



In 2014, UNCTAD followed through on its role as lead agency of the United Nations Inter-Agency Cluster on Trade and Productive Capacity. Members of the Inter-Agency Cluster participate in the formulation of joint programmes with Governments at the highest level. Joint programmes are formulated along national priorities with development results and mutual accountability, with a view to implementing and delivering as one United Nations.

The Inter-Agency Cluster is a mechanism for mobilizing resources, providing multi-year sustainable and predictable funding to achieve national and global priorities in line with the Paris Declaration on Aid Effectiveness and Accra Agenda for Action. An increasing number of joint operations developed under United Nations Development Assistance Frameworks allow the United Nations to speak with “one voice” on trade and trade-related issues at the national and regional levels.

As of 2014, the United Nations Inter-Agency Cluster on Trade and Productive Capacity is delivering on 36 operations in Africa, Arab States, Asia, Latin America and the Caribbean, and Europe and Central Asia:

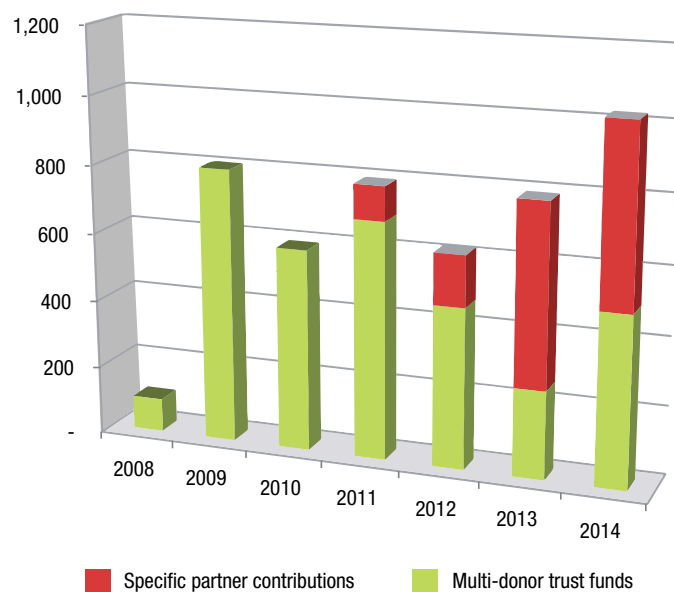
- Africa has 11 Inter-Agency Cluster joint programmes at the country and regional levels: Angola, Cabo Verde, the Comoros, Lesotho, Madagascar, Mozambique, Rwanda,

Sao Tome and Principe, the United Republic of Tanzania, Zambia and the Africa Regional Initiative on Industry, Trade and market Access Business Plan.

- In the Arab States, there are three Inter-Agency Cluster joint programmes at the country and regional levels: Egypt, State of Palestine and a regional initiative for the members of the League of Arab States.
- Asia has seven Inter-Agency Cluster joint programmes at the country level: Afghanistan, Bhutan, the Lao People's Democratic Republic, Myanmar, Nepal, Pakistan and Viet Nam.
- In Latin America and the Caribbean, there are four 4 Inter-Agency Cluster joint programmes at the country level: Ecuador, El Salvador, Panama and Uruguay.
- In Europe and Central Asia, there are 11 Inter-Agency Cluster joint programmes at the country level: Azerbaijan, Belarus, Georgia, Kazakhstan, the Republic of Moldova, Serbia, Turkey, Turkmenistan, Ukraine, Uzbekistan and a joint initiative under the United Nations Special Programme for the Economies of Central Asia.

UNCTAD access to the “Delivering as one” funding mechanism 2008–2014

(In thousands of United States dollars)



Source: UNCTAD calculations, 2015.

Note: “Delivering as one” funding mechanisms include specific partner contributions and multi-donors trust funds.

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The annex on objectives, expected accomplishments and indicators of achievement for the 2014–2015 biennium is available online at unctad.org/AnnualReport2014.

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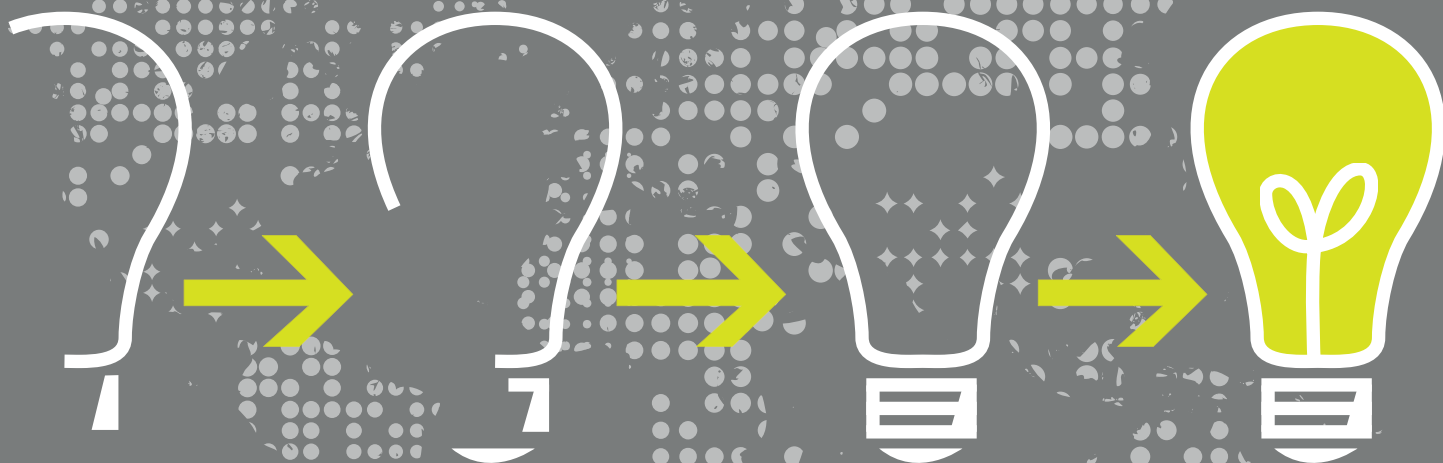
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