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**Review of the technical cooperation activities  
of UNCTAD and their financing**

**Report by the Secretary-General of UNCTAD**

**Annex I: Review of activities undertaken in 2015<sup>1</sup>**

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<sup>1</sup> This document has not been formally edited.

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## Abbreviations

ASEAN	Association of Southeast Asian Nations
ASYCUDA	Automated System for Customs Data
COMPAL	Competition and consumer protection in Latin America
DMFAS	Debt Management and Financial Analysis System
FDI	foreign direct investment
GDP	gross domestic product
ICT	information and communications technology
IIA	international investment agreement
IPR	investment policy review
LDC	least developed country
NTM	non-tariff measure
WTO	World Trade Organization

## Country/territory/region codes

AFG	Afghanistan	CIS	Commonwealth of Independent States
ALB	Albania	CKI	Cook Islands
ALG	Algeria	CMB	Cambodia
ANG	Angola	CMR	Cameroon
ANL	Anguilla	COI	Comoros
ANT	Antigua and Barbuda	COL	Colombia
ARG	Argentina	COS	Costa Rica
ARM	Armenia	CPR	China
ARU	Aruba	CRO	Croatia
AZE	Azerbaijan	CUB	Cuba
BAH	Bahrain	CVI	Cabo Verde
BAL	Baltic States (regional)	CYP	Cyprus
BAR	Barbados	CZE	Czechia
BDI	Burundi	DJI	Djibouti
BEN	Benin	DMI	Dominica
BER	Bermuda	DOM	Dominican Republic
BGD	Bangladesh	DRC	Democratic Republic of the Congo
BHA	Bahamas	DRK	Democratic People's Republic of Korea
BHU	Bhutan	ECU	Ecuador
BIH	Bosnia and Herzegovina	EGY	Egypt
BKF	Burkina Faso	ELS	El Salvador
BOL	Plurinational State of Bolivia	EQG	Equatorial Guinea
BOT	Botswana	ERI	Eritrea
BRA	Brazil	EST	Estonia
BRU	Brunei Darussalam	ETH	Ethiopia
BUL	Bulgaria	EUR	Europe
BVI	British Virgin Islands	FIJ	Fiji
BYE	Belarus	GAB	Gabon
BZE	Belize	GAM	Gambia
CAF	Central African Republic	GBS	Guinea-Bissau
CAM	Central America (regional)	GEO	Georgia
CAR	Caribbean (regional)	GHA	Ghana
CAY	Cayman Islands	GIB	Gibraltar
CHD	Chad	GLO	Global
CHI	Chile		

GRN	Grenada	NER	Niger
GUA	Guatemala	NIC	Nicaragua
GUI	Guinea	NIR	Nigeria
GUY	Guyana	NIU	Niue
HAI	Haiti	OMA	Oman
HON	Honduras	PAK	Pakistan
HUN	Hungary	PAL	Palestinian Authority
IND	India	PAN	Panama
INS	Indonesia	PAR	Paraguay
INT	Interregional	PER	Peru
IRA	Iran (Islamic Republic of)	PHI	Philippines
IRQ	Iraq	PNG	Papua New Guinea
IVC	Côte d'Ivoire	POL	Poland
JAM	Jamaica	PRC	Congo
JOR	Jordan	PUE	Puerto Rico
KAZ	Kazakhstan	QAT	Qatar
KEN	Kenya	RAF	Africa (regional)
KIR	Kiribati	RAS	Asia and the Pacific (regional)
KUW	Kuwait	RER	Europe (regional)
KYR	Kyrgyzstan	RLA	Latin America and the Caribbean (regional)
LAO	Lao People's Democratic Republic	ROK	Republic of Korea
LAT	Latvia	ROM	Romania
LEB	Lebanon	RUS	Russian Federation
LIB	Libya	RWA	Rwanda
LIR	Liberia	SAF	South Africa
LIT	Lithuania	SAM	Samoa
LSO	Lesotho	SAU	Saudi Arabia
MAG	Madagascar	SEN	Senegal
MAL	Malaysia	SEY	Seychelles
MAR	Mauritius	SIL	Sierra Leone
MAT	Malta	SIN	Singapore
MAU	Mauritania	SLO	Slovakia
MCD	The former Yugoslav Republic of Macedonia	SOI	Solomon Islands
MDV	Maldives	SOM	Somalia
MEX	Mexico	SPM	Saint Pierre and Miquelon
MLI	Mali	SRL	Sri Lanka
MLW	Malawi	STH	Saint Helena
MOL	Republic of Moldova	STK	Saint Kitts and Nevis
MON	Mongolia	STL	Saint Lucia
MOR	Morocco	STP	Sao Tome and Principe
MOT	Montserrat	STV	Saint Vincent and the Grenadines
MOZ	Mozambique	SUD	Sudan
MYA	Myanmar	SUR	Suriname
NAM	Namibia	SVN	Slovenia
NAN	Netherlands Antilles	SWA	Swaziland
NCA	New Caledonia	SYR	Syrian Arab Republic
NEP	Nepal	TAI	Taiwan Province of China

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TAJ	Tajikistan
TCI	Turks and Caicos Islands
THA	Thailand
TIM	Timor-Leste
TOG	Togo
TOK	Tokelau
TON	Tonga
TRI	Trinidad and Tobago
TUK	Turkmenistan
TUN	Tunisia
TUR	Turkey
TUV	Tuvalu
UAE	United Arab Emirates
UGA	Uganda
UKR	Ukraine
URT	United Republic of Tanzania
URU	Uruguay
UZB	Uzbekistan
VAN	Vanuatu
VEN	Venezuela (Bolivarian Republic of)
VIE	Viet Nam
YEM	Yemen
YUG	Yugoslavia
ZAM	Zambia
ZIM	Zimbabwe

## Introduction

1. This annex provides a description of the main technical cooperation projects and other projects undertaken by UNCTAD in 2015. It is presented in accordance with the structure of the thematic clusters around which these projects are grouped. A table showing the individual projects implemented under each cluster is given in the relevant section. The technical assistance and capacity-building activities draw on research conducted by UNCTAD and on policy suggestions arising from the UNCTAD intergovernmental machinery. The technical cooperation projects and other projects, including through synergies created within and among the clusters, also contribute to the implementation of the Aid for Trade Initiative.

### I. Cluster I: Capacity-building on trade negotiations and commercial diplomacy

#### Lead entity: Division on International Trade in Goods and Services, and Commodities

2. The programmes under this cluster (table 1) are directed at the enhancement of the human, policy, institutional and regulatory capacities of developing countries, particularly the least developed countries (LDCs), and countries with economies in transition, to integrate beneficially into the global economy and the international trading system, including trade in services, and to design and implement development-oriented trade policies and participate effectively and coherently in bilateral, regional (including South–South) and multilateral trade negotiations in goods, agriculture and services, placing a greater emphasis on practical solutions best fit to local conditions and special needs. Work under this cluster is delivered in cooperation with other UNCTAD secretariat sections, other United Nations bodies, intergovernmental and non-governmental agencies and other development partners. The cluster contributes to “Delivering as one” activities under the United Nations Development Assistance Framework, the Chief Executive Board on Trade and Productive Cluster on Trade and other inter-agency initiatives, as well as to UNCTAD-wide interdivisional programmes such as the delivery of paragraph 166 and Virtual Institute courses.

Table 1  
Capacity-building on trade negotiations and commercial diplomacy

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
IRQ/0T/CAH	Trade policy and trade negotiations capabilities of the Government of Iraq strengthened within the frame of technical barriers to trade/World Trade Organization	2013–	United Nations Industrial Development Organization
INT/9X/77I	Technical cooperation on market access, trade laws and preferences	1997–	Multi-donors
INT/0T/2CT	Training in the least developed countries and developing countries on trade policy formulation	2003–	Norway



<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
INT/0T/9AU	General trust fund on World Trade Organization accession	2009–	Multi-donors
INT/0T/9BG	General trust fund on services, development and trade	2009–	Multi-donors
ROA-2243 (P7)	Addressing the impact and implications of the global financial and economic crisis on developing countries through support to services sector development	2011–	Development Account
ROA-2904 (K8)	Capacity-building for the formulation and implementation of Millennium Development Goal-oriented trade policies in developing countries, contributing to accelerating achievement of the Millennium Development Goals in the context of multiple and interrelated development challenges	2013–	Development Account
ROA-2905 (L8)	Addressing the impact of trade and trade agreements on employment in developing countries (UNCTAD)	2013–	Development Account
ROA-2939 (AR8)	Strengthening capacities of African countries in boosting intra-African trade	2014–	Development Account

#### A. Enhanced trade negotiations and trade policy formulation capacities for meeting the Sustainable Development Goals

3. **Development context.** Trade unquestionably remains an important instrument for economic growth and development. However, it is a necessary but not sufficient condition for triggering and sustaining development. What, how and in what sequence countries liberalized matters, as does the complementary policies and national development strategies they choose to implement. Country engagement in the international trading system and trade negotiations therefore needs to be consistent with national development strategies and coherent national trade policy frameworks. In this light, reaping effective development benefits from participation in the multilateral trading system, as well as parallel and proliferating plurilateral, regional and subregional trade integration processes, including megaregional trade agreements, remains an important challenge for national policymakers and trade negotiators. The impasse of the Doha Round of negotiations under the World Trade Organization (WTO) may reflect wider tensions between globalization and national development interests, underlining the need to seek new ways to foster multilateral consensus in addressing trade barriers and enhancing more open and fairer international trade. The outcomes of the Tenth Ministerial Conference of WTO (Nairobi, 15–19 December 2015) have cast further uncertainty on the prospects of post-conference multilateral processes. However, the multilateral trade architecture continues to play a central role, acting as a major stabilizer in the global economy and as a global public good. It should therefore be continuously supported and strengthened in order to serve as an essential enabler for achieving the Agenda 2030 for Sustainable Development.

4. Large-scale megaregional trade agreements emerged in 2015. Most notably, the Trans-Pacific Partnership Agreement was concluded in October 2015 among its 12 members, creating a market of some 800 million population with a combined

gross domestic product (GDP) of \$28 trillion. Negotiations continue towards formation of a Transatlantic Trade and Investment Partnership agreement. Pan-African negotiations for a continental free trade area were launched in June 2015, with the indicative target date for conclusion set for 2017. The launch of the negotiations marks a major milestone in pan-African continental integration efforts. These agreements and negotiations highlight the increased relevance of large-scale regional trade agreements to the national development prospects of developing countries.

5. There is increasing recognition that trade-led growth strategies need to be complemented by proactive national policies and strategies that enhance productive capabilities, economic diversification and human capital formation. In particular, employment creation has become a key policy concern for many economies. The increased policy attention given to the necessity to build endogenous productive capacities and create employment has posed a major policy challenge, including for trade policymakers. Various national initiatives are increasingly combining trade-led growth strategies with proactive industrial, agricultural and services policies, while defining productive capability formation and employment creation as two major policy objectives within a coherent and integrated policy framework. Designing and implementing such coherent policy frameworks has thus come to represent a new policy challenge for developing countries.

6. **Objectives and features.** UNCTAD support on trade policy and negotiations aims to assist developing countries, particularly LDCs, and their regional groupings, to build human, analytical, regulatory and institutional capacities in trade policy formulation and implementation and in trade negotiations and agreements. The ultimate objective is to allow them to better draw benefits from international trade and the international trading system. Greater emphasis is placed on building national capacities to establish negotiating priorities in multilateral and regional trade negotiations, including for accession to WTO; formulate and implement development-oriented comprehensive trade policies and services-related regulatory and institutional frameworks at the national level; promote coherent approaches to bilateral and regional trade agreements and the multilateral trading system; support regional cooperation mechanisms, including South–South trade cooperation; and better utilize trade preferences, such as those under the Generalized System of Preferences. Technical support is provided in key areas of trade policy, trading systems and trade negotiations, such as agriculture, non-agricultural market access, services, rules, trade facilitation, trade-related aspects of intellectual property rights, special and differential treatment and aid for trade.

7. **Outputs.** In 2015, the main outputs of such assistance were as detailed in the following paragraphs.

#### **1. International trading system and Doha Round of negotiations**

8. UNCTAD continued its analytical, technical and capacity-building support to trade negotiators and policymakers from developing countries in their preparation for and engagement in multilateral, regional and subregional trade negotiations and arrangements, in particular the Doha Round of negotiations, as well as in the context of emerging megaregional trade agreements such as for an African continental free trade area. UNCTAD analysed and assessed the development implications of various technical issues under these negotiations to help the beneficiaries establish their negotiating options and priorities, on such topics as agriculture, non-agricultural market access, services, rules, trade facilitation, trade-related aspects of intellectual property rights, development issues, including special and differential treatment,

duty-free and quota-free market access, rules of origin and the Preferential Treatment in Favour of Services and Service Suppliers of LDCs. Particular attention was given to the needs of LDCs, African countries, the African, Caribbean and Pacific Group of States and small and vulnerable economies. Advisory services and analytical support were also provided on a regular basis to trade negotiators from developing countries and groupings based in Geneva, Switzerland.

9. UNCTAD supported preparatory processes for the Tenth Ministerial Conference of WTO, including by hosting and contributing to ambassadorial and senior official-level retreats for LDCs, organized jointly by UNCTAD and the LDC Group (Montreux, Switzerland, 17–19 February) and the African, Caribbean and Pacific Group of States (Lausanne, Switzerland, 30 October–1 November). At the intergovernmental level, the Multi-year Expert Meeting on Enhancing the Enabling Economic Environment at all Levels in Support of Inclusive and Sustainable Development (8–9 December 2014) and a meeting on trade policy and sustainable development (6–8 October) were convened to deliberate on the role of the multilateral trading system in supporting the achievement of the Sustainable Development Goals. Such longstanding strong partnerships, as well as the events held by UNCTAD on the margins of the Tenth Ministerial Conference of WTO, demonstrated that the organization can contribute to helping WTO member States in considering broader policy issues relevant to strengthening the multilateral trading system and building outward-oriented regionalism in support of sustainable development.

10. In particular, UNCTAD supported LDCs in pursuing their specific interests, including duty-free and quota-free market access and rules of origin, implementation of the Preferential Treatment in Favour of Services and Service Suppliers of LDCs and their participation in services trade, cotton issues and special and differential treatment. Individual countries were supported in better understanding the development implications of different options under consideration with regard to duty-free and quota-free market access for LDCs, especially for textiles and clothing in the markets of developed countries. These aspects were deliberated at the retreats of the LDC Group. At the request of the African, Caribbean and Pacific Group of States, an analytical study on their agricultural trade and WTO negotiations was prepared to assess the possible welfare and trade effects for the Group of different technical proposals with regard to agricultural market access negotiations.

11. Such interventions by UNCTAD were instrumental for setting conditions that eventually contributed to some positive outcomes from the Tenth Ministerial Conference of WTO, such as decisions to eliminate export subsidies; to engage constructively in negotiations aimed at finding a permanent solution to the issue of public stockholding for food security purposes; to reaffirm the right to have recourse to a special safeguard mechanism for developing countries; to improve preferential rules of origin for LDCs; and to extend the Preferential Treatment in Favour of Services and Service Suppliers of LDC.

12. UNCTAD also organized and contributed to a number of national multi-stakeholder consultations and workshops in developing countries, aimed at assessing and formulating development-oriented national trade policy frameworks to enable qualitative integration by countries into the international trading system. Such assistance was provided within the framework of UNCTAD support for national trade policy formulation and implementation including for Algeria, Bhutan, the Dominican Republic, the Islamic Republic of Iran, Namibia, Panama, Tunisia and Zambia (as detailed in subsection 3) and also explored key policy issues and options in their engagement in multilateral and regional trade negotiations. UNCTAD

organized an interregional meeting on trade policy and sustainable development (6–8 October), bringing together capital-based senior officials (ambassadors, permanent secretaries and trade directors) from selected African countries to share lessons learned, including with Latin America and Asia, in formulating and implementing development-oriented national trade policies. The meeting examined possible ways forward in preparation for the Tenth Ministerial Conference of WTO, thereby contributing to greater preparedness for their participation in preparatory processes for the conference.

13. UNCTAD has supported developing countries with regard to dispute settlement in international trade, investment and intellectual property, for instance under WTO and the World Intellectual Property Organization, including its arbitration and mediation centre, and in international commercial arbitration, such as under the United Nations Commission on International Trade Law. UNCTAD has developed training materials and delivered capacity-building activities on procedural and substantive aspects of international dispute settlement systems, in order to address capacity constraints faced by developing countries in this area.

14. The trade policy and trade negotiation capacities of countries were further built through the provision of training courses under paragraph 166 and the Virtual Institute, including regional courses in 2015 for Africa (Mauritius, 9–27 February), Latin America and the Caribbean (Colombia, 13–31 July) and Asia and the Pacific (Singapore, 9–27 November). These contributed to greater preparedness and technical capacities with regard to trade policy and multilateral and regional negotiations.

## **2. New regional trade agreements and negotiations**

15. With the launch of the continental free trade area negotiations in Africa, UNCTAD intensified its support to African countries in building and strengthening their trade negotiating capacities and enhancing understanding of technical issues arising from the negotiations. Such support was provided in close cooperation with the African Union Commission. At the request of the Commission, UNCTAD prepared a technical note on modalities for tariff negotiations towards a continental free trade area, addressing some key issues for consideration – including trade in goods, in particular tariffs – that was disseminated during the Tenth Ministerial Conference of WTO at an UNCTAD side event on 16 December entitled “Continental free trade area: Making it work for Africa”. UNCTAD also conducted an analysis of possible implications of the Trans-Pacific Partnership Agreement for the trade prospects of countries in sub-Saharan Africa.

16. UNCTAD assisted African countries by preparing capacity-building materials for negotiators to effectively benefit from trade in services opportunities at bilateral, regional and multilateral levels and, most importantly, to prepare for continental free trade area negotiations on services. UNCTAD advised on possible options and strategies, and on approaches to services liberalization and possible modalities, for such negotiations. UNCTAD drew lessons for negotiators from the services policy reviews undertaken for African countries and highlighted the methodology used, key findings and horizontal and sector-specific recommendations. This led to expressions of interest by several African countries to undertake such an exercise with UNCTAD support, including a request from the Economic Community of West African States for a regional services policy review. UNCTAD also provided assistance on options for liberalization of the movement of business persons, as this is an important area for African countries if the negotiations are to produce expected results.

17. UNCTAD organized and contributed to regional technical and consultative meetings and capacity-building events, such as the following: training workshop on trade in services negotiations for African Union continental free trade area negotiators (Nairobi, 24–28 August); workshop on support to the East African Community on advancing development through trade and leveraging the services sector for inclusive and sustainable economic growth (Nairobi, 21–25 September); training workshop on trade in services negotiations for African Union continental free trade area negotiators (Dakar, 7–11 December); regional workshop on the Greater Arab Free Trade Area and Arab customs union (Casablanca, Morocco, 9–10 June).

18. The African, Caribbean and Pacific Group of States continued to face challenges with regard to terms of negotiations with the European Union on economic partnership agreements in a manner that would fulfil their stated objective, that is, to serve as instruments for sustainable development, poverty alleviation and regional integration. UNCTAD continued to provide analytical and advisory support to the African, Caribbean and Pacific Group of States in these negotiations and implementation processes, collaborating closely with the Group and its secretariat. Advisory and analytical support was regularly provided to the Group in Geneva, either individually or collectively through their membership in the African Union or the LDC Group or among small and vulnerable economies, on issues interfacing the multilateral negotiations and economic partnership agreement negotiations. As noted, an analytical study on agricultural trade in the Group and WTO negotiations was prepared to better inform engagement in WTO negotiations.

### **3. Trade policy formulation and implementation**

19. Developing countries and countries with economies in transition continue to face significant challenges in the formulation of development-oriented trade policy frameworks best fit to their national circumstances and development needs. UNCTAD devotes particular attention to strengthening the national capacity of policymakers in trade policy formulation. UNCTAD intensified its support to individual countries in the assessment and reassessment of national trade policy regimes to help them elaborate new comprehensive and development-centred trade policy frameworks. The objective of such support is to assess, develop, elaborate and implement new-generation trade policy measures and strategies, and to promote and strengthen self-sustainable national institutional capacities on trade policy and negotiations and in participating effectively in, and benefiting from, international trade and the international trading system.

20. Such activities contributed to enhancing the capacity of the trade policy community and its understanding of the contribution of trade to economic recovery, growth and sustainable development, and equipping the countries concerned with policy analyses and policy frameworks that promote policy coherence to support inclusive and sustainable development. Trade policy frameworks have helped countries in a systematic, comprehensive and strategic manner. Such frameworks focus on identifying key sectors for diversification, with the potential to bring higher economic value, setting best-fit trade policies to reinforce development priorities, including under the 2030 Agenda for Sustainable Development, and establishing a national trade policy framework to ensure an effective and coherent implementation of such strategies. Trade policy frameworks provide tools for policymakers and all stakeholders that enable them to set priorities, make impact assessments of different policy options and devise the best actions, including at a sectoral level.

21. UNCTAD provided assistance with the preparation of trade policy frameworks to Algeria, Angola, Botswana, the Dominican Republic, Namibia, Panama, Tunisia and Zambia. Similar support aimed at national trade policy formulation was also provided to Bhutan and the Islamic Republic of Iran. A number of substantive activities were undertaken to assist beneficiary countries in assessing and preparing trade policy frameworks oriented to the Millennium Development Goals and Sustainable Development Goals.

22. Advisory services and capacity-building support for the preparation of trade policy frameworks, in conjunction with multi-stakeholder consultation, were conducted as follows: Zambia (national workshop for stakeholders to validate the Zambia Trade Policy Framework (Lusaka, 8–10 April)); Namibia (national multi-stakeholder workshop on the Namibia Trade Policy Framework (Windhoek, 29–30 April)); Algeria (national workshop for stakeholders on the Algeria Trade Policy Framework (Algiers, 1–2 April) and national conference on foreign trade and trade policy (Algiers, 30–31 March)); Botswana (multi-stakeholder consultative workshop on the Botswana Trade Policy Framework (Gaborone, 23 September)); Dominican Republic (national workshop on the Dominican Republic Trade Policy Framework (Santo Domingo, 3–4 September)); Panama (national workshop on the Panama Trade Policy Framework (Panama City, 27–28 October)). The preparation of draft trade policy framework reports is under way for these countries, and national validation workshops in Botswana are being planned for 2016.

23. Draft trade policy framework reports were finalized towards the formulation of frameworks in Angola, Tunisia and Zambia. Recommendations from these reports were discussed and endorsed at national multi-stakeholder validation workshops held in Tunisia (consultative mission on trade policy with a particular focus on the prospects of Tunisia's participation in the WTO Information Technology Agreement, 11–13 May) and Zambia (national workshop on the trade policy framework, 28–29 July). The publication of completed trade policy frameworks is under way.

24. Advisory missions were conducted to Bhutan on the preparation of a draft trade development act (1–9 August) and to the Islamic Republic of Iran to take part in a high-level symposium on industrial and trade policies (promoting exports and developing employment – towards a trade policy framework; 12 October). UNCTAD also took part in an international conference on trade relations between Cuba, the United States of America and Europe (Turin, Italy, 18–19 February) and a workshop on productivity, non-tariff measures (NTMs) and openness (Amsterdam, 27–28 May).

25. The meeting on trade policy and sustainable development held in October brought together the trade directors of selected African countries. The objective was to foster exchanges of experiences and lessons learned, including with Asia and Latin America, in formulating and implementing development-oriented national trade policy frameworks. A set of policy recommendations emerged from the deliberations, which pointed to the importance of a deliberate trade policymaking process; strengthening related institutions and regulations; robust implementation, with a road map, action plan and monitoring; and public–private partnerships. The need to strengthen linkages between trade and employment was highlighted, as well as to enhance services infrastructure, skills development tailored to the needs of the market and diversification into services as ways to strengthen competitiveness of the economy, resilience and trade, and to increase employment. Participants regarded the meeting as highly successful and commended UNCTAD work in this area. The meeting created a network among trade directors on trade policy formulation and implementation. A large number of requests were made for UNCTAD support on

trade policy frameworks and services policy reviews, including for regional groupings.

26. As part of its support to developing countries in addressing the impact of trade and trade agreements on employment, UNCTAD organized a session on trade, employment and development in the context of the meeting on trade policy and sustainable development, and co-organized a workshop on the employment effects of services trade reform (Geneva, 25–27 November). Both events highlighted the importance of devising a coherent and best-fit policy and regulatory framework to enable the positive contribution of the services economy and trade to development and, in particular, job creation. A global study on trade and employment and agriculture was developed, covering the possible effects of several trade negotiations, including the multilateral Doha Round and Trans-Pacific Partnership Agreement.

27. **Results and impacts.** UNCTAD contributed substantially to the strengthened capacities of developing countries and countries with economies in transition to integrate beneficially into the global economy and international trading system, and to design and implement trade policies and participate effectively and coherently in multilateral, regional – including South–South – and bilateral trade negotiations. UNCTAD support contributed to enhanced understanding by developing country policymakers and trade negotiators of the national policies and strategies needed to achieve inclusive and sustained development and developmental provisions and flexibilities that are particularly important in creating enabling environments under the international trading system. UNCTAD intervention had a strong positive impact in strengthening human, institutional and regulatory capacities in trade-related policies and negotiations in these countries. UNCTAD support greatly contributed to preparedness and the improved ability of policymakers and trade negotiators to analyse, formulate and implement best-fit trade policies and strategies with holistic approaches, to ensure that increased trade contributes to greater resilience in productive capacity and employment; awareness and appreciation of the importance of the coherence of bilateral and regional trade agreements with the multilateral trading system; better-informed and better-trained trade officials in country groupings such as the LDC Group and the African, Caribbean and Pacific Group of States; and advancement of multilateral and regional trade negotiations with a greater focus on the development dimension.

## **B. Support for accession to the World Trade Organization**

28. **Development context.** WTO accession constitutes an important part of trade and development strategies. The terms of accession have the effect of defining integration into the international trading system and thus have an important bearing on development prospects. In this regard, accession processes present challenges for acceding countries, as they are complex and require significant national trade and economic policy reforms while preserving development objectives and negotiating for adequate terms of accession, with a bearing on State development strategies. Such challenges are particularly significant given capacity constraints facing acceding countries, including in human and physical resources, trade policy expertise and supportive institutions. Further, inadequate commitments may unduly restrict the policy flexibilities of acceding countries to use policy instruments to foster industrial, agricultural and services development and structural transformation. Preparation for and participation in accession negotiations requires considerable human and financial resources. Building national capacities in acceding countries to

support their efforts to better prepare for and manage trade policy reform and accession negotiations is therefore important.

29. **Objectives and features.** UNCTAD support in this area aims at building human, policy, institutional and regulatory capacities in countries acceding to WTO to better manage processes before, during and after accession, in order that they may take advantage of trading opportunities for their inclusive and sustainable development objectives. Specifically, UNCTAD support aims to increase awareness of an acceding country's negotiating teams and stakeholders of the multifaceted issues in the accession process, enhance their expertise in WTO rules and disciplines and build their trade policy and negotiating capacities to engage effectively in accession negotiations.

30. **Outputs.** UNCTAD has assisted 22 acceding countries, including all LDCs negotiating or preparing for accession (Afghanistan, Algeria, Azerbaijan, Bhutan, Bosnia and Herzegovina, Cambodia, Cabo Verde, the Comoros, Ethiopia, the Islamic Republic of Iran, Iraq, Kazakhstan, the Lao People's Democratic Republic, Liberia, Nepal, Samoa, Seychelles, the Sudan, Syria, Turkmenistan, Uzbekistan and Yemen). Technical cooperation and capacity-building support was provided through, inter alia, training activities for country negotiating teams and other stakeholders in Geneva and member States; simulation exercises to prepare negotiating teams for negotiations within WTO working party sessions and with trading partners; attachment of individual trade policymakers to UNCTAD; advisory missions on the substance and process of WTO accession; substantive support for preparation for accession negotiations, including hands-on assistance in the preparation of required documentation such as memorandums of foreign trade regimes and elaboration of market access offers; and organization of national multi-stakeholder consultations and sensitization events, including the private sector and academia, as well as parliamentarians.

31. Advisory services, field missions and capacity-building activities were undertaken in 2015 as follows: training workshop for Iraq negotiators (Istanbul, Turkey, 19–21 October); training workshop on negotiation techniques and skills for Iraq negotiators (Beirut, 21–23 September); advisory mission to Azerbaijan on WTO accession issues (17–19 February); advisory mission to the Sudan and workshop on update of Memorandum on the Foreign Trade Regime (20–22 January); and advisory mission to Turkmenistan on WTO accession issues (2–6 March). UNCTAD also provided substantial advisory services to Liberia in 2015, including on technical consultations with trade negotiators on the commitment text in the final working party report (23 July). Advisory services were also provided on a more continuous basis, for the Islamic Republic of Iran on WTO-accession related documentations.

32. In implementing these activities, UNCTAD worked closely with external partners, including the WTO secretariat, Islamic Development Bank, Food and Agriculture Organization of the United Nations, United Nations Industrial Development Organization and United Nations Development Programme. An extensive network of cooperation had been established with national trade institutions and trade policymakers, and regular contacts are maintained with donors.

33. Results and impacts: UNCTAD successfully supported the accession negotiations of a number of developing countries and countries with economies in transition. It is particularly notable that the following beneficiary countries of the UNCTAD general trust fund on WTO Accession became WTO members in 2015: Seychelles (26 April); Kazakhstan (30 November); Liberia (16 December); Afghanistan (17 December). UNCTAD assisted these countries throughout their accession processes and made direct contributions, and the systematic and consistent



support of UNCTAD was highly appreciated by them. UNCTAD support helped these countries formulate adapted trade policies and implement a series of reforms, consistent with their commitments, while prioritizing developmental policy objectives; identify priority issues in negotiations and undertake informed decision-making facilitated by impact assessment and other analytical and sectoral studies; strengthen the knowledge and skills of national negotiating teams with regard to multilateral trade negotiation techniques and strategies; take advantage of special and differential treatment provisions on WTO guidelines for accession by LDCs; and increase awareness and sensitize stakeholders (parliamentarians and the private sector, including chambers of commerce, trade unions, women's groups and civil society) on the accession process and its impact. UNCTAD technical cooperation on WTO accession has been positively evaluated through independent evaluations, as endorsed by UNCTAD member States (TD/B/WP/190 and TD/B/WP/274). The number of requests for assistance on WTO accession, including post-accession phases, has been on the rise, highlighting the importance of matching increased demand with adequate resources.

### C. Services for development and trade

34. **Development context.** The services sector has gained increased importance over the last decade, contributing a growing share to GDP and employment. The sector, particularly infrastructure services, is not only important in its own right, but can also help improve efficiency and competitiveness in all sectors of the economy, as services constitute essential inputs to many other products and services. The sector generates opportunities for greater income, productivity, employment, investment and trade, and also contributes to the achievement of the Sustainable Development Goals in the provision of essential services, including health, education, energy, transport and telecommunications. Services also play a major catalytic role in the expansion of global supply chains. While the services sector has matured in developed countries, where it currently accounts for over 70 per cent of GDP and employment, it is a new frontier for developing countries, where the share of services in GDP and employment is 50 per cent and 35 per cent, respectively. Positively integrating developing countries – especially the LDCs and small economies – into the global services economy and increasing their participation in services production and trade is essential. Despite the significant potential of the services sector, many developing countries face challenges in reaping the benefits of services trade for development, owing to their weakness in supply capacities. Maximizing the positive contributions and pro-development outcomes of the services sector requires good regulation and institutions capable of promoting domestic supply capacity.

35. **Objectives and features.** UNCTAD support in the area of services aims to strengthen the capacities of developing countries to make informed policy choices, at national and regional levels, to effectively harness the benefits of the services economy and services trade. Support is aimed at allowing States to design and implement appropriate services and related policies and regulatory frameworks; negotiate and implement multilateral and regional trade agreements on services; establish institutional frameworks; create an enabling environment for entrepreneurship; and build competitive services supply capacities. Support is designed to enhance expertise and human, institutional and regulatory capacities to elaborate and implement national services regulatory frameworks, services sectoral assessments and preparations for the following: regional negotiations with a view to developing a regional framework on services trade; participation in WTO General

Agreement on Trade in Services negotiations; responding to the challenges associated with parallel negotiations between multilateral and regional tracks. Synergies have been created with ongoing analytical and intergovernmental work, especially through the Multi-year Expert Meeting on Trade, Services and Development.

36. **Outputs.** UNCTAD support includes the following: services policy reviews; group training (in Geneva and State capitals); advisory services on legal, economic and policy issues; support for stakeholder consultations; support for services negotiations at multilateral and regional levels. Such activities are informed by evidence-based research and analysis on such issues as market trends and the economic and legal aspects of the services economy and specific services sectors, regulatory and institutional frameworks and international trade negotiations.

37. UNCTAD services policy reviews have served as a toolkit to allow policymakers and regulators to assess the potential of services-related productive capacities and trade, as well as the robustness of regulations and institutions, in order to identify constraints impeding services sector development and ascertain practical solutions and policy mixes. UNCTAD provides demand-based assistance on national services policy reviews that examine policy and regulatory frameworks and the potential impact of trade liberalization. To date, services policy reviews have been conducted for Bangladesh, Colombia Kyrgyzstan, Lesotho, Nepal, Nicaragua, Paraguay, Peru, Rwanda and Uganda (phase I and II). The third session of the Multi-year Expert Meeting on Trade, Services and Development (11–13 May 2015) examined various lessons learned from services policy reviews and other country experiences, and engaged in exchanges of experiences, success stories and lessons learned, in order to promote better understanding of factors affecting the identification of best-fit policies, regulations and institutions.

38. Support was provided to policymakers and negotiators in developing countries and country groupings, particularly LDCs and African countries and small and vulnerable economies, in their engagement in multilateral and regional trade negotiations on services, in order to assist them in pursuing their trade negotiating objectives in negotiations. UNCTAD assistance included the preparation of technical background material and provision of technical advice and analysis. Topics addressed included the following: national and regional strategies for services negotiations at multilateral and regional levels, while enhancing positive coherence between various negotiations; trade in labour-intensive services, and skills development and recognition of qualifications; building services supply capacities; promoting services policy formulation at the sectoral level and in overall terms.

39. In 2015, as noted above, UNCTAD intensified its support to African countries in preparing for continental free trade area services negotiations. Such support was geared towards assisting services negotiators in assessing ways and means to effectively benefit from these negotiations. UNCTAD elaborated and presented its views on a strategy for continental free trade area services negotiations, as well as on possible modalities for such negotiations and approaches to services liberalization. This was done by drawing lessons for continental free trade area negotiators from the methodology and key findings of services policy reviews undertaken for African countries, both in terms of across-the-board and sector-specific recommendations. This led to expressions of interest by several African countries to undertake such an exercise with the support of UNCTAD, as noted above.

40. In 2015, substantive contributions were made to national and regional technical and consultative meetings, such as that detailed in section A (2). Services work by UNCTAD also included support to the LDC Group in WTO, particularly on

implementation of Preferential Treatment in Favour of Services and Service Suppliers of LDC, including substantive contributions to the LDCs services practitioners seminar on making the most of the waiver (Geneva, 8 June). Training provided under paragraph 166 courses and the Virtual Institute also included services components.

41. UNCTAD has collaborated with international organizations (International Organization for Migration, World Bank and WTO) and member States on migration issues, particularly as a member of the Global Migration Group. In this context, UNCTAD contributed to the *Handbook on Measuring International Migration and Its Impact on Development: A Practical Guide*, establishing linkages between trade, migration and development. In the context of the Global Forum on Migration and Development, UNCTAD collaborated with other United Nations agencies to improve the policy and operational responses of the United Nations system and the international community to international migration. In 2015, UNCTAD contributed to various migration and development events, including the following: round table on intraregional migration and labour mobility within Africa (Kigali, 23–24 March); international conference on harnessing migration, remittances and diaspora contributions for financing sustainable development (New York, United States, 26–27 May); Global Migration Group principals meeting (New York, 17 November); Eighth Summit of Global Forum on Migration and Development (Istanbul, 14–16 October).

42. UNCTAD is a member of the International Telecommunication Union Focus Group on Digital Financial Services, a multi-stakeholder platform on financial inclusion and digital finance. In 2015, UNCTAD took part in the Focus Group's second (Washington D.C., 20–23 April) and fourth (Geneva, 15–17 December) meetings.

43. Results and impacts: UNCTAD comprehensive and innovative work on services contributed to developing country efforts to develop services sectors and take measures to strengthen their contributions to inclusive development, economic diversification and employment creation. Greater synergy was created between the three pillars of UNCTAD work on services. Services policy reviews proved particularly useful for and highly demanded from countries wishing to build up services supply capacities and trade. UNCTAD support to trade policymakers and trade negotiators, in continuing to articulate their interests in multilateral, regional and bilateral services negotiations, helped them maintain a development focus in such negotiations. UNCTAD support helped countries and regional integration groupings ensure greater coherence in priorities pursued multilaterally, regionally and bilaterally. UNCTAD assistance was important in facilitating enhanced extensive multi-stakeholder consultations on services development. Sharing experiences and lessons learned was a special feature of UNCTAD support. The developmental benefits of international migration and related remittances received added emphasis by UNCTAD in light of its growing impact on development prospects. This work was appreciated by member States.

#### **D. Capacity-building on market access, preferences, the Generalized System of Preferences, the Global System of Trade Preferences among Developing Countries and other trade laws**

44. **Development context.** Trade preferences constitute an important trade and development policy tool available to beneficiary developing countries in enhancing the competitiveness of their exports and trade and, in turn, promoting their industrial

development and structural transformation. The key preferential scheme has been the Generalized System of Preferences, instituted in 1971 under the aegis of UNCTAD. It has contributed over the years to creating an enabling trading environment for developing countries, particularly LDCs. Challenges arise for beneficiaries in fully exploiting the market access opportunities available under such schemes, including by developing supply capacities and effectively meeting rules of origin requirements. Following the decision adopted at the Sixth Ministerial Conference of WTO in 2005, in which members agreed that developed countries and developing countries in a position to do so would grant duty-free and quota-free market access for exports of LDCs, improvements have been made to various Generalized System of Preferences schemes and/or new schemes for LDCs have been launched. Thus, subsequent ministerial decisions, including those adopted at the Tenth Ministerial Conference of WTO, have reaffirmed the continued importance of this issue for the trade and development prospects of LDCs. The provision and utilization of trade preferences is a key goal of the Programme of Action for the Least Developed Countries for the Decade 2011–2020 adopted in 2013, further reaffirmed in Sustainable Development Goal 17.

45. The Global System of Trade Preferences among Developing Countries was established in 1988 as a framework for the exchange of trade preferences among developing countries. The third round of negotiations (Sao Paulo Round), launched at the eleventh session of the United Nations Conference on Trade and Development in 2004, was successfully concluded in 2010, and participants worked towards expeditiously bringing into force the results. Trade among developing countries has come to represent genuine economic opportunities. Economies under the Global System represented a market of \$11 trillion worth of trade turnover and grew in the last decade at nearly twice the world average growth rate. Trade cooperation under the Global System could therefore bring about significant commercial gains.

46. **Objectives and features.** The objective of UNCTAD support on the Generalized System of Preferences and other preferential arrangements is to help developing countries – particularly LDCs – increase utilization of the System and other trade preferences and, in turn, promote productive capacity development and increased trade. Such support includes raising awareness and enhancing understanding among exporters and government officials in beneficiary countries of the trading opportunities available under the schemes; strengthening understanding of technical and administrative laws and regulations governing preferential market access, particularly rules of origin; and disseminating relevant information for users of the Generalized System of Preferences and other preferential schemes. Support is also provided to those granting preferences in improving their preferential schemes. The objective of UNCTAD support under the Global System of Trade Preferences among Developing Countries is to strengthen South–South economic cooperation, trade and integration. It enables participants to make effective use of the trade agreement in building and increasing trade among them. UNCTAD also provides substantive and administrative support to participants in the Global System for them to implement the results of the third round of negotiations, as well as achieve further enhancement of the agreement.

47. **Outputs.** UNCTAD continued to promote enhanced awareness among developing countries on ways to better utilize the preferences available under the Generalized System of Preferences and other preferential schemes, through regular provision of information on a dedicated website, administrative support on certificates of origin, collection of data, publication of handbooks on Generalized System of Preferences schemes and of newsletters and demand-based technical cooperation and capacity-building support. UNCTAD ensured the dissemination of

relevant information by updating and revising handbooks of individual schemes under the System and related schemes, such as that of China, Turkey and the United States, and by preparing related studies. UNCTAD also continued to compile and update its database on the System based on data submitted by preference-granting countries, which provides useful information on trade conducted under each preferential scheme. In addition, UNCTAD continued to provide substantive, technical and administrative support for the implementation of the Global System of Trade Preferences among Developing Countries Agreement, and the follow-up and implementation of the results of the third round of negotiations. Participants continued to strive to secure early operationalization of these results. Substantive assistance was provided to participants, particularly to signatories of the Sao Paulo Round Protocol, on some outstanding technical issues such as rules of origin, scheduling and others.

48. Results and impacts: UNCTAD support has contributed to building the knowledge base among beneficiaries on the Generalized System of Preferences and other trade preferences and helped them consider ways of more effectively utilizing trade preferences. UNCTAD dissemination of related information, including through handbooks, related studies and compiled trade data, has improved understanding and awareness of the System among exporters and government officials in individual beneficiary countries. UNCTAD contributed ideas to making the preferences of LDCs more effective, towards better contributing to the Programme of Action for the Least Developed Countries for the Decade 2011–2020 and the Sustainable Development Goals. UNCTAD support to participants in the Global System of Trade Preferences among Developing Countries has ensured smooth functioning of the Agreement and effective follow-up of Sao Paulo Round results towards its effective implementation by signatories, expected to further expand and deepen South–South trade and cooperation.

## II. Cluster II: Trade analysis capacities and information systems

### Lead entity: Division on International Trade in Goods and Services, and Commodities

49. The programmes under this cluster (table 2) aim to strengthen analytical, statistical and information bases and tools for trade and trade-related decision-making in developing countries, LDCs and countries with economies in transition, at national, regional, South–South and international levels, and for enhanced understanding of the interactions among trade, competitiveness and development.

Table 2  
Trade analysis capacities and information systems

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
EUR/0T/DCF	Addressing market access barriers in selected supply chains in the Central European Free Trade Agreement: Analysis and elaboration of policy recommendations	2014–	Germany
INT/9X/00J	Trade Analysis and Information System: development and dissemination of selected computerized trade data	2000–	Multi-donors

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
INT/0T/CAI	Capacity-building in trade and gender	2013–	Multi-donors
INT/0T/CBG	Non-tariff measures trust fund (under transparency in trade programme)	2013–	World Bank
INT/0T/DAY	Collection and classification of United States non-tariff measures	2014–	European Commission
INT/0T/DCE <sup>a</sup>	Dialogue on plurilateral agreements or cooperation arrangements among major market countries for trade in organic products	2014–2015	Switzerland
RAF/0T/DBP	Renforcement des capacités et opérationnalisation de l'interconnexion des administrations douanières en Afrique Centrale	2014–	European Commission
INT/12/X36	Trade Analysis Branch	2014–	Germany
ROA-2962 (N9)	Strengthening capacities of policymakers to assess implications of non-tariff measures in international trade and formulate appropriate policy responses	2014–	Development Account

<sup>a</sup> Operationally but not financially completed or fully completed in 2015.

## A. Strengthened analytical tools and databases (including on non-tariff measures)

### 1. Trade information system and database

50. **Development context and objectives.** Reducing a transparency gap with regard to trade control measures such as tariffs and NTMs is an essential prerequisite for reducing trade costs faced by developing countries. Assessing market access conditions for a country is becoming increasingly more complex due to the proliferation of preferential trade agreements outside the multilateral trading system. Recent deeper preferential agreements, that is, those that include agreements on certain behind-the-border regulatory measures, reduce the trade-distorting impacts of NTMs among preferential trade agreement members, but may raise compliance costs for countries that are not members. Reducing the current lack of transparency with regard to tariffs and NTMs helps developing countries in multilateral and regional trade negotiations, addressing market access constraints as well as domestic trade policymaking.

51. The Trade Analysis and Information System is a database intended to increase transparency in international trading conditions. It specifically aims to reach government officials and researchers by providing comprehensive up-to-date information on market access conditions such as applied tariffs and NTMs, including preferential tariffs applied in regional or bilateral trade agreements and non-reciprocal preferences. An example of the latter is the Generalized System of Preferences, which has an impact on the export opportunities of developing countries. For purposes of dissemination, a web-based portal, the World Integrated Trade Solution, has been developed and is maintained jointly with the World Bank. The portal provides free and unlimited access to the Trade Analysis and Information System and other trade databases by member Governments and other users such as companies and researchers. The software also includes analytical tools that allow

policymakers to assess the effects of trade policy changes such as tariff changes on trade and import tariff revenue.

52. **Outputs, results and impacts.** The size of data elements of the Trade Analysis and Information System accessible through the portal may be measured by comparing its size to that of a specialized library containing books on trade-related topics. The relative size would be 175 volumes of customs tariff schedules (of which 103 are for 2014) and data on NTMs for 65 countries (using the methodology and classification developed by UNCTAD). The number of new requests for access to the Trade Analysis and Information System by means of the World Integrated Trade Solution software continues to increase. About 9,600 new users registered in 2015. The widespread use of the System, particularly in the publications of other international organizations such as the International Monetary Fund, World Bank and WTO, attests to its usefulness. Within UNCTAD, the system has served as a primary data source for various research studies aimed at measuring the potential impact of ongoing multilateral, regional and bilateral trade negotiations.

53. Among the regional secretariats actively collaborating with UNCTAD are those of the Association of Southeast Asian Nations (ASEAN), Common Market for Eastern and Southern Africa, East African Community, Economic Community of West African States, Latin American Integration Association, Southern African Development Community and Permanent Secretariat of the General Treaty on Central American Economic Integration. Joint activities in the area of data collection and capacity-building have also been conducted with the Economic Research Institutes for ASEAN, East Asia and Central European Free Trade Agreement.

54. The Trade Analysis and Information System also contributed data for calculations of Millennium Development Goals indicators on market access, namely indicator 8.6 (proportion of total developed-country imports from developing countries and LDCs, admitted free of duty) and indicator 8.7 (average tariffs imposed by developed countries on agricultural products and textiles and clothing from developing countries).

55. Under the Transparency in Trade Initiative, UNCTAD cooperates with the African Development Bank, International Trade Centre and World Bank to collect data on NTMs. UNCTAD has a leading role and coordinates the global effort. In 2015, additional data for about 30 developed and developing countries were collected. Data for all Trans-Pacific Partnership Agreement countries were collected or updated. Data collection is linked to capacity-building programmes in developing countries and countries with economies in transition. In 2015, five 2–4 day courses on NTMs-related data collection and policy were delivered, and additional requests have been received.

## 2. South–South trade database

56. **Development context.** South–South trade provides developing countries with an opportunity to cultivate new exports that involve wider economic sectors than before, and to enter into global value chains. It is essential for policymakers to have a comprehensive picture of all trade flows at a disaggregated section level. Information on bilateral trade flows is needed to inform policymakers about their development in terms of trade and for analytical purposes such as the integration of developing countries into regional and global value chains. The United Nations Commodity Trade Statistics Database is the most comprehensive database on international trade. However, it has gaps on bilateral trade flows between smaller developing countries.

57. **Objectives and features.** The South–South trade database programme fills all gaps and estimates all bilateral trade flows at a disaggregated product level (Harmonized System six-digit level) where official information has not been made available to the United Nations database.

58. **Outputs, results and impacts.** Data were used to produce several publications, such as *Key Trends in International Merchandise Trade* and *Key Statistics and Trends in Trade Policy*, and several training workshops for developing countries, such as the paragraph 166 courses conducted in 2015.

## **B. Strengthening capacity for trade analysis (including on non-tariff measures)**

### **1. Trade analysis capacity-building**

59. **Development context.** The 2030 Agenda for Sustainable Development and the Sustainable Development Goals, as well as the outcome of the Third International Conference on Financing for Development (Addis Ababa Action Agenda), held in July 2015, reconfirm the role of trade as an engine for inclusive economic growth that contributes to the promotion of sustainable development. The effectiveness of trade policy is assessed not only in terms of its impact on trade flows but also progress towards sustainable development in all three dimensions, that is, economic, social and environmental. Developing country Governments benefit from tools that help them conduct comprehensive impact assessments of their trade policies.

60. **Objectives and features.** The key objective is to build the analytical capacity of policymakers and those supporting policymaking (for example, experts and university researchers or lecturers) through training courses that help improve skills to better assess linkages between trade, trade policies and development. Another objective is to create a network of potential data collectors for the global transparency effort in NTMs.

61. **Outputs.** An online training course on NTMs was held jointly with the Virtual Institute in 2015. The call for applications raised the interest of several hundred policymakers and researchers. Due to capacity constraints, only a limited number of these were selected for the second edition of the course and, of these, 57 participants from 41 developing countries graduated. Participants confirmed that the course had been useful for understanding and assessing NTMs and that they would use the knowledge received in their future work. Experts that received a certificate have been recruited and are contributing to data collection on NTMs. Several requests for additional courses, including regional courses, for example, for Africa and ASEAN, have been received.

### **2. Regulatory distance in regional integration efforts**

62. **Development context.** Many developing countries have greatly benefited from integration into the global economy through international trade in goods and services. In the past, developing country integration into international markets was made possible by appropriate conducive policies such as tariff liberalization. Currently, deeper integration into the global economy depends not only on liberal tariffs and supportive policies but increasingly requires policy responses to various forms of complex trade-related regional economic integration, which increasingly includes provisions on NTMs.



63. **Objectives and features.** The purpose of the project on regionalism and NTMs is to develop a strategy and conduct preparatory work to support deep regional integration by systematically addressing NTMs, including the harmonization of mandatory standards and mutual recognition of conformity assessments.

64. **Outputs.** A methodology to assess regulatory distance with regard to NTMs and to assess their impact, particularly in the context of deep regional integration, has been developed and published. In 2015, the third component of regional NTMs integration reviews, namely, the assessment of harmonization of NTMs on trade, employment and economic growth was further developed and published, using the Southern African Development Community region as an example (*Sand in the Wheels: Non-Tariff Measures and Regional Integration in the Southern African Development Community*). In a project supported by the German Agency for International Cooperation and jointly implemented with the Trade Facilitation Section of the Division on Technology and Logistics, regional value chains in the Central European Free Trade Agreement region were analysed and trade barriers assessed.

65. **Results and impacts.** The analytical methodologies that UNCTAD developed to determine the current status, potential and benefits of harmonization of NTMs were highly appreciated by participants at an UNCTAD and Government of Kenya side event held in December 2015 during the Tenth Ministerial Conference of WTO. High-level policymakers discussed the important role of NTMs in regional integration efforts and requested that UNCTAD conduct analysis in various regions such as ASEAN to support regional integration. In a declaration in August 2015, trade ministers expressed their appreciation for UNCTAD work in the area of NTMs in ASEAN. In the Central European Free Trade Agreement region, several national workshops with government officials were conducted to validate national NTMs and trade facilitation reports. Recommendations to overcome trade barriers for intra-Central European Free Trade Agreement trade were appreciated for their concrete nature. Implementation of the recommendations is envisaged under the project for 2016.

### 3. Trade, gender and development

66. **Development context.** Women make enormous contributions to economies, whether in businesses or on farms, as entrepreneurs or employees or by doing unpaid work at home. Yet they remain disproportionately affected by poverty, discrimination and exploitation, and often have insecure, low-wage jobs and constitute a small minority of those in senior positions. Gender discrimination curtails women's access to economic assets such as land and loans, and limits participation in shaping economic and social policies. In addition, as women perform the bulk of household work, they often have little time left to engage in paid activities or upgrade their skills. Providing economic opportunities for women is not only right from a human rights perspective, it is also a promising path for sustainable economic growth. Trade liberalization may be a strong force for providing new opportunities for women but may inadvertently further entrench or exacerbate existing gender biases and discrimination. An in-depth understanding of the gender ramifications of trade policy is therefore necessary to make trade a tool for inclusive growth and the economic empowerment of women.

67. **Objectives and features.** Through its work programme on trade, gender and development, UNCTAD supports member States in assessing the distinct effects of macroeconomic policies, especially trade policy, on men and women, boys and girls.

This helps States integrate gender considerations into policy formulation and implementation, and in negotiations on trade and other agreements at multilateral, regional and bilateral levels.

68. **Outputs.** In 2015, the main outputs of the programme were as detailed in the following paragraphs.

#### *Publications and briefs*

69. *Looking at Trade Policy through a Gender Lens.* This report, published in January, presented a synthesis of findings from seven country case studies conducted by UNCTAD on the gender ramifications of trade policy.

70. Manual on trade and gender. The Trade, Gender and Development Section and the Virtual Institute jointly developed this teaching manual on trade and gender. The manual provides an up-to-date learning resource on trade and gender issues for all stakeholders – researchers, policymakers and civil society representatives – involved in research, policy formulation and advocacy in this area. It consists of two volumes, namely, *Unfolding the Links* (volume I), which discusses the conceptual, theoretical and empirical links between trade and gender, and *Empirical Analysis of the Trade and Gender Links* (volume II), which introduces different quantitative approaches and methodologies to analyse these links empirically. Volume II is accompanied by a compact disc with application files that learners can use for hands-on practice.

71. Post-2015 Policy Brief No. 5 – Ensuring gender-sensitive implementation of the post-2015 development framework (August), which presents suggestions on data, elements and considerations that might prove useful in assessing whether Sustainable Development Goals 1, 2, 5 and 17 are being implemented in a gender sensitive manner.

#### *Training*

72. First UNCTAD online course on trade and gender. The Trade, Gender and Development Section and the Virtual Institute jointly developed and implemented a three-module online course on trade and gender (19 January–8 March). The course was part of a capacity-building project funded by the Government of Finland and was based on volume I of the manual on trade and gender. The objective of this distance-learning initiative was to equip government officials, academics and civil society in developing countries and countries with economies in transition with analytical tools to analyse the two-way relationship between trade and gender, and to produce gender-aware policy recommendations. In its first iteration, out of 186 applications, the course was taken by 104 participants from 51 countries, and 66 participants from 40 countries successfully completed the course.

73. Regional workshop on trade and gender analysis. The Trade, Gender and Development Section, in cooperation with the Virtual Institute, held a regional workshop on trade and gender for researchers from sub-Saharan Africa (15–19 June). Funded by the Government of Finland, the workshop was hosted by the North-West University in South Africa. Building on the online course, the workshop focused on the use of quantitative methods in trade and gender research, with 25 researchers from 16 countries in sub-Saharan Africa taking part. Successful participants were able to apply for UNCTAD financial support and mentoring in the development of papers on trade and gender issues of policy relevance to their countries.

74. UNCTAD workshop on gender and trade. UNCTAD participated in the Gender Academy – sponsored by the International Labour Organization and the United Nations Entity for Gender Equality and the Empowerment of Women, in

collaboration with UNCTAD – by delivering a three-lecture workshop on trade and gender (Turin, 17–19 November). The academy was attended by 158 participants from 70 countries. The workshop delivered by UNCTAD addressed trade and gender links by looking at concrete country case examples, and by describing the methodological approaches that may be used to empirically assess the effect of trade on gender equality.

75. Regional workshop on integrating gender analysis in Caribbean trade and economic growth programmes. UNCTAD co-facilitated this workshop, hosted by the Caribbean Development Bank (Bridgetown, 23–26 November). Senior trade officers from eight Caribbean countries discussed stumbling blocks to incorporating a gender perspective in trade and development policies, and identified broad solutions, specific activities and partnerships for overcoming them.

#### *Meetings*

76. Wrap-up event of Development Account project on enhancing capacities of developing countries to mainstream gender in trade policy (Geneva, 3 March). This event had three objectives, namely to launch a publication (*Looking At Trade Policy Through a Gender Lens*); launch a teaching package on trade and gender; and contribute to taking trade and gender issues to a higher level of political prominence.

77. High-level segment on the role of women as catalysts for trade and development, during the sixty-second session of the Trade and Development Board (15 September). This high-level segment was devoted to addressing gender inequality through trade, and focused on the following three themes: impact of trade liberalization on women; women as engines of rural development; women's economic empowerment in the post-2015 development agenda. Four panellists discussed the issues, with inputs from representatives of more than 20 countries.

78. Results and impacts: The above activities yielded positive and multiplier effects in terms of enhanced capacities to mainstream gender into trade policy.

79. Key stakeholders from countries involved in case studies on trade and gender were interviewed by an external professional evaluator. The evaluations showed that 64 per cent of respondents thought the studies were extremely or very relevant to national contexts, with no respondents stating that the studies were irrelevant. With regard to the study for Rwanda, one stakeholder stated the following: "The document is very well written. One can feel the hand of an expert in the domain. The language and style of writing is also good. Of particular importance is the good use and presentation of data. The sources of data are varied (international, local, census and administrative) making the report really rich. The report provides the evidence that could be used to guide any future programming. The gender analysis was very well done."

80. According to feedback received, the first online course on trade and gender succeeded in preparing participants to conduct their own research on the topic and incorporate trade and gender concepts into their teaching and policy-related work; 50 per cent of survey respondents found the course excellent and 34 per cent very good, with no respondents finding the course unsatisfactory or poor. One participant from the Democratic Republic of the Congo stated the following: "[The course was] very important and pertinent [for many] people working in developing countries. The sufferings of women across the world and especially in the sub-Saharan countries need urgent interventions. This area of trade and gender is now incorporated [in] overall work programmes. Thanks to UNCTAD for the opportunity and hope for more collaboration."

81. The workshop on trade and gender analysis held in South Africa was considered important not only for participating academics, but also for their countries. A member of the Policy Analysis and Research Institute of Lesotho stated the following: “There is a limited number of researchers who really understand the interplay between trade and gender. I therefore wish similar projects be extended to other parts of the world to sensitize developing countries on gender issues.”

82. With regard to the workshop on gender and trade held in Italy, 90 per cent of participants rated the overall quality of the workshop and the relevance of its contents as good or very good, 95 per cent stated that the workshop had achieved its objectives, 80 per cent rated the learning methods used as good or very good and 90 per cent stated that the workshop had met or exceeded their expectations.

83. Finally, 55 percent of participants in the regional workshop in Barbados rated it as excellent and 45 per cent as very good. With regard to the technical expertise of speakers, 64 per cent stated that it was excellent and 36 per cent that it was very good. Regarding the relevance of the workshop to their work, 55 per cent of participants stated that it had proved extremely relevant and 45 per cent very relevant.

### III. Cluster III: Trade, environment and development

#### Lead entity: Division on International Trade in Goods and Services, and Commodities

84. The projects under this cluster (table 3) aim to strengthen the capacity of developing and other countries to formulate and implement mutually supportive trade, environment, climate change and sustainable development objectives, develop their creative economies and integrate sustainable development and poverty reduction objectives in development strategies at all levels (Doha Mandate, paragraphs 18 (b), 31 (f), 56 (g) (ii), 56 (s) and 65 (g)).

Table 3  
Trade, environment and development

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
LAO/0T/DBN	Enhancing sustainable tourism, clean production and export capacity, phase II	2014–	United Nations Office for Project Services
URT/0T/DAK	United Nations Inter-Agency Cluster “Delivering as one” joint programme on market value chains, United Republic of Tanzania	2014–	United Nations Office for Project Services
INT/0T/3BB	Consultative task force on environmental requirements and international trade	2003–	Netherlands
INT/0T/7BS	Climate change programme	2007–	Multi-donors
INT/0T/8AS	BioTrade facilitation programme, phase II	2008–	Switzerland
INT/0T/EBF	BioTrade facilitation programme, phase III	2015–	Switzerland

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
ROA-2960 (L9)	Supporting member States in developing and launching sustainable product export strategies through national sustainable product export reviews	2014–	Development Account

## A. Enhanced opportunities in biotrade

85. **Development context.** Biodiversity, the source of many products and services utilized by society, is being lost at accelerating rates, due to the widespread overexploitation of biological resources, introduction of alien species and transformation of habitats and climate change. Biodiversity loss destabilizes and reduces the productivity of ecosystems, weakening their ability to generate products and services and their capacity to deal with natural disasters and stress caused by humans, such as environmental pollution, degradation and climate change. The preservation of biodiversity and its sustainable use is thus fundamental for long-term sustainable development, as recognized in the 2030 Agenda for Sustainable Development and, specifically, Sustainable Development Goal 15. Developing countries, many of which are endowed with rich biodiversity, face the challenge of combining poverty alleviation and economic growth with the sustainable use and conservation of biodiversity. Production of and trade in products and services derived sustainably from biodiversity and on the basis of equitable sharing of access and benefits between resource owners and users is an important part of the solution to this challenge. Research shows that market interest and demand for biodiversity-related products and services is growing, giving countries that are rich in biodiversity a comparative advantage. However, developing countries often lack the capacity to turn this demand into a competitive advantage. UNCTAD develops and implements programmes, especially the BioTrade Initiative, to respond to the limited capacity of developing countries to benefit from international markets for products whose production processes enable the sustainable use and conservation of biodiversity and contribute to improving local livelihoods.

86. **Objectives and features.** The BioTrade Initiative supports investment in and the harvesting, production and trade of biological resources in line with the three objectives of the Convention on Biological Diversity (conservation of biological diversity; sustainable use of its components; fair and equitable sharing of the benefits arising from the utilization of genetic resources) and relevant internationally agreed development goals, including the Sustainable Development Goals. Trade in sustainably-derived biodiversity-related products and services in international and domestic markets is facilitated through partnerships and innovative collaborative arrangements with international, regional and national partners for BioTrade products and services development and differentiation, value-added processing and market entry facilitation, among others. The initiative also supports international and national-level awareness-building, dialogue, knowledge sharing, networking and advocacy for policies, regulations and incentives supportive of further development and strengthening of BioTrade.

87. **Outputs and results.** In 2015, the BioTrade Initiative (supported by the State Secretariat for Economic Affairs of Switzerland) continued to assist developing countries in strengthening the institutional capacity of national BioTrade programmes in developing policy frameworks in support of such trade. UNCTAD also provided technical assistance and advisory services to BioTrade programmes

and partners in Colombia, Ecuador, Peru and Viet Nam and, through PhytoTrade Africa, to eight countries in southern Africa on issues such as the BioTrade concept and methodologies, value chain development, market access opportunities and access and benefit-sharing issues. This shows that, 19 years after UNCTAD launched the BioTrade Initiative in 1996, a number of countries, regions and international and national stakeholders have made remarkable progress in embracing BioTrade concepts and principles as integral parts of their strategies and industries active in this area.

88. UNCTAD continued to collaborate with the secretariat of the Convention on International Trade in Endangered Species of Wild Fauna and Flora in fostering the sustainable and regulated trade of endangered species listed in appendix II to the convention. UNCTAD initiated an assessment of traceability systems for non-timber forest plant species, which was discussed with parties to the convention at the twenty-second meeting of the Plants Committee (Tbilisi, 19–23 October 2015). A study was commissioned in 2015 to assess the applicability of track and trace systems for ornamental plants under the convention, focusing on Andean and other Latin American countries, and preliminary findings were submitted to the secretariat of the convention as an information document for the sixty-sixth meeting of the Standing Committee in January 2016 (Geneva), and discussed at a side event on 13 January 2016. As a result, the BioTrade Initiative was acknowledged at the twenty-eighth meeting of the Animals Committee, particularly in the report of the secretariat of the convention (AC28 Doc.14.2.1) and on Snake Trade and Conservation Management (AC28 Com.6).

89. The Nagoya Protocol on Access and Benefit Sharing of the Convention on Biological Diversity entered into force in October 2014. With a view to facilitating a BioTrade-friendly implementation of certain aspects of the Nagoya Protocol by Governments and businesses, UNCTAD initiated a technical scoping study entitled “Facilitating BioTrade in a challenging access and benefit-sharing policy and legal environment: Options for improved action”. The draft study was examined at a Peer review meeting on implementation of the Nagoya Protocol and its impact over certain aspects of BioTrade (Geneva, 24 November 2015). The study will be finalized based on recommendations from the peer review and will then constitute the basis on which UNCTAD will propose policy guidance for Governments, communities and businesses in 2016 and beyond, as they develop and implement national BioTrade-friendly frameworks under the Nagoya Protocol.

90. As part of advocacy and awareness raising, UNCTAD organized a briefing entitled “Implementing the Sustainable Development Goals: Trade in biodiversity-based goods and services” (Geneva, 25 November 2015). The event allowed Geneva-based trade representatives and other participants to better understand the opportunities and challenges to emerge from the Sustainable Development Goals in relation to trade, biodiversity and livelihood development, focusing on Sustainable Development Goals 1, 2, 12, 15 and 17. It demonstrated concretely how BioTrade could be leveraged to help countries and organizations realize these goals.

91. To increase awareness of BioTrade among public and private stakeholders, UNCTAD prepared the following reports:

(a) Biodiversity and trade: Promoting sustainable use through business engagement (report of the third BioTrade Congress);

(b) Strengthening capacity in integrating Reducing Emissions from Deforestation and Degradation projects into BioTrade strategies in Ecuador;

(c) Biodiversity, livelihoods and climate change: Lessons learned from UNCTAD project implementation;

(d) Sustaining peacebuilding and post-conflict recovery through BioTrade: Lessons from Colombia and Indonesia.

92. In 2015, UNCTAD organized and/or participated in various conferences, workshops and seminars, as well as relevant discussions on international development processes for promoting BioTrade, as follows:

(a) Brazil round table – seeking solutions for the international food trade (Milan, Italy, 23–25 June);

(b) Union for Ethical BioTrade Beauty of Sourcing with Respect Conference (Paris, 25 June);

(c) “Cierre Regional del Proyecto Biocomercio Andino”, Andean Development Corporation, Global Environment Facility and United Nations Environment Programme (Lima, 19 August);

(d) Second extraordinary session of National Commission for the Promotion of BioTrade (Lima, 20 August);

(e) Ad Hoc Technical Expert Group Meeting on Indicators for the Strategic Plan for Biodiversity 2011–2020, Convention on Biological Diversity secretariat (Geneva, 14–17 September);

(f) Centre for Socio-Eco-Nomic Development and UNCTAD working session at WTO Public Forum 2015 – BioTrade for Inclusive Growth: What works and what challenges persist (Geneva, 2 October);

(g) Twenty-second meeting of Plants Committee of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (Tbilisi, 19–23 October);

(h) SwitchMed Connect (Barcelona, Spain, 29–30 October);

(i) Cosmetic Valley 2015 (Chartres, France, 1 December);

(j) Solutions Alliance thematic meeting on the role of the private sector in solutions for displacement (Geneva, 2 December).

93. As a result, BioTrade is being increasingly recognized and utilized locally and globally as a tool to address poverty alleviation and to support sustainable livelihoods in developing countries, as well as to contribute to peacebuilding and post-conflict recovery. The BioTrade Initiative has contributed to the formation of a group of producers, processors and retailers who are seriously engaged in and committed to the sustainable use of biodiversity and to the fair and equitable distribution of benefits.

## **B. Enhanced opportunities in renewable energy and biofuels**

94. **Development context.** Diversifying energy sources to include more renewable and cleaner energy sources is growing in importance as conventional fossil fuel combustion, from petroleum and its derivatives, coal, and natural gas, have induced greenhouse gas concentration in the atmosphere, leading climate change-related effects. To enhance renewable energy sources, the production of biofuels – clean-burning, carbon-neutral fuels derived mainly from agricultural crops – has been developed. Such fuel has a number of benefits, as follows: it can reduce

dependency on fossil fuel imports and increase energy security; it can promote job and income creation, economic diversification and rural development; it can help combat global warming. However, biofuels have an impact on food security when derived from food crops such as maize and sugarcane. Thus, efforts have been focused of late on developing advanced biofuels based on various types of biomass such as agricultural residues or waste, to avoid impacts on food supply. The greatest potential for the production of biofuels may be found in developing countries, while developed countries potentially provide important markets. However, greater penetration of biofuels in energy markets requires enhanced policy coherence, including on food security, as it involves agriculture, energy, trade and climate-related policies. A well-targeted multisectoral approach is required for developing countries to capture investment opportunities and development gains from emerging markets for biofuels.

95. **Objectives and features.** The UNCTAD Biofuels Initiative offers a facilitating hub for programmes on renewable energy sources, including biofuels. The initiative, with its partners, adds value by providing interested countries with access to sound economic and trade policy analysis, capacity-building activities and consensus-building tools. It advises on national strategies, based on specific national circumstances and needs. It shares lessons from success cases and illustrates problems encountered by both developed and developing countries in dealing with the technical, political and economic aspects of biofuels. Finally, the initiative works closely with the private sector and academia in developing the business and sustainable development case for increased production and use of and trade in biofuels.

96. **Outputs and results.** UNCTAD participated in the United States National Ethanol Conference (Dallas, United States, 19 February 2015) and presented the findings in *The State of the Biofuels Market: Regulatory, Trade and Development Perspectives*. The report highlights major transformations in biofuels production and trade in 2006–2014, and related challenges faced by producers and countries – especially developing countries – active in the biofuel markets.

97. As one of the implementing partners of the Nairobi Framework – established to improve the level of participation by developing countries, especially those in sub-Saharan Africa, in the Clean Development Mechanism under the Kyoto Protocol – UNCTAD, through the Biofuels Initiative, supported and contributed to organization of the Seventh Africa Carbon Forum (Marrakech, Morocco, 13–15 April 2015). On the margins of the forum and in collaboration with the United Nations Environment Programme partnership with the Technical University of Denmark, UNCTAD organized a workshop on harvesting opportunities for Reducing Emissions from Deforestation and Forest Degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries (14 April 2015). The event provided a platform to assist developing countries in exploring ways to incorporate Reducing Emissions from Deforestation and Degradation schemes such as payments into their national forestry policies for safeguarding forest assets and ecosystem services for future generations.

98. To increase awareness and understanding by public and private stakeholders of biofuels and renewable energy issues, especially with regard to advanced biofuels, UNCTAD produced the publication entitled *Second Generation Biofuel Markets: State of Play, Trade and Developing Country Perspectives*.

99. UNCTAD also participated in and contributed to the 2015 Round Table on Sustainable Biomaterials general assembly (Geneva, 1–3 June).



### C. Trade and development opportunities in the climate change regime and green economy

100. **Development context.** Global concerns on the impact of climate change, particularly its adverse effect on developing countries, and the related significant economic costs associated with inaction, have put climate change high on the international agenda. At the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (Paris, December 2015), a new climate agreement was adopted, setting the framework for climate change mitigation and adaptation for the period ahead. UNCTAD work on trade and climate change contributes to international climate change discourse on the effects of global climate change – and policy responses, including from the United Nations – with a focus on addressing the economic aspects and trade and development implications.

101. **Objectives and features.** Noting that future economies will be carbon-constrained, UNCTAD contributes to preparing developing countries for the expected shifts in relative prices and relative production costs stemming from the introduction of climate-related policies and measures. It assists countries in considering approaches to mitigating climate change while enhancing their economic growth and development prospects. UNCTAD addresses issues such as the trade competitiveness aspects of climate change policies; trade and development gains and investment opportunities arising as climate change measures are adopted, creating new markets for more efficient, innovative and less carbon-intensive products and processes; and facilitating a transition to greener, cleaner and more climate friendly and resilient development paths through relevant trade policies.

102. **Outputs and results.** UNCTAD organized a briefing session entitled “Climate change, the Sustainable Development Goals and trade – at the crossroads of sustainable development” (Geneva, 10 February 2015), to advise delegations on these issues, their linkages and possible impacts on the environment, trade and development. An informal summary of the deliberations was produced to disseminate information on the key points arising from the briefing. A second briefing on climate change, the Sustainable Development Goals, intended nationally determined contributions and the role of the international trade community was held in collaboration with the Geneva Environmental Network, Government of Switzerland and International Trade Centre (Geneva, 5 October 2015), and discussed the climate agreement under negotiation for consideration by the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change; the implications of national climate change actions proposed as intended nationally determined contributions; and the linkages with trade and sustainable development. On the margins of the twenty-first session, UNCTAD, with the Development Bank of Latin America, the International Trade Centre and WTO, organized a high-level side event on climate change, the role of markets and trade and leveraging co-benefits (Paris, 9 December 2015), which was attended by over 100 participants. The event raised attention to the trade agenda in the climate change negotiations and in any climate agreement following the session.

103. In 2015, UNCTAD continued to raise awareness of the linkages between trade, climate change and sustainable development. UNCTAD issued Policy Brief No. 36 on trade and climate change policy beyond 2015 (September). Lectures-cum-training sessions on trade and climate change were given, including to 37 students and teachers from two Virtual Institute member universities in China (University of International Business and Economics and Central University of Finance and

Economics; Geneva, 5–9 October) and to 15 students and lecturers from three Virtual Institute member universities in Colombia (Universidad EAFIT, Universidad de la Sabana and Universidad ICES). Presentations were delivered on trade, climate and sustainable development at the SwitchMed Conference (Barcelona, 30 October), specifically on the topic of scaling up market links and leveraging the power of value chains; and at a seminar on trade, development and law, organized by the Chair of the forty-seventh session of the United Nations Commission on International Trade Law (23 June).

104. Analytical inputs on trade, the environment and sustainable development, including climate resilience, were provided by UNCTAD to the United Nations Economic and Social Commission for Western Asia *Arab Sustainable Development Report*, published in January 2015. Analytical inputs were also provided to *Global Sustainable Development Report 2015*, released in June 2015 by the United Nations Department of Economic and Social Affairs, especially for chapter 3 on the oceans, seas, marine resources and human well-being nexus and chapter 5 on economic growth, inclusive and sustainable industrial development and sustainable consumption and production.

105. UNCTAD assists beneficiary countries in examining and developing green productive and export capacities as part of options for transitions to greener and more climate-resilient economies, under the Development Account project entitled “Supporting member States in developing and launching sustainable product export strategies through national sustainable product export reviews”. In 2015, four countries received UNCTAD assistance on greening exports through facilitation of the following workshops and meetings on National Green Export Reviews:

- (a) Ecuador:
  - (i) Second national stakeholder workshop on the Ecuador National Green Export Review: The case of fisheries (23 February);
  - (ii) Launch of an export promotion campaign for key local products produced by local communities with high traditional knowledge content (25 February);
  - (iii) Third national stakeholder workshop on the Ecuador National Green Export Review: The case of cocoa and chocolate (25 February);
  - (iv) Seminar with parliamentarians, civil servants and users on implications for Ecuador of ratification of the Nagoya Protocol (26 February);
- (b) Vanuatu: Second national stakeholder workshop on the Vanuatu National Green Export Review (6–7 August);
- (c) Morocco: First national stakeholder workshop on the Morocco National Green Export Review (21–22 October);
- (d) Ethiopia: First national stakeholder workshop on the Ethiopia National Green Export Review (22–23 December).

#### **D. Organic agriculture as an opportunity for inclusive and sustainable development**

106. **Development context.** Agriculture faces unprecedented challenges and exciting opportunities globally. The challenges result from the need to secure food supply for a rapidly growing human population, while minimizing the adverse impacts of agricultural production on the environment. Exciting opportunities relate

to new management options opened up by alternative production techniques, technological developments and changing consumer preferences. A shift towards sustainable agricultural production entails the adoption of comprehensive, more system-oriented strategies, including farm-derived inputs and productivity based on ecological processes and functions, as well as involving the traditional knowledge and entrepreneurial skills of farmers. The most consistent system-oriented sustainable practice is organic farming. Given restrictions on the use of many direct control techniques such as pesticides, herbicides, fast-acting fertilizers and veterinary medicines, organic farmers rely heavily on preventive and system-oriented practices.

107. **Objectives and features.** UNCTAD implements organic agriculture development-related activities in the Lao People's Democratic Republic under the project on enhancing sustainable tourism, clean production and export capacity, funded by the State Secretariat for Economic Affairs of Switzerland under the framework of the United Nations Inter-Agency Cluster on Trade and Productive Capacity. UNCTAD contributes mainly to the organic agriculture and tourism components of the project (together with the International Trade Centre).

108. **Outputs and results.** In 2015, UNCTAD continued to assist the Government of the Lao People's Democratic Republic in organizing the Organic Agriculture Forum, which facilitates information and experience sharing among stakeholders interested in organic agriculture development. Specifically, it is a platform for informing participants of the organic agriculture situation in the State, as well as to discuss future directions for public authorities and the private sector (farmers). The forum also seeks to facilitate information sharing among civil society, and public and private sectors in the State on organic agricultural development, traceability, standards and linkages with the tourism industry in the country. The Fourth Organic Agriculture Forum (Vientiane, 11–12 June 2015) aimed at updating stakeholders on policy and field developments regarding organic agriculture in the Lao People's Democratic Republic, and at promoting dialogue and coordination in the private sector, that is, farmers and producers. A pre-forum workshop was organized on 10 June, which served as a coordination meeting for the private sector to identify, prioritize and recommend specific issues and critical activities for consideration during the Forum and to lead the organic agriculture sector development in the Lao People's Democratic Republic.

109. UNCTAD implemented a project on enhancing sustainable tourism, clean production and export capacity in the United Republic of Tanzania, and participated in a stakeholders meeting (Dar-es-Salaam, 10 December 2015) that discussed ways to strengthen linkages between sustainable agriculture and tourism, in particular the development of linkages between organic agriculture producers and local sources of demand such as hotels and restaurants. The event also provided an opportunity for UNCTAD to present the findings of its report on enhancing linkages between tourism and sustainable agriculture sectors in the United Republic of Tanzania. The report included recommendations on how to strengthen such linkages and increase awareness of the potential advantages of organic products; develop regions to serve as multipliers based on successful local experiences; and foster public–private partnerships to implement pro-poor tourism strategies and promote pro-poor tourism and branding.

110. UNCTAD participated in one of the world's leading trade fairs for organic food, the BioFach conference (Nuremberg, Germany, 11–14 February 2015). On 13 February, UNCTAD organized a side event to showcase its past and ongoing projects on organic agriculture, implemented in the Lao People's Democratic

Republic and the United Republic of Tanzania under the United Nations Inter-Agency Cluster on Trade and Productive Capacity. UNCTAD presented the project design for developing organic agriculture capacities in both States, focusing on holding technical dialogues between farmers, government ministries and certification bodies, as well as promoting initial supply and demand linkages between organic agriculture and the tourism sector.

111. UNCTAD participated in and contributed to the third African Organic Conference (Lagos, 5–9 October 2015).

## **E. Ocean economy, trade and sustainable development**

112. **Development context.** Oceans and seas cover over two thirds of the earth's surface, provide food and minerals, generate oxygen, absorb greenhouse gases and help keep climate change in check, determine weather patterns and temperatures and serve as highways for seaborne international trade. Oceans and seas can play a major role in contributing to achieving sustainable development, economic growth and livelihood. The ocean (or blue) economy is integral to the evolving development paradigm emphasizing greener and more sustainable and inclusive economic paths, which seeks to expand the economic frontiers of coastal countries beyond their land territories. The ocean economy encompasses a sustainable economy for the ocean-based marine environment and related biodiversity, ecosystems, species and genetic resources, including marine living organisms, from fish and algae to micro-organisms, and natural resources in the seabed, while ensuring their sustainable use and, thereby, conservation. The value of the global ocean economy is estimated at between \$3 trillion and \$6 trillion per year, and more than 3 billion people may rely on oceans for their livelihoods.

113. **Objectives and features.** UNCTAD supports developing countries in identifying the opportunities and challenges related to the ocean economy. It supports national trade and other competent authorities to design and create an enabling policy and regulatory environment that promotes the development and emergence of sustainable ocean economy sectors through the definition and implementation of national and regional ocean economy and trade strategies. UNCTAD work related to the ocean economy is also mainstreamed in its green exports work with regard to marine sectors.

114. **Outputs and results.** In 2015, UNCTAD, jointly with the Commonwealth Secretariat, organized an Ad Hoc Expert Meeting on Trade in Sustainable Fisheries (Geneva, 29 September–1 October). The meeting provided a platform to discuss possible approaches and options within the trade policy toolbox to mainstream sustainable fishing practices and trade fish and fish products in the multilateral trading system, trade negotiations and relevant United Nations and Commonwealth processes, while enabling the conservation of fisheries resources and marine ecosystems for the livelihoods of current and future generations. A note on sustainable fisheries and international trade, trade policy and regulatory issues, which examines the issue of commons in fisheries and suggests ways of addressing it – prepared for the meeting jointly by UNCTAD and the Commonwealth Secretariat – will be published in 2016.

115. UNCTAD, in collaboration with the Melanesian Spear Head Group, Pacific Island Forum Fisheries Agency, Papua New Guinea National Fisheries Authority and Vanuatu Department of Fisheries, organized consultations on the challenges and opportunities of the ocean economy, trade and sustainable fisheries for small island

developing States in the Pacific (Vanuatu, 5 August 2015), to examine key issues of interest and concern on trade in sustainable fisheries for such States.

116. In 2015, UNCTAD participated in and contributed to international discussions on fishery issues, including the Regional Forum on Tuna Sustainability (Ecuador, 13–16 May) and Food and Agriculture Organization of the United Nations Conference on WTO, market access and fish trade issues (Yerevan, 16–18 June).

## F. Creative economy and sustainable development

117. **Development context.** Creative industries are a potential source of development gains for all countries, in particular, developing countries, including in terms of employment generation for women and youth. Participation in creative industries enhances human capital for higher skill occupations and creates new export opportunities for products and services based on indigenous knowledge, design and local culture. Realizing such gains requires carefully formulated policies and strategies at national and municipal levels that integrate the complexities of the interaction between economic, cultural, technological, industrial and social dimensions of the development process and that are implemented on a multidisciplinary basis given the multidisciplinary facet of creative industries. UNCTAD work on the creative economy has demonstrated that building a supportive environment for creative industries requires a holistic approach to development policy and planning centred on providing support, incentives and tools to local actors. Policies for a creative economy must respond not only to economic needs but also the special needs of local communities related to education, cultural identity, social inclusiveness and the protection of local natural and environmental resource endowments, and integrate these into international, regional and local markets.

118. **Objectives and features.** UNCTAD provides policy advice to Governments and municipalities; undertakes policy-oriented research to identify issues and policy options to assist Governments and municipalities in policy formulation to nurture their creative economies; provides data on trade in creative industries; promotes synergy with the United Nations system aimed at complementarities and policy coherence on creative economies; assists developing and other countries in enhancing their capacities for creative industries at national or municipal levels; and maintains and expands its creative economy network as a catalyst for collaboration and the sharing of best practices and knowledge among stakeholders, including Governments, academia, creative businesses and civil society.

119. **Outputs and results.** In 2015, UNCTAD continued to assist Governments and municipalities in policy formulation to nurture creative economies. It supported the Government of Cabo Verde in formulating an integrated strategic plan for the development of the creative economy in Cabo Verde. The plan, elaborated by the Ministry of Culture, is now available and includes some of the recommendations of the study on the creative economy of Cabo Verde by the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries.

120. UNCTAD participated in the Forum on Cultural Industries (Macao (China), 17–20 May 2015) organized by the Chinese Cultural Exchange Association and Institute for Cultural Industries of Peking University, supported by Macao Foundation and the Cultural Affairs Bureau of Macao (China). Under the theme of region, synergy and platform innovation, the event discussed strategies for culture and technology innovation, the international competitiveness of creative industries, regional development and cultural creativity. UNCTAD provided contributions to the official publication emerging from the forum (to be published in 2016) related to

export market development and international trends on creative economy products and services.

121. UNCTAD continued to update its online database summarizing the global trade of creative goods and services. The database provides an essential tool to demonstrate the potential of the creative economy to foster socioeconomic development.

122. In 2015, UNCTAD participated in various meetings and events at which it highlighted the potential contribution of creative industries in eradicating poverty and the role of culture and creative industries in the post-2015 development agenda, as well as related technical, financial and development needs, including the following:

(a) Meeting with the Canton Fair organizing committee (Guangzhou, China, 1–5 May), to discuss the possibility of organizing a seminar on the creative economy in 2016 in Canton, with the support of the Canton Fair Design Awards, a platform that has supported the visibility, marketing and commercialization of creative products since 2013. The aim is to support the internationalization of products created in China and to showcase the works of international designers.

(b) International symposium on geographical indications (country of origin) – product brand distribution service (Geneva, 3 July), co-organized by the Beijing Municipal Commission of Commerce and the World Trade Point Federation. Representatives from the Canton of Geneva, OriGIn, UNCTAD, World Intellectual Property Organization, WTO and industry associations and enterprises attended. Geographical indications help preserve traditional, high-quality products and know-how. Discussions focused on the registration and protection of geographical indications products, regional industry development and distribution patterns from the United Nations and global points of view, and the potential benefits for small enterprises, including for creative industry products.

(c) Follow-up meeting to collaboration between UNCTAD and the Istanbul Creative Industries network, attended by the Istanbul Commerce University, Istanbul Creative Economy Centre, Governorship of Istanbul and Manchester University (Istanbul, 20–22 July). The meeting discussed the progress and timetable for completion of the UNCTAD Istanbul creative economy study. This study, released on 14 April 2016 in Turkey, provides an overview of the most salient creative industry sectors in Istanbul, shares examples of successful creative sectors and highlights opportunities and challenges that lie ahead, in addition to providing suggestions for strengthening the creative economy in Istanbul.

(d) International Creative Cities Design Innovation Forum (Shanghai, China, 24–25 September), organized by the Shanghai Promotion Centre for City of Design and Shanghai Municipal Commission of Economy and Informatization. The forum focused on innovative strategies of development for cities, and brought together board members, leaders of global innovative brands and design institutions to discuss global trends in creative designs, paths of innovation and industrial development issues. UNCTAD also attended a meeting of the Shanghai International Creative Cities Advisory Board, which discussed cooperation projects for 2016.

(e) Seminar on electronic commerce (e-commerce) and business opportunities in Beijing (Spain, 6 November), held under the auspices of the Region of Murcia, World Trade Point Federation, Ibero-American Observatory for Foreign Trade, Port Authority of Cartagena, Chamber of Commerce of Cartagena and UNCTAD. UNCTAD presented an outlook of creative industry performance and development

opportunities in Europe. An official visit was made to the mayor of the city of Murcia. Discussions are ongoing for joint activities in 2016.

123. UNCTAD started analytical work for the next *Creative Economy Report*, to be launched in 2016. The publication will emphasize trade and development dimensions of creative industries, integrating key developments in innovation, information and communications technology (ICT), capital and sustainable development. UNCTAD has prepared profiles of over 80 countries on their participation in trade in creative goods.

#### IV. Cluster IV: Competition policy and consumer protection

##### Lead entity: Division on International Trade in Goods and Services, and Commodities

124. **Development context.** UNCTAD is the focal point within the United Nations system on all work related to competition policy and consumer protection (table 4). The leading priority under the mandate, which dates from the adoption of the United Nations Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices in 1980, is “to ensure that restrictive business practices do not impede or negate the realization of benefits that should arise from liberalization of tariff and non-tariff barriers affecting international trade, particularly those affecting the trade and development of developing countries” (TD/RBP/CONF/10/Rev.2). The Set recognizes that the basic norms of competition law, which have long been in use in developed countries, should extend to the operations of enterprises, including transnational corporations, in developing countries.

Table 4  
Competition policy and consumer protection

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
ALB/0T/BCT	“Delivering as one”, Albania	2012–	One United Nations
CVI/0T/9AL	“Delivering as one”, Cabo Verde	2009–	One United Nations
ETH/0T/DCC	Strengthening competition and consumer protection enforcement capacities	2015–	Luxembourg
ZIM/0T/DAS	Strengthening technical capacities for policy formulation and review of competition law	2014–	European Commission
INT/8X/603	Training programme on restrictive business practices (competition policies)	1986–	France, Norway and Sweden
INT/0T/DBG	Competition and consumer protection in the Middle East and North Africa	2015–	Sweden
RAS/0T/DBM	Strengthening technical competency for consumer protection in ASEAN	2014–	ASEAN

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
RLA/OT/3BF <sup>a</sup>	Strengthening institutional and capacity-building in the area of competition and consumer law and policy in Latin American countries	2003–	Spain and Switzerland
RLA/OT/EAG	Competition and consumer protection in Latin America, III	2015–	Switzerland

<sup>a</sup> Operationally but not financially completed or fully completed in 2015.

125. The objectives of the Set emphasize that the interests of developing countries in particular should be taken into account in the elimination of anti-competitive practices that may cause prejudice to international trade and development, and that the Set forms an international contribution to a wider process of encouraging the adoption and strengthening of laws and policies in this area at regional and national levels. Despite a general widespread trend towards the adoption, reformulation or better implementation of competition laws and policies in developing countries and countries with economies in transition, many still lack up-to-date competition legislation or adequate institutions for their effective enforcement and rely to a large extent on UNCTAD capacity-building for this work. In this connection, the Set calls on UNCTAD to provide technical assistance, advisory services and training programmes, particularly for developing countries and LDCs. The thirteenth session of the United Nations Conference on Trade and Development requested UNCTAD to “help developing countries and countries with economies in transition to formulate and implement competition and consumer protection policies, promote the sharing of best practices, and carry out peer reviews with regard to the implementation of such policies” (Doha Mandate, paragraph 56 (m)). The validity of the Set was reaffirmed in 2015 by the Seventh United Nations Conference to Review All Aspects of the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices (Geneva, 6–10 July 2015).

126. To meet the increasing number of demands from beneficiary States, UNCTAD, in cooperation with Sweden, Switzerland and regional organizations, such as the European Union and the ASEAN secretariat, is implementing a global strategy launched by the Secretary-General of UNCTAD in 2014, including a regional project on consumer protection for ASEAN, with the support of Australia, and a programme for the Middle East and North Africa, with the support of Sweden. These regional programmes have a similar approach to the successful programme for competition and consumer protection in Latin America (COMPAL), implemented since 2003.

127. **Objectives and features.** The programmes under this cluster aim to assist developing countries, including LDCs and countries with economies in transition, in formulating and reviewing competition policies and legislation and implementing competition laws by building national institutional capacity; promoting the creation of a competition culture among government officials, consumers and academics and in the business community; supporting regional cooperation on competition law and policy implementation; and helping countries and regional groups better evaluate the implications of regional cooperation on competition issues.

128. The Fifth United Nations Conference to Review All Aspects of the Set, held in 2005, gave a new impetus to UNCTAD support for developing countries through the launch of voluntary peer reviews on competition law and policy. Peer review recommendations are translated into capacity-building projects to help enhance the



competition regimes of beneficiary countries. For example, an UNCTAD project (funded by the European Union) for strengthening technical capacities for policy formulation and the review of competition law in Zimbabwe aims to implement the recommendations of the peer review of Zimbabwe conducted in 2012. Most recently, UNCTAD has begun implementing a project for improving technical capacities and the training of judges in Albania, to help implement the recommendations of the peer review conducted in 2015.

129. Since 2007, at the request of member States and taking note of recommendation 19 of the Report of the Panel of Eminent Persons concerning the need for the consolidation of technical cooperation projects, the secretariat was requested to initiate, in consultation with member States, a process for establishing thematic trust funds within and among divisions (TD/RBP/CONF.7/2). With a view to streamlining technical assistance activities and increasing their impact, the COMPAL programme was extended from 5 to 16 countries, and now includes Argentina, the Plurinational State of Bolivia, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay. UNCTAD technical assistance in this area is provided in collaboration with development partners and other member States. Assistance is provided in accordance with requests received, the needs of the countries concerned and resources available. The main technical cooperation activities are as follows:

(a) Carry out studies on potential anti-competitive practices and their possible adverse effects on the economy in certain sectors, which are usually identified by beneficiary countries;

(b) Deliver introductory workshops and seminars on the role and benefits of competition in promoting economic development, targeting a wide audience, including government officials, sector regulators and academia, as well as the business community, associations and consumer organizations;

(c) Facilitate the drafting of competition and consumer protection laws, regulations and implementation guidelines for countries or regional organizations in the process of setting up their competition regimes, by providing expertise and advice;

(d) Assist countries or regional organizations that wish to revise their competition legislation and seek expert advice from UNCTAD and competition authorities in other member States, in order to amend their laws in accordance with best international practices and in the most effective way;

(e) Assist countries in formulating appropriate sector regulations and competition policies;

(f) Provide advisory services for setting up or strengthening competition authorities, which usually includes the preparation of an institutional framework;

(g) Provide introductory training for officials responsible for the implementation of competition and consumer protection legislation, particularly case handlers, which may involve training workshops in beneficiary countries or on-the-job training at competition authorities or study visits to competition authorities that have more experience in competition law enforcement;

(h) Conduct seminars at the introductory or advanced level on competition law for the judiciary, which is responsible for reviewing the decisions of competition authorities;

(i) Conduct seminars and workshops at the advanced level for officials in countries that have already adopted competition legislation, have experience in the control of anti-competitive practices and wish to better enforce competition legislation or consult each other on specific cases and exchange information;

(j) Conduct voluntary peer reviews of the competition law and policy of interested countries;

(k) Assist developing countries, LDCs and countries with economies in transition in better evaluating the implications of regional and bilateral cooperation on competition issues;

(l) Assist beneficiary countries and regional organizations in identifying the role of competition policy in the promotion of competitiveness and economic development.

130. **Outputs.** In 2015, UNCTAD continued its demand-driven efforts to assist in the creation of a competition culture with outputs at regional and national levels, including through cooperative agreements, as detailed in the following sections.

## **A. Outputs at the national level**

131. UNCTAD provides technical assistance related to the preparation, adoption, revision or implementation of national competition and consumer protection policies and legislation, and in areas contributing to a better understanding of the issues involved, as well as building national institutional capacity to enforce effective competition legislation. In addition, UNCTAD assists Governments in identifying the role of competition policy in development, its implications at international, regional and national levels and strategies for international cooperation in this field. The main areas of intervention include training for competition officials and judges, advisory services, preparation and review of national competition and consumer protection law, competition advocacy, enhancement of regional cooperation, institution-building, consumer protection and voluntary peer reviews on competition law and policy.

### **1. Advisory services**

132. UNCTAD advisory services are provided through reviews of competition and consumer protection laws and policies. Training is delivered through seminars or workshops directed at specific participants, such as competition and consumer protection officials and other stakeholders, including government ministries, academia and business and consumer representatives. Such activities help raise awareness of the role of competition and promote a competition culture.

### **2. Preparation and review of national competition and consumer protection law**

133. In 2015, UNCTAD assisted the following States:

- (a) Albania – improving implementation of competition law and policy
- (b) Ethiopia – reviewing and revising competition and consumer protection laws and competition policy
- (c) Guatemala – drafting competition law
- (b) Namibia – improving implementation of competition law and policy
- (c) Paraguay – implementing competition and consumer protection laws

(d) Zimbabwe – reviewing and revising competition and consumer protection laws and competition policy

### **3. Competition advocacy**

134. UNCTAD technical assistance activities include competition advocacy seminars and workshops, at both national and regional levels, targeted at various stakeholders, including relevant government institutions, judiciary, academia and business and consumer organizations. In July 2015, UNCTAD, in cooperation with the national authorities for markets and competition and consumer protection in Spain, organized an advocacy workshop in Colombia that aimed to highlight the importance of competition law and policy for an open economy and presented the activities of the Trade Competition and Consumer Protection Authority to a wider audience to reinforce its public visibility and credibility.

### **4. Enhancement of regional cooperation**

135. In recent years, UNCTAD has been advocating regional cooperation in competition law and policy implementation. In 2015, UNCTAD organized a number of forums in Latin America (International Consumer Protection Forum, Peru, September, and Latin American and Caribbean Economic System Forum, Ecuador, December), Africa (Middle East and North African Region Programme, Morocco, August) and Asia (ASEAN Consumer Protection Forum).

136. UNCTAD also continued to organize the Sofia Competition Forum in cooperation with the Government of Bulgaria, a regional initiative that strives to foster cooperation and the development of regional ties towards ensuring a uniform application of competition rules in the region. The initiative aims to assist countries in the region in adopting and enforcing competition law and to maximize the benefits of well-functioning markets for these countries, and the forum's key objectives are the creation and improvement of competition legislation, capacity-building, application of best practices in law enforcement and identification of common solutions to specific competition concerns in the region. The sixth and seventh sessions of the forum were held in May and November 2015.

### **5. Institution-building**

137. UNCTAD support to countries that have adopted national legislation and to newly established competition agencies includes institution-building activities. In 2015, UNCTAD assisted Paraguay in establishing its competition authority.

### **6. Peer reviews and follow-up**

138. With a view to ensuring coherence between overall governmental approaches to the privatization and liberalization of trade and investment regimes, UNCTAD initiated the organization of voluntary peer reviews on competition law and policy, which have become a core activity in its work on competition policy. Peer reviews and their associated report review sessions provide an ideal opportunity to discuss competition policy and its contribution to sustained and inclusive development.

139. During the Seventh United Nations Conference to Review All Aspects of the Set, report review sessions were held for Albania, Fiji and Papua New Guinea, including the presentation of projects to implement the recommendations in the peer reviews.

140. In February 2015, UNCTAD organized a dissemination event in Namibia to present the results of the country's peer review.

## **B. Outputs at the regional and subregional levels**

141. Specific activities are detailed in the following sections.

### **1. Programme for competition and consumer protection in Latin America**

142. On 27 February 2015, UNCTAD and the State Secretariat for Economic Affairs of Switzerland signed a trust fund agreement instituting the third phase of the UNCTAD programme for strengthening institutions and capacities in the area of competition and consumer protection policies in Latin America. The programme focuses on regional cooperation and integration and its members are the competition and consumer protection authorities of Argentina, the Plurinational State of Bolivia, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Paraguay, Peru and Uruguay. The programme implemented 87 per cent of planned activities for 2015, with 70 per cent of its budget. Activities in 2015 were as follows:

(a) Workshop on investigative techniques in competition and consumer protection (Colombia, 22–24 July). This workshop aimed at policy and enforcement coherence in competition and consumer protection among and within members, and concluded that national joint investigations or information sharing between authorities in investigations yielded best results.

(b) Annual meeting of working group on trade and competition (Ecuador, 2–3 December). The meeting was hosted by Ecuador, the Latin American and Caribbean Economic System and UNCTAD, and brought together trade and competition authorities from 26 countries in Latin America and the Caribbean. The group adopted a new method of work, and invited the Inter-American Development Bank to co-host future meetings.

(c) Fifth International Consumer Protection Forum (Peru, 15–16 September). The forum showcased best practices for policymaking in agency effectiveness, educational campaigns and alternative dispute settlement, and had a total of 156 participants from government agencies, consumer associations and the private sector.

(d) Course on e-commerce (15–19 June) and course on competition-related leniency programmes (23–27 November) at the National Institute for the Defense of Competition and Protection of Intellectual Property-COMPAL school, Peru. According to an internal survey, 98 per cent of participants valued the experience as excellent, and overall knowledge in these issues in agencies (including participating and non-participating staff) increased by 64 per cent. Such one-week high-level intensive courses are offered to operative staff of COMPAL member agencies and respond to capacity needs identified by the agencies. They aim at replication in respective home agencies, and have resulted in a total of 800 trained participants.

### **2. Strengthening technical competency for consumer protection in the Association of Southeast Asian Nations**

143. Under the framework of this project, UNCTAD carried out a number of activities in 2015. The main activities were as follows:

(a) Field visits to Brunei Darussalam, Malaysia and Singapore (20–28 April). The objective was to identify national agencies with consumer protection responsibilities and the laws they administer, with regard to the six project areas (namely, product safety and labelling; telephone and Internet services and e-commerce; consumer credit and banking; the environment; health-care services; and professional

services); the consumer protection issues currently prioritized by the agencies with regard to each area; and the regulatory responses currently used with regard to the identified issues, and considerations given to amending or reviewing regulatory responses, including legislation and administrative practices and procedures.

(b) Validation workshop for the consumer protection training modules prepared under the project (Indonesia, 27–31 July). This workshop, convened at the ASEAN secretariat, aimed at validating the relevance and effectiveness of the training materials in the six project areas. Catering to the growth of consumers in ASEAN member States and the influx of consumers demanding their right to access adequate information, effective redress mechanisms and product standards and safety requirements, the training modules were developed as an avenue to enhance awareness of various consumer protection issues and the means by which they may be prevented or resolved. In developing the modules, comprehensive study visits were undertaken to several ASEAN member States prior to the validation workshop. The modules will serve as pioneering materials for ASEAN member States, offering comprehensive insights on consumer protection issues in salient and emerging areas. Experts from ministries, relevant agencies and consumer protection associations from ASEAN member States and staff members of its secretariat participated in the workshop, which was facilitated by UNCTAD and prominent experts in the field. Participants deliberated on the modules, which identified consumer protection issues in each area, laws and legislations in each ASEAN member State pertaining to each area and possible redress mechanisms to resolve consumer protection cases. Recommendations to strengthen existing legislations, policies and facilities were highlighted and several pre-market and post-market intervention mechanisms were discussed. According to participants, consumer protection, if implemented properly, should be seen as an essential part of human rights.

(c) Full-scale training session to strengthen technical competency for consumer protection (Viet Nam, 31 August–2 September). This session focused on strengthening consumer protection in three of the key areas, namely, consumer credit and banking; the environment; and professional services. Comprehensive modules were developed as references for government agency personnel in ASEAN member States in developing training programmes required to effectively implement consumer protection laws at the national level. Participants, consisting of government personnel from relevant ministries and agencies, identified consumer-related issues in each area and corresponding consumer protection laws and policies or regulatory frameworks, as well as pre-market and post-market interventions that should be taken, including dispute resolution mechanisms. The session provided an opportunity for ASEAN member States to share information and best practices in consumer complaint handling in their respective agencies and identify issues hindering effective consumer protection enforcement and the means to improve their respective consumer redress schemes. Complaint and redress mechanism models and guidelines were developed to facilitate the development, by ASEAN member States, of relevant redress mechanisms to facilitate consumer complaints. Facilitated by UNCTAD and prominent experts in the field, participants are expected to use the finalized modules to train officers and advocate the importance of consumer protection in their respective ministries and agencies.

(d) Train-the-trainer workshop to strengthen technical competency for consumer protection (Philippines, 5–7 October). This workshop aimed to strengthen the capacity of government officers to develop and deliver training programmes focused on technical requirements in three of the key areas, namely, product safety and labelling; telephone and Internet services and e-commerce; and health-care services. Following a comprehensive study in six ASEAN member States, project consultants,

led by UNCTAD, determined that there was an overall need to strengthen internal capacity in member States, including thorough understanding national laws and procedures, and to resolve consumer issues through mediation, arbitration and the design of appropriate remedies and sanctions. Participants recognized the importance of ensuring utilization of the modules and agreed to explore several avenues, including translation into local languages, delivery of local seminars and/or workshops and development of training programmes, with the modules as their basis, catered to the needs of respective ministries and/or agencies. UNCTAD will revise the modules to be used by ASEAN member States to strengthen capacity in government agency personnel and to design, develop and deliver training to effectively implement consumer protection.

### 3. Competition programme for Africa

144. In 2015, country-specific capacity-building activities on competition law and policy undertaken under this programme included a training course for case handlers of the West African Economic and Monetary Union and representatives of its member States, held in cooperation with the competition authority of Japan prior to the Seventh United Nations Conference to Review All Aspects of the Set (Geneva, 1–3 July).

(a) *Zimbabwe: Strengthening technical capacities for policy formulation and the review of competition law*

145. In 2012, UNCTAD conducted a tripartite peer review of competition law and policy in the United Republic of Tanzania, Zambia and Zimbabwe.<sup>2</sup> The peer review of Zimbabwe included recommendations to reform and strengthen its competition regime and reinforce competition culture. In this regard, to assist the implementation of the recommendations, UNCTAD, under a trade and private sector development programme aimed at supporting economic recovery and diversification and poverty reduction in Zimbabwe, funded by the European Union, continued to implement competition law and policy-related activities, and carried out the following activities in 2015:

(a) Development of a competition assessment toolkit, to examine draft laws and regulations that might have implications for competition law and policy or for identifying economic issues in Zimbabwe;

(b) Development of a competition policy framework for Zimbabwe;

(c) Organization, in collaboration with the Competition and Tariff Commission of Zimbabwe, of a stakeholder workshop to create awareness and understanding of the draft competition policy among stakeholders, including government ministries, sector regulators, business representatives, lawyers and academia, and to accord them an opportunity to discuss the draft (2 September);

(d) Drafting of a report on the application of the competition assessment toolkit to the ICT sector (finalized in January 2016).

146. In 2015, with regard to advocacy, UNCTAD, in collaboration with the Commission, organized two awareness-raising seminars on the role of competition law and policy in Zimbabwe, on 5 June and 4 September. In addition, UNCTAD

<sup>2</sup> UNCTAD, 2012, *Voluntary Peer Review of Competition Law and Policy: A Tripartite Report on the United Republic of Tanzania–Zambia–Zimbabwe* (New York and Geneva, United Nations publication).

assisted the Commission with developing an online complaint-filing system to facilitate the lodging of complaints by citizens related to anti-competitive business practices without their having to access the Commission in person. The system began operations in March 2016. Another project activity for 2016 is the development of a curriculum for the law and economics faculties of the University of Zimbabwe; a training course was organized in April 2016.

(b) *Ethiopia: Strengthening competition and consumer protection enforcement capacities*

147. In 2015, UNCTAD prepared a review of the status of competition policy in Ethiopia, including recommendations on possible actions and measures to remove regulatory barriers to competition. The report is being finalized by taking into consideration feedback from the Trade Competition and Consumer Protection Authority of Ethiopia. In addition, UNCTAD is assisting the authority in drafting complementary guidelines on handling mergers and acquisitions and abuse of dominance cases. UNCTAD organized a training workshop for staff members from the authority on mergers, abuse of dominance and analysing competition cases (10–11 December). The workshop assisted the collection of input from officials on the merger review framework and enforcement mechanisms for investigating and resolving abuse of dominance cases, which were taken into consideration in the preparation of the guidelines. The guidelines were finalized in February 2016.

**4. Middle East and North Africa**

148. In 2015, UNCTAD organized several field visits to countries in the Middle East and North African region (Algeria, Egypt, Jordan, Lebanon, Morocco and Tunisia) to obtain necessary information for elaborating an inception report for the programme on competition and consumer protection in the Middle East and North Africa.

**C. New guidelines on consumer protection: Creation of Intergovernmental Group of Experts on Consumer Protection Law and Policy**

149. With regard to consumer protection matters, capacity-building and training activities were implemented at national and international levels, and special attention was given to revision of the United Nations guidelines for consumer protection, and the new mandate entrusted to UNCTAD by the General Assembly.

150. In its resolution 65/142 of 20 December 2010, the General Assembly took note of the final report of the Sixth United Nations Conference to Review All Aspects of the Set, including the resolution adopted by the Conference (TD/RBP/CONF.7/11), which invited UNCTAD to convene ad hoc expert meetings on the interface between competition policy and consumer welfare. These meetings addressed the revision of the United Nations guidelines for consumer protection, first adopted by the General Assembly in resolution 39/248 of 16 April 1985 and expanded in 1999 to include a new chapter on the promotion of sustainable consumption (E/1999/INF/2/Add.2).

151. The positive consultations among member States led to an agreed text that was submitted to the Seventh United Nations Conference to Review All Aspects of the Set. The Conference adopted a draft resolution on consumer protection and the revised guidelines, and requested the General Assembly, at its seventieth session, to consider the adoption of the resolution and the revised guidelines. The Conference also requested the Trade and Development Board to take note of the draft resolution

on consumer protection and the revised guidelines, and the Trade and Development Board did so at its sixty-second session in September 2015.

152. On 22 December 2015, the General Assembly adopted resolution 70/186 on consumer protection, including the revised United Nations guidelines for consumer protection and establishment of the Intergovernmental Group of Experts on Consumer Protection Law and Policy, within the framework of an existing commission of the Trade and Development Board of UNCTAD. The first session of the Group will take place on 17 and 18 October 2016. As stated in resolution 70/186, the Group will hold annual meetings until the Ninth United Nations Conference to Review All Aspects of the Set, when its work will be reviewed and the renewal of its mandate considered.

#### **D. Cooperation with other organizations**

153. UNCTAD has developed an extensive network of partners in cooperation with which many of its capacity-building activities are implemented. Through the Intergovernmental Group of Experts on Competition Law and Policy and its technical assistance projects, UNCTAD has established good working relations with national competition authorities and competition experts worldwide. This has been further strengthened through national-level capacity-building activities and voluntary peer reviews. As UNCTAD technical cooperation and capacity-building activities are provided at the regional, subregional and national levels, its relations with regional groupings of developing countries have been strengthened accordingly.

154. As noted above, in 2015, UNCTAD cooperated with Colombia, Spain and Switzerland in competition and consumer protection issues, organizing a workshop on techniques and methods of investigation. The workshop took place in Colombia in July, with good participation by authorities from each of the 16 COMPAL beneficiary countries. In addition, UNCTAD, in collaboration with the competition authority of Japan, organized a workshop for African competition authorities on techniques of investigation (July).

155. Finally, as conducted every year, UNCTAD, with the Organization for Economic Cooperation and Development, World Intellectual Property Organization and WTO, organized a workshop on intellectual property rights and competition.

156. **Impacts.** In 2015, an audit was carried out of UNCTAD projects on strengthening institutions and capacity-building in competition and consumer protection. The audit focused on COMPAL as one of the capacity-building programmes undertaken by the Competition and Consumer Policies Branch in the last 12 years, and assessed COMPAL and its related or component projects, as well as the adequacy and effectiveness of UNCTAD governance, risk management and control processes in the management of COMPAL and related or component projects. The audit was included in the 2015 internal audit work plan for UNCTAD due to the project's high strategic and operational risks, key in delivery of the branch mandate. The findings and recommendations of the audit will become available in 2016.



## V. Cluster V: Commodity sector development and poverty reduction

### Lead entity: Special Unit on Commodities

157. The programmes under this cluster (table 5) aim to improve the capacity of commodity-dependent developing countries, LDCs and countries with economies in transition to harness development gains from their commodity production and exports and enhance international cooperation with a view to addressing trade and development problems associated with the commodity economy, including the food crisis and poverty reduction (Accra Accord, paragraphs 91–93, 98 and 183).

Table 5  
Commodity sector development and poverty reduction

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
INT/9X/42Z	Collection and dissemination of iron ore statistics	1994–	Multi-donors
INT/0T/9AX	Global Commodity Forum	2009–	Multi-donors
INT/9X/9C2	L'intelligence économique au service des plus démunis	2000–	France
ROA-2964 (P9)	Strengthening the capacity of the Economic Community of Central African Member [sic] States to enhance domestic production linkages from the mineral resources sector	2015–	Development Account

### A. Market information in the commodities area project

158. **Development context.** Commodity-dependent developing countries continue to face difficulties in getting broad-based, well-organized and verified information. The imperfect nature of the information and the disequilibrium in the distribution of information lead to what is termed asymmetric information, on price, quality, quantity, credit and many other relevant variables. Long-established commodity-related sources of information are relatively dispersed, not provided for free and not always well structured. Above all, there is a massive flow of electronic news and information, usually diverse and seldom accurate. It is thus costly and time-consuming, and it is difficult to identify the relevant set of unbiased, specialized information in a specific commodity sector. As a result, policymakers do not always have the proper analytical tools to assess the rapid changes in commodity market structures, to adjust their policies accordingly or to be able to improve their competitiveness. Similarly, emerging commodity operators and smallholders are seeking intelligence sources and friendly and operational systems in order that they may increase efficiency, expand markets, respond to business opportunities and capture more of their commodities' value. Reducing the digital divide and increasing access to and use of structured information on commodities are prerequisites for establishing effective production and trading strategies. There is a need for the development of international knowledge management tools, including the market information in the commodities area project.

159. **Objectives and features.** The objectives of this project are as follows:

(a) Promote market information and transparency, reduce the asymmetry in accessing strategic commodity-related information, improve understanding of commodity structures and provide access to the analysis that is vital to the formulation of pertinent policies for commodity production, marketing, processing and financing;

(b) Design ICT tools in this field that will improve developing country access to key information and data at the international and national levels;

(c) Manage, organize and develop, in a practical and innovative manner, knowledge management and sharing instruments for assisting the decision-making process in both the public and private sectors.

160. **Outputs and results.** This project is designed to review, adapt and disseminate information – useful for different strategic, informational, organizational and economic aspects of commodity sectors – on a series of products in an innovative way. In 2015, the website was updated to include the following 11 agricultural products: bananas; cocoa; coconuts; coffee; cotton; gum arabic; mangoes; palm oil; pineapples; soy beans; tea. Each commodity profile includes information and analysis on the following: sources, cultivation, harvesting, processing and transporting; varieties, nutritional properties, pests and diseases and environmental and social impacts; production, consumption, exports, imports, trade agreements and disputes; factors affecting supply and demand, historical prices and price outlooks; market structure, public and private standards and niche markets; useful links on statistics, international organizations and associations, latest news and partners. The profiles are in translation and will be made available in English, French and Spanish.

## **B. Global Commodities Forum**

161. **Development context.** The commodities sector remains an essential source of employment, income and government revenue for many developing countries. Through the Global Commodities Forum, UNCTAD and its partners play a key role in providing a neutral platform that brings together major stakeholders, including ministers and other high-level policymakers, regulators, business leaders, experts, academics and representatives of non-governmental organizations, to debate likely solutions to perennial and new problems associated with the production and trade of commodities.

162. **Outputs and results.** In line with the provisions in the Accra Accord, UNCTAD launched the Global Commodities Forum in March 2010, providing UNCTAD a unique opportunity “to build consensus on policies that allow developing countries to maximize the opportunities and address challenges of globalization and economic integration, and that promote an enabling environment for sustained economic growth and sustainable development” (paragraph 189; see also paragraph 93 (b)).

163. UNCTAD organized the sixth Global Commodities Forum under the theme of “Trade in commodities: Challenges and opportunities” (Geneva, 13–14 April 2015). The Forum was attended by around 350 participants, including government ministers and other policymakers, commodity producers, traders, financiers, consultants, academics and other experts. Approximately 20 per cent of registered participants were from developing countries. With regard to the ongoing Doha Round of negotiations at WTO, the Forum identified opportunities for developing countries and LDCs to take a more active role in negotiations, articulated on the core issue of

food security. There was also general consensus at the Forum that the recent commodities supercycle was, in the end, consistent with long-term boom and bust cycles in commodities markets, and not exceptional, as many observers had suggested in the midst of the boom. This reinforces the need for developing country Governments to adopt countercyclical policies to attenuate the extremes of such cycles, and to reduce their dependence on commodities by diversifying their economies. In addition, the Forum revealed the wide gap that remains between the positions of exporting and importing countries on the use of trade policy, such as export restrictions, as part of commodity-led development strategies. Further dialogue and compromise is necessary before any agreement can be reached on this issue. A session on transparency in the commodities trading sector also emphasized the considerable consensus-building work still to be done, especially among trading companies as a group, before stakeholders can begin to collaborate on building public trust in commodity trading activities.

### C. Trust fund on iron ore information

164. **Development context.** The UNCTAD trust fund project on iron ore information was launched in 1989 to continue the collection and dissemination of information on iron ore; a task which had been carried out by the Association of Iron Ore Exporting Countries. The fund is financed by individual subscriptions and contributions from several Governments.

165. **Outputs and results.** The fund produces two unique products on iron ore, namely, the *Iron Ore Market Report*, which annually provides comprehensive, up-to-date statistics and analysis on developments in the world market for iron ore, and the *Iron Ore Statistics*, a supplement to the report providing updated statistical data on iron ore trade, production, production capacity, shipment, prices and freight rates.

166. The publications of the fund are highly valued by the industry and other stakeholders. Demand for the publications from iron ore producers, shipping agents, steel companies and consultants has progressed since the establishment of the fund. The publications provide up-to-date, accurate and comprehensive information on developments in the world iron ore market, including statistical data and analyses. The overviews of and outlooks for the world iron ore market situation based on the *Iron Ore Market Report*, as well as Fund activities, are promoted at major international conferences on iron ore and raw materials for steelmaking. In 2014, UNCTAD conducted a comprehensive evaluation of the operational modalities of the fund, as well as arrangements to improve its effectiveness and financial viability, and for this reason no publications were issued in that year.

167. In 2015, the fund resumed its regular publications. The 2015 issue of the *Iron Ore Market Report* covers developments in the iron ore and steel markets in 2014, an overview for 2015–2016 and country, company and project information. The iron ore statistics database replaces the printed *Iron Ore Statistics*, and is accessible through the UNCTAD statistics portal. The data dates back to 1970, with the latest up to October 2015, covering 119 countries and over 150 ready-to-use analytical country groupings.

## **D. Africa Oil, Gas and Minerals Trade and Finance Conference and Exhibition Trade and Finance Conference and Exhibition**

168. **Development context.** African countries contribute to a sizeable share of the global reserves and production of some minerals, with many African economies highly dependent on their extraction. Africa leads the production of numerous mineral commodities, such as platinum, phosphate, gold, chromium, manganese, vanadium, cobalt, copper and diamonds. However, the continent's participation in the global minerals industry is limited to providing raw materials. Today, most of Africa's minerals are still exported as ores, concentrates and metals, without significant value addition. The commodity boom experienced over the past decade contributed to the rapid economic growth of mineral-rich African countries. However, development challenges remain. In the mining sector of African countries, the exploitation of natural resources has failed to generate a significant number of decent, well-paid jobs, create linkages with the broader economy or address environmental degradation. There is general consensus that revenues from the natural resource sector should be managed in a more transparent and accountable manner in order to better benefit current and future generations. There is also an agreement that to achieve inclusive growth and development in African countries, the revenue accruing from natural resources should be used to enhance the diversification of economies, increase value addition and promote successful integration into global value chains. Such revenues should also be used to mitigate adverse social and environmental effects on communities arising from mining activities. This highlights the need for a development strategy more closely oriented to societal concerns and rooted in broadening the economic base. Other important issues include security and safety in extractive industries and the sustainable management of resources.

169. **Outputs and results.** Since 1996, UNCTAD has organized an annual Africa Oil, Gas and Minerals Trade and Finance Conference and Exhibition in different locations in Africa with a view to helping find solutions to the abovementioned challenges. The seventeenth Africa Oil, Gas and Minerals Trade and Finance Conference and Exhibition was held in Khartoum, co-organized with the Government of the host country (23–26 November 2015). Under the theme of extractive industries and sustainable job creation, the conference focused on the oil, gas and mining industries and their role in sustainable job creation. The event covered various facets of sustainable job creation in the extractive sector of the Sudan and Africa. The conference was attended by more than 700 participants. In addition to the Sudan, experts – including eight at the ministerial level – from China, the Congo, Egypt, Ethiopia, Germany, Japan, Kenya, Malaysia, Namibia, the Niger, Norway, Saudi Arabia, Sweden, Uganda and the United Arab Emirates shared insights. Key outcomes from the event included calls for the following: strengthening of regional, national and local institutions and development of a comprehensive policy framework to promote sustainable job creation; promotion of local content through innovative finance, training and capacity-building, technology transfer and South–South cooperation to achieve sustainable job creation; policymakers to mainstream gender and intergenerational considerations in the policymaking process and close the gender equality gap, in particular in the extractive industries.

## VI. Cluster VI: Foreign direct investment trends and issues

### Lead entity: Division on Investment and Enterprise

170. The programmes under this cluster (table 6) are aimed at increasing understanding of various key issues and policies related to public and private investment, in particular the impact of foreign direct investment (FDI) on development.

Table 6  
Foreign direct investment trends and issues

<i>Project number</i>	<i>Short title</i>	<i>Starting date</i>	<i>Source of fund</i>
INT/0T/2CW <sup>a</sup>	Development and dissemination of selected data on foreign direct investment and the operations of transnational corporations	2003–2015	Multi-donors
INT/0T/BAQ	Capacity-building in investment for development	2011–	Norway
RAS/0T/DAE <sup>a</sup>	<i>ASEAN Investment Report</i>	2014–2015	ASEAN
RAS/0T/EAY	<i>ASEAN Investment Report 2015–2017</i>	2015–	ASEAN

<sup>a</sup> Operationally but not financially completed or fully completed in 2015.

### A. *World Investment Report series*

171. **Development context.** As the focal point for investment within the United Nations system, UNCTAD promotes the understanding of key issues, particularly on FDI-related matters, and assists developing countries in attracting and benefiting from FDI and building their productive capacities and international competitiveness. The *World Investment Report* series provides up-to-date and comprehensive data on issues pertaining to FDI and transnational corporations, analyses trends and developments in FDI, examines the implications of activities by transnational corporations related to these trends and assesses both international and national policy issues of relevance to developing countries. It serves as a policy decision-making input, an analytical instrument for improving national capacities to attract and benefit from FDI and a capacity-building tool.

172. **Objectives and features.** The *World Investment Report* series is a key instrument in helping policymakers improve their understanding of emerging FDI-related issues and policy implications for development and enhance their ability to formulate FDI policies that will contribute to development objectives. The series serves as an essential tool for the formulation of FDI policies, which feeds into UNCTAD technical assistance work. The preparation involves the following interrelated activities:

(a) Policy analysis and research: An extensive peer review of the *World Investment Report* outline, drafts and final text is conducted. The preparation of each chapter and section involves dialogue with relevant stakeholders, including experts (especially from developing countries), to determine facts and trends on the topics analysed;

(b) Capacity-building workshops and seminars: These enable policymakers, researchers and other experts from developing countries to directly contribute salient experience, knowledge and information for each *World Investment Report*. These activities constitute a key element of the peer review process;

(c) Dissemination of the report's findings and results: Dissemination begins with the organization of press conferences in national venues on the report's launch date, followed by seminars and/or workshops for policymakers in developing countries. These workshops allow stakeholders from developing countries to discuss the results of the analyses, including ways and means of using them in concrete policymaking and implementation;

(d) Dedicated networks of experts: In order to maintain the report's consistent quality, dedicated networks of experts are maintained through a range of activities, including seminars and conferences.

173. **Outputs.** In 2015, the main outputs included the following:

(a) *World Investment Report 2015: Reforming International Investment Governance* aimed at informing global debates on the future of the international policy environment for cross-border investment. It was particularly timely for the Third International Conference on Financing for Development. The *World Investment Report* was released worldwide on 24 June 2015, and press events were organized in 33 countries in collaboration with United Nations Information Centres, national investment promotion agencies and public entities. To facilitate global media coverage, 11 sets of press releases were prepared, some of which were translated into official United Nations languages and other local languages.

(b) An executive summary, the *Overview* of the *World Investment Report*, was printed in English and translated into the five other official United Nations languages. These materials may be freely downloaded from the UNCTAD website.

(c) Databases on FDI, mergers and acquisitions and the largest transnational corporations were maintained and updated. Another important database on global value chains, including data on value added trade, was also maintained and updated. Much of the data in these databases were made available to the public.

174. **Results.** Since the release of *World Investment Report 2015*, its *Overview* in six languages has been downloaded more than 11,000 times. The number of media clippings collected from over 100 countries reached 1,885 (as at 15 January 2016). Individual economy FDI profiles are updated each year at the time of the launch of the *World Investment Report*, and 90 such profiles have been downloaded over 16,700 times since their updates in June 2015.

## **B. Technical assistance on regional investment cooperation**

175. **Development context.** An important pillar of UNCTAD activities is to support development in member countries through analytical work and technical cooperation. In this regard, in 2015, UNCTAD continued to extend technical assistance to ASEAN to prepare the 2015 edition of the annual *ASEAN Investment Report (ASEAN Investment Report 2015: Infrastructure Investment and Connectivity)*. The annual report series provides up-to-date analyses and data coverage pertaining to FDI and transnational corporation operations in ASEAN. It also serves as policy decision-making input and an analytical instrument for improving ASEAN competitiveness in attracting FDI. The series aims to promote a

better understanding of the relationship between regional integration and FDI, and vice versa.

176. **Objectives and features.** The objective of the series is to present analyses of latest FDI developments and the regional investment environment in an integrating ASEAN, including implementing the 2011–2015 ASEAN investment work programme in relation to the ASEAN Economic Community Blueprint and the ASEAN Comprehensive Investment Agreement. The report aims to provide analytical inputs for discussion by relevant ASEAN bodies of key investment issues and related policy. The report is part of ASEAN efforts to promote transparency and investment opportunities in the region. In the preparation of the report, a series of consultative meetings between staff members of UNCTAD and the ASEAN secretariat were held in 2015 in Jakarta to discuss the outline, key issues, messages, research process and production of the report.

177. **Outputs.** The *ASEAN Investment Report 2015: Infrastructure Investment and Connectivity* was published in November 2015, and was launched and presented at the ASEAN Business and Investment Summit in Kuala Lumpur (20 November 2015).

178. **Results.** The report was well received by ASEAN stakeholders, and contents of the report have been used by ASEAN bodies. The report has been distributed at various ASEAN official and private sector meetings, including dissemination through the websites of UNCTAD and the ASEAN secretariat. The support of UNCTAD in the analytical research and preparation of the report was acknowledged by ASEAN.

### C. Capacity-building in statistics on foreign direct investment

179. **Development context.** Scarcity, unreliability and inconsistency in existing data reporting systems cause severe problems in formulating policies and strategies regarding FDI. There is also a shortage of studies on the role of FDI and its impact on sustainable economic development and its contribution to the transfer of technology, human resource development and export performance.

180. **Objectives and features.** The overall objective of the project is to increase FDI inflows to developing countries, particularly LDCs, by formulating FDI policies based on quality FDI data and information of transnational corporations operating in a region or country. This project aims to enhance the capacity of government agencies in these countries to compile, disseminate and analyse data on FDI and the activities of transnational corporations by implementing internationally recommended methodological standards and enabling national authorities to maintain high-quality and up-to-date databases. It also intends to strengthen networking among national authorities involved in FDI data compilation and reporting and in FDI policy issues and investment promotion activities, in order to facilitate the exchange of experience.

181. **Outputs.** In 2015, UNCTAD organized two regional workshops in Bahrain and Montenegro and one national workshop in India.

182. The regional workshop in Bahrain (7–8 June) was the first meeting of the Gulf Cooperation Council task force on foreign investment statistics. In order to assist Council member States in improving the quality of foreign investment, UNCTAD, in collaboration with the Statistical Centre of the Council and the Middle East and North Africa Centre for Investment, agreed to combine their efforts in implementing a Council-coordinated foreign investment survey by introducing a core dataset on

FDI statistics and activities of transnational corporations, based on harmonized methodology across Council member States.

183. The regional workshop in Montenegro (6–8 October), organized with the Central European Free Trade Agreement secretariat, assisted officials that deal with statistical and policy issues on FDI – from ministries, central banks and statistical offices in six members of the Agreement (Albania, Bosnia and Herzegovina, Montenegro, the Republic of Moldova, Serbia and the former Yugoslav Republic of Macedonia) and the United Nations Mission in Kosovo ((United Nations Administrative Region, Security Council resolution 1244 (1999)) – to not only better understand and report FDI trends, but also decide on future plans for harmonizing FDI statistics and preparing an investment report on the Central European Free Trade Agreement region.

184. The national workshop in India (10–11 March), organized with the National Council of Applied Economic Research Institute, provided recommendations leading to the harmonization of data on FDI and activities of transnational corporations, and proposed a strategy in the area of FDI data compilation and dissemination, to increase country capacity to analyse such data and formulate better policies on FDI.

185. **Results.** The workshops prepared the ground for the next stage in the area of establishing and improving statistics on FDI and transnational corporations in the Gulf Cooperation Council countries, Central European Free Trade Agreement members – Albania, Bosnia and Herzegovina, Kosovo (United Nations Administrative Region, Security Council resolution 1244 (1999)), Serbia, Montenegro and the former Yugoslav Republic of Macedonia – and India, including developing strategies in the area of FDI data compilation and dissemination, and setting up compilation and data dissemination systems for internationally comparable statistics on FDI and transnational corporations.

#### **D. Principles of responsible agriculture investment**

186. **Development context.** There is increasing interest in investment in agriculture in developing countries, by both foreign and local investors. After decades of struggling to attract corporate investment, including FDI, in their agricultural sectors, developing countries are now faced with significant challenges in terms of how to accept the type, size and number of such investments in order to maximize development benefits, while minimizing socioeconomic and environmental risks. To ensure net positive outcomes for host countries, actions are required by Governments, corporate investors in agriculture and other stakeholders affected by such investments, especially local communities.

187. **Objectives and features.** UNCTAD, the Food and Agriculture Organization of the United Nations, International Fund for Agricultural Development and World Bank (forming an inter-agency working group) proposed and put into play a set of principles for responsible agricultural investment in 2010. The working group has since implemented a twin-track approach, adopted by their governing bodies, and approved – among others – a development pillar as the way forward. This comprises research related to the principles for responsible agricultural investment (first track) to establish a solid base of evidence on the impacts of investment, and to use the lessons learned as a basis for refining the principles, informing various consultation processes (second track), including through the Committee on Food Security, and – most importantly – using the evidence to provide technical assistance to host country Governments, investors and communities.



188. **Outputs.** A major part of the working group's research is an ongoing series of projects by UNCTAD and the World Bank, empirically testing and using the principles with investors and communities. Field-testing of the principles commenced in 2013, and was concluded in 2014, including detailed interviews with 39 agribusiness investors and around 550 other stakeholders. The final report on the findings was published in April 2014. A follow-up report, which translated the findings into policy guidance on the negotiation of contracts between investors and Governments, was published in June 2015. A second phase of fieldwork, involving more in-depth interviews with communities surrounding agricultural investments visited in the first phase, commenced in 2014, with the aim of better understanding impacts on local individuals, communities, businesses and regions. This phase was completed in 2015 and a related report will be published in 2016. The preparatory work for the third phase of work – pilot use of the principles in new agricultural projects – commenced in February 2015 and, to date, investors and communities have been visited in Ghana, Malawi, Mozambique, Uganda and the United Republic of Tanzania.

189. **Results.** Technical assistance is also provided to policymakers, investors and communities during the fieldwork process itself. Findings from the first phase of the pilot use of the principles were presented at the World Bank Land and Poverty Conference in Washington, D.C. (March 2015). Technical assistance was provided to the Government of the Lao People's Democratic Republic as part of a nation-wide review of land concessions during the present moratorium on such investments, and more recently, to the Government of Viet Nam. For the former, this included advice on how to assess and monitor the quality of existing investments and how to screen future investors once the moratorium has been lifted. Results of the research were presented to a meeting of the Pan-African Parliament in Johannesburg, South Africa (August 2014), to representatives from various developing country agricultural ministries at a workshop in Montreux (December 2014), to a European Union working group in Brussels (November 2014) and to the Committee on Food Security working group in Rome (October 2014 and 2015). In addition to workshops for policymakers at other African venues in 2015, visits to each country during the third pilot-use phase are preceded by workshops with policymakers, investors, local communities and other stakeholders; these are co-organized with the Food and Agriculture Organization of the United Nations, International Fund for Agricultural Development and World Bank.

## **VII. Cluster VII: Investment policies**

### **Lead entity: Division on Investment and Enterprise**

190. The programmes under this cluster (table 7) aim at enhancing the ability of beneficiary countries to create an environment conducive to attracting and benefiting from investment for development, increasing their understanding of key and emerging issues related to international investment agreements (IIAs) and their development dimension, boosting their capacity to negotiate and implement investment treaties and facilitating the management of investor-State disputes.

Table 7  
Investment policies

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
INT/0T/0BG	Capacity-building in international investment agreements	2000–	Multi-donors
INT/0T/3AO	Support to UNCTAD–International Chamber of Commerce Investment Advisory Council	2003–	Germany and Norway
INT/0T/3AW	Investment policy reviews in French-speaking countries	2003–	France
INT/0T/8AC	Assistance in formulating investment policies and building human and institutional capacities for sustainable development	2008–	Sweden
ROA-2908 (O8)	Promoting sustainable business models for development: Investing in the poor, for the poor and with the poor	2014–	Development Account

### A. Investment policy reviews and follow-up programme

191. **Development context.** To fully reap their associated benefits for development, which are not automatic nor evenly spread across countries, FDI inflows should be directed towards national actions that lead to transforming a country's economy. To support developing countries in their efforts to diversify their economies, attract higher levels of FDI and promote sustainable development, UNCTAD conducts diagnostic studies – investment policy reviews (IPRs) – of legal, regulatory and institutional frameworks for investment. These reviews, which are country-specific, provide action-oriented policy advice and concrete recommendations. To foster their implementation and further build capacity for investment policymaking, UNCTAD then provides support through technical assistance activities to developing countries.

192. **Objective and features.** The IPR process promotes ownership and learning. The programme is conducted in five consecutive phases:

(a) Ensuring government ownership of the IPR process. A review begins at the request of a Government. The counterpart ministry or agency is involved throughout the process and takes ownership of the policy recommendations.

(b) IPR evaluation and advisory report. The diagnostic phase includes desk research and a fact-finding mission by UNCTAD technical staff. Policymakers at the highest level and a wide range of stakeholders are brought into the process, including line ministries and agencies and universities and other research institutions. Meetings are also held with representatives of the private sector, non-governmental institutions and the donor community active in the country.

(c) Dialogue on IPR recommendations and intergovernmental review. Once the draft report is ready, beneficiary countries agree to undergo a review process that includes a national stakeholder workshop to discuss the findings of the draft report and review its recommendations. This is followed by an intergovernmental peer review, which draws upon the experiences of other countries in attracting and benefiting from investment, including benchmarking against international best practices.

(d) Implementation and follow-up technical assistance. The review process is designed with one key purpose, namely, making FDI work for sustainable development. The finalization and publication of the IPR report is the preamble to the core focus of the programme, namely the delivery of technical assistance to help beneficiary countries meet their development objectives by attracting higher levels and diversified types of FDI inflows, while maximizing their developmental benefits and limiting any potentially negative impact. The implementation phase is carried out through short-term action plans and multi-agency medium-term technical assistance.

(e) Implementation report and additional follow-up actions. About five years after the completion of an IPR report, UNCTAD conducts an assessment of the implementation of recommendations and makes proposals for further and longer-term technical assistance.

193. **Outputs.** In 2015, the main outputs of the programme included the following:

(a) Five IPR reports published, for Bosnia and Herzegovina, the Congo, Kyrgyzstan, Madagascar and the Sudan;

(b) Report on implementation of the IPR of Morocco published, and fact-finding missions conducted for reports on the implementation of the IPRs of Benin and the Dominican Republic (to be published in 2016);

(c) IPR for Tajikistan prepared and methodology developed for conducting the first regional IPR of South-East Europe, covering Albania, Bosnia and Herzegovina, Croatia, Kosovo ((United Nations Administrative Region, Security Council resolution 1244 (1999)), Montenegro, the Republic of Moldova, Serbia and the former Yugoslav Republic of Macedonia.

(d) Technical assistance activities carried out to support the implementation of IPR recommendations and deal more effectively with issues related to investment policies, promotion strategies, IIAs and business facilitation; countries benefiting from these activities included, notably, Benin, Botswana, the Congo, the Dominican Republic, Kenya, Morocco and the Sudan.

194. **Results.** Overall, the various activities undertaken under the project entitled “Assistance in formulating investment policies and building human and institutional capacities for sustainable development” have contributed to improving the policy, regulatory and institutional environments in developing countries and countries with economies in transition. IPRs have played a key role in strengthening the investment policies and strategies of these countries in order to allow them to attract higher levels of FDI and derive larger development gains, while minimizing as much as possible the potential costs, in line with the UNCTAD Investment Policy Framework for Sustainable Development. Furthermore, many activities to support the implementation of IPR recommendations have been undertaken under the project. Evidence of impact may be illustrated at three levels, namely, a country’s commitment and endorsement of recommendations, implementation of IPR recommendations and impact on investment flows and investment environment.

#### 1. Commitment at the highest level and endorsement of recommendations

195. The importance and relevance of IPR work is reflected by the involvement of Heads of States or Governments in the process and their commitment to implementing outcomes. In most cases, IPRs have been presented to and discussed with Heads of States and cabinet ministers, including, for instance, the following:

(a) The Minister of Economy of Guatemala discussed the IPR recommendations with the Secretary-General of UNCTAD, played an active role in the

national IPR workshop in Guatemala City and participated in the ensuing activities, including a high-level briefing session with cabinet ministers chaired by the Vice-President;

(b) The IPR of Madagascar was discussed at a high-level cabinet training session organized by UNCTAD in Antananarivo, with the President and Prime Minister, several members of the cabinet, the Secretary-General of UNCTAD and the Deputy Chair of the African Union;

(c) The IPR of Mongolia was showcased at a high-level gathering between the President of Mongolia and over 400 investors at the 2014 World Economic Forum, held in Davos, Switzerland;

(d) Cabinet ministers and ambassadors from beneficiary and partner countries systematically participated in intergovernmental presentations of IPRs in Geneva, often held in the context of the Investment, Enterprise and Development Commission; for instance, Burkina Faso participated in such a session in 2009; Burundi and Sierra Leone in 2010; Guatemala in 2011; Mozambique and the former Yugoslav Republic of Macedonia in 2013; Bangladesh, Mongolia and the Republic of Moldova in 2014; and Bosnia and Herzegovina, the Congo, Madagascar and the Sudan in 2015;

(e) More than 30 ministers, as well as heads of international organizations (International Trade Centre; Organization for Economic Cooperation and Development; United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States; WTO) recognized, at a ministerial round table during the thirteenth session of the United Nations Conference on Trade and Development in April 2012, that valuable guidance for developing countries and countries with economies in transition could be obtained from the Investment Policy Framework for Sustainable Development, and this was reiterated by several member States during the 2014 World Investment Forum, held in Geneva.

196. Other examples of direct involvement by Heads of States and Governments in IPR discussions and commitment to implementing their recommendations include Belarus, the Dominican Republic, Kenya, Madagascar, Morocco, Nigeria, Rwanda, Uganda and Viet Nam. Government officials have also directly expressed their interest, as shown by the following statements: “Governments must continue efforts to create investment climates that are open, transparent, and predictable ... We welcome UNCTAD’s effort toward this end, through its Investment Policy Reviews” (Principal Deputy Assistant Secretary, Bureau of Economic and Business Affairs, Department of State, United States, World Investment Forum (16 October 2014)); “I acknowledge the quality of the work undertaken by UNCTAD... Obviously the Investment Policy Review is a most valuable source of information and recommendations that demonstrates the usefulness of the Investment Policy Framework for Sustainable Development at a time where we brainstorm on the post-2015 development agenda” (Permanent Representative of France (30 April 2013)); “We are taking the IPR recommendations to heart and we ask UNCTAD for support in the next phase of technical cooperation required to implement them” (Minister of Industry and Private Sector Development, Madagascar, head of delegation for intergovernmental presentation of IPR (Geneva, 7 December 2015)); “The Investment Policy Review provides very valuable insight which will help us improve the investment environment...in fact we have already taken steps to implement its recommendations” (Prime Minister of Mongolia (25 March 2013)); “The IPR recommendations will be instrumental in improving Mozambique’s business environment and in attracting more private investment to accelerate social and

economic development” (Deputy Minister of Planning and Development, Mozambique (30 April 2013)).

## **2. Implementation of recommendations**

197. Another benchmark of the impact of IPRs is the extent to which Governments find the recommendations useful and have implemented them.

198. The implementation reports prepared by UNCTAD (for Colombia, Egypt, Ethiopia, Ghana, Kenya, Lesotho, Morocco, Rwanda, the United Republic of Tanzania, Uganda and Zambia) show, on average, good to strong implementation records of IPR recommendations, increased interest by existing investors and enhanced capacity to market investment opportunities. In many cases, these have been accompanied by significant increases in FDI inflows. The findings of the implementation reports are complemented by additional desk research that shows that in other IPR beneficiary countries, many of the recommendations have been taken on board.

199. According to information available to UNCTAD, close to 350 IPR recommendations have been adopted by beneficiary countries. Certain key areas figure prominently as IPR-related implemented recommendations, especially those concerning promotion and the facilitation of investment, fiscal policy, public governance and institutional setting, as well as concessioning and public–private partnerships for infrastructure development. Another area of importance is recommendations dealing with sector-specific policy advice.

200. About 40 per cent of IPR-related recommendations have been implemented with the assistance of UNCTAD. Such assistance takes different forms, including advisory services on policy, legal and regulatory matters. Such activities led to the creation of investment promotion agencies in Burundi and Morocco and of the Presidential Council on Investment in Burkina Faso, adoption of a model bilateral investment treaty in the Dominican Republic, revision of mining legislation in Guatemala and Peru, modernization of investment promotion laws in Belarus, Kenya and Mongolia, formulation of an investment policy for Lesotho and adoption of a skills attraction and dissemination programme in Rwanda. In the Dominican Republic and Zambia, the UNCTAD entrepreneurship development programme Empretec was successfully launched, and a linkages programme aimed at enhancing the benefits of FDI for domestic enterprises was also launched in Zambia. To follow up on respective IPRs, the UNCTAD e-government tool eRegulations, which publicizes and streamlines business operation procedures, was successfully adopted in Guatemala, Morocco, Rwanda and Viet Nam.

## **3. Direct impact on investment flows and improvement of investment environment**

201. IPR-receiving countries across different regions have experienced increases, in some cases sharp ones, in FDI inflows. While these increases partly reflect the ongoing internationalization of production, they were also driven by greater openness towards foreign investment and more importantly by an improved investment framework due to effective reforms. In addition, African LDCs that have undergone an IPR have experienced lower volatility in FDI inflows (calculations for 1999–2012). A causal relationship between FDI flows and implementation of IPR recommendations cannot be directly assumed from the patterns observed, yet they point to the fact that these countries were ready and willing to reform their investment climates.

202. Furthermore, FDI performance by country suggests an overall positive impact from IPRs. Out of 32 countries for which an IPR was published more than three years ago, 29 have experienced an increase in FDI inflows in the following years. For 19 of these, such increases were dramatic, with FDI inflows having more than doubled.

203. A different and perhaps more direct way of looking at the impact of IPRs over the years is to take stock of their incidence on national policies and on ensuing reforms to the investment climate. International doing business indicators confirm the reform drive of IPR-receiving countries. For instance, among the 10 top reformers in the World Bank's Doing Business indicators in 2005–2012, seven are IPR-receiving countries.<sup>3</sup> In 2013–2015, of the top 10 reformers among developing countries in each year, half were IPR-receiving countries.<sup>4</sup> The number of countries that have requested to benefit from the programme, including follow-up technical assistance, further attests to the overwhelming expression of interest in IPRs. Finally, the programme includes training and workshop events, at which the evaluations of participants indicate throughout the sustained positive impact of UNCTAD work in the area of formulating and implementing investment policies.

204. In 2015, the results by country were as detailed in the following paragraphs.

205. **Benin.** The fact-finding mission to prepare the implementation report of the IPR of Benin took place in July 2015. The IPR of Benin, published in 2005, contained several recommendations to increase FDI attraction, and contributed to the country's sustainable development. Its strategic chapters focused on how to improve the investment climate and reinforce competitiveness through entrepreneurship and human capital development, better infrastructure and enhanced productive capacities. Since 2005, Benin had implemented a number of the report's recommendations with a positive impact on FDI attraction. The reforms undertaken included establishing a single window for business registration, reforming taxation and modernizing the port of Cotonou, Benin. However, some challenges still remained for private sector development and the country's capacity to meet the Sustainable Development Goals. Among these, improving public–private dialogue, access to land and commercial justice remain priorities. The implementation report of the IPR of Benin will be published in 2016.

206. **Bosnia and Herzegovina.** Following the discussion of the draft IPR of Bosnia and Herzegovina at a national stakeholder workshop in Sarajevo in March 2015, UNCTAD published the report in October. The IPR focuses on key challenges to the investment climate in Bosnia and Herzegovina, including the need to harmonize policies and regulations at the subnational level, strengthen the rule of law and address impending institutional and regulatory issues. Its recommendations include adopting a more coordinated approach to investment promotion at the different levels of government, as well as tools and strategies for increased FDI attraction. The final version of the report was presented at an intergovernmental peer review meeting at UNCTAD in December 2015. On that occasion, a high-level delegation from Bosnia and Herzegovina endorsed the report and expressed interest for follow-up implementation activities. The meeting was well attended by UNCTAD member

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<sup>3</sup> Based on World Bank, 2012, *Doing Business 2012: Doing Business in a More Transparent World*.

<sup>4</sup> Since 2014, the World Bank has revised its methodology to measure the distance to frontier score in investment climate reform. The revised performance is based on the new methodology, as reported in World Bank, 2015, *Doing Business 2015: Going Beyond Efficiency* (figure 1.5) and World Bank, 2016, *Doing Business 2016: Measuring Regulatory Quality and Efficiency* (figure 4.2).

States, including several countries with economies in transition, and by private sector representatives.

207. **Congo.** The IPR of the regulatory framework for investment proposed a strategy to attract investment in agricultural production and transformation. The IPR recognized the large investment attraction potential of the country beyond the oil sector currently dominating the economy and the need for economic diversification. In this regard, the report recommended specific solutions to the main challenges faced by local and foreign investors. It also underscored the need for clear guidelines in various domains and for institutional capacity-building to improve the transparency and efficiency of the public administration. The final version of the report was presented at an intergovernmental meeting on 21 April 2015 in Geneva. The Minister in charge of Planning, Public Portfolio and Integration of the Congo, endorsed the recommendations of the IPR and emphasized that “the analysis of the IPR needs to drive our efforts to undertake the necessary legislative, regulatory and institutional reforms to improve the investment climate and to contribute towards our ambition to become an emerging market economy by 2025”. The meeting was well attended by UNCTAD member States and private sector representatives.

208. **Dominican Republic.** UNCTAD launched the preparation of the implementation report of the IPR of the Dominican Republic, and a fact-finding mission to Santo Domingo took place in August 2015. The mission found that a large number of reforms recommended by the IPR, published in 2009, had been implemented, including adoption of a modern company law, revision of land legislation and digitalization of the national cadastre, complete restructuring and modernization of the investment promotion agency, adoption and current revision of a model bilateral investment treaty and establishment of Empretec. The reforms also included several improvements in the areas of entry of foreign skills, governance and taxation. Since 2009, FDI inflows have registered a significant upward trend, with average annual inflows more than doubling compared to the pre-IPR period. However, some key issues identified in the IPR had not been addressed, and remained major obstacles to further economic diversification and poverty reduction. These and other issues will be the object of UNCTAD recommendations formulated in an action plan on investment to be presented to the Government in 2016.

209. **Kyrgyzstan.** UNCTAD published the IPR of Kyrgyzstan in 2015. At the request of the Government, the IPR considered the legal and regulatory framework for investment and made concrete recommendations to promote economic diversification and sustainable development through a series of measures to improve the business climate, harmonize the legal framework for investment, mainstream sustainable development principles in investment policymaking and better use modern investment promotion tools. The strategy to foster economic diversification focused on specific sectors where FDI could play a significant role, including agriculture and food processing, garments and textiles, tourism and mining. A draft of the report was discussed at a national workshop in Bishkek in June 2015 and the final version of the report, reflecting the comments gathered at that event, will be presented at an intergovernmental meeting in 2016.

210. **Madagascar.** In 2015, UNCTAD completed the IPR of Madagascar. The report analysed the legal, regulatory and institutional framework for investment and proposed a strategy to attract FDI in support of the development of key economic sectors such as agroindustry, textiles and tourism. It also devised policies to extract more long-term benefits from mining activities and to develop infrastructure and entrepreneurship. A fact-finding mission to gather the information required to draft the report took place in February 2015 and was followed by a national stakeholder

workshop in Antananarivo in September. The final version of the report, taking into account comments from all stakeholders, was discussed at an intergovernmental presentation in Geneva on 3 December 2015, at which the Economic Counsellor of the President of Madagascar and Chair of the Economic Development Board of Madagascar, stated that “attracting FDI and building the appropriate legal framework are priorities for the Government. We are in the process of amending legislation to improve predictability, including in such areas as mining, access to land and public administration among others. The recommendations of the IPR will be instrumental to successfully implementing these amendments in a context of political stability”.

211. **Morocco.** The implementation report of the IPR of Morocco was published in October 2015. The IPR (completed in 2008) had proposed a strategy to attract FDI into higher value-added activities and encourage innovation. A fact-finding mission undertaken in March 2015 found that Morocco had made remarkable efforts to improve the business climate and its investment framework. A significant number of reforms recommended in the IPR had been undertaken. In particular, Morocco had made significant efforts to simplify starting a business, including through the establishment of the eRegulations programme. It had also begun implementing its industrial acceleration plan, a new approach to industrial development based on establishing efficient ecosystems that integrate value chains, and supplier relationships between large companies and small and medium-sized enterprises. As a result, Morocco had seen a sharp increase in FDI inflows as well as more diversified investments.

212. **Sudan.** In addition to reviewing the legal and regulatory framework for investment, the IPR of the Sudan proposed a strategy to improve the institutional setting for investment promotion with a view to fostering coherence and coordination. The report was published in early 2015 and incorporated comments gathered at a national workshop held in Khartoum in November 2014. The report was presented at the Investment, Enterprise and Development Commission (Geneva, 21 April 2015). During the intergovernmental presentation, the Minister of Investment of the Sudan highlighted the development potential of the Sudan, and stated the role FDI could play in reaching it. He presented to participants the priorities of the country, including creating an appropriate legal and institutional framework for investment, building local capacities, diversifying the economy and ensuring a better geographical distribution of investment. Welcoming the IPR, he said that “it would assist the Government to harness FDI to address sustainable development concerns” and called for continued support from UNCTAD in these efforts, and suggested holding an IPR implementation workshop in Khartoum. This workshop took place in October 2015 and was attended by over 70 participants from the public and private sectors. UNCTAD also conducted high-level bilateral meetings, notably with the State Minister of Investment and State Minister of Agriculture and the State Ministry of Industry and State Ministry of Water Resources and Electricity. As a result, reform priorities were successfully identified and a list of technical assistance activities was provided to the Ministry of Investment to help plan the way forward.

213. **Tajikistan.** UNCTAD prepared the IPR of Tajikistan, in cooperation with the United Nations Development Programme Office in Dushanbe. The report contains an assessment of the FDI-specific legal and institutional framework as well as the general business climate. It provides concrete recommendations to enhance the investment promotion functions of the investment promotion agency and to improve absorptive capacity for attracting and benefiting from FDI through skills development, entrepreneurship, technology transfer and linkages policies. The IPR acknowledges that the country has undertaken important reforms in investment



policy and promotion, but also shows that more work is needed to improve coordination and policy implementation. A national stakeholder workshop was held in November 2015 in Dushanbe to discuss the draft report with Government stakeholders, private sector representatives and development partners. The final report will be published in 2016.

214. **South-East Europe region.** UNCTAD undertook research and analysis to draft its first regional IPR, which will focus on South-East Europe. Consultations with the Regional Cooperation Council, the partner of UNCTAD in the project, continued throughout 2015, and it was agreed that the scope of the IPR would include the following: investment laws and FDI entry, protection and treatment; IIAs; procedures to create a business; fiscal policy, corporate taxation and investment incentives; labour market and skills; competition regulation; regional investment promotion. An expert group meeting in December 2015 considered the methodology developed by UNCTAD for undertaking the IPR. The analytical approach was validated by experts from member States, international organizations and the UNCTAD secretariat. The IPR for the South-East Europe region will be drafted in 2016.

215. Requests from member States for IPRs: Official requests for IPRs are in the pipeline for 28 countries: Azerbaijan, Armenia, Bahrain, Bhutan, the Plurinational State of Bolivia, the Central African Republic, Chad, Chile, the Democratic Republic of the Congo, Fiji, Gabon, the Gambia, Guinea Bissau, Haiti, Kazakhstan, Kuwait, Malawi, Mali, Nicaragua, Oman, Papua New Guinea, the Philippines, Saint Lucia, Suriname, Swaziland, Trinidad and Tobago, Tunisia and Turkmenistan.

## B. International investment agreements

216. **Development context.** The past year saw an expanding IIA regime, with intensified efforts at regional levels. At the same time, countries and regions continued their search for IIA regime reform, reacting to the growing unease with the current functioning of the global IIA regime, the evolution of the international investment landscape and the sustainable development imperative. The question is not whether or not to reform, but concerns the contents, method and extent of such reform.

217. **Objectives and features.** Against this background, UNCTAD implements its work programme on IIAs. Activities under the three pillars of UNCTAD (research and policy analysis, technical assistance and advisory services, and intergovernmental consensus-building) respond to the growing desire for reform and are aimed at making the IIA regime work better for both States and investors, and at being more conducive to sustainable development. The work programme on IIAs has been guided by the Accra Accord, which establishes UNCTAD as the key focal point in the United Nations system for dealing with all matters related to IIAs (paragraph 151) and the Doha Mandate, which ratifies this (paragraph 65(k)).

218. **Outputs.** In 2015, the main outputs were as detailed in the following paragraphs.

### 1. Research work related to technical assistance

219. *World Investment Report 2015.* As in previous years, the work programme on IIAs was instrumental in the preparation of this flagship report, notably the IIA-related part of the chapter on investment policies (chapter III) and one of the two

special theme chapters on reforming the international investment regime – an action menu (chapter IV).

220. Update of the Investment Policy Framework for Sustainable Development. Three years after its launch, new insight gained through policy debates and technical assistance experience, feedback received from experts and new policymaking priorities had accumulated to the point where an update of the policy framework was opportune. The 2015 update incorporates such information into the national investment policy guidelines and IIA menu of options. On 15 July 2015, the Secretary-General of UNCTAD launched the update of the policy framework at the Third International Conference on Financing for Development.

221. Policy options for IIA reform – treaty examples and data (supplementary material to *World Investment Report 2015*, July 2015). The supplementary material, in the form of a working draft, offers treaty examples and, where available, data on the prevalence of reform options discussed in the report and their evolution over time.

222. IIA navigator. The UNCTAD database on IIAs is the world's most comprehensive collection of IIAs, covering texts of 74 per cent of all bilateral investment treaties and 93 per cent of all other IIAs that have been signed to date. With this database, UNCTAD provides a one-stop shop for information dissemination related to IIAs, providing users and investment stakeholders with the latest trends in this rapidly-evolving area of policymaking.

223. Investor–State dispute settlement navigator. Launched in December 2015, the navigator – an upgraded version of an earlier UNCTAD database on investor–State dispute settlement cases – is the world's most complete database on investor–State dispute settlement. It is free of charge, making related information accessible for developing country policymakers, academia, journalists and the interested public, who may not have access to specialized media subscription services.

## 2. Technical assistance

224. Following the July 2012 launch of the Investment Policy Framework for Sustainable Development, the work programme on IIAs rolled out a comprehensive stream of new technical assistance activities and advisory services, subsequently updated with the UNCTAD road map for IIA reform. In 2015, the programme provided commentaries on model IIAs to six developing countries, one developed country and one African subregion (five countries). One country benefited from an in-depth analysis of its IIA network. Two regional organizations benefited from substantive contributions by UNCTAD to their investment reports (Common Market for Eastern and Southern Africa; United Nations Economic Commission for Africa). In 2015, UNCTAD also organized and attended over 48 meetings and capacity-building events, including the organization of three regional training courses and two national workshops (covering 62 countries) and five intergovernmental meetings reaching out to over 1,000 investment policy stakeholders, of which 35 per cent were women. This extensive participation and organization resulted in an estimated number of over 2,000 IIA stakeholders being reached. Further details on some of the activities that took place are provided in the following paragraphs.

### *Advisory services and ad hoc technical assistance*

225. UNCTAD advisory services. Such services are demand-driven and include comments on State or regional model bilateral investment treaties and IIAs, and analysis of various aspects of the overall IIA context of countries. Comments and

analysis are offered with a view to identifying options for maximizing the sustainable development dimension of IIAs. Feedback is based on the Investment Policy Framework (and since July 2015 also on the IIA road map for reform), yet the analysis is tailored to the specificities of each country and/or region.

226. Countries that benefited from UNCTAD advisory services in 2015 (mostly involving comments on their model bilateral investment treaties and IIAs) were as follows: Azerbaijan; Ecuador; Egypt; Kenya; Thailand; Yemen. In Egypt, for example, UNCTAD conducted a comprehensive legal review of Egypt's bilateral investment treaties and investor-State dispute settlement experiences. The report was transmitted to the Minister of Investment of Egypt and the Chair of the investment promotion agency of Egypt for follow-up action with a view to starting reform of the IIA policy of Egypt.

227. Advisory services undertaken at the regional level. In 2015, the East African Community benefited from UNCTAD advisory services. UNCTAD provided comments on the position of East African Community countries for a model regional treaty and contributed to substantive discussions on the development of the new East African Community investment treaty model. This model is expected to include new-generation provisions aimed at safeguarding the right of host East African Community countries to regulate investment for public policy objectives.

228. Following the African Union Commission mandate to develop a comprehensive investment code for Africa with a view to promoting private sector participation, a process was launched for academic experts to develop a draft new pan-African investment code. In November 2015, UNCTAD provided comments on the draft with the aim of fostering the overall legal clarity and coherence of the code, as well as some broader strategic policy issues related to the purpose and nature of the code.

229. IPRs. Such reviews provide an evaluation of State legal, regulatory and institutional frameworks for FDI, with a view to attracting increased FDI and maximizing sustainable development benefits from such investment. The work programme on IIAs contributes a section on State international investment policy commitments, based on a comprehensive legal review or mapping of a country's available IIAs and its investor-State dispute settlement experience. Concrete and action-oriented policy recommendations build on the Investment Policy Framework and the road map for IIA reform, and aim to make a country's IIA regime more conducive to sustainable development objectives. In 2015, the work programme on IIAs contributed to IPR processes by conducting a comprehensive legal review of IIAs and investor-State dispute settlement experiences for the IPRs of Bosnia and Herzegovina, the Congo, Kyrgyzstan, Madagascar, the Sudan and Tajikistan. The work programme on IIAs also contributed to the analysis of the legal framework of eight economies in the context of a regional IPR for the South-East Europe region.

*Regional or other training, organized or co-organized by UNCTAD*

230. In 2015, such training activities included the following:

(a) Regional IIA training for member countries of the Islamic Development Bank (Casablanca, 12–15 January), organized in cooperation with the Islamic Development Bank, and also benefiting from the support of the Ministry of Economy and Finance of Morocco, the Investment Development Agency of Morocco and the Energy Charter Secretariat. The course was attended by over 60 experts in charge of investment protection and promotion issues from 30 member countries of the Islamic Development Bank.

(b) Regional IIA training for ASEAN countries (Jakarta, 20–22 January), organized in cooperation with the International Institute for Sustainable Development, and also benefiting from cooperation by the Ministry of Foreign Affairs of Indonesia and ASEAN secretariat. The training course convened 95 participants from 10 ASEAN member countries.

(c) IIA training for negotiators in Thailand (Bangkok, June 25–26), organized in cooperation with the International Institute for Sustainable Development and the International Institute for Trade and Development, and held back-to-back with the launch of World Investment Report 2015 in Bangkok.

(d) Investment promotion and protection capacity-building workshop for officials in Egypt (Cairo, 21–22 July), organized in partnership with the Ministry of Foreign Affairs of Egypt. The workshop provided training for 49 diplomats, commercial attachés and senior staff of the General Authority for Investment and Free Zones.

(e) Regional IIA training for countries with economies in transition (Minsk, 28–30 September), organized in cooperation with the Ministry of Foreign Affairs of Belarus, Ministry of Economy and National Agency of Investment and Privatization. More than 40 investment policymakers, experts and stakeholders from 20 countries participated in the various sessions, including officials from Slovakia and the United States (the latter on a self-funded basis).

231. In 2015, the work programme on IIAs contributed to a number of training events organized by others, as follows:

(a) Executive training on investment arbitration for government officials, Columbia Centre on Sustainable Investment (New York, 13–17 July; via video conference);

(b) Seminar on FDI policies, Joint Vienna Institute for International Economic Studies (Vienna, 22 September);

(c) Workshop on the development of a new East African Community investment treaty model, Kenya Investment Authority (13–14 October);

(d) Advanced trade in services course, WTO (Geneva, 9–13 November);

(e) Executive course on trade, diplomacy and public health, The Graduate Institute (Geneva, 16–17 November) – UNCTAD presentation on bilateral investment treaties and investor–State dispute settlement.

232. **Results and impacts.** There is strong evidence that the IIA programme has a concrete and positive impact. In terms of technical assistance-related research, in 2015, two products were launched under the work programme on IIAs that are having a major impact on evolution of the IIA regime, namely the road map for IIA reform and the update of the Investment Policy Framework. Both policy instruments are defining the mainstream of international investment policymaking, and their uptake is also an indication of the quality of UNCTAD IIA-related technical assistance. The relevance and quality of UNCTAD work on IIAs is evident from the fact that the Addis Ababa Action Agenda requested “UNCTAD to continue its existing programme of meetings and consultations with Member States on investment agreements” (paragraph 91).

233. Since 2012, at least 115 countries have reviewed their national or international investment policies, with around 100 having used the Investment Policy Framework for that purpose, and 90 of these countries focused their reviews on the international

policy dimension, that is, conducted an IIA review, as suggested in the UNCTAD road map.

234. In recent years, around 60 countries have developed or are developing a new model IIA, most including provisions safeguarding the right to regulate and minimize exposure to investment arbitration, as suggested in the Investment Policy Framework.

235. All of the 23 IIAs (nine bilateral investment treaties and 14 other IIAs) concluded in 2015 for which a text is currently available (4 bilateral investment treaties and 10 other IIAs) contain sustainable-development oriented features or treaty elements that aim more broadly at preserving regulatory space for public policies, as proposed by the Investment Policy Framework.

236. Comparing substantive IIA clauses over time shows a clear shift in drafting practice. Modern treaty clauses frequently match the sustainable development options outlined in the Investment Policy Framework. Policy documents feeding into key negotiating processes (for example, the European Union proposal for the chapter on Transatlantic Trade and Investment Partnership investment) contain elements closely matching the options in the Investment Policy Framework and/or road map (key features of the new approach include the protection of the right to regulate and the establishment of a new investment court system).

237. In recent years, several regions have embarked on developing regional model IIAs. The Common Market for Eastern and Southern Africa, East African Community and Southern African Development Community and Pacific island countries (negotiating Pacific Agreement on Closer Economic Relations plus) have all requested UNCTAD input based on the Investment Policy Framework. In addition, a number of policymaking processes have addressed issues related to IIA reform, including along the lines of UNCTAD policy proposals, for example the following: United Nations Commission on International Trade Law Convention and Rules on Transparency in Treaty-based Investor–State Dispute Settlement; working group on transnational corporations and other business enterprises with respect to human rights; Annual Forum on Business and Human Rights; Energy Charter Treaty Secretariat, Southern Investment Observatory proposal; African Union pan-African investment code.

238. With regard to technical assistance activities, positive feedback is evident from responses to an online end-of-year survey and individual expressions of appreciation, including the following:

(a) Respondents to the end-of-year survey noted that they strongly agreed (61 per cent) or agreed (39 per cent) with the statement that their participation in an UNCTAD event enhanced their knowledge about IIAs and IIA reform;

(b) The quality and efficiency of capacity-building activities under the work programme on IIAs are evident from State and/or individual expressions of appreciation and in statements made at intergovernmental meetings, such as the Investment, Enterprise and Development Commission and the sixty-second session of the Trade and Development Board, as follows:

(i) The UNCTAD IIA regional training course for countries with economies in transition held in Minsk “was of great interest to representatives of the ministry as we have the opportunity to pick the brains of highly skilled IIAs professionals... We are convinced that the received experience will help all the participants to improve their activities in terms of investment policy formation

in their countries” (Deputy Minister of Economy, Belarus, Appreciation letter, October 2015);

(ii) “UNCTAD comprehensive advisory report on the country’s bilateral investment treaties which benefited from the Investment Policy Framework for Sustainable Development, will indeed represent a road map for Egypt IIA’s reform...aiming at attaining balance between investor and State rights and obligations... Thus, we hereby acknowledge UNCTAD’s great efforts for restoring Egypt’s IIA network towards achieving the sustainable balance and inclusive growth and praise the great work conducted by UNCTAD’s IIA team” (Chief Executive Officer, General Authority for Investment and Free Zones, Egypt, appreciation letter, December 2015);

(iii) “Kenya, and most especially KenInvest have benefited greatly from technical input and capacity-building from UNCTAD... It is in this regard that we take the opportunity to express our utmost sincere gratitude for the support that UNCTAD has given to KenInvest, and indeed the country in building capacities to come up with policies that meet international standards and most importantly, sustainable development goals” (Managing Director, Investment Authority, Kenya, appreciation letter, October 2015);

(iv) “Thailand calls on UNCTAD to continue its technical assistance and capacity-building activities on issues related to IIAs, and in this context, welcomes UNCTAD’s cooperation with the Government of Thailand during the workshop on IIAs for sustainability held in Bangkok in June 2015” (Thailand, statement at the sixty-second session of the Trade and Development Board).

## VIII. Cluster VIII: Investment facilitation

### Lead entity: Division on Investment and Enterprise

239. The programmes under this cluster (table 8) aim at strengthening the capacity of developing countries to create and manage the policy and institutional framework for attracting and retaining FDI and develop an operating climate that maximizes the contribution of FDI to development objectives.

Table 8  
Investment facilitation

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
ALB/OT/BCT	“Delivering as one”, Albania, 2013	2012–	One United Nations
BGD/OT/EAI	Capacity-building in investment for development	2015–	Netherlands
BHU/OT/DCH	“Delivering as one”, Bhutan, Delivering Results Together fund	2014–	One United Nations
BEN/OT/EAJ	Capacity-building in investment for development	2015–	Netherlands
CMR/OT/CBK <sup>a</sup>	Business facilitation – Cameroon – eRegulations, phase II	2013–2015	United Nations Development Programme

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
CMR/0T/DBY	Business facilitation – eRegistration	2014–	European Commission
COL/0T/CAV <sup>a</sup>	Business facilitation, Colombia	2014–2015	Colombia
CVI/0T/9AL	“Delivering as one”, Cabo Verde	2009–	One United Nations
EGY/9X/9BS	Training of Egyptian diplomats in investment promotion	2000–	Multi-donors
ELS/0T/CAZ	United Nations to United Nations Agency Contribution Agreement, “Delivering as one” joint programme, El Salvador	2013–	United Nations Development Programme
ELS/0T/CBQ	Business facilitation, El Salvador	2014–	El Salvador
KEN/0T/EAK	Capacity-building in investment for development	2015–	Netherlands
MCD/0T/EBI	Business facilitation – eRegulations, the former Yugoslav Republic of Macedonia (municipality of Gostivar)	2015–	Switzerland
MOR/0T/EAP	Business facilitation – eRegulations	2015–	Germany
RWA/0T/DBQ	“Delivering as one”, Rwanda, inclusive economic transformation and youth and women’s employment	2014–	One United Nations
URT/0T/BBM	“Delivering as one”, United Republic of Tanzania	2011–	One United Nations
URT/0T/CBR	United Nations to United Nations Agency Contribution Agreement, “Delivering as one” joint programme on business facilitation, United Republic of Tanzania	2014–	United Nations Development Programme
URT/0T/DAK	United Nations inter-agency cluster “Delivering as one” joint programme on market value chains, United Republic of Tanzania	2014–	United Nations Office for Project Services
URT/0T/EBC	Business facilitation – eRegistration	2015–	United Republic of Tanzania Investment Centre
VIE/0T/CAG	Transparency of investment procedures in Viet Nam – eRegulations, phase III (UNCTAD international component)	2014–	Luxembourg
GLO/0T/ABG	Technical assistance in developing countries in creating prospects for the domestic private sector in implementing the Agreement on Trade-related Aspects of Intellectual Property Rights	2010–	Germany
INT/0T/1BN	Capacity-building in investment promotion	2001–	Multi-donors
INT/0T/6AT	Investment gateway system	2006–	Multi-donors

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
INT/0T/CAO	UNCTAD and United Nations Industrial Development Organization collaboration on a global project to strengthen pharmaceutical production in developing countries and the least developed countries	2013–	United Nations Industrial Development Organization
INT/0T/DBW	Access to high-quality and affordable medicines in Africa and South-East Asia	2014–	Germany
INT/0T/DCA	Promoting access to knowledge and education in developing countries	2014–	Germany
INT/14/X58	Investment facilitation	2014–	Germany
ROA-2263 (AJ)	Enhancing the capacities of landlocked developing countries to attract foreign direct investment for the development and modernization of productive capacities	2011–2015	Development Account
ROA-2907 (N8)	Building national capacities for promoting foreign direct investment in green and other growth sectors	2013–	Development Account

<sup>a</sup> Operationally but not financially completed or fully completed in 2015.

## A. Investment promotion

240. **Development context.** With the globalization of economic activities, more and more developing countries are seeking FDI. This has resulted in proactive policies by these countries to attract and retain foreign investment, including in Sustainable Development Goals sectors, in order to generate inclusive and sustainable economic growth and build resilient infrastructures while safeguarding the environment.

241. **Objectives and features.** The objective of the investment promotion programme is to assist developing countries in strengthening their capacities to create and manage the policy and institutional framework for attracting and retaining foreign investment and in developing an operating climate in which FDI and international business can thrive and contribute to sustainable development. The programme provides advisory services and training and prepares publications related to investment policies, legislation and regulations, institutional arrangements and good governance to attract FDI, investment promotion strategies and investment facilitation practices. Special attention is paid to strengthening investment promotion programmes in LDCs, landlocked developing countries and small island developing States.

242. **Outputs.** In 2015, the main outputs of the programme were as detailed below.

### 1. Advisory services

243. China. UNCTAD co-organized a session on FDI and investment and launched the Chinese language version of *World Investment Report 2015* during the China International Fair of Investment (Xiamen, 8 September). The event attracted over 50 government officials and media representatives. UNCTAD also participated in the selection of the winners of the 2015 China Council for International Investment



Promotion-UNCTAD Award for the best Chinese investment promotion agency, best investment promotion project and work by Chinese investment promotion agencies in fostering national development objectives. The awards were presented by UNCTAD at a dedicated ceremony (Xi'an, 23 September).

244. India. At the request of India Invest, the Indian investment promotion agency, UNCTAD prepared an advisory report on the promotion of bankable FDI projects in the solar energy sector, which will be presented in New Delhi in early 2016.

245. Kenya. At the request of KenInvest, the Kenyan investment promotion agency, UNCTAD produced a country guide on the development and promotion of solar energy FDI projects. The guide was presented and discussed at a workshop for stakeholders (Nairobi, October 2015) involving 25 representatives of institutions in the Kenyan energy sector as well as officials from Kenyan and other African investment promotion agencies, including best practice agencies from Mauritius and South Africa.

246. The UNCTAD Investment Promotion Awards, which have honoured best practices in various fields of investment promotion annually since 2002, award investment promotion agencies for the promotion of sustainable investment and foster the exchange of ideas, tools and practices from developed and developing countries. In 2015, awards were given to agencies for excellence in web-based promotion of green FDI. The selection of winners was based on a review by UNCTAD of 198 investment promotion agency websites, assessed against a number of criteria reflecting the quality and presentation of information pertaining to foreign investment in green sectors, including renewables, energy efficiency, green building practices, clean technologies, recycling, ecotourism and sustainable agriculture. Four agencies from Germany, Morocco, the Republic of Moldova and Singapore received awards during the seventh session of the Investment, Enterprise and Development Commission (20 April).

247. The UNCTAD platform on green FDI for investment promotion agency professionals and policymakers (launched in 2014; see <http://www.greenFDI.org>) aims to meet the learning and networking needs expressed by investment promotion agencies worldwide in promoting green investment, and features a resource centre with over 300 recent publications related to green and low-carbon investment, a vast network of investment promotion agencies and information on UNCTAD work on green investment.

## **2. Publications and training material**

248. The following two publications related to investment promotion and facilitation were prepared in 2015:

(a) Investment Promotion Agency Observer No. 4: Outward investment agencies – partners in promoting sustainable development. The note included best practice case studies from the Netherlands, South Africa and the United States.

(b) Investment Promotion Agency Observer No. 5: Promoting green FDI – practices and lessons from the field. The note included best practice case studies from the Republic of Korea, South Africa and the United States.

## **3. Capacity-building**

249. UNCTAD held a regional capacity-building workshop in Seoul on fostering the green FDI opportunity in Asia and the Pacific (6–8 May). The event was hosted by the Republic of Korea trade investment promotion agency and brought together

31 participants and experts from 20 countries and regions, representing 24 investment promotion agencies, ministries, special economic zones and other institutions.

250. UNCTAD organized a workshop for diplomats and commercial attachés in Egypt on the promotion of FDI (Cairo, 21–22 July). The workshop, at which 49 diplomats, commercial attachés and senior staff of the General Authority for Investment and Free Zones of Egypt participated, was the fourth such training event carried out in cooperation with the Ministry of Foreign Affairs of Egypt.

251. As part of the World Investment Conference 2015 of the World Association of Investment Promotion Agencies, UNCTAD held a workshop on investment policies and promotion for sustainable development (Milan, 15 June). More than 150 investment promotion agency officials from developing and developed countries and representatives from the private sector and international organizations participated in the workshop.

252. UNCTAD organized a short course for diplomats on promoting FDI in the Sustainable Development Goals (Geneva, 8 December). UNCTAD provided the 26 participants with an overview of FDI trends and detailed information on the UNCTAD investment promotion programme and the role of diplomats in investment promotion. The second part of the course focused on green investment promotion and featured presentations on the UNCTAD green investment programme and its platform. It also featured a sample country study on advisory services in promoting solar energy FDI.

#### **4. International meetings and networking events**

253. UNCTAD and the World Association of Investment Promotion Agencies organized a Group of 20-World Association of Investment Promotion Agencies Conference on FDI (Istanbul, 27–28 April). The conference included a keynote address by the Secretary-General of UNCTAD and a presentation by the Director of the Division on Investment and Enterprise. UNCTAD also produced a background note for the Conference and a message by the Secretary-General for the World Association of Investment Promotion Agencies annual report.

254. The Permanent Mission of Viet Nam, in collaboration with UNCTAD and business groups of Switzerland and Viet Nam, organized an inaugural Vietnamese-Swiss Business and Investment Promotion Forum (Geneva, 7 December 2015). The forum sought to facilitate networking and cooperation among Swiss and Vietnamese enterprises and organizations, and featured discussions on the business environment and investment opportunities in Switzerland and Viet Nam. The forum also focused on key areas of high interest for business development between companies from Switzerland and Viet Nam. The event attracted over 50 participants, including high-level officials from Viet Nam, representatives from UNCTAD, and executives enterprises in Switzerland and Viet Nam.

255. Contributions to investment promotion agency forums and other events included organizational support, keynote speeches and substantive presentations by UNCTAD at the One Belt One Road Annual Conference of the China Council for International Investment Promotion (Xi'an, 23–24 September) and the annual general assembly of the Caribbean Association of Investment Promotion Agencies (Georgetown, 26–27 November).

256. A new issue of the SmartPromotionNetwork online newsflash was broadcast each month in 2015. The monthly newsflashes included the latest on FDI trends,

investment promotion strategies and practices and upcoming events and publications of interest to investment promotion professionals and policymakers.

257. **Impacts and results.** In 2015, 52 developing economies and countries with economies in transition (including 10 LDCs, 9 landlocked developing countries and 6 small island developing States) benefited from the investment promotion programme. Over 380 government officials and other investment stakeholders participated in investment promotion training, conferences and other international meetings and events that UNCTAD organized or co-organized; 35 per cent of participants in the training workshops were women. The training and international meetings were focused on the promotion of FDI in the Sustainable Development Goals, especially in attracting green investment, and FDI in clean technology and infrastructure. Feedback received from workshop participants indicated that the training had met its objectives and that participants planned to apply the learning to their work.

258. Surveys were sent to investment promotion agency officials who had participated in regional workshops on the promotion of green FDI held in Colombia, the Republic of Korea and South Africa in 2013–2015. More than three fourths of participants who completed the questionnaire agreed that the workshops had enhanced their understanding of the global business opportunity for green FDI, the drivers behind green FDI projects and best practices in green investment promotion. Moreover, well over half of the respondents reported that they shared information about the promotion of green FDI within their investment promotion agencies, applied information from the workshops to their work or introduced other initiatives related to advice and training received during the workshops.

259. UNCTAD had prepared an advisory report in 2014 on special economic zones in Jamaica and promoting sustainability and attracting FDI for renewables and energy efficiency, and the Government of Jamaica used this report for informing discussions held by the Government and parliament on new policies and legislation for energy generation and distribution in these zones. A Special Economic Zone Act was considered in 2015 and passed in January 2016. In addition, the Government of the Republic of Moldova used an UNCTAD advisory report on an investment promotion strategy as an input for its national investment attraction strategy for 2016–2020.

260. Past issues in the Investment Advisory Series remain in use. The Government of Nicaragua, through the national investment promotion agency, used parts of the *Investment Promotion Handbook for Diplomats* (No. 6, Investment Advisory Series A, 2011) for its national investment promotion guide for diplomats, which was published in 2015. *Promoting Low-carbon Investment* (No. 7, Investment Advisory Series A, 2013) is being distributed and used in UNCTAD training workshops and conferences on the promotion of green FDI. In total, 668 investment promotion agencies, government representations and other stakeholders have received copies of the guide and, as at December 2015, it had also been downloaded over 1,300 times. Government agencies from silk road countries, including China, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan, continue to use the UNCTAD *Investment Guide to the Silk Road* (2014) in their investment promotion programmes.

261. Over 2,200 investment stakeholders receive the SmartPromotionNetwork newsflashes, including 400 chief executive officers and senior officials from national and subnational investment promotion agencies. In 2015, an average of 360 people read the newsflash each month upon receipt. SmartPromotionNetwork issues from 2015 may be downloaded from the UNCTAD website on green FDI.

262. Since its launch, the UNCTAD platform on green FDI has been visited 7,330 times by users from 146 countries, including 112 developing countries and countries with economies in transition (as at January 2016). In 2015, the website had 5,753 sessions from 4,715 visitors from 144 countries and territories. There were on average 479 user sessions per month. In September 2015, a new feature that enables the posting of project training materials became operational and, from September 2015 to January 2016, such materials were viewed 406 times and downloaded 44 times. Improvements to and updates of the platform are ongoing. The website and the 2015 Investment Promotion Awards on web-based promotion of green FDI have sensitized investment promotion agencies on the importance of online tools to promote green FDI.

## **B. eRegulations and eRegistration**

263. **Development context.** The business facilitation programme has developed a series of web-based e-government systems to help developing countries and countries with economies in transition improve their investment and business climates through transparency, simplification and the automation of rules and procedures related to enterprise creation and operations. The eRegulations system is a turnkey e-government software allowing administrations to publish their procedures online. Once procedures have been clarified through the eRegulations system, a set of 10 principles of simplification of administrative procedures helps countries cut bureaucratic procedures and reduce the duration, cost and complexity of business-related procedures without changing related laws. Simplified procedures can then be computerized through another e-government system called eRegistration.

264. **Objectives and features.** All tools and services developed by the business facilitation programme aim at the following: improving the business and investment climate and legal frameworks; lowering administrative barriers to business development, in particular for small businesses; increasing domestic and foreign investment and promoting good governance and reducing corruption.

265. **Outputs.** The eRegulations system has been installed in Bhutan, Kenya and Morocco (Casablanca region), presenting procedures related to, among others, foreign and local company creation, immigration services, construction permits, property title transfers and tax payments. The system has been launched in the former Yugoslav Republic of Macedonia (municipality of Gostivar), making it the first country in Europe to join the eRegulations programme. The scope of the information registered in the Rwanda eRegulations system was extended to nine new procedures related to intellectual property and investment in special economic zones. Procedures related to the amendment of investment certificates, obtaining certificates of incentive, food and drug licences and tourism were updated in the United Republic of Tanzania eRegulations system. The Viet Nam eRegulations system was officially launched in June 2015, giving access to online step-by-step guides on how to do business in seven provinces. The system was widely publicized, through more than 70 different communications actions (including, among others, presentations, national and international target group meetings, publications of articles and social media promotion). In 2015, capacity-building sessions to train civil servants in best practices in administrative efficiency were organized in Bhutan (March), Cameroon (April, October, November and December), Colombia (December), El Salvador (October), Kenya (August and December), Morocco (September and October), the United Republic of Tanzania (September) and Viet Nam (May, June and July).

266. All eRegulations and eRegistration systems are included in the Global Enterprise Registration website, a portal that lists business registration websites worldwide. The portal is divided between countries that offer online single windows (for example the eRegistration system), that is, involving online simultaneous registration with two or more ministries as part of the business registration process, and countries that provide only information portals describing the business registration process (for example an eRegulations system). The portal, which was launched in October 2014, aims to promote best practices in administrative simplification, transparency and the improvement of business registration services worldwide.

267. **Results.** The impacts of activities are detailed below.

268. **Transparency.** Procedures documented in an eRegulations system are completely transparent and widely accessible in all countries where the system is operational. A total of 2,984 procedures are documented in national eRegulations systems, with 12,010 steps (interactions between a user and an administration), 11,116 forms and documents and 3,742 norms and laws accessible online. Over 1,750,000 people visited national and provincial eRegulations websites worldwide in 2015.

269. **Simplification and harmonization.** In Morocco, eight simplification proposals were submitted to national authorities for business registration, eight for urbanism permits, three for tax payments, two for obtaining electricity and two for property title transfers. The procedure for business registration has been harmonized and reduced to three steps in three regions of Cameroon (Douala, Garoua and Yaoundé).

270. **Automation of procedures.** The eRegistration system is an e-government system, designed to set up electronic single windows and computerize simple or complex administrative procedures. It was successfully implemented in three regions in Cameroon (Douala, Garoua and Yaoundé), with its official launch in 2016. New services were added to the El Salvador, Guatemala and Lomas de Zamora, Argentina, eRegistration systems; in addition to business registration, users can now also modify data related to their companies or close a business online. New functionalities were developed for all three systems, providing users with more user-friendly and rapid systems, and the new versions of the existing systems were launched in 2016.

271. **Exchange of good practices and South–South cooperation.** National experts in Benin, Cameroon, El Salvador, Kenya, Morocco, Rwanda, the United Republic of Tanzania and Viet Nam have trained civil servants of their countries or provinces on the use of the eRegulations system and on UNCTAD principles for the simplification of procedures. National experts presented country eRegulations and eRegistration systems at regional and international seminars and expert meetings.

272. **Good governance and public participation.** The programme encourages public–private dialogue on improving the regulatory framework and its application by national administrations. Citizens and foreign and local investors have extensively used the eRegulations integrated customer relationship management system for sending simplification ideas or signalling the improper application of procedures.

273. **Collaboration with other international and regional organizations.** UNCTAD findings on best practices in business registration and experience in the simplification of administrative procedures have been referred to and presented at several specialized meetings and discussion groups, as follows: United Nations

Commission on International Trade Law (October 2015 and January 2016); Free Zones Congress of the National Association of Colombian Entrepreneurs (October 2015); International Labour Organization (November 2015); Organization for Economic Cooperation and Development (January 2016); Asia-Pacific Economic Cooperation (March 2016).

### C. Investment guides

274. **Development context.** The investment guides (iGuides) programme provides developing country Governments with the necessary capacity to better market their countries or territories as investment destinations to the global investment community, in order to attract quality FDI in pursuit of their development goals.

275. **Objectives and features.** The iGuides online platforms, designed by UNCTAD and the International Chamber of Commerce, provide international investors with essential up-to-date information on rules, economic conditions, procedures, business costs and investment opportunities in developing countries. The platforms are developed jointly with beneficiary Governments, at their request. Content includes the following:

(a) Locally available costs. In addition to taxes, social contributions or the state of infrastructure, iGuides provide indicative price ranges regarding wages, rents, consumer goods and transportation costs. This hard-to-find information enables investors to build a basic business model for their projects.

(b) Relevant licences, procedures and useful contacts. iGuides platforms give an overview of procedures and licences required to start a business, obtain work permits, acquire land, clear imported goods or repatriate funds. Contact persons are also identified in the most useful institutions and offices. iGuides can integrate seamlessly with existing eRegulations systems to provide full information on start-up and business procedures.

(c) Experiences of established investors. Whether the topic is paying taxes, hiring labour or obtaining electricity, iGuides platforms summarize the experiences of established investors and provide case studies of their investment history.

276. During a project, UNCTAD creates a national iGuides platform for the country and trains the government staff assigned to the project in researching and compiling the necessary information and entering it into the system. Once completed, an official launch is organized in the country, and the platform is made publicly available to investors. At the end of project implementation, the beneficiary country has its own iGuides platform and trained staff to administer and update it under the continuous guidance of UNCTAD. The iGuides online platforms replace the previous practice of publishing printed investment guides. The new iGuides allow information to be kept up to date by Governments and may be accomplished in a third of the time and at half the cost.

277. **Outputs.** iGuides were completed in Bhutan and Kenya and work by UNCTAD was completed for the iGuide of the Oriental region of Morocco. iGuides were started in the Congo and Mongolia. The iGuide for Bhutan was prepared with the Division for Africa, Least Developed Countries and Special Programmes. In addition, an online training video was prepared for government officials in beneficiary countries to research, enter and update information in their national iGuides.

278. **Results.** Unlike sit-on-the-shelf publications, iGuides are web-based, and any element may be easily updated at any time to reflect changes in legislation, infrastructure, costs or taxes. iGuides therefore remain relevant and useful to their audience. In addition, Governments (not UNCTAD) are responsible for researching, inputting and updating data based on information standards and training provided by UNCTAD and the International Chamber of Commerce. UNCTAD also organizes events for member Governments to share experiences and improve the product. In 2015, this transfer of capacity benefited three key staff in Bhutan, two in the Congo, five in Kenya, five in Mongolia and three in the Oriental region of Morocco. Since the well-attended launches of the iGuides for Bhutan and Kenya, which received extensive press coverage, updates have been made by the respective Governments, showing retained capacity to update the website in an effective manner and the continued relevance of the website. The production of the online training video will allow staff working on iGuides to more easily transfer knowledge and capacity to their peers.

#### **D. Intellectual property**

279. **Development context.** There is increasing recognition that intellectual property regimes should be well tailored to a country's level of development. Developing countries seek assistance in ensuring that their intellectual property regimes are supportive of specific development objectives, such as public health, transfer of technology, access to knowledge, investment in certain sectors and innovation.

280. **Objectives and features.** UNCTAD, through its Intellectual Property Unit, has been implementing a work programme on the development dimensions of intellectual property rights. The work programme responds to the request by member States at the thirteenth session of the United Nations Conference on Trade and Development. UNCTAD undertakes research and analysis, responds to requests for technical assistance, advises and builds consensus on policy options on the interface between development and intellectual property. The overall objectives of the programme on the development dimensions of intellectual property rights include deepening understanding in developing countries of this complex relationship; identifying ways and means of using flexibility in international intellectual property architecture to promote the technological capabilities and other public policy objectives of developing countries; examining the implications of regional and bilateral trade and investment agreements for the intellectual property policies of developing countries; and providing a forum for the exchange of experiences and best practices in the formulation of intellectual property policies.

281. **Outputs.** In 2015, the main outputs were as detailed in the following paragraphs.

##### **1. Intellectual Property Unit technical assistance activities conducted with developing countries in the integrated areas of investment, trade and intellectual property**

###### *Intellectual property rights and local pharmaceutical production and supply capacity of essential medicines*

282. In 2005, UNCTAD was mandated by the Investment, Enterprise and Development Commission to engage in work related to the local manufacturing and supply of pharmaceutical products in the context of Millennium Development Goal 8, target 17 – in cooperation with pharmaceutical companies, provide access to

affordable essential drugs in developing countries. In pursuit of this mandate, UNCTAD established in 2006 a pilot programme on local pharmaceutical production with financial support from Germany (Federal Ministry for Economic Cooperation and Development) and, initially, the United Kingdom of Great Britain and Northern Ireland. The overall objective of the programme, implemented by the Intellectual Property Unit, is to assist developing countries, in particular LDCs, to establish domestic intellectual property regimes that facilitate increased access to affordable medicines and, where feasible, create local or regional pharmaceutical production and supply capacities, including in cooperation with investors.

283. In 2015 under this programme, UNCTAD conducted the following training courses and workshops for stakeholders from developing countries:

(a) Blended learning course on Trade-Related Aspects Of Intellectual Property Rights Agreement flexibilities for public health, in cooperation with the Federation of East African Pharmaceutical Manufacturers and United Nations Industrial Development Organization, for experts from the ministries of health and industry of partner States of the East African Community, East African Community secretariat, pharmaceutical industry, civil society and academia (Kenya, 20 October 2014 – 3 February 2015);

(b) Training course for judges on intellectual property and public health (Philippines, July 2015), which served as a forum to share experiences and best practices from other jurisdictions, thereby enhancing the capacity of judges in the efficient, effective and expeditious disposition of intellectual property cases.

284. All courses were based on the UNCTAD publication *Using Intellectual Property Rights to Stimulate Pharmaceutical Production in Developing Countries: A Reference Guide* (2011). The distance-learning part of training courses is conducted at the Global Academy for Innovation and Access, managed and maintained by the German Agency for International Cooperation. In 2015, UNCTAD also continued to build a database on intellectual property and health-related jurisprudence in various jurisdictions. The database contains summaries of court decisions related to pharmaceutical patent law.

#### *Policy coherence for local pharmaceutical production*

285. Funded by the German Agency for International Cooperation, UNCTAD is examining the coherence of policies in developing countries and regions with respect to health, trade and industrial development. The overall objective is to assist developing countries or regional economic and trade arrangements in building capacities to promote policy coherence to ensure that local pharmaceutical production increases access to medicines. In September 2015, UNCTAD organized the following:

(a) A national workshop and a regional workshop for the promotion of policy coherence for local pharmaceutical production and other means to improve access to medicine and medical products in the East African Community and Uganda (Kampala). The workshops were intended to facilitate discussion to identify essential crosscutting linkages and coherence among regional and national policies related to industry, trade and health.

(b) Delivery of a workshop, with the German Agency for International Cooperation, on policy coherence for local pharmaceutical production for stakeholders from Thailand and Viet Nam (Hua Hin, Thailand).



286. UNCTAD, in cooperation with the World Health Organization as the lead agency, examines policy coherence for local pharmaceutical production in developing countries. Building on the first phase of this project – during which UNCTAD analysed cases of pharmaceutical technology transfer to eight selected developing countries, in *Local Production of Pharmaceuticals and Related Technology Transfer in Developing Countries* (2011) – the Division on Investment and Enterprise and Division on Technology and Logistics, in the second phase of the project, jointly conducted fact-finding missions and capacity-building activities in 2015 in Ethiopia, Ghana, Kenya and the United Republic of Tanzania, as follows:

(a) A fact-finding mission and a high-level capacity-building workshop on policy coherence for local pharmaceutical production in the United Republic of Tanzania (Dar-es-Salaam, September and November);

(b) Capacity-building workshop to discuss gaps and means to address policy coherence for local pharmaceutical production in Ghana, in partnership with the Ministry of Trade and Industry of Ghana and Ghana Health Services (Accra, December);

(c) Capacity-building workshop to address policy coherence for local pharmaceutical production, in partnership with the Ministry of Health and Ministry of Foreign Affairs and International Trade of Kenya (Nairobi, March).

#### *Intellectual property rights and biodiversity*

287. In 2011, UNCTAD launched a new technical assistance programme on intellectual property, biodiversity and access to and benefit sharing of genetic resources and associated traditional knowledge, with financial support from the Federal Ministry for Economic Cooperation and Development of Germany, in cooperation with the German Agency for International Cooperation. The programme focuses on building local capacities in developing countries to design and enforce domestic trade, customs and intellectual property laws in line with access and benefit-sharing rules under the Convention on Biological Diversity, its Nagoya Protocol and the United Nations Declaration on the Rights of Indigenous Peoples. In 2015, UNCTAD organized and facilitated a distance-learning course with the German Agency for International Cooperation, the Convention on Biological Diversity and the Amazon Cooperation Treaty Organization on the interface between intellectual property policies and international access and benefit-sharing rules under the Nagoya Protocol. This course, initially designed for countries in the Amazon region (namely, the Plurinational State of Bolivia, Brazil, Colombia, Ecuador, Guyana, Peru, Suriname and the Bolivarian Republic of Venezuela), was extended to other countries such as Panama, El Salvador, Mexico and Guatemala due to the extensive demand. The training took place from November 2015 to February 2016 and was facilitated in three languages, namely English, Portuguese and Spanish. The content of the training was based on *A Handbook on the Interface between Global Access and Benefit-Sharing Rules and Intellectual Property* (2014).

#### *Development dimensions of intellectual property and other advisory reports*

288. UNCTAD produces, upon request by developing countries or LDCs, advisory reports on the development dimensions of intellectual property. The objective of such reports is to provide well-researched and reasoned advice on policy and the legal and institutional frameworks of developing countries and LDCs on intellectual property rights, particularly in relation to important development objectives such as innovation, technology, investment, competition, education and health. Developing countries specify the key development objectives they wish to examine. In addition,

such reports take into consideration the international, regional and bilateral commitments the target countries have entered into and the flexibilities available to them. In 2015, UNCTAD prepared a discussion paper on Trade-Related Aspects of Intellectual Property Rights Agreement flexibilities and anti-counterfeit legislation in Kenya and the East African Community and the implications for generic drug producers, incorporating comments made by stakeholders during presentation of a draft text in Nairobi in March.

*Advisory services on the development dimension of intellectual property rights*

289. UNCTAD provides inputs upon invitation for debates concerning intellectual property rights and development. In 2015, UNCTAD conducted the following:

(a) Provision of input on measures to enable the technology transfer and innovation functions of the intellectual property rights system during the fifth annual East African Health and Scientific Conference (Uganda, 25–27 March);

(b) Participation in first meeting of Expert Advisory Group to the United Nations Secretary-General's High-Level Panel on Access to Medicines at the United Nations (December);

(c) Provision of substantive inputs during the Fourth Global Conference on Intellectual Property and the Public Interest, organized by the National Law University (New Delhi, December). The objective of the panel discussion was to identify challenges for local pharmaceutical production to contribute to enhanced access to medicines;

(d) Delivery of a presentation on access to medicines at the Social Forum on Access to Medicines of the United Nations Human Rights Council (February);

(e) Delivery of a presentation on geographical indications to a seminar organized by the Faculty of Law of the National University of Singapore and a presentation via videoconference during a European Union-organized national seminar for stakeholders in Indonesia on geographical indications;

(f) Provision of substantive inputs on the legal framework for developing candidate medicines from regional biota for the first international conference on drug discovery and development research in developing countries, organized by the Bangladesh National University of Health Sciences (Dhaka, October);

(g) Introduction of interface of intellectual property and development as a follow-up to the Science, Technology and Innovation Policy Review of Oman (October).

*Cooperation with other providers of intellectual property-related technical assistance*

290. UNCTAD frequently participates in capacity-building workshops on intellectual property and development issues organized by other providers of technical assistance related to intellectual property. In 2015, UNCTAD took part in a WTO workshop on trade and public health (Geneva, 26–30 October), World Intellectual Property Organization-WTO advanced course on intellectual property for Governments (Geneva, 16–27 March), Master of Laws in intellectual property of the World Intellectual Property Organization Academy (Turin, September) and WTO workshop on intellectual property and public health and LDCs needs assessments in West Africa (Abidjan, Côte d'Ivoire, December).

## 2. Research and policy analysis and World Intellectual Property Organization Development Agenda support

291. UNCTAD continued to prepare a database on case law in pharmaceutical patent law, which was made available to the German Agency for International Cooperation and to Common Sense, an organization of electronic learning and training consultants in Vienna, for inclusion on an electronic learning platform (see <http://www.gafia.info>).

## 3. Consensus-building

292. Consensus-building among stakeholders on issues of intellectual property is an important element of the programme's work. The substantive contributions of UNCTAD on the analysis of issues related to development and intellectual property have enabled it to become an important forum, through its intergovernmental machinery, at which Governments, academia, civil society and the private sector meet to exchange ideas.

293. In January 2015, UNCTAD organized an ad hoc expert group meeting on biosimilar production in developing countries, to examine potential policy issues, including with regard to intellectual property, for developing countries with pharmaceutical companies that are moving from producing generic medicines to biosimilars. The meeting included representatives of such firms from Bangladesh and Brazil, as well as representatives of transnational corporations involved in biosimilar production, who shared their views on the requisites for biosimilar production in developing countries.

294. **Impacts and results.** A total of 110 stakeholders received capacity-building and training in 2015. Participants of UNCTAD training in intellectual property or biodiversity and capacity-building programmes for policy coherence were given the opportunity to evaluate courses and workshops, and the majority of participants stated that the activities had met their expectations and were useful for their work, while some recommended improvements. Workshops on the promotion of policy coherence for local pharmaceutical production and other means to improve access to medicine and medical products, in Ghana, Thailand, the United Republic of Tanzania, Viet Nam and the East African Community, developed a number of concrete policy recommendations, identifying short, medium and long-term action areas, and assisting in building consensus among industrial, trade, health and investment policymakers, the private sector and civil society.

295. As a result of its work on local production and access to medicines, UNCTAD has been invited to serve on an expert advisory group to the recently established United Nations Secretary-General's High-Level Panel on Access to Medicines (see <http://www.unsgaccessmeds.org/>). The first meeting of the panel and group took place in December 2015. The objective of the panel, as supported by the group, is to make recommendations for remedying policy incoherence between international human rights law, the rights of inventors, trade rules and public health in the context of health technologies. UNCTAD has also been invited to assist in the implementation of the National Strategy and Plan of Action for Pharmaceutical Manufacturing Development (2015–2025) of Ethiopia. The UNCTAD English-language database on intellectual property cases plays an important role in training activities. The database, and the UNCTAD guide on *Using Intellectual Property Rights to Stimulate Pharmaceutical Production in Developing Countries* and *Handbook on the Interface between Global Access and Benefit-Sharing Rules and Intellectual Property* have been used as the basis for various training activities in

developing countries and serve as the substantive basis for the distance-learning course on these topics.

## IX. Cluster IX: Enterprise development

### Lead entity: Division on Investment and Enterprise

296. The programmes under this cluster (table 9) aim at an enhanced understanding and capacity in beneficiary countries to develop policies aimed at stimulating enterprise development.

Table 9  
**Enterprise development**

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
ETH/0T/DAW	Entrepreneurship development programme	2014–	United Nations Development Programme
MOZ/0T/9AZ	“Delivering as one”, Mozambique	2012–	One United Nations
SAU/0T/CBI	Empretec Saudi Arabia	2014–	Saudi Arabia
URT/0T/DAK	United Nations Inter-Agency Cluster “Delivering as one” joint programme on market value chains, United Republic of Tanzania	2014–	United Nations Office for Project Services
ZAM/0T/CAU	“Delivering as one” joint programme on green jobs, led by the International Labour Organization	2014–	International Labour Organization
INT/0T/BBV	Strengthening small and medium-sized enterprises in developing countries and countries with economies in transition	2012–	Private sector companies
INT/0T/BCP	Accounting and corporate governance trust fund	2012–	Germany
ROA-3331 (AX9)	Supporting developing country policymakers in the formulation of national entrepreneurship policies through the implementation of entrepreneurship policy frameworks	2015–	Development Account

#### A. Entrepreneurship and small and medium-sized enterprise development: Empretec

297. **Development context.** Entrepreneurship can make a critical contribution towards attaining the Sustainable Development Goals of the post-2015 development agenda, including poverty eradication, empowerment of youth and women and other disadvantaged groups, and full and productive employment for all. It can also help tackle environmental challenges.

298. The 2030 Agenda for Sustainable Development, adopted by United Nations Member States in September 2015, emphasized the role of entrepreneurship in sustainable development, particularly in Goals 4 and 8:

(a) Goal 4 (ensure inclusive and equitable quality education and promote lifelong learning opportunities for all), target 4.4: “By 2030, sustainably increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship”;

(b) Goal 8 (promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all), target 8.3: “Promote development oriented policies that support productive capacities, decent job creation, entrepreneurship, creativity and innovation and encourage the formalization and growth of microenterprises, small and medium-sized enterprises, including through access to financial services”.

299. Concerted efforts in policy formulation and capacity-building are necessary to enhance the role of entrepreneurship for development, and those two pillars are at the heart of UNCTAD assistance.

300. **Objectives and features.** UNCTAD assistance in policy formulation advocates a comprehensive, coherent and coordinated approach to identify, formulate and implement policy measures on entrepreneurship and microenterprise, small and medium-sized enterprise promotion. The objective is to help countries design initiatives, measures and institutions that will promote entrepreneurship across six interrelated priority areas as identified in the UNCTAD Entrepreneurship Policy Framework, namely, formulating national entrepreneurship strategy, optimizing the regulatory environment, enhancing entrepreneurship education and skills development, facilitating technology exchanges and innovation, improving access to finance, and promoting awareness and networking.

301. The second area of UNCTAD assistance integrates and complements the first one by working with national implementing partners to develop entrepreneurial skills and build the local productive capacities of small and medium-sized enterprises, through its Empretec and Business Linkages programmes.

302. **Outputs and results.** Following the launch of the Entrepreneurship Policy Framework in 2012, several countries, including Brazil, Cameroon, the Dominican Republic, Ecuador, the Gambia, Ghana, Nigeria, Panama, the United Republic of Tanzania and Zimbabwe implemented or have been implementing the Framework, with some variation across countries. UNCTAD collaborated with the African Union Commission, presenting its work on entrepreneurship policies and enterprise development and contributing to the African Union Commission’s master plan for small and medium-sized enterprise development.

303. In 2015, UNCTAD began – and in some cases continued – to provide assistance on entrepreneurship policies in a number of countries, as detailed in the following paragraphs.

304. Entrepreneurship Policy Framework implementation in Cameroon. UNCTAD has worked closely with the Government of Cameroon, assisting the Ministry of Small and Medium-sized Enterprises, Social Economy and Crafts in the identification of key barriers to entrepreneurship development to start a review of the policies currently in place.

305. Entrepreneurship Policy Framework implementation in the Dominican Republic. The Vice-Ministry of Industry, Commerce and Small and Medium-sized Enterprises, confirmed its interest and availability to collaborate with UNCTAD in

order to validate the entrepreneurship strategy and draft an action plan, with the active involvement of members of the private sector and academia. A stakeholder workshop was held at the end of 2015, to gather information on entrepreneurship activities and projects currently being carried out, as well as main gaps.

306. Entrepreneurship Policy Framework implementation in Ecuador. The process initiated in 2014, with the publication of Ecuador's entrepreneurship and innovation strategy 2020, continued in 2015 with two national workshops to validate the national entrepreneurship strategy and review the online training tools. The national entrepreneurship strategy was uploaded on a dedicated website (<http://aei.ec/>). Four working groups met to develop action plans, both in the capital city of Quito and in Guayaquil. During those workshops, participants started the development of an Action Plan 2015–2020, to implement the strategy “Ecuador: Entrepreneurship and Innovation”, geared to strengthening the ecosystem in the country. All stakeholders of the national Public Private Alliance contributed to the discussions, generating synergies among the different entities and mobilizing additional actors, particularly in Guayaquil, which is the main economic pole in the country.

307. Entrepreneurship Policy Framework implementation in the Gambia. Towards the end of 2015, the preparatory work for a workshop in early 2016 was finalized thanks to the active involvement of the Gambia Investment and Export Promotion Agency.

308. Youth entrepreneurship. Youth entrepreneurship has become a priority for the development agenda of many countries, which are faced with the challenge of a youth bulge and unemployment. In cooperation with the Commonwealth Secretariat, a new policy guide to advance youth entrepreneurship was launched in November 2015 at the Commonwealth Business Forum in Malta. The UNCTAD Youth Entrepreneurship Policy Guide identifies recommended actions for policymakers when developing strategies on youth entrepreneurship. It aims to support the creation and strengthening of national systems that provide young people with the entrepreneurial skills, resources and networks they need to start and grow businesses in fair and youth-friendly regulatory environments.

309. Highlights of 2015 Empretec activities. Since its inception in 1988, Empretec has been launched in 37 countries and has been assisting entrepreneurs through local market-driven business support centres (Empretec national centres). In 27 years of activity, 370,000 entrepreneurs have benefited from Empretec workshops and business development services available through the existing network of Empretec centres worldwide.

310. In 2015, Empretec activities continued in Cameroon, the Gambia and Saudi Arabia. An Empretec pilot workshop was organized in Paraguay, a country that recently joined the Empretec network. A group of 39 Ethiopian trainers participated in assessment workshops, conducted by a team of international master trainers, and received UNCTAD–Empretec certification as national Empretec trainers. UNCTAD is following up on official requests for Empretec installation from 20 countries.

311. The following paragraphs provide highlights under this area of support.

#### **1. Empretec Saudi Arabia**

312. In Saudi Arabia, Empretec training activities started in 2014 under the supervision of trainers from Empretec Jordan and in coordination with staff of the national implementing partner, the Saudi Credit and Savings Bank. Seven workshops were delivered to 120 men in 2014 and six were conducted in 2015 for 100 women

entrepreneurs. Three potential candidates have been trained under the supervision of international master trainers and are ready to be certified as Empretec national trainers. UNCTAD also delivered a management training workshop to Saudi Credit and Savings Bank staff on how to run the Empretec programme in Saudi Arabia, including selection of participants, interview methodology, marketing of the programme and certification procedures.

## **2. Empretec country activities in Africa**

313. The Empretec programme in the Gambia is funded by the United Nations Development Programme and the Government and anchored at the Gambia Investment and Export Promotion Agency. Since September 2014, when the first training was delivered, Empretec Gambia has trained over 736 entrepreneurs, including 164 farmers. The regional Empretec centre in Africa also offers business development services; through this component it has reached 293 businesses, thanks to its team of 93 business development advisers. By the end of the project in 2017, it is expected that 1,500 entrepreneurs will have been trained and prepared to start new enterprises or grow and expand their existing businesses. The project will select 15 trainee trainers to undergo further training to be certified by UNCTAD as Empretec national trainers.

314. Launched in 2014, Empretec Cameroon organized its first Empretec training in January 2015. Over the year, five workshops were organized in two different cities, Douala and Yaoundé, and 135 entrepreneurs were trained and 122 were certified in 2015. Two local trainers were selected and received on-the-job supervision. Both are in the final stages prior to their certification as Empretec national trainers.

315. UNCTAD assistance to the Government of Ethiopia, in close collaboration with the United Nations Development Programme, continued in 2015 under the country's Entrepreneurship Development Programme. UNCTAD organized four assessment workshops in the country to evaluate and certify a group of 39 Empretec national trainers, according to UNCTAD–Empretec established guidelines for trainer certification. Through a five-day workshop structure, national trainers were guided through theoretical and practical aspects of the Empretec training. As observed by the international master trainers involved in the assessment workshops, the Ethiopian Empretec programme is growing quickly and some recommendations to preserve the quality of the training workshops were provided to the Entrepreneurship Development Programme management team. As part of UNCTAD assistance to build local training capacity, both the Empretec trainer and participant manuals have been translated into Ethiopia's three main languages: Oromo, Amharic and Tigrinya.

316. Empretec training activities continued to be organized in both the United Republic of Tanzania and Zambia. The number of entrepreneurs assisted reached 576 in the United Republic of Tanzania and 350 in Zambia. While the quality of local certified trainers and the interest of local entrepreneurs for entrepreneurship development activities are high, the response of local implementing institutions to engage and actively support training activities has not always been satisfactory. On the other hand, training workshops have been organized upon request by the private sector (a bank in Zambia) and foundations, such as the Graça Machel Trust (two workshops delivered in Zambia and three planned in the United Republic of Tanzania in 2016).

### **3. Empretec country activities in Latin America**

317. In 2015, Conquito officially launched the Empretec Centre in Ecuador, as an integral part of the services provided by the local metropolitan development agency. Hosting a co-working space, an incubator and a plethora of business development services, Conquito is well placed to integrate the Empretec methodology. Two Empretec workshops took place in October 2015 with the participation of international trainers from Argentina and Uruguay.

318. A pilot workshop took place in Paraguay in collaboration with Empretec Argentina. The Paraguayan local implementing partner and UNCTAD are ready to sign a memorandum of understanding to officially launch the Empretec programme in the country.

319. UNCTAD and Latin American Empretec centres co-organized a regional workshop in the Dominican Republic, with the aim of enabling workshop participants to share experiences, challenges and methodological issues related to the delivery of Empretec training workshops. Centres in the region agreed to cooperate on distance-learning projects, and to share knowledge and experiences through social media.

### **4. Empretec country activities in the Russian Federation and India**

320. Empretec Russia has conducted 16 Empretec workshops since the inception of the programme. Four of these workshops were delivered to young managers of the Central Aerohydrodynamic Institute in Jukovsky in the Russian Federation. Since the first successful experience in 2011, the Institute has made the Empretec workshops an annual training activity for its young professionals to enhance their efficiency, motivation and business skills, to facilitate commercial use of its scientific products and innovations. In 2015, Empretec Russia continued its efforts in programme promotion, particularly for supplier development. It participated in Far East Russian Economic Forum, where Empretec was presented as a tool for supplier development, and established cooperation with the Commission on Export and Investment Promotion of the country on delivery of Empretec training for the small and medium-sized enterprises in Russian and for neighbouring countries to facilitate their export capacities. It also finalized Russian translation of all Empretec training materials and UNCTAD methodology on supplier development. Discussions are under way on continued cooperation with the Moscow City Government, and regions such as Krasnoyarsk, Kaluga and Far East.

321. In 2015, Empretec in India continued its training activities and successfully organized three Empretec workshops in the country, building the ground for in-country expansion and increasing the total number of training sessions to seven since the beginning of the programme.

### **5. Empretec global network activities**

322. The twenty-second annual meeting of Empretec directors gathered 13 representatives from 12 Empretec national centres. Several interactive sessions provided participants with learning opportunities and interactive sessions on a number of topics, such as social entrepreneurship, e-solutions to support small and medium-sized enterprises, ICTs and entrepreneurship, and information technology networking tools for Empretec centres and beneficiaries. Special relevance was also given to the following issues, which were thoroughly discussed over the two-day meeting: harmonization of the training processes; impact assessment; cooperation in the area of entrepreneurship policies; and Empretec outreach.



323. Within the context of entrepreneurship development, UNCTAD continued its partnership in the Global Entrepreneurship Week, participating in the Global Entrepreneurship Congress (Milan, March 2015) and organizing a Symposium on Entrepreneurship for Peace in Geneva (November 2015). At both events, UNCTAD highlighted the role of entrepreneurship in creating job opportunities and engendering inclusive outcomes for disadvantaged groups – including the poor, women and youth, and also in conflict areas.

324. The second Empretec Global Summit took place in Milan during the Global Entrepreneurship Congress. The Summit provided Empretec directors and graduates visiting Milan as Congress participants with networking opportunities and allowed UNCTAD to explore opportunities to collaborate with the United States Small Business Administration, the Italian Trade Agency and Youth Business International.

325. The Symposium on Entrepreneurship for Peace provided participants with a platform to discuss the important role of entrepreneurs in conflict and post-conflict societies as they are in the middle of an intimate relationship between peace and economic prosperity. An Empretec graduate from Uganda contributed to the discussion on “entrepreneurship and peace” during the symposium. His story illustrated well the difficulties and the potential of entrepreneurship in a post-conflict situation. Thanks to training and advice received by the Empretec centre in Uganda, he had started his own business, and offered a concrete example of how the creation of a more entrepreneurial ecosystem can foster peace in war-torn areas.

326. Impacts. The UNCTAD Entrepreneurship Policy Framework has been rapidly taken as a reference by several countries in the process of reviewing national policies for small and medium-sized enterprises and enterprise development. A growing number of requests for assistance have reached UNCTAD. In 2015, field activities aimed at devising and drafting national strategies to foster entrepreneurship started in the five target countries selected as beneficiaries of a United Nations Development Account project, namely, Cameroon, the Dominican Republic, Ecuador, the Gambia, and the United Republic of Tanzania.

327. Empretec workshops are always well received and highly rated by participants and implementing partners. The practical approach of the UNCTAD–Empretec workshop instils behavioural changes in participants that may be immediately observed. Beneficiaries acknowledge that UNCTAD training has two key features:

(a) The capacity to strengthen personal behaviours, which have a huge impact on the way entrepreneurs run their businesses, no matter how big or sophisticated they may be;

(b) Changing participant approaches to their businesses, which are sometimes run as a side activity, and helping them to see those businesses as a potentially sustainable and reliable source of income.

328. Some countries provided data-based evidence of the impact that Empretec has on entrepreneurs. For instance, Empretec Mauritius conducted a survey to evaluate the extent to which Empretec workshops met participant expectations and to measure the impact workshops had on participants at the personal and professional levels. According to survey responses, the workshops had boosted participant confidence and strengthened their motivation to embark on new business ventures; 85 per cent of the empretecos recognized that the workshops had provided them with a strong motivation to start a new business. Over half of those who decided to start a new business had opened one six months after attending a workshop. Motivation and a good network of contacts were indicated as the two key factors to succeed in business, far ahead of financing and assistance. This suggests that the workshops had

contributed to creating a positive mindset, which puts more emphasis on self-responsibility rather than attributing success or failure to external causes. Another remarkable aspect highlighted by the survey was that the majority of participants who attended a workshop pointed out that quality, attention to customer needs and product/service diversification were the three most critical areas that had an impact on business performance.

329. In Brazil, the micro and small business support service SEBRAE shared a summary of its most recent survey, which aimed at measuring behavioural and business performance indicators already tracked in previous assessments in order to identify and observe trends in some areas. Among the findings, it was noted that 5 of 18 participants in Empretec training became entrepreneurs, and around 2,000 participants each year started a new business within six months after attending a workshop.

330. Regional training opportunities, such as the assessment workshops in Ethiopia and the regional workshop for Latin American centres in the Dominican Republic, provided trainers with the ideal conditions for a rich exchange of experience and effective knowledge-sharing. For instance, in Ethiopia, the contribution of international master trainers helped local trainers and programme management staff to take corrective actions towards some procedures which were being implemented in the country and were not complying with UNCTAD–Empretec standards.

## **B. Business linkages<sup>5</sup>**

331. **Development context.** The UNCTAD Business Linkages programme aims to upgrade the capacities of local suppliers and facilitate their integration into global value chains based on their business links with large international or domestic companies. The programme has been carried out in nine developing countries, creating substantial and mutually beneficial win-win opportunities for domestic firms and foreign affiliates. With a view to attaining the Sustainable Development Goals, it has increasingly incorporated inclusiveness and sustainability principles, leveraging the incentives and resources of the private sector to adopt environmental standards and ensure the beneficial inclusion of the poorest segment of the population, especially in rural settings.

332. **Objectives and features.** As evidenced by several years of implementation, UNCTAD business linkages country programmes allow domestic small and medium-sized enterprises, including small rural enterprises, to diversify and add value to their production, thereby participating more effectively in international production systems. Country interventions provide support for small local suppliers, for instance, to meet the environmental standards of transnational corporations or develop the entrepreneurial mindset of poor rural entrepreneurs and marginalized urban producers.

333. **Outputs and impacts.** The outputs and impacts from this area of support are detailed in the following paragraphs.

334. **Mozambique.** Since 2009, the Enterprise Mozambique Foundation has been implementing the Business Linkages programme in Mozambique. The objective of the programme is to promote the creation of durable and mutually beneficial

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<sup>5</sup> Mention of any company, firm or transnational or multinational corporation does not imply endorsement by the United Nations or UNCTAD.

partnerships between affiliates of transnational corporations and local suppliers in the agriculture and mining sector. The pilot project in the mining sector in Nampula was initiated in 2012, and is designed to create sustainable business linkages between small rural producers in the Nampula corridor and the mining company Kenmare. In 2015, 52 farmers and 22 leaders of smallholder associations have been trained through UNCTAD Empretec and Farming as a Business methodologies.

335. **United Republic of Tanzania.** In 2015, UNCTAD assistance in the country targeted milk suppliers and coffee growers. Empretec and Farming as a Business workshops, followed by business health checks and customized technical advice by cooperating partners (Tanga Fresh Ltd. for milk suppliers and the German foundation Hanns R. Neumann Stiftung for coffee farmers, respectively), yielded encouraging results both at the entrepreneurial and technical skills levels. With regard to milk suppliers, the assessments carried out on individual farmers showed that the linkages intervention made them more:

(a) Reliable and flexible in delivery. The gap between dry and rainy seasons in average volume of milk delivery has been reduced from 35,000 to 20,000 litres per day.

(b) Attentive to quality control protocols. Milk farmers halved their milk losses simply by using proper containers to collect the milk and delivering it to milk collection points within two hours after milking.

(c) Entrepreneurial, pushing them to spot new business opportunities and diversify their sources of income. Most of the farmers who received assistance have adopted a new commercial method of cattle feed cultivation, which can allow them to be more resilient in case of protracted dry seasons.

336. As evidenced by some preliminary data collected through an assessment survey of milk suppliers, the impact of UNCTAD assistance provides beneficiaries with a clear and solid understanding of what it takes to run their farming activities as a business and turn them into reliable sources of income for them and their families. Among those who benefited from both Empretec and Farming as a Business training, the average turnover growth recorded in 2015 reached a stunning +110 per cent, compared to an average +14 per cent measured on a control group.

337. A results-oriented monitoring assessment, conducted by the State Secretariat for Economic Affairs of Switzerland and the Programme Management Unit in October 2015, visited the German foundation Hanns R. Neumann Stiftung along with a site visit to two farmers that are direct beneficiaries of UNCTAD intervention. Of particular interest was the fact that the farmers do not exclusively produce coffee but also produce beans and maize that can also benefit from improved market linkages opportunities. The monitoring mission welcomed UNCTAD Empretec entrepreneurship training as it worked with farmers to improve their overall business acumen and help them with all products they farmed to improve their livelihoods and move from a subsistence small farming mindset to a more entrepreneurial mindset.

338. **Zambia.** In 2015, UNCTAD and its national implementing partner, the Zambia Development Agency, conducted a number of activities to assist small contractors and material suppliers to link up with large construction companies. UNCTAD carried out assessments of two large firms, Lafarge Zambia Ltd. and Kalumbila Mines, and an assessment of their current suppliers, to identify gaps and challenges to be addressed by the linkage-building intervention.

339. Two Empretec training workshops were offered to 21 saw millers in the Copperbelt province (Kitwe) in March 2015, and to 25 contractors from the National

Association of Medium and Small-scale Contractors in the Southern Province (Mazabuka) in August 2015.

340. UNCTAD also conducted a training of trainers workshop on developing environmental competencies. It was delivered to trainers with a view to providing practical guidelines on how to design and deliver training sessions on environmental management for construction microenterprises, small and medium-sized enterprises and other stakeholders. The ultimate goal of targeted training sessions for construction microenterprises and small and medium-sized enterprises is to provide them with an opportunity to assess and think about the practical use of green solutions that could eventually enhance their competitiveness and improve business sustainability in domestic and international markets.

341. In 2015, 57 microenterprises and small and medium-sized enterprises were health-checked. Raising awareness among suppliers and small contractors that a number of profitable business opportunities may be found and developed in green construction is a key message brought about by UNCTAD intervention. As evidenced by the health checks conducted on microenterprises and small and medium-sized enterprises, only one fifth of them adhere to environmental management standards and only one fourth declared some knowledge of green construction techniques and technologies. On the other hand, most of them (over 80 per cent) struggle to secure construction contracts on a regular basis.

342. UNCTAD facilitated the participation of Zambia Development Agency staff, small constructor associations and microenterprises and small and medium-sized enterprises at national and international fairs, such as the Bauma Conexpo in Johannesburg. Providing them with concrete networking opportunities proved to be particularly beneficial. The microenterprises and small and medium-sized enterprises in the delegation that attended the Bauma event had one-to-one meetings with 14 companies. As a result, the delegation received six expressions of interest from Geoplast, Progress Group, Sahydri Industries, Afri-Greener Wood, Euro Drain Technology and Forefront Engineering Solutions and was invited to the Saint Gobain facilities near Johannesburg.

### **C. Corporate transparency, accounting and reporting**

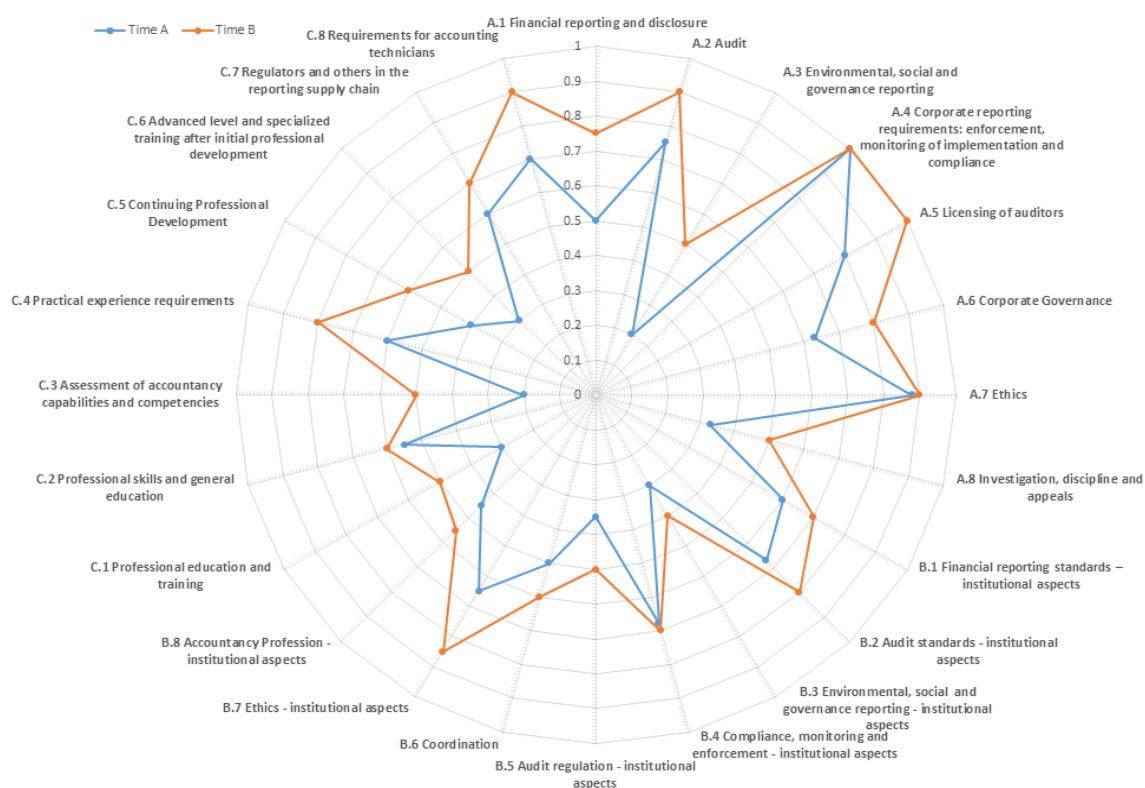
343. **Development context.** Global economic opportunities, as well as uncertainties, transcend national borders. Investors need high-quality information to make sound decisions. A strong accounting infrastructure fosters the issuance of high-quality corporate reports, and has become a critical facilitator for attracting investment, allocating scarce resources and promoting financial stability. In the past decade, there has been a clear trend towards the adoption of international standards and codes by UNCTAD member States. In light of the adoption of the 2030 Agenda for Sustainable Development, high-quality environmental, social and corporate governance reporting by enterprises has gained additional prominence. However, effective implementation of such standards and codes remains a challenge for many developing countries and countries with economies in transition, as they are not well equipped with corporate reporting infrastructure, from weaknesses in their legal and regulatory frameworks to lack of human capacity and relevant support institutions. Enabling a country to evaluate and monitor its progress towards convergence to global standards and codes of corporate reporting, and to analyse the outcomes and impacts of its accounting reforms, particularly the effectiveness and efficiency of newly introduced policies, regulations and various technical assistance programmes, is crucial. There is clearly a need for coherent efforts to build capacity in this area,

and for tools to measure and benchmark progress on addressing identified gaps and priorities for further action.

344. **Objectives and features.** The Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting is geared towards assisting Member States of the United Nations with harmonizing their accounting practices with international standards. The Intergovernmental Working Group of Experts does this by developing guidance, facilitating an exchange of views and best practices, and conducting research and providing technical assistance on corporate reporting issues related to accounting, auditing, corporate governance and corporate social responsibility. This work is conducted through the annual sessions of the group, as well as associated workshops and round tables, research activities and technical assistance projects.

345. **Outputs and results.** The Accounting Development Tool enables beneficiary countries to voluntarily assess their accounting infrastructure, including their national institutions, regulations, human resources and processes, against international requirements for high-quality corporate reporting. The Accounting Development Tool promotes an open and constructive dialogue among all stakeholders involved, which is required for conducting successful accounting reforms. The Accounting Development Tool helps in the design and implementation of sustainable strategies and action plans towards convergence with international standards and practices. In addition, it provides a quantitative benchmark of a country's position at a particular point in time and its progress toward greater implementation of international standards and practices. Finally, the Accounting Development Tool allows for the dynamic generation of graphical quantitative information at different levels of detail captured in a spider graph, which pictorially discloses both the strengths and weaknesses of an accounting system with regard to international benchmarks (figure 1). This provides countries with an overall picture of their accounting infrastructure and also enables them to analyse the results of the assessment in more detail. The graph allows for the comparison of a country's position at two different periods of time and outlines areas where further improvement is required.

Figure 1  
Accounting Development Tool



346. An assessment of a national accounting infrastructure using the Accounting Development Tool provides a road map for identifying gaps, weaknesses and areas needing attention in the key pillars of the country's accounting infrastructure. It also helps key stakeholders and decision-makers by facilitating communications, coordination and cooperation, and providing quantitative findings that contribute to prioritizing goals, approaches and strategies towards capacity-building. Results may be used as valuable feedback by all key stakeholders, including Governments, public and private financial institutions, researchers, standard setters and policymakers.

347. The Accounting Development Tool also features an Internet-based platform, currently available in English, French, Russian and Spanish (see <http://adt.unctad.org>). In 2015, the electronic Accounting Development Tool was updated to include examples of assessment results provided by some member States that had recently applied the Accounting Development Tool.

348. The thirty-second session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (Geneva, 4–6 November 2015) brought together 244 participants from 74 member States. High-level government officials, policymakers and leading international experts deliberated on the contribution of sound corporate reporting to the attainment of the Sustainable Development Goals. They highlighted the essential role that the private sector could play in achieving the Sustainable Development Goals and underscored the importance of high-quality financial and non-financial reporting for better transparency, accountability and good governance. They emphasized that high-

quality reporting could also serve as an important part of the monitoring and review mechanism for the Sustainable Development Goals by member States and as a means of assessing the impact of companies on sustainable development.

349. The Intergovernmental Working Group of Experts also addressed the critical role that auditing and assurance standards played in facilitating capital formation by fostering investor confidence that could lead to the mobilization of domestic and international resources. Delegates highlighted challenges pertaining to the effective implementation of International Standards on Auditing, such as assurance of non-financial reporting, audits of small and medium-sized enterprises and financial reports prepared by public sector entities.

350. The Intergovernmental Working Group of Experts concluded the session by reaching agreed conclusions on all the topics discussed. Delegates agreed on the critical role that the consistent implementation and enforcement of international auditing and assurance standards played in ensuring high-quality corporate reporting. The session also called on the Intergovernmental Working Group of Experts to conduct further work to identify good corporate reporting practices on the Sustainable Development Goals and facilitation of harmonization of sustainability reporting.

351. In conjunction with the thirty-second session of the Intergovernmental Working Group of Experts, the UNCTAD secretariat organized a workshop (Geneva, 3 November 2015) that featured prominent speakers on International Public Sector Accounting Standards, including senior representatives of the International Federation of Accountants, Public Expenditure and Financial Accountability. The workshop dealt with the practical implementation and challenges of International Public Sector Accounting Standards. It underscored that high-quality financial and non-financial reporting is essential not only for the private sector but also for the public sector. International Public Sector Accounting Standards can play an important role as a tool to strengthen the robustness of public sector reporting, increase its comparability and consistency. However, the successful implementation of such standards requires taking a comprehensive and integrated approach to institutional and technical capacity-building in the area of public sector financial management, including technical knowledge of International Public Sector Accounting Standards.

352. Throughout 2015, UNCTAD contributed to committee and board meetings and webinars of the International Federation of Accountants, including the International Education Standards Board and the Professional Accountancy Organization Development Committee. In the area of environmental, social and corporate governance disclosure, UNCTAD continued contributing to the work of the United Nations Environment Programme Finance Initiative, International Integrated Reporting Council, Global Reporting Initiative, Climate Disclosure Standards Board and Organization for Economic Cooperation and Development. Within the United Nations High-Level Political Forum, UNCTAD and the Global Reporting Initiative, in collaboration with the Chair of the European Union and the Ambassador of the Permanent Mission of Peru to the United Nations in New York, jointly organized a side event entitled “How corporate reporting can help attain the Sustainable Development Goals and enrich an implementation and review framework” (United Nations Headquarters, 6 July). Furthermore, UNCTAD and the Global Reporting Initiative organized a joint introductory workshop on sustainability reporting (Geneva, 2 November) that focused on the Global Reporting Initiative’s Sustainability Reporting Framework and G4 Reporting Guidelines, which aim to provide Governments and regulatory bodies with an overview of how sustainability

reports contribute to transparency and accountability and how organizations preparing them are responding to increasing regulatory requirements. UNCTAD worked with the World Bank to build synergies between the Accounting Development Tool and the World Bank's Reports on Observance of Codes and Standards programme. UNCTAD participated in the African Congress of Accountants organized by the Pan African Federation of Accountants.

353. **Impacts.** For more than 32 years, the Intergovernmental Working Group of Experts has been providing member States with guidance and toolkits on a number of corporate reporting topics. These products have had a positive impact in assisting member States in implementing widely recognized good practices in the areas of financial reporting (including the implementation of international financial reporting standards and accounting for small and medium-sized enterprises) and non-financial reporting (including corporate governance disclosure and environmental and corporate social responsibility reporting). UNCTAD work on financial issues has provided a basis to start developing an action plan to build their accountancy infrastructure.

354. UNCTAD work on corporate governance disclosure, based on its benchmark of good practices, has allowed a number of member States to further develop their institutions for the promotion of such disclosure. This has been praised by the World Bank as a "valuable exercise" that has changed the World Bank's approach to handling these issues.

355. The thirty-second session of the Intergovernmental Working Group of Experts involved over 244 participants from 74 countries and featured around 40 speakers over three days. The Group is the largest expert meeting of UNCTAD and one of the longest standing groups of experts in the United Nations. The level of attendance in 2015 suggests a high relevance of the work of the Group in impacting and shaping the international agenda on accounting and reporting issues and attainment of the Sustainable Development Goals, including by bringing the views of developing countries to standard setters.

356. Commitment and endorsement of the Accounting Development Tool recommendations by countries, and the implementation of recommendations through the design of post-assessment action plans. At the thirty-first session, delegates reiterated the importance of the Accounting Development Tool for facilitating an integrated and systemic approach to building solid national human-capacity, regulatory and institutional foundations for high-quality reporting; the consistent and efficient implementation of globally recognized accounting and reporting standards, codes, benchmarks and good practices along an entire corporate reporting supply chain; and breaking barriers and enhancing policy dialogue and trust among major stakeholders in the areas of accounting and reporting. Representatives from Kazakhstan and Ukraine shared their highly positive experiences in implementing the Accounting Development Tool, including the country's economic and demographic environment, progress with International Public Sector Accounting Standards implementation and adoption of international financial reporting standards for small and medium-sized enterprises.



## X. Cluster X: Globalization and development strategies

### Lead entity: Division on Globalization and Development Strategies

357. The programmes under this cluster (table 10) aim at contributing towards the achievement of the expected accomplishments of the strategic framework related to increased understanding of the global economic environment and of policy choices at international and national levels, improved empirical and timely statistics and, in the case of the Occupied Palestinian Territory, improved policy and institutional capacities and enhanced international cooperation for the recovery and sustained development of the economy. The activities of the Virtual Institute aim at strengthening the teaching and research capacities of academic institutions in developing countries and countries with economies in transition to contribute to enhanced knowledge in the fields of trade, finance and investment and the links of these fields to development.

Table 10  
Globalization and development strategies

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
PAL/0T/BAL	Capacity development for facilitating Palestinian trade	2011–	Canada
URT/0T/BBM	“Delivering as one”, United Republic of Tanzania	2011–	One United Nations
INT/0T/6AP	Trust fund for the UNCTAD Virtual Institute on Trade and Development	2006–	Multi-donors
INT/0T/8CF	Promoting responsible sovereign lending and borrowing	2008–	Norway
RAF/0T/BCR	UNCTAD and West African Economic and Monetary Union: Projet pour la mise en place des statistiques de commerce international des services	2014–	West African Economic and Monetary Union
ROA-2284 (AR)	Strengthening capacities for policy-oriented analysis of key global development challenges at developing country universities	2011–	Development Account
ROA-2911 (P8)	Strengthening pro-growth macroeconomic management capacities for enhanced regional financial and monetary cooperation among selected countries of Latin America and the Caribbean, and West and Central Africa	2014–	Development Account

### A. Development statistics and information

358. UNCTAD is continuously taking actions to assist developing countries that have decided to improve their statistical capacity in the area of trade and development. In supporting countries in the collection and compilation of statistics, UNCTAD provides technical expertise and develops partnerships to meet technical cooperation demands.

359. UNCTAD started a three-year project on the development of statistics on international trade in services (“Projet pour la mise en place des statistiques de commerce international des services”) aimed at improving the statistical capacity of the member countries of the West African Economic and Monetary Union. Specifically, UNCTAD is putting in place a harmonized mechanism of data collection, treatment and dissemination of imports and exports of services, and establishing an electronic database. In July 2015, an UNCTAD statistical expert visited Ouagadougou and, in cooperation with the statistical commission of the West African Economic and Monetary Union, conducted a series of missions to all West African Economic and Monetary Union countries to ascertain the situation in each country. A revised project plan was then submitted to the West African Economic and Monetary Union Commission for consideration. In 2016, the focus will be on questionnaire design, the preparation of legal instruments and specification of an information technology system.

360. Linked to this project, and also following several requests from member States for training in statistics of international trade in services, UNCTAD initiated the development of a simple and comprehensive e-learning tool designed for those involved in the collection, compilation and dissemination of such statistics. The tool is meant to present the main concepts of such statistics, classifications and manuals on use and production. In 2015, six multimedia modules were developed, tested and filmed. The tool will first be tested by Association of Caribbean States and Secretariat for Central American Economic Integration countries in 2016 with an ensuing workshop to be co-hosted by UNCTAD, the United Nations Statistical Division and the United Nations Economic Commission for Africa. Development of this e-learning tool is a result of close cooperation with WTO and the United Nations Statistical Division, with support from the Inter-Agency Task Force on International Trade Statistics.

361. UNCTAD is an active member of the Inter-agency Task Force on Statistics of International Trade in Services and has been closely involved in statistics-linked activities aimed at improving the availability of data on statistics of trade in services in many parts of the world. UNCTAD statistics experts contributed to the finalization of a compiler’s guide linked to the *Manual on Statistics of International Trade in Services* (2010), which will serve national compilers of statistics of international trade in services around the world, to advance in producing related data. As part of the division of labour of the Task Force, UNCTAD is currently developing an e-learning tool on statistics on international trade in services (see above).

362. With the goal of improving the understanding of the international recommendations on international trade and related economic and business statistics, UNCTAD made several presentations at a dedicated seminar in Wuhan, China, which gathered junior policymakers from around the developing world, including from Asia, Africa and Latin America.

363. In December 2015, UNCTAD co-hosted a Technical Working Group Meeting with the Network of Southern Think-Tanks to make progress on the conceptualization, definition, measurement and reporting of South–South Cooperation. This meeting included country experts from many Southern countries along with experts from international organizations such as Oxfam, the United Nations Development Programme and the Organization for Economic Cooperation and Development. The long-term aim of this project is to develop the harmonized data collection, classification, storage and dissemination of all South–South cooperation.

364. Smaller scale knowledge-sharing activities on the compilation of statistics of trade in merchandise and services and indicators took place via the participation of UNCTAD experts in various regional workshops and working groups.

## **B. The Virtual Institute on trade and development**

365. **Development context.** In order to secure beneficial integration into the globalized world economy, developing countries need the capacities to undertake economic analysis, formulate national policies and negotiate proposals for international forums, and implement such policies in a way that will support them in achieving their development objectives. While international expertise may be valuable in this endeavour, such capacities need to be available locally. To build and maintain them in a sustainable manner, academic institutions (universities and research centres) play an essential role, as they educate future decision-makers and can provide analytical inputs to underpin their Governments' economic policy decisions.

366. **Objectives and features.** In this context, the Virtual Institute, the UNCTAD capacity-building and networking programme for academia, works with academic institutions in developing countries and countries with economies in transition to strengthen their teaching and research in international trade and development issues, and to increase the policy orientation and relevance of their work.

367. **Outputs.** In 2015, the Virtual Institute membership grew by 11 per cent, with 12 new institutions joining the programme. Eleven new universities, from Bosnia and Herzegovina, Burkina Faso, Chad, Cameroon (2), Ecuador, Georgia, the Philippines (2), the Russian Federation and Tunisia, as well as a research institute from Ukraine, became Virtual Institute members in the course of the year. The Virtual Institute network thus expanded to include 123 academic institutions in 61 countries around the world.

368. The Virtual Institute continued to provide its member institutions with services in three areas: support to teaching; professional development for academics; and facilitation of cooperation among the members of its academic network and dissemination of UNCTAD research to the academic community. Members were offered a "menu of services" that allowed them to select those Virtual Institute services that corresponded to their needs, interests and financial resources (for a detailed report on Virtual Institute activities in 2015, see <http://vi.unctad.org/files/vireport15.pdf>). During the period under review, the Virtual Institute received financial support from the Government of Finland and the One United Nations fund for the United Republic of Tanzania. Some of its activities (such as study tours, fellowships, workshops and some dissemination activities) were also funded or co-funded by the beneficiary institutions.

369. In the area of support to teaching, the Virtual Institute provided curricular advice to its member university in Burundi on a graduate programme in international and development economics. Thanks to the funding from the Government of Finland, the Virtual Institute, in cooperation with the Trade, Gender and Development Section of the Division on International Trade in Goods and Services, and Commodities, published a two-volume teaching material on trade and gender (<http://vi.unctad.org/tag>). In cooperation with the Division on International Trade in Goods and Services, and Commodities and the Division on Globalization and Development Strategies, it also supported six adaptations of its generic teaching materials – on trade and gender (2), trade and trade policy analysis, regional trade agreements (2) and the economics of commodities production and trade – to the

national context of its member universities in Cameroon, Ethiopia, Kenya, Nepal, Nigeria and Zimbabwe. Furthermore, the Virtual Institute organized four 1–2 week study tours with tailored training programmes at UNCTAD, Virtual Institute partner institutions (Advisory Centre on WTO Law, Commonwealth Small States Office, International Trade Centre, International Organization for Migration, World Health Organization, World Intellectual Property Organization and WTO) and permanent missions for 114 students (of which 79 were women) from China, Colombia and the Russian Federation and Caribbean countries, as well as five shorter training sessions for 100 students (53 women) from universities in Colombia, Germany and Switzerland.

370. In the area of professional development for academics, the Virtual Institute delivered three online courses: first edition of a new course on trade and gender developed in cooperation with the Trade, Gender and Development Section of the Division on International Trade in Goods and Services, and Commodities, which graduated 66 participants (of which 42 were women) from 40 countries; a second edition of the course on classification and collection of NTMs developed in cooperation with the Trade Information Section of the Division on International Trade in Goods and Services, and Commodities, which was successfully completed by 58 participants (25 women) from 39 countries; and a third edition of the Virtual Institute course on trade and poverty which graduated 51 participants (14 women) from 30 countries. It also organized one regional and five national professional development workshops, which trained 191 African and LDC academics (54 women). Three of these workshops were delivered in cooperation with the Division on International Trade in Goods and Services, and Commodities, and two in cooperation with the Division for Africa, Least Developed Countries and Special Programmes. Four workshops – the regional workshop, and national workshops requested by Virtual Institute members in Bangladesh, Burundi and the United Republic of Tanzania – focused on quantitative methods for trade and policy analysis (trade and gender, trade policy analysis, trade and poverty and NTM analysis). A workshop for the Gambia dealt with policies to enhance domestic resources mobilization in Africa, and a workshop for Nepal was dedicated to harnessing remittances and diasporas for development. The workshop organized for the United Republic of Tanzania was funded by the One United Nations fund for the country, while the cost of the other workshops was covered by the Government of Finland. Two academics, from Burundi and Senegal, participated in the tenth round of the Virtual Institute fellowship programme, working at UNCTAD to develop specific teaching or research projects of interest to their universities, benefiting from funding provided by the Government of Finland. As a follow-up to its 2012–2014 capacity-building project on trade and poverty, the Virtual Institute provided mentoring support to a researcher from the United Republic of Tanzania, a graduate of the Virtual Institute online trade and poverty course, to develop a research paper on a trade and poverty-related topic of relevance to his country (<http://vi.unctad.org/tap/docs/other/tanzania.pdf>). This project was co-funded by the One United Nations fund for the country and the Government of Finland.

371. In the area of network cooperation and dissemination services, the Virtual Institute facilitated teaching cooperation between its two member universities in Kenya, whereby a lecturer from the University of Nairobi delivered courses on trade in goods and commodities, and on trade in services in the master's programme in International Economics and Trade at Moi University. The Virtual Institute also continued to act as an information broker, assisting its members in the dissemination of their calls for papers, scholarships and teaching opportunities. Twenty-nine e-mail alerts containing 48 academic opportunities were shared with the Virtual Institute

membership during the year. With regard to dissemination, the Virtual Institute website (<http://vi.unctad.org>), now in its fifth year, continued to provide access to teaching resources, including nearly 1,300 papers and studies by UNCTAD and its partner international organizations, at times available in multiple languages, to more than 5,200 individuals across the world. The website underwent a major upgrade in 2015, using free and open source software. Consequently, it is now easier to browse on mobile telephones, tablets and/or computers, provides automatic translation into a wide range of languages, and allows for easy sharing through LinkedIn, Facebook and Twitter accounts. The Virtual Institute also provided members with almost 2,100 UNCTAD publications to enrich their libraries. Additionally, the Virtual Institute developed eight new multimedia teaching resources for its members, which attracted a total of more than 3,000 hits during the year. It also organized 13 videoconferences disseminating the findings of UNCTAD flagship reports (*Information Economy Report, The Least Developed Countries Report, Trade and Development Report and World Investment Report*) to 606 university students, lecturers and researchers (325 women) in Belarus, Brazil, Colombia, Morocco, Peru, the Philippines, the Russian Federation and South Africa. The news section of the website was kept active, with 57 news items published in 2015. Four quarterly Virtual Institute electronic newsletters were produced and distributed to almost 8,000 recipients.

372. **Results and impacts.** The Virtual Institute contributed to enhanced teaching and research on trade and development issues at member institutions and increased policy orientation of their work by providing support for the development of both individual and institutional capacities in this area.

373. In terms of its impact on individual (academic and student) professional capacities, the Virtual Institute:

(a) Provided university students and staff at member academic institutions with up-to-date teaching and research resources on topical international economic issues and related national policies relevant for their countries. The electronic publications made available through the Virtual Institute website, as well as the publications sent to libraries of Virtual Institute members, provided students and lecturers/researchers in economics, law, business and international relations with up-to-date sources relevant for their studies, teaching and research. The new teaching material on trade and gender will serve as a teaching resource at Virtual Institute member universities, and the local adaptations of Virtual Institute teaching materials on trade and gender, trade and trade policy analysis, regional trade agreements, and the economics of commodities production and trade will be used to teach students of international cooperation and development in Nepal, international economics and trade in Cameroon, Kenya and Zimbabwe, international trade law in Ethiopia and economics and international relations in Nigeria.

(b) Enhanced the research skills of academics, the policy orientation of their work and their capacity to teach topical international trade and development issues through online courses, regional and national professional development workshops, Virtual Institute fellowships, “learning by doing” during local adaptations of Virtual Institute teaching materials and the development of the study on trade and poverty with support from international experts. In end-of-event questionnaires, all participants of Virtual Institute online courses, professional development workshops and fellowships stated that these had strengthened their knowledge and skills on the topics covered. They also gave concrete examples of how they would use their new knowledge in their future teaching or studies, research and work for the Government or the private sector. The Virtual Institute fellow who worked on a research project developed a first draft of

her paper while in Geneva which she intends to submit for publication in early 2016. A fellow from Burundi developed a full-fledged proposal for a master's programme in international and development economics which was submitted to the rector of his university.

(c) Improved students' knowledge of international economic issues and understanding of policymaking processes through interaction with international experts from UNCTAD, WTO, the International Trade Centre and other organizations, as well as the representatives of permanent missions, during Virtual Institute study tours and videoconference presentations by UNCTAD staff. This helped students be better prepared to deal with practical trade and economic policy issues in their future careers.

374. In terms of institutional impact, the Virtual Institute:

(a) Through targeted professional development activities for academics, contributed to the establishment of larger teams of lecturers/researchers at academic institutions who have strengthened their trade-related competencies and skills and are now involved in teaching and researching these issues. On average, more than six staff members per member institution are currently involved in the cooperation with the Virtual Institute.

(b) Contributed to the enhancement of undergraduate and graduate programmes and courses on trade and development issues, and the strengthening of research teams working on trade and development issues at member institutions. Two new academic programmes developed with Virtual Institute support in 2014 and 2015 are currently being considered for launch at the University of Nairobi (a bachelor's degree in international economics and trade, developed in 2014) and the University of Burundi (a master's degree in international and development economics). Programmes at other member institutions benefited from new teaching resources provided by the Virtual Institute. The cumulative effect of various Virtual Institute professional development services contributed to the creation of pools of researchers at member institutions equipped to undertake policy-oriented trade and development research.

(c) Supported the creation of a community of practice in trade teaching and research among its members and contributed to the strengthening of their capacity to interact, share and cooperate across different countries and cultures.

## **C. Economic cooperation and integration among developing countries**

### **1. Project on "Promoting regional value chains in Africa"**

375. **Development context.** While Africa has enjoyed high growth since the beginning of the last decade, this growth has not led to structural transformation. Thus, one of the central policy challenges facing African countries is to diversify their production and export baskets, as well as to add value and upgrade. At the same time, it is important to emphasize that the share of manufactures in regional trade is much higher than that of trade with the rest of the world, indicating that regional trade can help in adding value to their exports. Regional trade, in turn, could be strengthened by forming production value chains within the region and developing the potential for intra-industry trade in the region.

376. **Objectives and features of the programme.** Against this background, UNCTAD was, in 2015, requested by the Commonwealth Secretariat and African Export-Import Bank to extend the project "Promoting regional value chains in sub-Saharan Africa" to include at least two countries from northern Africa. The previous phase of the project, which was initiated in May 2013, entailed extensive

research to identify potential regional value chains in leather industries in sub-Saharan Africa.

377. The main objective of the project was to promote developmental regionalism and intraregional trade in Africa by identifying and encouraging potential regional value chains for leather industries. The leather and leather products industry provides a tremendous opportunity to the region to form regional value chains and add greater value to the region's exports. At present, the continent is the largest source of the basic raw material of the industry, i.e. leather, and exports it with little value addition. Therefore, the sector has the potential to initiate regional value chains and raise export competitiveness and domestic value addition in many countries of the region. Given the labour-intensive nature of the industry, it can also provide employment for low-skilled labour.

378. **Outputs.** The previous phase of the study identified three regional trade blocs in sub-Saharan Africa which have the potential for forming regional value chains in leather and leather products. These are the Common Market for Eastern and Southern Africa, Economic Community of West African States and Southern African Customs Union, comprising 40 countries. The study identified the inputs, semi-processed outputs, finished products and other inputs such as chemicals and the like, that are used in leather products, and suggested ways in which sub-Saharan African countries could link into regional value chains. The last phase of the project, requested by the African Export–Import Bank and carried out in 2015, included an analysis for two countries from northern Africa.

379. The study, equipped with a dynamic gravity model for the period 2002–2011, estimated the potential trade in leather and leather products in Africa. This provided economic justification for forming regional value chains in this sector. In addition, policies at regional and national levels were identified and strategies were suggested for initiating and promoting regional value chains and gainfully linking into global value chains. Policies for encouraging intraregional FDI were also suggested in the study.

380. UNCTAD provided the conceptual and intellectual leadership in carrying out the project. Inputs that were provided included background research, in-house experts and managerial staff, global networks of researchers and practitioners and in-house databases on national and international policies, as well as administrative support.

381. **Results.** The study under the project was discussed and endorsed in two regional industry consultations. These consultations served as capacity-building exercises for stakeholders from the beneficiary countries. Subsequent to the workshops, a memorandum of understanding was signed between the Federation of Indian Small and Medium-sized Enterprises and the Common Market for Eastern and Southern Africa leather and leather products industry on the sharing of technology. The Common Market for Eastern and Southern Africa leather and leather products industry has received requests from four countries to use the UNCTAD study to strengthen their linkages into regional supply chains in leather in sub-Saharan Africa. The project is part of the analytical work of UNCTAD on issues of promotion of South–South cooperation, building productive capacities, industrial policy and regional integration processes among developing countries. Based on the success of the project, a further request has been received by the Common Market for Eastern and Southern Africa secretariat for UNCTAD to undertake a similar project to identify and promote regional value chains in Africa in the mining and pharmaceutical sectors.

## 2. Advisory services provided to the Government of Ecuador

382. **Development context.** In 2000, Ecuador adopted the United States dollar as its currency. This has helped to stabilize its financial system and lower inflation, but has also deprived the country of a basic macroeconomic policy tool. In addition, Ecuador is very dependent on the export of commodities, with oil exports representing 40 per cent of total exports. As a result, the challenge for Ecuador is to devise a development strategy that diversifies its economy and exports and promotes growth with employment, yet with fewer policy options and instruments than some other developing countries.

383. **Objectives and features.** In this context, the UNCTAD Unit of Economic Cooperation and Integration among Developing Countries was requested by the Government of Ecuador to organize an intensive seminar for government officials and the private sector on how different policies and policy instruments may be used to strengthen growth with employment and diversify the economy.

384. **Outputs and results.** UNCTAD, jointly with the Ministry of Coordination of Production, Employment and Competitiveness of Ecuador, organized a two-day seminar in Quito on the topic “Industrial policies for growth, employment and development”. The first day of the seminar entailed presentations and discussions on best practices in developing countries on the following three topics: design of the industrial strategy and development of productive capacities; financing of the productive transformation in developing countries; and policies for fostering transfers of technology in developing countries. The second day was dedicated to an intensive discussion of concrete problems facing Ecuador, with the participation of UNCTAD experts, government officials and representatives of the private sector.

385. The Minister of Foreign Trade of Ecuador participated with a presentation entitled “The role of FDI in the strategy of financing of the productive transformation in Ecuador”. The Vice-Minister of the Ministry of Industry and the Vice-Minister of the Ministry of Higher Education, Science, Technology and Innovation also presented different aspects of Ecuador’s policies and the challenges they faced. The main result of the seminar was a deeper understanding of the problems Ecuador currently faces and the policy options available to address them. The discussion, which involved different stakeholders, namely experts, government officials and private-sector representatives, proved extremely valuable.

## D. Macroeconomic and development policies

### 1. Technical assistance: Advisory services provided to the Group of 20 processes on trade and finance

386. UNCTAD has continued to be requested to play an active role among international organizations at the meetings of the Group of 20 in providing advisory services in a number of policy areas related to macroeconomic and development issues, including employment, global imbalances, global economic governance, growth, trade and spillovers of macroeconomic policies in developed countries to the rest of the world. The participation of UNCTAD in these meetings has become a major channel to reach policymakers since 2009.

387. Over the course of the Presidency of Turkey in 2015, UNCTAD continued to engage in the Group of 20 Framework Working Group process by attending five face-to-face meetings, contributing five presentations on internal imbalances and inclusive growth strategies; growth effectiveness and potential impact on global imbalances; fiscal policy, inclusiveness and financial stability; the macroeconomic



effectiveness of income and social policies; and the greater relevance of an inclusive-growth agenda in a downside-risk scenario. UNCTAD also discussed in detail two presentations by the Organization for Economic Cooperation and Development and the European Commission on short-term structural reforms and the macro situation during the Group of 20 workshop on “Assessing the impact of structural reforms” held in Paris (jointly organized by the Bank of France and the French Treasury). UNCTAD also closely followed the deliberations of the Group of 20 through two conference calls as the Group drafted the 2015 Antalya Action Plan.

388. The presentations made by UNCTAD in 2015 were on the following subjects:

(a) “Internal imbalances and inclusive growth strategies”, Group of 20 Framework Working Group Meeting, Vancouver, Canada, 20–21 January, session 7 “Internal imbalances, income inequality and inclusive growth”;

(b) “Adjusted policy strategies: Growth effectiveness and potential impact on global imbalances”, Group of 20 Framework Working Group Meeting, Kerala, India, 23–24 March, session 5;

(c) “Managing global growth against deflationary headwinds: Fiscal reflation, inclusiveness and financial stability”, Group of 20 Framework Working Group Meeting, Kerala, 23–24 March, session 7;

(d) On the macroeconomic effectiveness of income and social policies, Group of 20 Framework Working Group Meeting, Rome, 28–29 May, session 8 “Reducing internal imbalances and fostering inclusive growth”;

(e) “The greater relevance of an inclusive-growth agenda in a downside-risk scenario”, UNCTAD (with inputs from the International Labour Organization), Group of 20 Framework Working Group Meeting, Seoul, September 17–18, session 6.

389. The discussion at the Group of 20 Framework Working Group Meeting in Paris (1 June) was on “Comments: Short-term structural reforms and the macro situation” (session 4).

390. In its work for the Group of 20 Framework Working Group, the Division on Globalization and Development Strategies presented simulations using the United Nations Global Policy Model for the analysis of policy stances by Group of 20 members. These simulations showed the spillovers of these policies and their effects on non-Group of 20 developing countries. They also presented possible coordinated alternatives that would deliver better results in terms of growth and global imbalances.

391. Moreover, UNCTAD carried out joint exercises with the International Labour Organization to make presentations at the Group of 20 Framework Working Group using the United Nations Global Policy Model. Most of the time, these presentations developed policy proposals to enhance inclusive growth and economic stability. Of particular interest was the presentation “in tandem” at the Seoul meeting (16–17 September 2015) on “The greater relevance of an inclusive-growth agenda in a downside-risk scenario”.

## **2. Memorandum of understanding between UNCTAD and the International Labour Organization**

392. Throughout 2014, the UNCTAD and the International Labour Organization engaged in a process to find common ways to operate in the international economic policy arena. This process culminated in the signing of a memorandum of understanding between the two organizations on 4 December 2014 by which the

partnership between UNCTAD and the International Labour Organization entered a new era. The objective of the memorandum of understanding is to support the development of joint research and policy advice and increased inter-agency operations for more coherence and impact at the national and regional levels.

393. The International Labour Organization is a main partner of UNCTAD in the area of research. Both entities have been working together to examine macroeconomic challenges and in recent years have provided valuable contributions to the Group of 20 and other relevant forums. The memorandum of understanding consists of four areas of work, with the involvement of the Division on Globalization and Development Strategies in the first area: “Macroeconomic policies, growth and labour markets: Employment and macro policies, trade and employment”. A central axis of collaboration in this area is the United Nations Global Policy Model.

394. The memorandum of understanding is intended to help the UNCTAD and the International Labour Organization deepen their collaboration in the context of the post-2015 development agenda and with reference to the relevant General Assembly Resolutions on United Nations system-wide coherence. UNCTAD-International Labour Organization joint analysis and joint policy recommendations will lead to increased legitimacy to meet the pressing needs of Governments on priority themes – such as trade and employment – which require comprehensive solutions. With the UNCTAD and the International Labour Organization at the core, the United Nations system will be in a better position to meet the expectations of the international community.

395. The activities under the memorandum of understanding during its first year of operation (2015) included the following:

(a) Joint modelling exercises, using the United Nations Global Policy Model, to support the analysis provided by the International Labour Organization at the Group of 20 Employment Working Group regarding the impact of policies affecting functional income distribution on employment and economic growth. These simulations translated into the production of some slides for presentations by the International Labour Organization at the Employment Working Group in 2015.

(b) Joint modelling exercises underpinning the research carried out by the International Labour Organization Division of Social Protection in the area of changes in the fiscal stance of a large number of developing and developed countries.

(c) Joint presentations or mutual collaboration on presentations at the Group of 20 Framework Working Group (macroeconomics and finance) on policy proposals to enhance inclusive growth and economic stability.

(d) The collaboration of technical experts of the UNCTAD and the International Labour Organization on the United Nations Global Policy Model resulted in several technical improvements to the Global Policy Model throughout 2015. In particular, a new version to better address external debt and finance issues is being developed, and is expected to be released in 2016.

(e) In the context of this collaboration, UNCTAD and the International Labour Organization have requested international experts on modelling and macroeconomic issues to prepare reviews of the United Nations Global Policy Model, taking the form of academic papers. They consider the central aspects of the Global Policy Model: macroeconomic policy and international policy coordination; macroeconomics and finance; production and trade; employment and aggregate demand; and model closures. These papers were discussed at a technical meeting on 16 December 2015.

### 3. Development Account project

396. Multi-country research and policy analysis project entitled “Strengthening pro-growth macroeconomic management capacities for enhanced regional financial and monetary cooperation among selected countries of Latin America and the Caribbean, and West and Central Africa”. In 2015, a number of research activities carried out for this project were completed, contributing new knowledge on and understanding of the mechanisms and policies through which developing countries in Latin America, Africa and Asia are pursuing regional financial and monetary integration. These included commissioned papers focusing on regional exchange rate mechanisms and payment systems in Africa and on institutional frameworks for promoting regional infrastructure development in Latin America. Other papers that are near completion focus on regional production and employment impacts of regional integration and the provision of long-term regional development finance through development banks and other public institutions such as sovereign wealth funds. Research findings have been disseminated through regional seminars as well as included in the UNCTAD flagship publication *Trade and Development Report, 2015*.

397. Building on the regional activities that started in 2014, two additional regional seminars were held in 2015, namely the first regional seminar for West Africa, and the second regional seminar for Latin America. Both meetings brought together senior policymakers and practitioners from the respective regions with expertise in development banking, central banking and the design and implementation of financial and monetary policy. The Latin American meeting was organized in collaboration with the Ministry of Foreign Policy and Human Mobility of Ecuador and the Union of South American Nations, and held at the Union’s headquarters in Quito. A common theme was that in the fragile and uncertain post-2008 environment, regional financial and monetary integration is more important for developing countries than ever.

### E. Special programme: UNCTAD assistance to the Palestinian people

398. **Development context.** In 2015, the persistence of the Israeli occupation and its manifestations in restrictions on mobility, confiscation of land, erosion of the productive base, poverty and unemployment, among others, continued to hamper economic and social development in the Occupied Palestinian Territory. The Palestinian economy witnessed increased deterioration with deepened poverty and unemployment, across all segments of society, but particularly among youth. In the last quarter of 2015, restrictions on movement of the Palestinian people became more stringent and curfews imposed more frequently, leading to weaker economic performance and productivity.

399. Donor support decreased in 2015, which could reflect signs of international hopelessness towards the quest for a two-State solution, as called for by United Nations resolutions. This has further worsened the socioeconomic conditions in the Occupied Palestinian Territory. In the Palestinian case, donor support is not only a prerequisite, but a necessary condition for economic development and partly negating the impact of occupation, which denies the Palestinian people their right to development and self-determination.

400. Despite the pledges made by donors, Gaza’s destruction, as a result of three Israeli military operations between 2008 and 2014, remained mainly unaddressed in 2015. UNCTAD contends that living conditions in Gaza will sink far below the

acceptable human level by 2020 if the current status quo and the tight economic siege persist.

401. Overall, real economic growth in the Occupied Palestinian Territory continues to be weak, with low productivity, high unemployment and underemployment, and forced erosion of physical and natural resources and the productive base.

402. Therefore, the development context of the Occupied Palestinian Territory remains peculiar and complex; however, alarming is the fact that the potential capacity cannot be realized without an end to the occupation. Careful strategies and initiatives could address the needs of the Palestinian people and provide measures to mitigate the difficulties of enduring occupation. This is the premise under which the UNCTAD secretariat formulates and implements its technical cooperation activities and extends its advisory services for the fulfilment of economic and political development for the Palestinian people.

403. **Objectives and features.** In 2015, and in line with the United Nations Strategic Framework for 2014–2015, UNCTAD work continued to be guided by paragraph 31(m) of the Doha Mandate, which calls on UNCTAD to assess the economic development prospects and examine the obstacles to trade and development in the Occupied Palestinian Territory. Also guided by paragraph 44 of the Accra Accord and paragraph 35 of the Sao Paulo Consensus, the UNCTAD programme of assistance to the Palestinian people addresses the Palestinian economy's constraints and emerging needs through the following four clusters:

- (a) Trade policies and strategies;
- (b) Trade facilitation and logistics;
- (c) Finance and development;
- (d) Enterprise, investment and competition policy.

404. The programme aims to strengthen the institutional capacity of the Palestinian National Authority and the Palestinian private sector, to contribute towards developing the capacities required for the economy of a viable future State.

405. For more than three decades, UNCTAD has been supporting the Palestinian people through relevant research, implementing technical cooperation projects, providing advisory services and promoting international consensus on the needs of the Palestinian people. The main counterparts of UNCTAD are the Palestinian National Authority, Palestinian civil society, including the private sector, and other international agencies and donors operating in the Occupied Palestinian Territory.

406. **Outputs.** In early 2015, UNCTAD successfully completed a technical cooperation project on "Capacity development for facilitating Palestinian trade". The project achieved its objectives with tangible contribution to the Palestinian private sector through the institutional capacity-building of the Palestinian Shippers Council, which has established itself as one of the main Palestinian trade facilitation organizations.

407. The objective of the UNCTAD project aimed to build the knowledge base of Palestinian shippers (exporters and importers) by consolidating the organizational set-up of the Palestinian Shippers Council; increasing shippers' awareness of trade facilitation best practices; and strengthening national capacities through training and advisory services to private and public sectors in the area of trade facilitation.

408. With funds from the Government of Canada, UNCTAD implementation of the project established three functional units in the Palestinian Shippers Council: legal,

technical and training. In early 2015, as part of its training programme, UNCTAD conducted a study tour to Greece and the former Yugoslav Republic of Macedonia to introduce the Palestinian Shippers Council board members and staff to the shipping lines and international best practices in trade facilitation. Another study tour, held in Ramallah in the Occupied Palestinian Territory, provided onsite training in local private-sector companies. In addition, UNCTAD conducted training workshops on the green supply chain and supply chain management.

409. Under the project, a full training programme was established, consisting of eight modules that focus on aspects of trade facilitation in the unique context of the Occupied Palestinian Territory. The programme, now jointly coordinated and implemented by Birzeit University and the Palestinian Shippers Council, will be submitted for full accreditation to the Palestinian Ministry of Higher Education; this will transform the programme into a professional accredited curriculum.

410. In the area of research and policy analysis, UNCTAD issued two studies, *The 2013 World Trade Organization Agreement on Trade Facilitation: Israel's Obligations towards Palestinian Trade* and *The Besieged Palestinian Agriculture*. Additionally, in 2015, UNCTAD also made contributions to the "Report of the Secretary-General on the situation of and assistance to Palestinian women" and to the "Note of the Secretary-General on the economic and social repercussions of the Israeli occupation on the living conditions of the Palestinian people in the Occupied Palestinian Territory, including East Jerusalem, and the Arab population in the occupied Syrian Golan".

411. Through interdivisional cooperation, UNCTAD provided training to three professionals from the Palestinian National Authority and Palestinian private institutions. One staff member from the Palestinian Ministry of National Economy participated in an UNCTAD online course on the classification and collection of NTMs from 1 June to 19 July 2015. Two professionals from the private sector participated in a course on trade and gender from 19 January to 8 March 2015. Furthermore, two staff members from the Palestinian National Authority participated in the Seventh United Nations Conference to Review All Aspects of the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices.

412. With its implementation of projects, research and provision of advisory services in the context of the Occupied Palestinian Territory, UNCTAD continued to provide inputs and feedback to the United Nations Country Team in the Occupied Palestinian Territory on the United Nations Development Assistance Framework on two clusters: (a) economic empowerment, livelihoods, food security and decent work; and (b) governance, rule of law, justice and human rights. Towards this end, UNCTAD extended a number of substantial advisory services to the Palestinian National Authority, Palestinian private sector and non-governmental organizations, notably in the area of trade facilitation, and provided relevant recommendations, through UNCTAD research and analysis, on the economy of the Occupied Palestinian Territory.

413. Significantly, the achievements of the UNCTAD programme on assistance to the Palestinian people were reaffirmed by member States, with the adoption of General Assembly resolution 70/12 on 24 November 2015. Paragraph 9 of the resolution expressed appreciation to UNCTAD efforts in reporting to the General Assembly on the economic cost of the Israeli occupation for the Palestinian people and called for exertion of all efforts to secure the required resources for the commencement of reporting on the cost of the occupation to the General Assembly.

414. **Results.** The main results were as follows:

(a) Completion by UNCTAD of the technical cooperation project on capacity development for facilitating Palestinian trade for the Palestinian Shippers Council, which established a full pioneering professional training programme inclusive of eight modules of technical, theoretical and practical knowledge of the trade facilitation supply chain, the first of its kind in the Occupied Palestinian Territory, and in the region. Under this programme, 14 students graduated and received certificates. The graduates are now equipped with the knowledge and capacities for better employment opportunities. Furthermore, through the work of the Palestinian Shippers Council technical and legal services units, considerable cost savings were reported by the Palestinian private sector. The three Palestinian Shippers Council institutional units – legal, technical and training – established by the UNCTAD project, are fully operational, sustainable and generate revenue as initially envisioned.

(b) UNCTAD research papers and advisory services contributed significantly in the area of policy analysis, supporting the Palestinian National Authority in formulating policies that aim to enhance economic development and formulating recommendations for economic development and growth. Within the framework of United Nations inter-agency cooperation, UNCTAD contributions to the United Nations Country Team in the Occupied Palestinian Territory were reflected in two clusters of the United Nations Development Assistance Framework: economic empowerment, livelihoods, food security and decent work; and governance, rule of law, justice and human rights.

(c) UNCTAD contributed to enhancing Palestinian human capital as three professionals, from the public and private sectors, have participated in UNCTAD courses and became familiar with issues related to NTMs, trade and gender.

(d) With the adoption of General Assembly resolution 70/12, which reaffirms paragraph 9 of resolution 69/20 and expresses appreciation for UNCTAD efforts in reporting to the United Nations on the cost of occupation, it is evident that UNCTAD continues to be entrusted as the main United Nations entity with expertise in Palestinian economy and development under occupation.

## **XI. Cluster XI: Strengthening the debt management capacity of developing countries**

### **Lead entity: Division on Globalization and Development Strategies**

415. The programmes under this cluster (table 11) encompass the activities of the Debt Management and Financial Analysis System (DMFAS) programme in support of promoting economic policies and strategies at national, regional and international levels that are supportive of sustained growth, inclusive and sustainable development, employment creation, and hunger and poverty eradication in developing countries.

Table 11  
**Strengthening the debt management capacity of developing countries**

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
ANG/0T/EBG	Fortalecimiento de la capacidad de gestión de la deuda pública	2015–	Angola
ARG/0T/DBJ	Strengthening public debt management in the Province of La Rioja	2014–	Argentina
CHD/0T/DAU	Validation des données de la dette publique	2014–	World Bank
CMB/0T/DAL <sup>a</sup>	Strengthening public debt management at the Ministry of Economy and Finance	2014–2015	Asian Development Bank
EGY/0T/9AG <sup>a</sup>	Strengthening public debt management	2009–2015	Egypt
ELS/0T/CAM	Strengthening public debt management	2013–	El Salvador
ETH/0T/DAA	Strengthening integrated public debt management, phase 1: Installation of DMFAS 6	2014–	Ethiopia
GAB/0T/9AT <sup>a</sup>	Renforcement des capacités d'études et modernization des outils informatiques de gestion de la dette	2012–2015	Gabon
GEO/0T/BAR <sup>a</sup>	Strengthening public debt management	2011–2015	Georgia
HON/0T/BAU	Strengthening public debt management	2012–	United Nations Development Programme
INS/0T/ABB	Strengthening public debt management	2011–	Switzerland
IRA/0T/DBK	Implementation of DMFAS 6	2014–	Iran (Islamic Republic of)
IRQ/0T/BCI	Implementation of DMFAS 6 in Iraq	2013–	Iraq
IVC/0T/BCF	Projet de modernization des outils informatiques et de renforcement des capacités de gestion de la dette (DMFAS 6) en Côte d'Ivoire	2013–	Côte d'Ivoire
JOR/0T/DAM	Strengthening debt management in Jordan	2014–	Jordan
LEB/0T/BDG <sup>a</sup>	Implementation of DMFAS 6 in Lebanon	2013–2015	Lebanon
MAG/0T/BBH <sup>a</sup>	Renforcement des capacités de gestion et d'analyse de la dette de Madagascar par la mise en place de DMFAS 6	2012–2015	Madagascar
MAU/0T/DAD	Renforcement des capacités de gestion de la dette	2014–	European Commission
MOL/0T/4CP <sup>a</sup>	Implementation of DMFAS 5.3	2004–2015	Multi-donors
NIC/0T/BAG	Strengthening public debt management	2013–	Nicaragua
PAN/0T/9AA	Fortalecimiento de las capacidades para la gestión de la deuda en Panamá	2009–	Panama
PHI/0T/ABK	Strengthening debt management in the Bureau of the Treasury	2011–	Philippines
PRC/0T/AAQ <sup>a</sup>	Capacity-building in debt management in the Caisse Congolaise d'Amortissement	2011–2015	Congo
TOG/0T/8AN	Renforcement des capacités de gestion et de production de statistiques de la dette a la Direction de la Dette Publique	2008–	African Development Bank

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
UGA/0T/AAW	Strengthening of debt management capacities at the Ministry of Finance, Planning and Economic Development	2011–	Uganda
UZB/0T/DBS	Improving portfolio and debt management system	2014–	Asian Development Bank
VEN/0T/5AC	Proyecto para la implementación del SIGADE 5.3 y los enlaces con los Sistemas de Análisis Integración Financiera (SIGECOF II)	2005–	Venezuela (Bolivarian Republic of)
ZAI/0T/BBB	Renforcement des capacités de gestion de la dette en la République démocratique du Congo	2012–	Democratic Republic of the Congo
ZIM/0T/BDB	Strengthening public debt management	2013–	Zimbabwe
ZAM/0T/BDA	Strengthening integrated public debt management	2012–	Zambia
ZIM/9X/9DN	Implementation of DMFAS 5.1	1999–	Zimbabwe
INT/0T/2AO	Strengthening the debt management capacity of developing countries	2002–	Multi-donors
INT/0T/DBD	Support to debt management facility II activities organized by the World Bank	2014–	World Bank
ROA-2959 (K9)	Building capacity of developing country policymakers to address regulatory and institutional gaps in the field of sovereign debt governance	2014–	Development Account

<sup>a</sup> Operationally but not financially completed or fully completed in 2015.

## A. Debt and development finance

416. Under the Development Account project entitled “Building capacity of developing country policymakers to address regulatory and institutional gaps in the field of sovereign debt governance”, two major activities were implemented in 2015:

(a) Organization of a workshop in Nepal on a diagnostic assessment of the institutional and regulatory settings on the basis of the Assessment Framework. In this workshop, five beneficiary countries completed an Assessment Framework survey and outlined the main characteristics of regulatory frameworks in each country. The meeting consisted of presentations made by UNCTAD officials with exercises undertaken by the participants and follow-up discussions. A survey based on the Assessment Framework was also conducted in country groups.

(b) Organization of a capacity-building workshop in Jamaica with the group of beneficiary countries, focused on options for improving regulatory and institutional frameworks, in line with responsible practices of sovereign lending and borrowing. Main topics covered were gap analyses and presentations of tailored options for improving each country’s regulatory and institutional frameworks. The participants also engaged in designing proposed actions for implementation to be assessed during the closing meeting of the project.



## B. The Debt Management and Financial Analysis System programme

417. **Outputs.** The DMFAS programme is a leading provider of technical cooperation and advisory services in the area of debt management. In 2015, it continued to assist Governments in improving their sustainable capacity to manage debt. Working directly at the national level in 58 countries and 85 institutions to deliver practical assistance in this critical area, the programme helped strengthen the capacity of users to handle the day-to-day management of public liabilities and produce reliable debt data for policymaking purposes (figure 2).

418. In 2015, the programme focused on providing solutions to problems faced by debt management offices in the areas of operational, statistical and analytical debt management, which are considered the foundations for effective debt management. This included enhancing the state-of-the-art specialized debt management software to handle a number of new types of debt instruments, as well as advisory services and training activities.

419. **Results.** Results in 2015 included those detailed below.

420. **Complete, reliable and up-to-date debt databases.** Eighty-eight per cent of countries have developed comprehensive and reliable debt databases with respect to government and government-guaranteed external debt. Sixty-one per cent of countries using DMFAS 6 whose debt management offices were responsible for monitoring domestic debt used DMFAS to manage their entire domestic debt portfolios.

421. **Improved production of debt statistics.** Thirty-five countries regularly produce statistical bulletins on debt.

422. **Strengthened analytical skills.** Production of debt portfolio report in one country, data validation calendars in five countries, draft statistical bulletins on debt in two additional countries and procedures manuals in two countries.

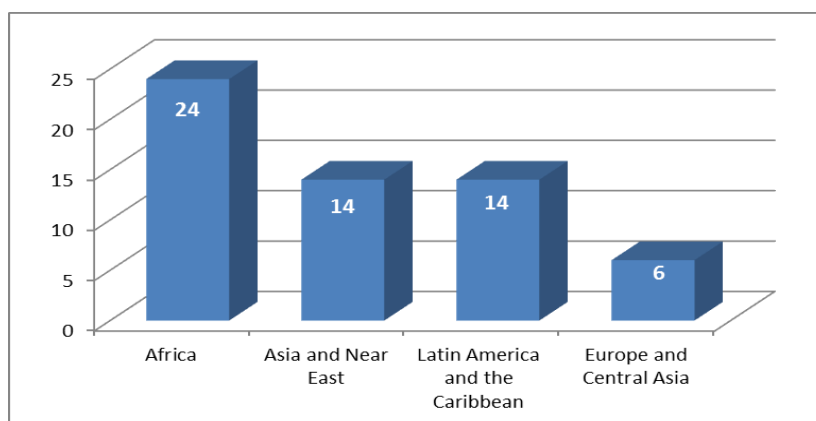
423. **Improved capacity for effective debt reporting.** As a result of the programme's assistance to countries in their reporting requirements, 96 per cent of DMFAS client countries with a low or middle income level effectively reported to the World Bank through the debtor reporting system in 2015. Sixty-five per cent of the countries using DMFAS were participating in the quarterly external debt statistics database of the International Monetary Fund and the World Bank. Over the past five years, five additional countries using DMFAS agreed to participate in the public sector debt statistics database.

424. **Improved dissemination of debt data and statistics.** In 2011–2015, six additional DMFAS user countries subscribed and provided data to the quarterly public sector debt database and one new country to the special data dissemination standard/quarterly external debt statistics database. The example of Uganda demonstrates the improvements in the dissemination of debt statistics. The programme has been providing technical assistance in the area of public debt management to Uganda since 1985. This long-term collaboration resulted in significant progress made in the area of debt management, in particular related to the quality of the debt database (as attested by the Public Expenditure and Financial Accountability Framework score for indicator 17 (i)), and in debt reporting. In 2015, the country published its first debt statistics bulletin, demonstrating its capacity to maintain a reliable, comprehensive debt database and produce accurate data. It not only allows Uganda to comply with its international commitments in debt reporting, but allows the country to conduct independent debt sustainability analysis and

develop a medium-term debt strategy in support of its policymaking and better governance.

Figure 2

**Geographical distribution of active Debt Management and Financial Analysis System users, 2015**



## **XII. Cluster XII: Transport and trade facilitation**

### **Lead entity: Division on Technology and Logistics**

425. The programmes under this cluster (table 12) provide technical assistance and capacity-building in the fields of trade logistics and customs automation through the Automated System for Customs Data (ASYCUDA).

Table 12

#### **Transport and trade facilitation**

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
AFG/0T/BBD	Implementation of ASYCUDA	2011–	Afghanistan
ALB/0T/BCT	“Delivering as one”, Albania	2012–	One United Nations
ALB/0T/CAS	Implementation of e-payment services in the customs information technology system	2013–	Albania
ALB/0T/DBA <sup>a</sup>	Migration to ASYCUDAWorld in the Albanian Customs Administration: Supervision and training	2014– 2015	World Bank
ANG/0T/CBO	ASYCUDAWorld Implementation	2013–	Angola
ANT/0T/DBC	ASYCUDAWorld	2014–	European Commission
ANT/0T/EBK	ASYCUDAWorld	2015–	Antigua and Barbuda
ARU/0T/BCB <sup>a</sup>	ASYCUDAWorld Aruba	2012– 2015	Aruba

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
BAR/0T/CAA	Implementation of ASYCUDAWorld	2013–	Barbados
BEN/0T/1AR <sup>a</sup>	Migration to ASYCUDA++	2001– 2015	Multi-donors
BEN/0T/CAP	Implementation of ASYCUDAWorld	2013–	Benin
BES/0T/EAB	ASYCUDA Regional Centre for the Americas – Tax administration of the Caribbean Netherlands – ASYCUDAWorld support	2015–	Bonaire, Sint Eustatius and Saba
BDI/0T/ABD	ASYCUDA technical assistance and support	2011–	United Kingdom
BGD/0T/BCD	Migration to ASYCUDAWorld	2012–	Bangladesh
BIH/0T/CAX	Improvement of the Indirect Taxation Authority's operational capacity through full implementation of ASYCUDAWorld	2013–	European Commission
BKF/0T/BCL <sup>a</sup>	Projet de migration vers ASYCUDAWorld au Burkina Faso	2013– 2015	Burkina Faso
BZE/0T/EAA	ASYCUDA Regional Support Centre for the Americas – Customs and Excise Department of Belize – ASYCUDAWorld Support	2015–	Belize
CMB/0T/DAV	ASYCUDA support mechanism for Asia	2014–	World Bank
CMR/0T/AAI <sup>a</sup>	Appui technique à l'information des douanes camerounaises	2012– 2015	European Commission
CVI/0T/9AL	"Delivering as one", Cabo Verde	2009–	One United Nations
CVI/0T/DAN	Installation of ASYCUDAWorld	2014–	European Commission
DJI/0T/AAS	ASYCUDAWorld technical assistance and support	2011–	Djibouti
DRC/0T/9AN	Implementation of ASYCUDA	2009–	European Commission
DRC/0T/DBZ	Implementation of ASYCUDA	2014–	Democratic Republic of the Congo
DRC/0T/DCB	Implementation of ASYCUDA	2014–	Democratic Republic of the Congo
ELS/0T/BCE	ASYCUDA, El Salvador	2012–	El Salvador
EUR/0T/AAZ	Implementation of ASYCUDA in Kosovo <sup>b</sup> customs	2011–	Kosovo <sup>b</sup> customs
FIJ/0T/CBF	Computerization of customs procedures and data and deployment of ASYCUDAWorld	2013–	Fiji
GEO/0T/CBD	ASYCUDA supervision and training	2013–	World Bank
GIB/0T/9AM	Implementation of ASYCUDAWorld	2009–	Gibraltar
GUI/0T/BCX	Implementation of ASYCUDAWorld	2013–	Guinea
HAI/0T/DAO	Consolidation of ASYCUDAWorld and simplification of customs procedures and operations	2014–	Haiti
IVC/0T/4BV <sup>a</sup>	Implementation of ASYCUDAWorld in Côte d'Ivoire	2005– 2015	Côte d'Ivoire

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
JAM/0T/CBJ	Implementation of ASYCUDAWorld	2014–	Jamaica
JOR/0T/AAB <sup>a</sup>	Creation of regional centre of excellence in the Aqaba Special Economic Zone	2011– 2015	Jordan
JOR/0T/BCS	Strengthening implementation of e-customs	2013–	Jordan
LAO/0T/EAH	Implementation of ASYCUDAWorld	2015–	Lao People's Democratic Republic
LEB/0T/5BK	Implementation of ASYCUDAWorld in Lebanon	2005–	Lebanon
LES/0T/BDC	Customs management system	2012–	Lesotho
LIR/0T/8CD	ASYCUDAWorld project in Liberia	2008–	Liberia
MAU/0T/CAD	Customs modernization project	2013–	Mauritania
MDV/0T/DAJ	Computerization of customs procedures and data	2014–	Maldives
MLI/0T/9BF <sup>a</sup>	ASYCUDAWorld technical assistance and support	2009– 2015	Mali
MLW/9X/8AU <sup>a</sup>	Computerization of customs procedures and data	1999– 2015	Malawi
MLW/0T/DBB	Implementation of ASYCUDA	2014–	Malawi
NAM/0T/BAN	Implementation of ASYCUDA	2012–	Namibia
NEP/0T/EAD	Implementation of ASYCUDAWorld	2015–	Asian Development Bank
NER/0T/EAL	Migration ASYCUDAWorld	2015–	Niger
PHI/0T/EBE	ASYCUDAWorld – Modernization and automation of customs procedures and data	2015–	Philippines
PNG/0T/DAX	Computerization of customs procedures and data and deployment of ASYCUDAWorld	2014–	Papua New Guinea
PRC/0T/AAG	ASYCUDAWorld technical assistance and support	2011–	Congo
PUE/0T/DAT	ASYCUDAWorld in Puerto Rico	2014–	Puerto Rico
RWA/0T/BBE	Customs management and electronic single window system	2011–	Rwanda
SEY/0T/BBO	ASYCUDA project in Seychelles	2012–	Common Market for Eastern and Southern Africa
SOI/0T/BCO	ASYCUDA modernization and automation of customs procedures and data	2013–	Solomon Islands
SPM/0T/DAF	Implementation of ASYCUDAWorld in Saint Pierre and Miquelon	2014–	Saint Pierre and Miquelon
SRL/0T/DBT	ASYCUDA Support Mechanism for Asia	2014–	Sri Lanka
STK/0T/CAT	Implementation of ASYCUDAWorld in Saint Kitts and Nevis	2013–	Saint Kitts and Nevis
STP/0T/CBE	ASYCUDA project	2013–	Sao Tome and Principe
SUD/0T/8BG	ASYCUDA project	2008–	Sudan
SUR/0T/BAE	ASYCUDAWorld	2012–	Suriname

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
SWA/0T/DAB	Implementation of ASYCUDAWorld	2014–	Swaziland
SYR/0T/4BP	Implementation of ASYCUDA in the Syrian Arab Republic	2005–	Syrian Arab Republic
TIM/0T/DAP	Computerization of customs procedures and data and deployment of ASYCUDAWorld	2014–	Timor-Leste
TOG/0T/BCN	Migration to ASYCUDAWorld	2014–	Togo
TON/0T/EBA	ASYCUDAWorld modernization and automation of customs procedures and data	2015–	Tonga
TRI/0T/BDD	Strengthening customs management capacity, ASYCUDAWorld consolidation	2012–	Trinidad and Tobago
TUN/0T/7AT <sup>a</sup>	Coopération pour la modernization et l'automatization des procédures douanières	2007– 2015	Tunisia
UGA/0T/BBT	Implementation of a customs management system	2012–	Uganda
UGA/0T/DAZ	National electronic single window system, Uganda	2014–	TradeMark East Africa
YEM/0T/8BT	ASYCUDAWorld project, Yemen	2008–	Yemen
ZAM/0T/BDE	Customs management system	2013–	Zambia
ZAM/0T/EAZ	Mineral Output Statistical Evaluation System	2015–	Zambia
ZIM/0T/7AC	Implementation of ASYCUDAWorld in Zimbabwe	2007–	Zimbabwe
INT/9X/31Y	Introduction of multimodal transport and microcomputer software programmes	1993–	Multi-donors
INT/9X/89S	Support for ASYCUDA implementation activities	1998–	Multi-donors
INT/0T/4CO <sup>a</sup>	Capacity-building in developing countries and the least developed countries to support their effective participation in the WTO negotiations process on trade facilitation	2004– 2015	Multi-donors
INT/0T/DBV	Extension of UNCTAD electronic phytosanitary certification system module for exports with functionalities for automated support to the module for imports	2014–	Netherlands
INT/0T/EAX	Her Majesty's Revenue and Customs (United Kingdom), WCO and UNCTAD Agreement on Trade Facilitation capacity-building programme	2015–	United Kingdom
RAB/0T/7BP	ASYCUDAWorld regional centre for Arab States	2008–	Syrian Arab Republic
RAF/0T/6BC	Establishment of Southern and Eastern African technical ASYCUDA centre	2006–	Norway
RAF/0T/7AW	ASYCUDA regional support centre for Africa (Ouagadougou)	2007–	Multi-donors
RAF/0T/8AL	Strengthening ASYCUDA implementation in Southern and Eastern Africa	2008–	Botswana
RAF/0T/DCG	German Agency for International Cooperation trade policy and trade promotion fund	2014–	Germany
RAS/0X/0DX	ASYCUDA implementation and support in the Asia-Pacific region	2000–	Multi-donors
RAS/0T/1DA	ASYCUDA support mechanism for the Pacific	2002–	Japan
RLA/0T/3AD	ASYCUDA regional support for the Americas	2003–	National Governments

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
ROA-2963 (O9)	Climate change impacts on coastal transport infrastructure in the Caribbean: Enhancing the adaptive capacity of small island developing States	2015–	Development Account
ROA-2965 (Q9)	Building capacities of developing countries to shift towards sustainable freight transport	2014–	Development Account

<sup>a</sup> Operationally but not financially completed or fully completed in 2015.

<sup>b</sup> United Nations Administrative Region, Security Council resolution 1244 (1999).

## A. Trade logistics

### 1. Technical assistance and advisory services on trade facilitation

426. **Outputs.** In 2015, UNCTAD continued its extensive support to developing countries and LDCs towards the ratification and implementation of the Agreement on Trade Facilitation of WTO. Activities carried out by UNCTAD to support trade facilitation reforms, including in cooperation with other development partners and regional organizations (namely the Economic Community of Central African States, Organization of Eastern Caribbean States, Organization of Islamic States, Micronesian Trade and Economic Community and Western African Monetary Union), spanned a number of countries including Antigua and Barbuda, Botswana, Burkina Faso, Cameroon, the Congo, Cote d'Ivoire, the Dominican Republic, El Salvador, Guinea-Bissau, Kazakhstan, Kyrgyzstan, Marshall Islands, Mexico, Nigeria, Saint Lucia, Tajikistan, Ukraine, the United Arab Emirates, Uruguay and Zimbabwe, as well as events in France, Switzerland and Turkey. UNCTAD also contributed with a panel on trade facilitation during the Tenth Ministerial Conference of WTO. These activities were mostly financed by financial support from the Government of Sweden, with a grant of \$413,000, implemented in August–December 2015.

427. As part of a new project supported by the Government of the United Kingdom and jointly executed with the World Customs Organization, UNCTAD strengthened inter-institutional collaboration mechanisms, in particular National Trade Facilitation Committees. Specific activities in 2015 were contributions to regional events hosted by the World Customs Organization in Togo (for Western Africa) and in South Africa (for Eastern and Southern Africa), as well as national seminars and advisory services in Sierra Leone (through video lectures) and the Sudan, inter alia, updating national trade facilitation implementation plans. The financial contribution from the Government of the United Kingdom to UNCTAD amounts to \$140,000 annually.

428. A seminar on trade facilitation for developing countries was conducted by UNCTAD in collaboration with the Wuhan (China) based China-Europe Vocational Training Centre (19 to 24 October 2015). The training was organized in the context of the Cooperation Agreement between UNCTAD and the Government of China on the organization of training events for developing countries. It was attended by 43 participants from 19 countries from all developing regions. UNCTAD provided the substantive lead on the seminar and developed and delivered the programme with three lecturers. Most of the participating countries had already notified category A provisions to the WTO.

429. Under the Agreement on Trade Facilitation, members are required to establish or maintain a National Trade Facilitation Committee. Such entities are important

platforms for institutional coordination and stakeholder consultation with private and public sector participation. They enable the planning and implementation of successful trade facilitation reforms. Accordingly, and in cooperation with the International Trade Centre and the United Nations Economic Commission for Europe, UNCTAD has established and maintains a global repository of National Trade Facilitation Committees and similar entities. An important tool for policymakers towards Agreement on Trade Facilitation implementation, the global repository is more relevant than ever.

430. UNCTAD, the United Nations Economic Commission for Europe and the International Trade Centre jointly hosted the annual meeting of the Global Facilitation Partnership for Transportation and Trade (Geneva, 22 April 2015). The theme of the meeting was the role of private sector in supporting implementation of the Agreement on Trade Facilitation. Over 150 representatives of Governments, the private sector, international organizations and experts across the globe participated in the meeting.

431. UNCTAD has continued its longstanding support for landlocked and transit developing countries through its active contribution to the follow-up activities to the Vienna Programme of Action for Landlocked Developing Countries for the decade 2014–2024, which was adopted in 2014 at the Vienna Conference on Landlocked Developing Countries. UNCTAD contributed substantial input to the high-level/ministerial meeting on the follow-up to the Vienna Conference (Livingstone, Zambia, 2–4 June 2015). Furthermore, UNCTAD participated in and presented at the Inter-Agency Consultative Group Meeting on the Follow-up and Implementation of the Vienna Programme of Action and the Expert Group Meeting on Improving Transit Cooperation, Trade and Trade Facilitation for the Benefit of Landlocked Developing Countries (United Nations Headquarters, 10–11 December 2015). The Government of Paraguay, UNCTAD and the World Bank organized a subregional workshop on the implementation of transit provisions of the Agreement on Trade Facilitation (Asuncion, 1–3 December 2015). The workshop aimed to enhance participants' knowledge of the new landscape of provisions that refer to transit issues in the Agreement on Trade Facilitation. The workshop featured participation by experts from seven countries, as well as international experts and officials from international organizations.

432. UNCTAD continued to implement a project on addressing market access barriers in selected supply chains in the Central European Free Trade Agreement region, with the support of the German Agency for International Cooperation. Led by two Divisions (Division on International Trade in Goods and Services, and Commodities, and Division on Technology and Logistics) the project aims to support Central European Free Trade Agreement members in strengthening deep regional integration and facilitating trade. The project takes a sector-specific approach focusing on two product supply chains – beverages (wine and beer) and the automobile parts industry – and is scheduled to be concluded in 2016.

433. A cooperation agreement between the German Agency for International Cooperation and UNCTAD on the project “Assistance towards the implementation of the Agreement on Trade Facilitation in the East African Community” was signed in December 2014. Activities undertaken by UNCTAD in 2015 under the agreement have included support to the East African Community secretariat to establish the East African Community Regional Sub-Committee on Trade Facilitation and the organization of the first set of training workshops at the national level to establish National Trade Facilitation Committees. In addition to the establishment of the Regional Sub-Committee, a regional workshop was held (Kigali, March 2015),

aimed at informing East African Community partner States about the Agreement on Trade Facilitation and its implications at regional and national levels and compiling the Agreement on Trade Facilitation measures of all five partner States to formulate a regional action plan. UNCTAD provided technical support to the partner States during the regional workshop. The outcomes of the project include, among others, the following:

- (a) An assessment of the East African Community national trade facilitation structures and proposals for upgrades or improvements;
- (b) A robust, skilled and sustainable Agreement on Trade Facilitation structure in place so as to implement national Agreement on Trade Facilitation plans;
- (c) East African Community secretariat setting up a Regional Sub-Committee on Trade Facilitation that can function efficiently and in a sustainable manner;
- (d) Harmonization and coordination at national and regional levels.

434. **Impacts.** UNCTAD trade facilitation projects continue to have an impact on the development of participating countries in two major ways. First, their contribution to development is through the easing of trade. This impact is straightforward and has long been recognized. Second, a more direct link to development lies in the fact that the reforms themselves help to generate better quality employment, move small traders into the formal sector, make economic activities more transparent and accountable, promote good governance, strengthen information technology capabilities, increase revenue collection and generally modernize societies.

435. As a measurable impact of UNCTAD work, a high share of countries that benefited from UNCTAD technical assistance also feature among those that ratified the agreement or notified those trade facilitation measures where implementation capacity has been achieved.

436. In 2015, all five East African Community partner States notified their category A measures under the Agreement on Trade Facilitation to WTO. Under the leadership of the East African Community secretariat, the East African Community partner States decided to converge as much as possible their notification to the WTO. The contribution of UNCTAD was to ensure that the East African Community partner States notified their category A measures on time in order to respect their regional commitment, increase their credibility as partner States of regional economic cooperation and help guarantee potential funding from potential bilateral donors at a later stage. UNCTAD support has been praised by the East African Community secretariat and the East African Community partner States as it contributes to regional and national trade facilitation implementation plans in accordance with the East African Community Regional Protocols, namely the Customs Union and the Common Market. Trade Facilitation is seen as a tool to accelerate achievement of the regional protocols.

437. In addition to the preparation of the WTO notifications and Agreement on Trade Facilitation ratification, the following results for the participating countries may be highlighted:

- (a) Better understanding of the implications of the Agreement on Trade Facilitation and increased knowledge of the individual trade facilitation measures;
- (b) Better preparedness for notification to WTO of national trade facilitation implementation capacities;



(c) Strengthened national trade facilitation committees, both in terms of the increased capacities of the individual members and of obtaining practical working documents, and through the UNCTAD online repository, which may be used as a source of elements for a committee's programme of work and terms of reference.

## 2. Technical assistance and advisory services on transport

438. In 2015, UNCTAD continued to implement its United Nations Development Account project on sustainable freight transport development and finance which was initiated in 2014. The project aims to build capacities and provide advisory services to developing countries to enable a reorientation towards sustainable freight transport through sound transport policy measures and financing mechanisms. A training toolkit and a web-based platform on the principles of sustainable transport and types of investments (such as public-private partnerships and green bonds), as well as supporting policies that will help developing regions and countries to promote and invest in cost-effective, energy-efficient, low-carbon and climate-friendly freight transport infrastructure and services were developed. Capacity-building activities of the project will be implemented in the Caribbean and East Africa (in cooperation with the Northern Corridor Transit and Transport Coordination Authority and the Central Corridor Transit Transport Facilitation Agency and in collaboration with other United Nations agencies such as the Economic Commission for Africa, the Economic Commission for Latin America and the Caribbean, the United Nations Development Programme and the United Nations Environment Programme).

439. UNCTAD continued to provide advice and policy guidance in response to requests received from various governmental and intergovernmental entities, as well as non-governmental organizations and academia, on issues related to transport, including transport costs and freight rates, ports development and sustainable freight transport. Relevant work includes the UNCTAD and Ports Management Association of West and Central Africa joint workshop on port performance indicators and the regional workshop on "Maritime transport and trade facilitation solutions for boosting trade flows between Western/Central Africa and China" organized by the Office Ivoirien des Chargeurs and the Union of African Shippers Council in partnership with UNCTAD. UNCTAD also participated in events organized by non-governmental organizations, including, for example, the annual conference of the International Association of Maritime Economists organized in Kuala Lumpur and the International Maritime Organization and Singapore International Conference on Maritime Technology Transfer and Capacity-Building. UNCTAD also contributed to the 2015 annual conference of the Global Shippers Forum, the association of national shippers councils, with a presentation on freight costs and surcharges and on trade facilitation.

440. In addition, the fourth session of the Multi-year Expert Meeting on Transport, Trade Logistics and Trade Facilitation, on the topic of "Sustainable freight transport systems: Opportunities for developing countries", was convened (14–16 October 2015). The meeting discussed relevant issues challenging the sustainability of freight transport and identified approaches and instruments, including finance, used to implement sustainable practices in freight transport. The expert deliberations provided valuable insights on the secretariat's technical cooperation activities in this field.

### 3. Technical assistance and advisory services on policy and legislation

441. In 2015, UNCTAD continued to provide advice and policy guidance in response to requests received from various governmental and intergovernmental entities as well as non-governmental organizations. In addition to technical and policy advice on a range of legal issues and international legal instruments, this included advice and information in relation to international seaborne trade data and trade-related matters, as well as on issues related to sustainability and adaptation to climate variability and change in shipping and, more generally, in transport. Information about UNCTAD substantive work in the field was also disseminated at various international meetings, including an event organized by the Luxembourg Maritime Cluster, in Luxembourg, and at the Annual Marine Propulsion and Auxiliary Machinery Conference in London, as well as through lectures at academic institutions, including the École Polytechnique Fédérale de Lausanne; the University of Geneva; the University of the Basque Country, Spain; and the University of Helsinki.

442. Implementation of a Development Account project entitled “Climate change impacts on coastal transport infrastructure in the Caribbean: Enhancing the adaptive capacity of small island developing States” is in progress (due to be completed in 2017). The project focuses on climate change adaptation for ports and other coastal infrastructure in small island developing States, and was initiated in light of paragraph 56 (j) of the Doha Mandate, which instructs UNCTAD to “advise small island developing States on the design and implementation of policies addressing their specific trade and trade logistics challenges linked to their remoteness and geographical isolation”. Building on earlier related research, analytical work and intergovernmental consensus-building activities (see <http://unctad.org/en/Pages/DTL/TTL/Legal.aspx>), the three-year project aims to enhance the understanding and technical knowledge among policymakers, transport planners and transport infrastructure managers from small island developing States of the impact of climate change on coastal transport infrastructure – in particular seaports and airports – and to build their capacities to develop adequate adaptation response measures. Case studies, focusing on two vulnerable small island developing States in the Caribbean (Jamaica and Saint Lucia) are being conducted to enhance knowledge and understanding at the national level and develop a transferable methodology for assessing climate-related impacts and adaptation options, for use by other small island developing States in the Caribbean region and beyond. Related guidance and training will be provided at national and regional capacity-building workshops envisaged to be held in late 2016 and in 2017. In synergy with this project, UNCTAD in 2014 serviced two intergovernmental meetings with a focus on small island developing States and their transport-related challenges including, in particular, climate and weather-related threats to critical coastal transport infrastructure and operations in small island developing States (for more information, see [unctad.org/ttl/legal](http://unctad.org/ttl/legal) or the meeting websites at <http://unctad.org/en/pages/MeetingDetails.aspx?meetingid=586> and <http://unctad.org/en/pages/MeetingDetails.aspx?meetingid=500>).

443. As part of its collaboration with intergovernmental organizations and non-governmental organizations, and to help ensure that the special needs and capacity requirements of developing countries are taken into consideration, UNCTAD has joined an industry-led working group on climate change adaptation for maritime and inland port and navigation infrastructure, established by the World Association for Waterborne Transport Infrastructure in late 2014. The working group is expected to develop industry guidance on climate change adaptation for maritime and inland navigational infrastructure. Such guidance is particularly required by

smaller ports in small island developing States, as well as in other developing regions, which are potentially vulnerable to climate change impacts. UNCTAD also participated in the advisory panel for the peer review of the regional framework for adaptation to climate change in coastal and marine areas in the Mediterranean. The framework has been developed by the United Nations Environment Programme Mediterranean Action Plan, and was endorsed by the Contracting Parties to the Barcelona Convention for the Protection of the Mediterranean Sea Against Pollution at their nineteenth meeting in February 2016. UNCTAD also continues to collaborate closely with the United Nations Economic Commission for Europe Expert Group on Climate Change Impacts and Adaptation for International Transport Networks and Nodes, which was established in 2011 following a joint UNCTAD-United Nations Economic Commission for Europe workshop on the issue, whose mandate was renewed in 2015. UNCTAD also contributes actively to relevant inter-agency work under the auspices of UN-Oceans and the Technical Working Group supporting the United Nations Secretary-General's High-Level Advisory Group on Sustainable Transport. UNCTAD participation in these initiatives is expected to create important synergies with the secretariat's related technical cooperation project as well as its research and analytical work in the field.

## **B. The Automated System for Customs Data programme**

444. **Development context.** The ASYCUDA programme is directed at reforming and streamlining the customs clearance process, increasing trade facilitation and strengthening the institution in member States. An efficient and effective customs administration is essential to the welfare of any country as it benefits the national economy by collecting revenue; assists the Government to implement national and international trade policy; protects the country by combating fraud and the illegal trafficking of prohibited and restricted goods; provides statistical information on foreign trade transactions essential for economic planning; and supports international trade needs.

445. The ASYCUDA programme is committed to providing sustained support for development, both in-country and remotely. Over a period of more than 34 years, it has supported the changing and evolving needs and challenges of the customs administrations of 113 countries and territories, and the facilitation of their international trade. Having originated as a means to help countries build and utilize the data collected at customs ports of entry through databases, the programme's scope has gradually widened to helping countries manage their economic and financial analysis and planning, as well as assisting the private sector in doing business. It has also expanded in terms of the customs management functions that it supports, from the initial data capture (now uploaded via the Internet) to assisting countries and territories in monitoring trade in and out of their borders, making available trade statistics, measuring institutional and trade facilitation benchmarks and producing data critical to risk management analysis and enhancing the operational performance of customs and its integrity as an institution.

446. The mandate of the ASYCUDA programme is reflected in paragraph 167 of the Accra Accord, which states that UNCTAD should "continue to provide assistance to developing countries to design and implement policies and actions aimed at improving the efficiency of trade transactions as well as the management of transport operations. It should also continue to cooperate with member States in implementing ASYCUDA". The General Assembly Fifth Committee also refers to the programme (A/C.5/64/L.23) and encourages the UNCTAD Secretary-General "in supporting the strengthening of regional economic integration in Africa by providing, within the

allocation to the Conference, technical assistance and capacity-building in the areas of trade, customs and infrastructure” (paragraph 82). In the Doha Mandate, specific reference is made to the programme’s work, reaffirming, inter alia, the importance and role of the ASYCUDA programme in supporting developing countries, particularly landlocked developing countries and small island developing States, and in continuing its trade facilitation work. The mandate states that UNCTAD should “assist developing countries, particularly landlocked developing countries and transit developing countries, and some countries with economies in transition, to address challenges affecting their participation in trade from geographical constraints, with a view to improving transport systems and connections, designing and implementing resilient and sustainable transport systems, and enhancing transit infrastructure and trade facilitation solutions”, “continue its work in the field of trade facilitation, including the Automated System for Customs Data programme” and “advise small island developing States on the design and implementation of policies addressing their specific trade and trade logistics challenges linked to their remoteness and geographical isolation” (paragraphs 56 (h), (i) and (j)). General Assembly resolution 70/1 recognizes “that baseline data for several targets remains unavailable”, and calls “for increased support for strengthening data collection and capacity-building in Member States, to develop national and global baselines where they do not yet exist” (paragraph 57), also refers to the need to “support developing countries, particularly African countries, least developed countries, small island developing States and landlocked developing countries, in strengthening the capacity of national statistical offices and data systems to ensure access to high-quality, timely, reliable and disaggregated data” (paragraph 76). In relation to General Assembly resolution 70/1, it may be noted that the ASYCUDA Software Suite is implemented in 43 African countries and territories, 40 LDCs, 19 small island developing States and 22 landlocked developing countries, which makes it a unique possibility as a base repository for the extraction of trade and customs-related data to strengthen statistical capacity and to support trade policymakers.

447. **Objectives and features.** The main objective of the ASYCUDA programme is the modernization of customs, using information technology to speed up and simplify the goods clearance process. The ASYCUDA system manages the entire customs clearance process, from (and prior to) the arrival of goods, to their warehousing and ultimate release, after payment of duties and taxes. It includes an advanced risk-management and selectivity function and strong anti-corruption features. The implementation of an ASYCUDA project in a beneficiary country is based on the delivery of a comprehensive capacity-building programme, designed to transfer the full ASYCUDA functional and technical know-how to national staff and to ensure that the national team will be able to administer and maintain the national ASYCUDA system without external technical assistance and support.

448. **Outputs.** In 2015, the ASYCUDA programme continued to allow for increased revenue collection by customs in LDCs and other user countries and territories, as well as reduced clearing times and costs. In particular, an evaluation of the Rwanda electronic single window carried out in 2015 indicates a reduction of cargo release from 11 days in 2010 to 1 day in 2014 (46 per cent reduction). Automation of customs procedures is an integral part of the Agreement on Trade Facilitation. Among the criteria identified in this Agreement is the publication of available information, transparency, accurate and timely publication of duties and taxes for import and export, electronic payments for the reduction of clearance times and cooperation between entities at the border. The ASYCUDA Programme, in 2015, gave special emphasis to this aspect of the Agreement on Trade Facilitation by implementing a web-based portal in each country with an active project. In 2015, the

Democratic Republic of the Congo was the first country to request assistance to adopt a new ASYCUDA module focusing on performance measurement within customs administrations and of their stakeholders. This module leverages customs data (operational and transactional) present in the ASYCUDA system to study operational trends and to enable decision-making. Performance measurement within customs is more than a tool to fight corruption, and enhance effectiveness and efficiency: it is a methodology to inspire its senior management to carry out reform at different levels. It may be noted that the implementation of ASYCUDA projects is always accompanied by various reforms and modernization programmes, and a project often acts as a catalyst for improving the work environment and building the requisite infrastructure, such as telecommunications networks.

449. The technical and functional training of national experts is a major component of the technical assistance projects employed as a tool to provide the transfer of know-how. In 2015, such training was conducted in several countries and continued to be delivered in the Centre of Excellence in the Aqaba Special Economic Zone in Jordan in an effort to assist national experts to establish a sense of ownership of technical self-sufficiency and to further enhance the operation of the system. In Aqaba, nine sessions, in three languages, took place for 77 participants from 11 countries using the ASYCUDA system. Overall, around 225 training sessions were conducted, both technical and functional, for more than 2,000 participants.

450. Just under 300 advisory missions were undertaken by staff or consultants in beneficiary countries and territories. The programme's mission statement clearly stresses the importance of providing technical assistance with an emphasis on the special needs of LDCs. In 2015, 40 LDCs, 22 landlocked developing countries and 19 small island developing States benefited from ASYCUDA programme support.

451. **Results.** The impacts and results of ASYCUDA projects may be assessed by various institutional and trade facilitation benchmarks, including increased revenue, improved trade facilitation, shorter clearance times and the availability of reliable trade statistics data. The automatic calculation of duties and taxes results in increased State budget revenue, while reliable and timely trade and fiscal statistics assist Governments in planning their economic policy. The 2030 Agenda for Sustainable Development indicates that data collection is a key activity to develop baselines for the measurement of progress against goals and targets; consequently ASYCUDA exists as a source of data within user countries. However, further efforts are required to leverage its use. ASYCUDA has had a major impact on e-business and e-government transactions, making international trade simpler and cheaper, while making international markets more accessible to enterprises from developing countries. In a growing number of countries, ASYCUDA constitutes the core system for building a single window for international trade.

452. The results and impact of ASYCUDA projects may be further assessed through evaluation measures that include projects in countries that are new users of the ASYCUDA system and also projects for upgrades and maintenance in countries migrating from one version to another or extending functional or geographical coverage of an ASYCUDA system already in place. Since 2009, ASYCUDA projects have contained monitoring and evaluation tools such as the logical framework and its achievement indicators and the monitoring plan. These tools are reviewed at the inception of a project during a mobilization workshop.

453. In addition, ASYCUDA contributes to achieving the Sustainable Development Goals, in particular Goal 9, target 9.1 (by improving regional and transborder infrastructure) and Goal 17, target 17.1 (by improving domestic resource mobilization and tax capacity), thus assisting user countries in the economic

planning of their government finances through revenue collection, trade statistics and the reduction of corruption (minimizing diversion of country resources).

454. The ASYCUDA programme has always aimed at developing sustainable partnerships and cooperation with beneficiary countries and international and regional organizations. In 2015, progress was made with the WTO in formulating a fundraising proposal for the development of extraction tools to facilitate WTO member States in supplying information and data for the integrated database of the WTO; with the International Air Transport Association in developing an ASYCUDA module for promotion and usage of the Cargo-XML messages of the International Air Transport Association; and with the World Customs Organization, by participating in the World Customs Organization Data Model Project Team's work sessions geared to establishing the interoperability of ICT systems. In 2015, letters or memorandums of understanding were signed and exchanged with the following: the International Trade Centre to improve the transparency of data from developing countries on trade and market access; Digital Coding and Tracking Association to secure supply chains for excisable goods; United Nations Educational, Scientific and Cultural Organization to implement an alert system for cultural objects; Universal Postal Union to facilitate e-commerce postal parcels. In addition, in 2015, new discussions for partnerships were initiated with the World Customs Organization and World Intellectual Property Organization on safeguarding intellectual property rights. Such framework instruments are important for the ASYCUDA programme to ensure the prompt delivery of technical assistance and long-term sustainability of cooperation, as well as for observing intellectual property rights for ASYCUDA software.

### **XIII. Cluster XIII: Information and communications technology policies and applications for development**

#### **Lead entity: Division on Technology and Logistics**

455. The programmes under this cluster (table 13) support research, analysis and capacity-building in developing countries, with regard to policymaking in the field of ICTs and their role in contributing to economic and social development. A multi-donor and multi-year trust fund on ICT policies for development supports UNCTAD technical assistance activities in this area.

Table 13

#### **Information and communications technology policies and applications for development**

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
EGY/OT/EBD	Information and communications technology policy review: E-commerce strategy for Egypt	2015–	MasterCard
INT/OT/9AS	Information and communications technology policies for development	2009–	Finland, Germany and Republic of Korea

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
INT/0T/BCY	Building capacity to produce indicators for supporting information and communications technology for development policies and mainstreaming information and communications technology in women's entrepreneurship programmes	2013–	Sweden

456. **Development context.** As recognized at the World Summit on the Information Society and most recently in the Agenda 2030 for Sustainable Development, ICTs have considerable potential to enable development. In the Doha Mandate, member States reconfirmed the relevance of the work of UNCTAD in the area of ICT, as established in the Accra Accord. The Doha Mandate recognizes that ICTs have become an important feature of the increasingly globalized and knowledge-based economy. The Internet and other ICTs can contribute to job creation, enhance access to information and interaction through social networks, and enable transparent and efficient commerce. Wider ICT diffusion, improved access to the Internet and the development of ICT-related infrastructure are essential to bridging the digital and broadband divide. Developing countries can maximize their benefits from ICTs by formulating and implementing national ICT policies.

457. Member States have mandated UNCTAD to, among other things, undertake research on ICT and provide technical assistance to developing countries in the area of ICT, notably in the areas of ICT policy reviews, pro-poor policies, legal and regulatory frameworks and measuring the information economy (Doha Mandate, paragraph 56 (q) and Accra Accord, paragraphs 158 to 161).

458. In addition to research work supported by the cluster, in 2015, UNCTAD technical assistance work in this area focused primarily on two areas: building the capacity of countries to produce information economy statistics to enable the formulation and implementation of evidence-based policymaking; and assisting countries in support of harmonizing legal frameworks and creating an enabling environment for e-commerce. In addition, a new project was launched to assist the Government of Egypt in developing a national e-commerce strategy.

459. **Objectives and features.** UNCTAD aims to strengthen the capacities of developing countries to use ICTs for inclusive economic growth, productivity and sustainable development, to formulate and improve ICT for development policies and e-commerce strategies, and to assess the results of such policies, including via the production of internationally comparable indicators on their information economies.

460. **Outputs.** The flagship report *Information Economy Report 2015: Unlocking the Potential of E-Commerce for Developing Countries* was launched in March 2015. It was accompanied by the launch of the first UNCTAD Business-to-Consumer E-commerce index and the Global Cyberlaw Tracker, tools to be updated annually to help countries assess and benchmark their e-commerce readiness and the status of their cyber legislation. The trust fund on ICT policies for development financed the research and peer review process for the *Information Economy Report*, the index and the tracker, as well as much of the dissemination activities.

461. In 2015, the trust fund project on building capacity to produce indicators for supporting ICT for development policies implemented several activities: technical assistance was delivered to Kenya and Thailand; consultations resulted in the

publication of two technical notes entitled *Global Assessment of Sex-Disaggregated ICT Employment Statistics – Data availability and challenges on measurement and compilation on sex-disaggregated ICT employment statistics* and *International Trade in ICT Services and ICT-enabled Services: Proposed Indicators from the Partnership on Measuring ICT for Development*; and a training of trainers on information economy statistics took place in June 2015 for African trainers.

462. UNCTAD and the Partnership on Measuring ICT for Development also promoted the importance of ICT statistics for tracking progress in development goals and in the information society, at the World Summit on the Information Society Forum (May 2015), at the high-level meeting of the General Assembly on the World Summit on the Information Society plus 10 review (December 2015) and in their report on ICT statistics to the United Nations Statistical Commission (submitted in December 2015).

463. In October 2015, UNCTAD presented its *Practical Guide on Empowering Women Entrepreneurs through ICTs* at the Stockholm Internet Forum. The timing of the event followed the adoption of Sustainable Development Goal 5, which includes a target to “enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women”. The guide may be used as an important tool for countries and organizations to accelerate the achievement of this target.

464. The first edition of the UNCTAD E-Commerce Week took place in March 2015, combining the launch of the *Information Economy Report*, a seminar on the harmonization of e-commerce laws in the Economic Community of West African States, and an expert meeting on cyberlaws and regulations for enhancing e-commerce, including case studies and lessons learned. Work building on the March seminar resulted in the publication of a *Review of e-commerce legislation harmonization in the Economic Community of West African States* in November 2015.

465. Other activities of the e-commerce and law reform programme included a workshop on e-government and cyberlaws for the East African Community (Kisumu, Kenya, February 2015) and a regional workshop on e-commerce legislation harmonization in the Caribbean, held in Trinidad and Tobago from September to October 2015.

466. Funding was secured for a project to assist the Government of Egypt in developing a national e-commerce strategy. A first fact-finding mission was conducted in Cairo and preparations were made to conclude the work in 2016. This project is undertaken in the context of the UNCTAD ICT policy review programme.

467. **Results.** The *Information Economy Report 2015* provided a timely reference for countries that have restarted discussions on e-commerce at the WTO. While UNCTAD has been providing research and technical assistance in this area for 15 years, the need for more official statistics became evident after the launch, prompting a new collaboration between the Universal Postal Union, WTO and UNCTAD to try to measure cross-border e-commerce. It also prompted countries to request technical assistance from UNCTAD to develop e-commerce strategies (Egypt) and improve their statistics (Thailand). Despite important potential benefits, businesses and consumers in developing countries were for a long time slow to exploit e-commerce. The report revisits the potential opportunities and risks of e-commerce and examines how countries can benefit the most from the phenomenon in today’s information society. By December 2015, the report had been downloaded almost 21,000 times, and the overview over 20,000 times in various languages.



468. The UNCTAD Business-to-Consumer E-commerce index assesses the e-commerce readiness of countries. It can serve as a first step for countries to formulate a national e-commerce strategy. The index allows them to identify their relative strengths and weaknesses. The Global Cyberlaw Tracker is the first global database and mapping of cyberlaws, tracking the state of e-commerce legislation in the field of e-transactions, consumer protection, data protection/privacy and cybercrime adoption in the 194 member States of UNCTAD. It indicates whether or not a given country has adopted legislation, or has a draft law pending adoption. It is a valuable resource for research on the impact of cyberlaws.

469. In addition to the review published in November 2015, the seminar on the harmonization of electronic commerce laws in the Economic Community of West African States provided an opportunity for representatives of the region to exchange best practices and discuss how to further enhance cyber legislation. Participants recognized the value of UNCTAD capacity-building activities, including through the Train for Trade distance-learning training which reached 340 policymakers and lawmakers in the region in 2014.

470. The expert meeting on cyberlaws and regulations for enhancing e-commerce served as a platform for more than 250 participants from 70 countries to review their legal frameworks, share experiences and learn from each other. It resulted in a forward-looking analysis of how countries could increase adoption of cyberlaws to be an enabler of e-commerce, not a barrier to cross-border trade. In particular, complementary efforts to create an enabling environment include building capacity to draft, adopt, implement and monitor cyberlaws.

471. The Kenyan workshop on e-government and cyberlaws provided an excellent platform to discuss ways and best practices to facilitate the implementation at the national level of existing regional legal frameworks on e-commerce. The regional workshop on e-commerce legislation harmonization in the Caribbean assisted 10 countries in enhancing their knowledge on the legal issues related to e-commerce. It built on the successful online distance-learning course on legal aspects of e-commerce conducted jointly by Train for Trade and the ICT Analysis Section in March/April 2015.

472. Activities to build the capacity of countries to produce indicators that support ICT for development policies had immediate effects. Advisory services to Thailand in October 2015 resulted in a workshop on measuring e-commerce that provided knowledge on e-commerce statistics from international experts to stakeholders in Thailand, who use it to improve statistics supporting policies to leverage e-commerce for development. Advisory services to Kenya resulted in a report that presents the first ever official set of information economy indicators produced for Kenya and that will serve as a baseline report for the first ICT business survey to be implemented in Kenya in 2016. Additional assistance was provided in the design and planning of the ICT business survey and in the training of the enumerators.

473. The *Global Assessment of Sex-Disaggregated ICT Employment Statistics* proposes two new ICT employment indicators, and assesses the sources for statistics on ICT employment. The technical note on measuring international trade in ICT services and ICT-enabled services proposes four new indicators on international trade in ICT services and ICT-enabled services. The indicators proposed in both technical notes were reported through the Partnership on Measuring ICT for Development to the forty-seventh session of the United Nations Statistical Commission in March 2016.

474. In particular, the technical note on measuring ICT services and ICT-enabled services is innovative in that it represents the first systematic and detailed attempt to define and classify ICT-enabled services using existing classifications. A new classification (grouping) of ICT-enabled services will allow countries to analyse in more detail their participation in related global value chains, something that is of vital importance to developing countries wishing to grow their ICT sectors through higher value-added services. The United Nations Statistics Division indicated that this work was in line with broader efforts to improve trade in services statistics, including in the United Nations (developing statistics related to business functions and broader economic categories). The Inter-Agency Task Force on International Trade Statistics welcomed the technical note as a useful reference for enabling countries to collect comparable official statistics in this area.

475. The *Review of e-commerce legislation harmonization in the Economic Community of West African States* provides an informed assessment of the state of e-commerce legislation in the region and makes specific recommendations towards furthering regional harmonization. The review relies on data received from regional workshops and distance-learning courses organized from 2013 to 2014. It led to the recognition by member States of the need for additional work in the areas of electronic signatures, consumer protection and taxation procedures. The review recommends more capacity-building initiatives for policymakers, legislators, the police, the judiciary, prosecutors and computer emergency response teams, as well as the strengthening of enforcement agencies.

#### **XIV. Cluster XIV: Cross-divisional training and capacity-building**

##### **Lead entity: Division on Technology and Logistics**

476. **Development context.** UNCTAD supports beneficiary countries in the development of local capacities for trade as a key to growth and development. It helps to secure the beneficial integration of developing countries into the globalized world economy by supporting them to build resources, knowledge and skills that will allow them to achieve their development objectives.

477. **Objectives and features.** The programmes under this cluster (table 14), namely Train for Trade and the course on key issues on the international economic agenda, in the Knowledge Development Branch, Division on Technology and Logistics, aim to enhance sustainable local capacity in the fields of trade, finance, investment, tourism and other interrelated areas and their links with development in developing countries and countries with economies in transition. They do so through technical assistance and cross-divisional capacity-building, focusing on human resources development, training and networking. The mandate for these programmes was renewed in paragraph 56 (r) of the Doha Mandate, indicating that UNCTAD should “continue capacity-building activities including Train for Trade and in the framework of paragraph 166 of the Bangkok Plan of Action”.

Table 14  
**Cross-divisional training and capacity-building**

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
URT/OT/BBM	“Delivering as one”, United Republic of Tanzania	2011–	One United Nations
INT/OT/4AB	Mise en place d’un projet de renforcement des capacités de formation portuaire pour les pays en développement	2004–	Developing country ports
INT/OT/5BS	Cooperation between the Train for Trade programme and the Port Authority of Valencia, Spain	2005–	Valencia port authority
INT/OT/6AR	Train for Trade trust fund	2006–	Multi-donors
INT/OT/7BR	Train for Trade Port Training Programme for English-speaking developing countries	2007–	Ireland
ROA-2903 (J8)	Accelerating progress of selected West African countries towards the achievement of internationally agreed development goals, particularly Millennium Development Goal 8, through trade-related training and capacity-building	2013–	Development Account

## A. The Train for Trade programme

478. Train for Trade focuses on developing skills and knowledge through innovative approaches based on a recognized pedagogical method and state-of-the-art technological solutions. Train for Trade develops and implements technical assistance projects with core components on international trade and development, and promotes cross-divisional cooperation. It also operates the Port Training Programme through four language-based networks in Africa, Asia, Europe and Latin America. Train for Trade advises on the use of ICT to promote knowledge sharing, networking and competence building.

479. Train for Trade has extensive experience in delivering tailor-made assistance to developing countries and countries with economies in transition in building capacities to integrate into the world economy.

480. Train for Trade’s activities in 2015 were funded through a range of donors, including France, Finland, Ireland, Spain and regional organizations (Association of Caribbean States secretariat and Latin American and Caribbean Economic System). Furthermore, the beneficiary ports of the Port Training Programme continued to contribute financially to the trust fund. This self-sustaining aspect indicates the level of commitment and interest from the national port communities (public–private partnerships). A financial contribution from the World Food Programme was also received for collaboration with Train for Trade on e-learning. The Train for Trade e-learning project for West Africa was financed by the United Nations Development Account for the third year.

### 1. Using information and communications technology to promote knowledge sharing, networking and competence

481. **Objectives and features.** Train for Trade uses ICTs as a tool for knowledge-sharing, thereby maximizing the number of its beneficiaries and helping to reduce

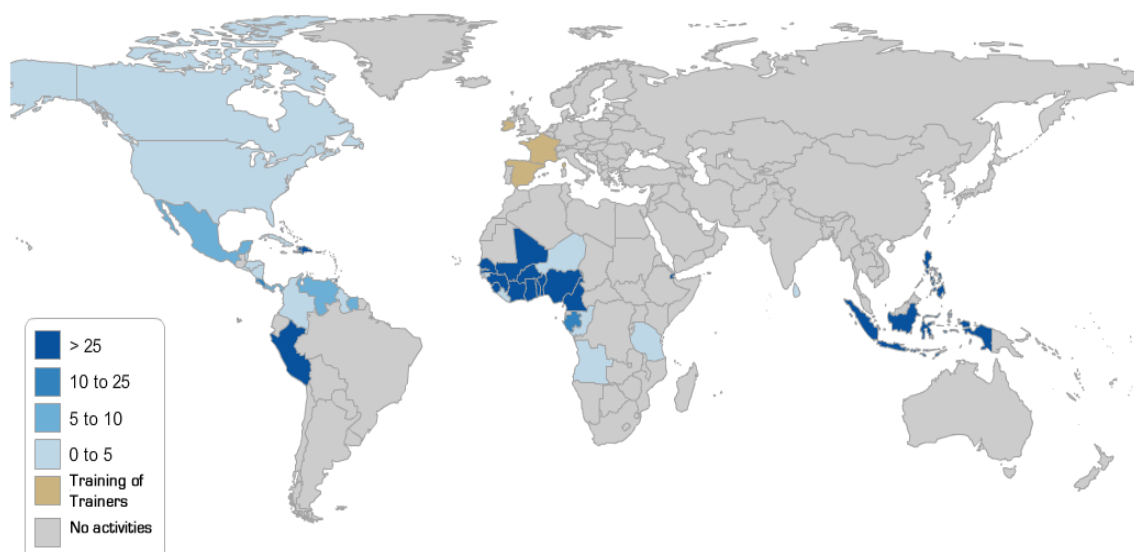
costs and carbon dioxide emissions. Train for Trade promotes the use of interactive and collaborative learning technologies and is recognized as a key player in developing distance-learning tools by Geneva-based international organizations.

482. In line with the idea of delivering as one United Nations, the Train for Trade programme collaborates on ICTs and knowledge sharing with other United Nations agencies.

483. **Outputs.** In 2015, the Train for Trade continued its collaboration with the Staff Development and Learning Section of the United Nations Office at Geneva by providing support to transfer the management of their Learning and Content Management System to their server. It has continued its collaboration with the World Food Programme to develop e-learning programme for their staff. Train for Trade also provided interdivisional support within UNCTAD related to capacity development and e-learning. In particular, Train for Trade started working with the Statistics and Information Branch to develop a new training package and make it compatible with tablets and smartphones (mobile learning).

484. The Train for Trade programme organized its annual Advisory Group meeting on innovation knowledge for inclusive and sustainable development – transferring knowledge through technology (22 October 2015), to which 34 participants from eight United Nations organizations, two universities (École Polytechnique Fédérale de Lausanne and Université Cheikh Anta Diop de Dakar) and two private sector companies (Nestlé and Google) contributed.

Figure 3  
**Train for Trade programme trainees by country, 2015**



485. **Results and impacts.** The impact of the activities conducted by Train for Trade is evaluated at different levels before, during and after the events related to technical assistance and advisory services. Needs assessments and fact-findings are conducted in close collaboration with national stakeholders through different mechanisms that foster national appropriation (e.g. national steering committees). During the activities, several questionnaires are administered and direct feedback from participants is collected and analysed. After the events, other types of

benchmarking are used to measure the level of commitment and participation of the stakeholders in the follow up of the recommendations.

(a) In 2015, Train for Trade delivered 31 face-to-face and e-learning courses in cooperation with other UNCTAD programmes. A total of 1,066 trade operators (30 per cent women) from 52 countries, including 14 LDCs, participated in these courses (see figure 3);

(b) Train for Trade enabled the World Food Programme to train more than 200 staff members worldwide through its e-learning platform;

(c) In 2015, Train for Trade, through its e-learning programmes, enabled 439 participants to participate in courses without traveling to the course location, thus avoiding more than 440 tons of carbon dioxide emissions.

(d) Thanks to e-learning, Train for Trade was able to continue delivering courses for participants in Ebola-affected countries;

(e) A survey was conducted at the end of the Advisory Group meeting on innovation knowledge for inclusive and sustainable development, and the results demonstrated that all participants found the subject clear and very relevant to their work. The experts from the United Nations Office at Geneva, International Federation of Red Cross and Red Crescent Societies, International Trade Centre, World Health Organization, WTO, International Organization for Migration, Economic Community of West African States, LSI, Council of Europe, École Polytechnique Fédérale de Lausanne, University of Dakar, Benin and Guinea commended UNCTAD for organizing the event, saying that it had brought forward innovative and feasible solutions and illuminated the issue of using big data and analytics to improve knowledge development and to support developing countries in evaluating their knowledge gaps. Participants also commended Train for Trade's efforts to provide this multi-faceted platform to share experiences and foster cooperation not only within the United Nations family but with leading private organizations. They stressed the importance of using ICTs as a tool to improve access to pedagogical materials and training, deliver training and facilitate knowledge sharing in order to increase the number of those who can be reached while reducing the cost of the activities. They particularly expressed their appreciation for the availability of the representatives of organizations and universities to share their experiences and practices on how to work with the emerging field in big data and analytics to better serve beneficiary communities, and to discuss the way forward to analyse the impact and relevance of e-learning activities for enhanced targeting and better results;

(f) Following the Advisory Group Meeting, Train for Trade produced a publication compiling the outcomes of the meeting (UNCTAD/DTL/2015/2).

## 2. Technical assistance projects: Project in West Africa

486. **Development context.** Trade plays a pivotal role in developing economies. E-commerce continues to grow both in volume and geographic reach, and is increasingly featured in the international development agenda. As the digital economy expands and more business activities are affected by this development, it is important to consider policies that can help harness e-commerce for sustainable development. In this context, a national e-commerce strategy developed in collaboration with relevant stakeholders can play a useful role.

487. Mobile telephone subscriptions in West Africa have risen sharply since 2000, as has the number of fixed broadband Internet subscriptions. Train for Trade

specializes in the application of new technologies in its capacity-building activities and can therefore meet the specific needs of the beneficiary countries.

488. **Objectives and features.** In 2013–2015, Train for Trade implemented a project to strengthen capacities in the area of e-commerce in West African countries in collaboration with the ICT Analysis Section and the Economic Community of West African States Commission. The project targeted legislators and decision-makers, as well as stakeholders who are actively involved in e-commerce, from both the public and private sectors.

489. The objectives of this project were to raise awareness, particularly among lawmakers and government officials on key aspects to be considered for the drafting of e-commerce laws, and to promote e-commerce in order to improve the business environment, promote investment and facilitate business start-ups in this area.

490. For this project, Train for Trade applied a blended-learning approach combining face-to-face activities with distance-learning courses.

491. Initially, beneficiary countries were Benin, Burkina Faso, the Gambia, Ghana, Guinea, Mali, Senegal and Togo. Upon country request, the project was extended to Côte d'Ivoire, Liberia, the Niger, Nigeria and Sierra Leone. The project followed Train for Trade's strategy, with particular emphasis on Millennium Development Goal 8 (Global Partnership for Development) and supported the implementation of existing legal frameworks on e-transactions at the national level through capacity-building workshops organized in 2013–2015.

492. The project was financed through the Development Account, in collaboration with the ICT Analysis Section, whose project was financed by Finland. Some of the beneficiary countries contributed to the project by self-financing participants or hosting face-to-face seminars.

493. **Outputs.** The main outputs in the last year of the project (2015) were as follows:

(a) Train for Trade delivered three distance-learning courses benefiting 221 participants and five face-to-face workshops benefiting 114 participants in the framework of its project in West Africa;

(b) At the end of the three-year project cycle, a total of 851 participants (22 per cent women) had been trained in e-commerce in 16 countries in West Africa;

(c) A total of 45 representatives of the Economic Community of West African States met during an expert meeting at UNCTAD (23–24 March) to share best practices to advance in cyberlaw harmonization in the fields of e-transactions, data protection and privacy, cybercrime, online consumer protection and taxation of e-commerce. This expert meeting was part of the UNCTAD E-commerce Week;

(d) The Review of e-commerce legislation harmonization in the Economic Community of West African States was produced and published.

494. **Results and impacts.** The project was evaluated positively by a team of independent evaluators, who concluded that the project had proven effective and that it had created important synergies with other related projects (notably the work of the ICT Analysis Section on legal frameworks for the growth of the online economy and the implementation of e-government services) and strengthened collaboration with regional organizations (notably the Economic Community of West African States) and facilitated collection and dissemination of relevant data to monitor trends and developments of the e-economy in the region. Interviewed participants confirmed the high relevance of the project saying that it "came at the right

moment”<sup>6</sup> and that it considerably helped to raise awareness of decision-makers as to the challenges of e-economy (covering both e-commerce and e-government, notably in all that relates to e-commerce, from fiscal policy to anti-fraud and consumer protection). More concretely, the project achieved the following results:

(a) E-commerce practitioners, policymakers and lawmakers from Africa are now contributing to the development and implementation of laws towards the harmonization of legal aspects of e-commerce in the region;

(b) Networks of professionals/practitioners and legislators were created across the region;

(c) Concrete action plans and recommendations on the integration and harmonization of e-commerce legislation in the Economic Community of West African States region were established following the training sessions;

(d) One of the participants said that thanks to the training, she had been made focal point for telecommunications operators (SOTELMA-SA) for all matters related to cyberlaw and consumer protection in Mali;

(e) The Head of the Special Brigade for the fight against cybercrime of Senegal has requested to repeat the distance-learning course on legal aspects for all brigades within the West African Economic and Monetary Union region;

(f) As a result of the workshops, the Nigeria Postal Service is currently revising its strategy to promote e-commerce and using its network to be the first player for the logistical aspects of e-commerce;

(g) In Togo, the Association PayCamp was created to promote e-commerce in Togo following the course on e-commerce for practitioners;

(h) In Côte d’Ivoire, a national fair to promote e-commerce within the West African Economic and Monetary Union was organized following the course on e-commerce for practitioners.

### 3. Technical assistance projects: Port Training Programme

495. **Development context.** The Train for Trade Port Training Programme plays a vital role in supporting port communities in developing countries in quests for efficient and competitive port management. In many developing countries, ports play a key role in connecting them to international trade. Furthermore, 80 per cent of international trade is channelled through ports (this percentage is even higher in LDCs). Hence, the way the maritime sector is organized has a profound impact on trade volumes and transport costs and is therefore decisive for a country’s competitiveness. Since the trade and maritime transport sectors are subject to constant regulatory changes, it is paramount that port officials are able to grasp the growing complexities of port management.

496. **Objectives and features.** The Port Training Programme brings together public, private and international entities to share expertise and best practices. Talent management and leadership development is a crucial part of the programme. The Port Training Programme operates through three language-based networks (English, French and Spanish) in Africa, Asia, Europe, Latin America and the Caribbean. The

<sup>6</sup> Phrases such as *le projet est venu à point* and *le projet est tombé juste au bon moment* were used by the focal points of seven of the eight initial target countries.

programme also hosts the high-end course on Modern Port Management, which entails a powerful scheme to induce value added solutions in port communities.

497. Partnerships have been established with European ports to share their knowledge and expertise with ports in the South. Annual regional meetings bring together port officials from different countries, promoting the sharing of experiences and expertise. South–South collaboration between port communities is promoted as it is crucial for knowledge sharing. For example, the exchange of participants is encouraged in order to increase their exposure to different port set-ups, as well as to facilitate the transfer of knowledge.

498. The programme also offers training of trainer courses and coaching sessions in order to support the capacity development of the instructors. The Modern Port Management course targets middle and senior managers and consists of 240 hours of training activities, which are divided into eight modules and delivered over a two-year span. The eight modules of the Modern Port Management course are:

- (a) International trade and transport;
- (b) Organization of a port system;
- (c) Functioning of a port system;
- (d) Future challenges to ports;
- (e) Methods and tools of port management;
- (f) Economic and commercial management;
- (g) Administrative and legal management;
- (h) Technical management and human resources development.

499. To obtain the UNCTAD Certificate in Modern Port Management, participants must complete each module and defend a dissertation. Many former participants in the Modern Port Management programme become instructors and therefore take more responsibility at the senior management level, thereby also multiplying the effects of the programme. Other indicators of the effectiveness of the programme in the field are the validation of the quality of participant dissertations by international and regional port experts, and the relevance of the dissertations (about 150 each year) to improve services in the port community.

500. **Outputs.** Train for Trade compiles the best case studies from each of the port training networks and publishes them under the annual UNCTAD Port Management Series. The second volume of the UNCTAD Port Management Series featuring best case studies from the member ports of the French-speaking network was published in 2015 (UNCTAD/DTL/KDB/2015/1). The third volume featuring best case studies from the Spanish-speaking network was produced (UNCTAD/DTL/KDB/2015/3) and is due to be published.

501. The International Port Performance Workshop (English, French, Portuguese and Spanish port training networks). The UNCTAD Train for Trade Port Training Programme, in collaboration with the Indonesia Port Corporation and with the support of Irish Aid, co-organized the Second International Port Performance Workshop from 29 September to 2 October 2015, in Jakarta, Indonesia. The workshop reviewed the structure of the Port Performance Scorecard, fine-tuned the selected metrics and technical definitions for the data and reviewed the data collection methods employed during the first cycle of the project. The workshop attracted 55 participants from all four port training networks (English, French, Portuguese and Spanish) representing Angola, Benin, the Dominican Republic,



Ghana, Indonesia, the Philippines and the United Republic of Tanzania. The resulting memorandum agreed upon with all participants contains the changes to the list of indicators and the names and contact points for each of the ports committed to pursuing the system further, starting with the submission of data for the year 2014.

502. **Results.** The main results of the Train for Trade Port Training Programme are summarized as follows:

- (a) Four new benchmarks were added to the metrics;
- (b) Six new ports committed to join the Port Training Programme framework and submit data covering the period 2010–2014 to be in line with existing members;
- (c) The Port Management Series publication on port performance was completed.

503. **French-speaking network.** In 2015, the French-speaking network of the Port Training Programme was composed of the port communities of Benin, Djibouti, Cameroon, Côte d'Ivoire, Gabon, Guinea, Haiti, Senegal and Togo.

504. **Outputs.** In 2015, the French-speaking members of the Port Training Programme held final dissertation panels and organized new training cycles of the Train for Trade Port Training Programme in Benin, Cameroon, Côte d'Ivoire and Djibouti.

505. A needs assessment mission was conducted in Haiti, the latest member country of the French-speaking network. Subsequently, a coaching workshop was organized in cooperation with Haiti's National Port Authority (11–14 July 2015). Thirteen senior port managers (30 per cent women) attended the course. Among the participants were two representatives of the Port of Cotonou.

506. The annual coordination meeting of the French-speaking network took place from 14 to 16 April 2015 in Geneva. The directors general and focal points of the ports of Benin, Côte d'Ivoire, Guinea, Haiti, Senegal and Togo reviewed the activities of the past year, exchanged best practices and agreed on the way forward. A representative of the Port of Algiers, Algeria, and two observers from the Democratic Republic of the Congo took part. Representatives of the Permanent Missions to the United Nations Office at Geneva also attended the meeting (Benin, Côte d'Ivoire, the Democratic Republic of the Congo, Equatorial Guinea, Guinea, Senegal and Togo).

507. In line with the action plan agreed upon at the coordination meeting in Geneva, a training of trainers workshop covering modules 5–8 of the course in Modern Port Management was organized from 8 to 19 June 2015 in cooperation with Marseille Fos port in Marseille, France. The seminar included 30 participants (6 women) from 27 member countries of the French-speaking network of the UNCTAD Train for Trade Port Training Programme (namely Benin, Cameroon, Côte d'Ivoire, Djibouti, Guinea, Haiti, Senegal and Togo) and three representatives of observer ports (the Comoros, and Brazzaville and Pointe Noire, the Congo). The modules were taught by 12 instructors from the Port of Marseille and an expert from the Port of Valencia, as well as instructors from the Autonomous Port of Abidjan, the Port of Dakar and Douala Port Authority, Cameroon. At the end of the seminar, participants received UNCTAD port management certificates and a flash drive containing all the teaching materials used during training.

508. **Results and impacts.** At the end of the coaching workshop in Haiti, participants evaluated the training very positively. The individual test results confirmed that the objectives of the seminar had been achieved. Ninety per cent of

participants agreed or strongly agreed that the training was useful and the quality of the modules was good. Ninety per cent were satisfied with the teaching materials and stated that the workshop had met its objectives. The first training cycle in Haiti was launched in October 2015 with 24 participants (8 women).

(a) Thirteen participants of the coaching workshop have been trained in the Train for Trade teaching methodology, thus improving their ability to deliver training activities in their own port communities and strengthening the local ownership and sustainability of the programme. They are now the trainers of Haiti's first training cycle.

(b) The vast majority of participants of the training of trainers workshop in Marseille considered the organization of training as good or very good. Most participants felt that the approach used to teach the modules had been effective and that the quality of the training material was good or very good. The content of the modules was evaluated as good or very good by a large majority of participants. Participants particularly enjoyed discussions and exchanges among themselves, as well as the audiovisual media used (slides, videos, etc.).

(c) A former participant of the Train for Trade course in Modern Port Management became the General Director of the Port of Cotonou in November 2015. She started her career as a participant in the Train for Trade Course in Modern Port Management and was later promoted to the position of Director of the Human Resources Department of the Port, then was minister of various resorts (commerce, family, microfinance, sports) within the Government of Benin before returning to the Port of Cotonou. This is a concrete example of the impact of the programme.

509. English-speaking network. In 2015, the English-speaking network of the Port Training Programme was composed of the port communities of Ghana, Indonesia, Nigeria and the Philippines. The English-speaking network benefits from financial contributions of Irish Aid and from the collaboration of three ports, namely Port of Cork Company, Dublin Port Company and Belfast Harbour Commissioners.

510. **Outputs.** A training of trainers workshop covering modules 5–8 of the Modern Port Management course was organized by Train for Trade and the Port of Cork Company in cooperation with the Dublin Port Company and Belfast Harbour Commissioners in Cork, Ireland (5 to 15 May 2015). The event also benefited from contributions from University College Cork and Dublin International Aviation Training Academy and from the support of Irish Aid. The workshop was attended by 19 senior managers (5 women) from port communities in four countries (Ghana (6), Indonesia (2), the Philippines (10) and Sri Lanka (1)). The workshop comprised eight working days, with each day divided into four 90-minute sessions and, on average, one module completed every two days.

511. Train for Trade organized a coaching workshop in cooperation with the Nigerian Ports Authority and with the support of Irish Aid in Abuja (3–6 February 2015). The purpose of the workshop was to strengthen the teaching and training skills of local instructors and focal points, as well as their ability to organize, conduct and assess the different modules of the Modern Port Management course. Nineteen participants (26 per cent women) successfully completed the workshop. The participants were composed of fourteen active senior managers from port communities in Nigeria, four retired senior managers and one private sector veteran of the Nigerian Maritime Industry. The workshop was organized in seven modules, which covered the aspects of organizing, conducting and assessing training workshops. During the workshop, the participants took individual tests, completed group exercises, gave presentations and took part in role-play activities.

512. **Results and impacts.** The main results were as follows:

(a) At the conclusion of the training of trainers workshop in Cork, over 80 per cent of the participants agreed that the training methodology was effective, the training material clear and accurate, the coverage of the course subject appropriate and the quality of the written materials (manuals, annexes, etc.) good; 95 per cent of participants agreed or strongly agreed that the depth at which the course explored the different topics was appropriate; and 90 per cent of participants agreed that the teaching objectives had been met for all modules;

(b) The results of the tests and other exercises confirmed that the teaching and training objectives of the coaching workshop in Nigeria had been achieved. The average individual score for all assignments was 79 per cent. Participants highly appreciated the course and considered it a success. On average, at least 68 per cent of participants agreed or strongly agreed that for each module the subject was clear, content relevant to their job requirements, exercises practical and teaching aids clear and interesting and that the training objectives had been achieved. In addition, 70 per cent of participants agreed or strongly agreed that the course had been well organized, the training methodology effective, the subject covered appropriately and the training material clear and accurate. Finally, 74 per cent of participants agreed or strongly agreed that the written and audiovisual material was of excellent quality;

(c) At the conclusion of the training of trainers workshop in Cork, the representatives from UNCTAD, Irish port partners and member port communities from Africa and Asia held a coordination meeting. They reaffirmed their commitment to the programme and validated the remaining components of the action plan that extended to the end of 2015 and beyond.

(d) Nineteen current and future instructors were trained by UNCTAD trainers in the Train for Trade teaching methodology, thus improving their ability to deliver training activities in their own port communities and strengthening local ownership and sustainability of the programme. In 2015, modules 1–3 of Nigeria's first cycle were successfully delivered with an average of 86 per cent of participants agreeing or strongly agreeing that the training had been well organized, with topics well covered.

(e) In Indonesia, the Modern Port Management training programme has been fully integrated in the human resources strategy of the Indonesia Port Corporation. The President Director confirmed that mentoring younger staff members is central to this strategy, with the training programme as one of its key elements. The best candidates are selected for rotations in various ports to expose them to a larger scope of port activities in the country and to increase their level of responsibility. This new vision of management and company culture has been thriving for the last five years and produced excellent results for the Indonesia Port Corporation. Of the 16 subsidiaries, 13 are new companies with young directors trained by UNCTAD.

513. **Spanish-speaking network:** In 2015, the Spanish-speaking network of the Port Training Programme was composed of the port communities of the Dominican Republic and Peru. The Spanish-speaking network benefits from the collaboration of the ports of Valencia and Gijon, Spain. The Port Authority of Valencia also gave a financial contribution to the programme.

514. **Outputs.** The main outputs in 2015 were as follows:

(a) Organization of an instructors workshop in the Dominican Republic, in cooperation with Haina International Terminals and under the auspices of the Port Authorities of Valencia and Gijon (9–12 March 2016). Sixteen port managers (six women) from the public and private sector of the port communities of the Dominican

Republic, Peru and the Bolivarian Republic of Venezuela participated in the course. The aim of the course was to enhance port manager capacities and skills to develop the port training course in their own countries. All participants succeeded in the examinations and received the UNCTAD Instructor certificate;

(b) Study tours. Three of the best participants of the promotion 2013–2014 of the Port Training Programme in the Dominican Republic and Peru participated in a study tour organized by Train for Trade at the Port of Valencia (May 2015);

(c) Organization of a training of trainers workshop of modules 1–4 of the Modern Port Management course in Valencia, with the cooperation of the Port Authority of Valencia and under the auspices of the Port Authority of Gijón (9–20 November 2015). Ten port managers (five women) from the Dominican Republic, Peru, Portugal and the Bolivarian Republic of Venezuela participated in the course. The aim of the course was to prepare the senior managers for their roles as future instructors to deliver modules 1–4 in their port communities;

(d) Launch of cycle IV of the Port Training Programme in Peru and delivery of modules 1–4 of the Modern Port Management course for 28 senior and middle port managers (7 women) from the public and private sector;

(e) Launch of cycle II of the Port Training Programme in the Dominican Republic and delivery of modules 1–4 of the Modern Port Management course.

515. **Results and impacts.** The main results were as follows:

(a) At the request of beneficiary countries, a new cycle of the Port Training Programme was launched in the Dominican Republic and Peru. The certified/national instructors trained in the instructors workshop and in the training of trainers participated in the delivery of the course to senior and middle managers in the Dominican Republic and Peru, applying the Train for Trade methodology and the knowledge acquired and enhancing the knowledge and skills in port management-related issues of an increased number of senior and middle managers, thereby empowering local port communities;

(b) As a result of the study tour, participants were able to propose improvements at their ports thanks to exchanges of information they had in Valencia;

(c) Participants from the Dominican Republic and Peru have enhanced their knowledge and skills related to topics delivered in modules 1–5 of the Modern Port Management course and have started to work on the case studies they will present in 2016 at the end of the course;

(d) It is important to highlight that some of the case studies presented by participants of the promotion 2013–2014 were implemented in their ports in 2015, promoting port efficiency. The case study implemented in Haina International Terminals (Santo Domingo) allowed savings of more than \$700,000 for the enterprise in 2015, and an enhancement of port productivity, and security at night;

(e) Observer countries such as the Plurinational State of Bolivia and the Bolivarian Republic of Venezuela participated in some of the activities of the Port Training Programme. The Plurinational State of Bolivia requested UNCTAD to undertake a mission analysis in 2016 before becoming a country member of the Port Training Programme, and the Bolivarian Republic of Venezuela reiterated its interest in becoming a country member of the Spanish-speaking network. Following Portugal's participation in the training of trainers in Valencia, the port Authority of Sines and the Permanent Mission expressed their interest in joining the Port Training Programme.

**4. Technical assistance projects: Legal aspects of e-commerce in collaboration with the Information and Communications Technology Analysis Section, the Latin American and Caribbean Economic System secretariat and the Association of Caribbean States secretariat**

516. **Development context.** Train for Trade organized a distance-learning course on legal aspects of e-commerce in English in collaboration with the ICT Analysis Section, the Latin American and Caribbean Economic System secretariat and the Association of Caribbean States secretariat.

517. **Objectives and features.** The objectives of this course were to raise awareness particularly of lawmakers and government officials on key aspects to be considered for the drafting of e-commerce laws and to promote e-commerce in order to improve the business environment, promote investment and facilitate business start-ups in this area.

518. **Outputs.** The main outputs were as follows:

(a) More than 130 participants (53 per cent women) from 21 countries in the Caribbean attended the course.

(b) The course was followed by a regional workshop on the harmonization of e-commerce legislation in Trinidad and Tobago in September 2015.

(c) A publication entitled “Review of e-commerce legislation harmonization in the Caribbean” will be produced and published.

519. **Results and impacts.** The main results were as follows:

(a) E-commerce practitioners, policymakers and lawmakers from Latin America and the Caribbean are now contributing to the development and implementation of laws towards the harmonization of legal aspects of e-commerce in the region;

(b) Networks of professionals/practitioners and legislators were created across the region.

**B. Course on key issues on the international economic agenda**

520. **Objectives and features.** The course on key issues on the international economic agenda, or paragraph 166 course, is delivered in two forms, namely short courses (half-day) for Geneva-based delegates and a three-week regional course for the five developing regions, for capital-based economic policymakers, academics and others.

521. The course is a unique integrated cross-divisional programme in UNCTAD. The curriculum is designed and developed by the Policy Capacity-Building Section of the Knowledge Development Branch, with strong involvement and support from experts in different divisions. During the design phase, collaboration is also sought with the regional commissions of the United Nations and with national experts to ensure a rich, coherent programme on the various relevant areas of economic policy frameworks, to ensure that the programme focuses on development as its central theme. To illustrate how economic policies can have such an impact, the curriculum is integrated and showcases the different models of development, including the Sustainable Development Goals adopted in 2015; lectures on economic trade and finance theory and their relevance to policy development; the role of investment and technology; and finally criss-crossed with detailed case studies and lessons learned from previous policy decisions. This is to promote critical thinking, with emphasis

placed squarely on policy design, coherence, coordination, implementation and measurement. Policy development exercises and role-playing, examinations and critiques of best practices in policy development, group work and debates are central themes of each regional curriculum. National case studies are therefore crucial to ensure that regional experiences may be shared and learning enhanced for future policymaking.

522. The curriculum of the regional course provides a fully integrated and interrelated approach for several substantive topics developed in the research work of UNCTAD. In addition, it is adapted to each developing region and contributes to knowledge development and the understanding of contemporary economic issues among trade policy officials, finance and investment experts and academics who work in these areas. In particular, the curriculum focuses on the development of appropriate trade, finance, investment and innovation policies that are critical to achieve economic gains, which in turn meet the development objectives of participating countries.

523. Achieving macroeconomic stability, with a sound monetary and fiscal regime, is paramount to the design of and support for development objectives. Mobilizing resources appropriately from domestic sources, complemented by relevant borrowing, can help promote economic activities and growth. Policymakers are encouraged to consider sound fiscal policies to support such initiatives in a changing global environment. The need to stimulate productive investment, develop local markets and promote diversification will require adopting relevant industrial policies. This also suggests that public investment itself should be targeted towards human capital and infrastructure development. The importance of developing a relevant industrial policy is key to the concept of developing and implementing policies to attract and embed FDI. This may benefit small and medium-sized enterprises through business linkages, the development of regional and global value chains and the development of know-how. Science and technology issues that impact on the manner and ways that innovation in agriculture, energy and other areas can provide value added to products that have domestic and international appeal are also illustrated in the curriculum. Remaining competitive, whether in promoting domestic activity or in export-oriented sectors, for example, is crucial to ensuring long-term economic growth. In addition in the curriculum, the importance of logistics to facilitate trade to ensure sustainable exports and imports is highlighted and debated. Trade negotiations, whether at the multilateral, regional or bilateral levels, that directly achieve benefits from trade and investment and consequently bring development gains, remain an essential part of the course.

524. Both face-to-face instruction and distance learning have been integrated into the UNCTAD regional course since 2015. A newly designed e-learning module was introduced. The module is divided into four parts, covering comprehensive knowledge of the history of UNCTAD, its three pillars of work and structure, the role of UNCTAD and other international organizations and UNCTAD achievements and contributions. It is also accompanied by quizzes and a final assessment. Selected participants must successfully pass the final assessment in order to attend the face-to-face session later in the respective host countries. This module not only enhances participants' knowledge of UNCTAD and its work, but promotes the image of UNCTAD by introducing its contributions and achievements.

525. **Outputs.** In 2015, three regional courses were organized, for Africa (Mauritius, February), for Latin America and the Caribbean (Colombia, July) and for Asia and the Pacific (Singapore, November). A total of 67 policymakers, academics and others (including 33 women) attended these courses from 45 countries. It is

worth noting the nearly 50 per cent gender balance in the regional and short courses of the paragraph 166 programme.

526. The multi-year venue initiative is an innovative way of raising financial support, gaining experiences from various economies and enhancing bilateral cooperation at the country level. Multi-year venues continue to support this programme in all five developing regions for the paragraph 166 courses, as follows:

- (a) University of Belgrade, Serbia, courses from 2014 to 2018 for countries with economies in transition;
- (b) Ministry of Commerce and Industry, Oman, courses from 2014 to 2018 for Western Asia;
- (c) University of Mauritius, courses from 2013 to 2017 for Africa;
- (d) EAFIT University, Colombia, courses from 2015 to 2019 for Latin America and the Caribbean;
- (e) Cooperation Programme, Ministry of Foreign Affairs, Singapore, courses from 2015 to 2019 for Asia and the Pacific.

527. Multi-year venues are a key indicator of the support that member States accord the flagship course, and also serve to raise the predictability of delivery and provide important financial support to the secretariat.

528. The short courses continued to update Geneva-based delegates on the most recent issues and developments on the international economic agenda. Five such courses, in cooperation with several UNCTAD divisions, were offered in 2015 (six short courses were initially planned, but due to an instructor's urgent medical condition, the short course on 9 April was cancelled) on the following issues:

- (a) The contribution of structural transformation to meeting sustainable development goals (17 March);
- (b) Promoting innovation policies for industrial development (9 April, cancelled);
- (c) Finance for development and the post-2015 agenda (15 May);
- (d) UNCTAD programme on NTMs in world trade (1 October);
- (e) Trade logistics, transport, trade facilitation and customs automation: Issues and the UNCTAD role (2 November);
- (f) Promoting investment in sustainable development goals (8 December).

529. A total of 116 delegates (including 54 women) from 92 permanent missions of developed countries, developing countries, countries with economies in transition and international organizations participated in these short courses.

530. The short courses offer an opportunity for rich and informed dialogue between UNCTAD researchers and Geneva-based representatives of member States, creating a virtuous knowledge-sharing circle where experts are given the opportunity to present their most recent research to delegates, whose comments and questions in turn provide directly relevant ideas and potential research topics to UNCTAD research work. These sessions are usually well attended and provide a lively debate forum for delegates and UNCTAD research experts.

531. **Results and impacts.** The evaluations of the regional courses continued to show that participants and their sending departments appreciated the debates on development-related thought and the integrated approach of the programme to

ensuring that economic gains benefit development. This is inherent in the design of the curriculum, which treats development from the multiple perspectives of trade, finance, investment and technology. It particularly highlights that the debates and design and implementation of appropriate economic policies can contribute to growth and the development process in general.

532. Most participants from the courses in Colombia, Mauritius and Singapore stated that the course gave clear insight and improved knowledge on international economic issues and development aspects at the national, regional and international levels. The important role of international trade in improving economic development was well understood, including the links between international economic, social and financial issues. The approach to link theory, policy and practice in economic policy development was excellent. It was enriching in its approach to trade, development and investment at the regional and international levels. One participant at the Mauritius course mentioned that regional integration particularly in trade and investment is key to addressing the development challenges in Africa. Lessons on trade as an enabler to development and the need to fully assess the overall macroeconomic situation in solving a country's challenges were also mentioned. Many also praised the lessons learned from economic diversification and the benefits that may be achieved for the economy. Most participants expressed that the curriculum had surpassed expectations, been helpful and provided overall knowledge on international economic issues and development, and participants stated that they had learned about global economic issues, why economic changes take place and how it affects economies. More importantly, how to tackle economic-related issues through policymaking was well understood. The case studies in Singapore and other Asian countries were particularly helpful to most participants from Asia and the Pacific, who believed that the experiences and lessons learned could be adjusted and utilized to improve their countries' economic development, trading policy, institutional framework design and sustainable development.

533. An assessment of impacts was made using the evaluations participants provided at the end of each course. Many participants from the courses in Colombia, Mauritius and Singapore reported that they were already using the knowledge and tools acquired in their daily work, such as economic policy improvement, trade negotiation, policy formulation, strategic planning, industrial development, attraction of FDI and employment creation, as well as professional education. Many also reported a better understanding of the essential role that trade agreements play in trade negotiations in their projects and how to keep in mind the importance of targeting trade agreements to development as the starting point of any national focus. Many also mentioned the linkages among international trade, finance, investment, technology and innovation as key pillars of the development strategy, and these areas were now firmly integrated in the manner in which the participants approached development-related work in the sending ministries. One participant from Africa indicated that they had gained an ability to analyse development-related challenges that many African economies faced. While many specified the need for an integrated approach among various countries to address the development of economic and socioeconomic objectives, others indicated that the knowledge gained was helping them achieve a better understanding of contemporary economic issues and how to cope with the challenges of the new multilateral trading system. Some participants from South America mentioned that the courses improved their understanding of the dynamic global trade and economic agenda with highly insightful contents and clear logic, which had been used in trade facilitation, programme planning and policy formulation. Several participants from Asia and the Pacific indicated their ability to now employ analytical tools in the decision-making process and to pursue relevant



development policies to address economic challenges. Many policymakers repeatedly cited that the important lesson of policy coordination at the national level had been an eye opener. Many participants complimented the curriculum's ability to promote debate and highlighted the policy development role-playing exercises as an example of how knowledge could be shared and transferred among regional policymakers.

## **XV. Cluster XV: Science, technology and innovation**

### **Lead entity: Division on Technology and Logistics**

534. The programmes under this cluster (table 15) seek to support the following: capacity-building in developing countries with regard to the design and implementation of effective national systems of science, technology and innovation; technology transfer; South–South cooperation in science and technology.

Table 15  
**Science, technology and innovation**

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
INT/0T/7CB	Special trust fund for activities related to the Commission on Science and Technology for Development with regard to World Summit on the Information Society follow-up	2007–	Switzerland
INT/0T/BCW	Improving access to medical products in developing countries through capacity-building for local production and related technology transfer, phase II	2012–	World Health Organization
ROA-2902 (I8)	Strengthening national capacities to manage policies and frameworks in science, technology and innovation in Asian countries	2013–	Development Account
ROA-2940 (AS8)	Strengthening science, technology and innovation capacities for sustainable development	2014–	Development Account

### **A. Science, Technology and Innovation Policy Review programme**

535. **Development context.** The basic assumption that underpins this work is that innovation, particularly innovation based on knowledge, is a key driver of economic growth, structural transformation and sustainable development. Among the capabilities that developing countries need to generate in order to harness science, technology and innovation for development, sound policymaking frameworks leading to the establishment of effective innovation systems are key. While this is recognized by the Governments of many developing countries, designing and implementing national science, technology and innovation strategies and policies presents considerable challenges for many of them. There is a clear need to support a

process of science, technology and innovation policy learning and experimentation and the dissemination of good practices.

536. **Objectives and features.** The Science, Technology and Innovation Policy Review programme provides policy advice to countries requesting assistance in building and maintaining a dynamic and responsive science, technology and innovation framework that can foster technological capabilities, create effective innovation systems, facilitate technology acquisition and improve national innovation performance. It aims to ensure that national science, technology and innovation programmes become an instrument for supporting relevant components of the national development agenda, helping local industry compete in a knowledge-based, global economy. The theoretical framework that underpins the programme and its implementation methodology are presented in *A Framework for Science, Technology and Innovation Policy Reviews* (available at [http://unctad.org/en/Docs/dtlstict2011d7\\_en.pdf](http://unctad.org/en/Docs/dtlstict2011d7_en.pdf)).

537. The reviews assess the strengths and weaknesses of State innovation systems, including the policy framework, capabilities, innovation efforts and performance, and generally include an analysis of the technology and innovation challenges and opportunities in specific industries or issue areas (such as ICT, biotechnology or energy) of high priority for the beneficiary countries. Key science, technology and innovation issues that affect the productivity and competitiveness of industries are identified. The reviews include recommendations for action to revamp policy frameworks, including policies, regulations, measures and practices that can improve technological and innovation capacity, increase investment in innovative activity, raise productivity and upgrade competitiveness. The primary beneficiaries of the reviews are the major players in the national innovation system, such as policymakers (from the science and technology ministries or similar bodies, trade and industry ministries and other ministries of key importance for science, technology and innovation), the business community and academic and research institutions.

538. **Outputs.** A main set of outputs of the programme in 2015 were the publication of the *Science, Technology and Innovation Policy Review: Thailand*, its presentation at the international level at the eighteenth session of the Commission on Science and Technology for Development and its presentation at the national level in September 2015, and the organization of a workshop on financing innovation in Thailand to support the implementation of one of the recommendations contained in the review.

539. Another output of the programme in 2015 concerned the follow-up of the *Science, Technology and Innovation Policy Review of Oman*. Advisory services were provided in support of the work undertaken by The Research Council of Oman – the science, technology and innovation policy review national counterparts – to develop a National Innovation Strategy. The Research Council, having played an active role in the science, technology and innovation policy review, established a development and drafting process on the basis of four substantive pillars for Oman's future innovation strategy and policy: communications; human capital; diversification; intellectual property. In October 2015, The Research Council invited UNCTAD to join it in a critical review of the work in progress. A workshop was organized with plenary meetings held to hear presentations by the stakeholders that had led each pillar, followed by discussion, debate and constructive criticism and feedback from other pillar teams and from the UNCTAD mission. Private meetings were held with The Research Council committee designated as the policy development quality control organ, and a special session on the specificities of the development

implications of intellectual property was organized in cooperation with the Intellectual Property Unit of the Division on Investment and Enterprise. After the mission, UNCTAD provided The Research Council with detailed comments and reflections on the key challenges for development of the National Innovation Strategy. One of the challenges identified was the need to align the understanding of innovation among the various stakeholders and policymakers involved in the National Innovation Strategy development and work of the pillar teams. In response to this challenge, The Research Council invited UNCTAD to deliver in early 2016 a four-day training session on science, technology and innovation policy concepts and practice, including a unit on technology transfer.

540. A science, technology and innovation policy review process for Iran was started in mid-2015 and is currently being implemented, with a first fact-finding mission held in November 2015 and the ongoing drafting of initial reports. The review has included discussions with a large number of key domestic stakeholders. It comes at an important juncture for the country, as it embarks on reintegration into the world economy, bringing the potential for economic modernization and improved prospects for achieving sustainable development. The review is scheduled for completion in 2016.

541. In 2015, preparations for the conduct of the Science, Technology and Innovation Policy Review of Rwanda were initiated. Following initial discussions among the delegations of Rwanda and Germany at the Commission on Science and Technology for Development and UNCTAD, the German Agency for International Cooperation came forward to fund this activity. Exchanges between UNCTAD and the Permanent Mission of Rwanda helped define the scope of the science, technology and innovation policy review as one focusing on economic policy and firm-level science, technology and innovation challenges and opportunities, while consultations with the German Agency for International Cooperation established a common understanding on methodological aspects – the science, technology and innovation policy review will have quantitative and qualitative facets – and firmed up the notion that the review should provide direction for enhancing international cooperation with Rwanda's science, technology and innovation stakeholders and energizing its innovation potential. Funding was received in late 2015 and work is planned for the second quarter of 2016 onwards.

542. Another key set of outputs that was directly linked to the needs identified, and experience gained through the implementation of the science, technology and innovation policy review programme, was the elaboration of training material on science, technology and innovation policymaking and the organization of two training activities for officials and policymakers under the new project on strengthening science, technology and innovation capacities for sustainable development. One regional course for South American countries was held in Colombia and another for Central American and Caribbean countries in Cuba. This work also allowed the joint organization with the United Nations Economic and Social Commission for Western Asia of a regional workshop for science, technology and innovation officials and policymakers (Amman, June 2015).

543. **Results.** The *Science, Technology and Innovation Policy Review: Thailand* had several achievements. First, it increased the level of awareness and understanding among policymakers of innovation policy, as evidenced by the level of participation at the national presentation of the review. Second, the diagnosis and the nine set of recommendations contained in the review served as inputs to science, technology and innovation policy reform. Finally, the review helped raise awareness of the importance of national innovation policy frameworks among policymakers

from other countries, as evidenced by the number of requests for science, technology and innovation policy reviews made by other countries following the international presentation of the review of Thailand. At the present time, there are seven requests for the implementation of science, technology and innovation policy reviews for which funding needs to be identified.

544. The workshop on financing innovation developed a more detailed understanding among policymakers in Thailand regarding the efficient design, management and evaluation of financing instruments for supporting private sector research and development and innovation in Thailand. It contributed to the design of locally relevant innovation funds.

545. The workshop on the national innovation strategy of Oman resulted in a clearer focus for the efforts of the national counterpart to translate the recommendations of the *Science, Technology and Innovation Policy Review of Oman* into an actionable document, and provided an opportunity for the stakeholders that had been involved in the drafting of the document to gain a better understanding of the systemic implications of their sectoral policy proposals.

546. As a result of the project on strengthening science, technology and innovation capacities for sustainable development, 95 stakeholders from 29 developing countries have a better understanding of science, technology and innovation policies and of the systemic nature of science, technology and innovation policies, and have developed a valuable network of contacts with relevant specialists in the region and internationally. Moreover, at least 10 specific policy actions have been identified by these stakeholders to enhance science, technology and innovation that promotes and supports sustainable development. Training material is now available in English and/or Spanish to be used in future training courses for policymakers. However, as in the case of pending science, technology and innovation policy reviews, extrabudgetary funding needs to be identified for the implementation of these activities.

## **B. Project: Improving access to medicines in developing countries through pharmaceutical-related technology transfer and local production**

547. **Development context.** Ensuring access to medical products is a complex undertaking requiring national Governments, the international community and all stakeholders to balance the availability of quality assured medical products (supply side) with meeting public health needs in an accessible and affordable way (demand side). Supporting local production is one means by which Governments in the developing world may seek to maintain this balance.

548. This project, with UNCTAD as one of the leading partners, is funded by the European Union, and aims to ensure policy coherence between industrial, trade and health policies in developing countries. Trends show that although local production is growing and diversifying in many countries through national efforts, many other countries, particularly in Africa, are still struggling to increase their ability to produce important medical products. Furthermore, the experiences of many developing countries show that, often, enhancing domestic industry capacity does not automatically translate into cheaper and affordable medicines for all. Therefore, the main aim of the project is to promote a comprehensive and system-wide approach to the local production of medical products through greater coherence between industrial, trade and health policies. The project is embedded in ongoing

efforts in Africa, such as the Pharmaceutical Production and Manufacturing Plan for Africa.

549. **Objectives and features.** In order to reconcile the divergent policy objectives on industrial production and public health in national contexts, and the need to foster greater collaborations between the two goals, UNCTAD in phase II of the project seeks to conduct analysis, develop methodologies and facilitate strategic choices based on:

(a) In-depth country analysis reports that highlight the necessary actions to achieve policy coherence between the two goals in order that local production has the potential to improve access;

(b) Design and delivery of tailor-made country capacity-building and training activities that will benefit the four chosen project countries, namely Ethiopia, Ghana, Kenya and the United Republic of Tanzania.

550. **Outputs and results.** Given the emphatic focus on building capacity for local production and related access to medical products in Africa as part of the project, and in order to systematize and augment the information available on these issues in the African context, a situational analysis at the regional level for Africa was undertaken as a first step to guide the capacity work. This UNCTAD study, entitled “Local production of pharmaceuticals: A regional situation analysis for Africa”, was completed in 2014.

551. In 2015, UNCTAD completed a policy manual on the local production of access to medicines, which served as the background document to structure the capacity-building activities envisaged by the project. This manual, entitled “Manual on policy coherence for pharmaceutical production and innovation” was developed and produced by UNCTAD and was peer reviewed by external experts.

552. UNCTAD conducted week-long fact-finding missions in all four countries, three of which (Ghana, Kenya and the United Republic of Tanzania) were conducted in 2015. These fact-finding missions helped assess the status of local production, policy frameworks, innovation impediments and missing linkages. They also helped provide background information on how to organize the capacity-building dialogues to best meet each country’s needs.

553. Country reports on pharmaceutical production and policy coherence issues for the four countries, based on the field investigations, informed capacity-building and training modules and were presented at the high level capacity-building dialogues in each country.

554. In each country, the local production capacity-building workshops were organized in collaboration with the ministries of health, industry, trade, science and technology and national drug regulatory authorities; public research institutes and medical research councils; agencies involved in intellectual property and innovation; intermediary agencies providing incubation services for pharmaceutical production; academia; non-governmental organizations; the private sector; and international agencies. Additionally, relevant World Health Organization country offices, the World Health Organization Regional Office for Africa, United Nations Industrial Development Organization, United Nations Development Programme and representatives from European Union delegations were invited. An UNCTAD high-level capacity-building workshop on policy coherence for local pharmaceutical production and access to medicines in Ethiopia was held in Addis Ababa (25–27 November 2014), gathering relevant stakeholders towards development of a national framework for improved access to medicines through domestic

manufacturing. Similar high-level dialogues were held in 2015 in Kenya (March), the United Republic of Tanzania (November) and Ghana (December).

555. Capacity-building and training activities focused on a mutually supportive, complementary and coherent combination of policies that is required to ensure the long-term sustainability of pharmaceutical production in countries to cater to public health goals. Alignment between medical regulation, industrial and investment policies, science, technology and innovation policies, intellectual property policies, insurance policies and technology transfer policies appears to be particularly important. These sessions also included the training of trainers in order to ensure self-sufficiency of countries to follow-up on such policy coherence exercises in the mid-term and long-term, beyond the scope of the project.

556. The research and analysis carried out by UNCTAD and its partners in the second phase of the project is an important contribution to the work ongoing to promote local production of pharmaceuticals in Africa, especially under the auspices of the Pharmaceutical Production and Manufacturing Plan for Africa. The project also complements the work being conducted by the United Nations Development Programme in Ghana and the United Republic of Tanzania, and United Nations Industrial Development Organization in Ghana, Kenya and several other countries, and UNCTAD continues to actively collaborate with the United Nations Development Programme, the United Nations Industrial Development Organization, the European Union and other agencies in this regard.

557. UNCTAD work in Ethiopia has encouraged the Government of Ethiopia to intensify its efforts to promote the domestic pharmaceutical sector under the second Growth and Transformation Plan of Ethiopia (2016) and to develop the first National Strategy and Plan of Action for Pharmaceutical Manufacturing Development (2015–2025). In this context, the Ministry of Industry of Ethiopia has requested UNCTAD to continue its assistance in the implementation of the National Strategy and Plan of Action, especially on investment promotion and the use of intellectual property rights to promote the local production of pharmaceuticals. In response to the request, UNCTAD facilitates the domestic discussion of relevant intellectual property policy and is, for that purpose, organizing a multi-stakeholder capacity-building workshop in 2016. Similarly, the work in the United Republic of Tanzania is assisting policymakers to include innovation considerations in the second national development plan of the country, which is set to be enacted soon.

558. As a result of its activities in 2015, East African Community stakeholders have requested UNCTAD to contribute to policy coherence at national and regional levels for the promotion of pharmaceutical production and access to medicine under the ongoing review of the East African Community Regional Pharmaceutical Manufacturing Plan of Action. For this purpose, UNCTAD has received financial support from the German Agency for International Cooperation, which will also contribute its expertise.

### **C. Trust fund for activities related to the Commission on Science and Technology for Development with regard to World Summit on the Information Society follow-up**

559. **Development context.** The World Summit on the Information Society held in Geneva (2003) and in Tunis (2005), was the first major United Nations event that discussed the potential opportunities and developmental impacts posed by ICTs. The Summit established a vision of a people-centred, inclusive and development-oriented

information society. Ten years after the Summit, there has been a significant evolution of connectivity, innovation and access to ICT, including rapid growth in broadband, mobile Internet and emerging technologies such as big data and cloud computing. However, significant divides remain between and within countries, as well as between different groups of the society. In this context, the 2030 Agenda for Sustainable Development recognizes the potential of ICTs to accelerate human progress, to bridge the digital divide and to develop knowledge. This underlines the relevance of monitoring the advances in the implementation of the World Summit on the Information Society outcomes.

560. **Objectives and features.** World Summit on the Information Society outcome documents established mechanisms for monitoring progress towards implementation of the Summit outcomes. They requested the Economic and Social Council to oversee system-wide follow-up on World Summit on the Information Society implementation. The Economic and Social Council, in its resolution 2006/46, tasked the Commission on Science and Technology for Development to assist the Council in the annual review. Established in December 2007, the World Summit on the Information Society trust fund has been used to support the preparation of World Summit on the Information Society annual reviews and the participation of experts and non-State stakeholders in the work of the Commission on Science and Technology for Development.

561. **Outputs.** The priority in 2015 was on support to the Commission on Science and Technology for Development contribution to the overall 10-year review of the World Summit on the Information Society by the General Assembly. The Economic and Social Council requested the Commission to organize a substantive discussion during its eighteenth session, as the Commission's inputs to the overall review by the General Assembly.<sup>7</sup> To support this work, UNCTAD organized between June and October 2014 an open online consultation, inviting all stakeholders to share their views and experiences on the implementation of the World Summit on the Information Society outcomes through the submission of written inputs. In order to reach stakeholders from different regions and sectors, the secretariat also organized six face-to-face consultations in Abuja, Bangkok, Geneva, Guadalajara Istanbul and Tunis, in close collaboration with United Nations regional commissions and several other entities. The first draft of the report was presented to the intersessional panel of the Commission which took place in November 2014.

562. Based on the information collected through this open consultation and other literature, UNCTAD prepared a report entitled "Implementing World Summit on the Information Society outcomes: A 10-year review" (available at [http://unctad.org/en/PublicationsLibrary/dtlstict2015d3\\_en.pdf](http://unctad.org/en/PublicationsLibrary/dtlstict2015d3_en.pdf)). The report served as an input to the substantive discussion on the World Summit on the Information Society 10-year review during the eighteenth session of the Commission on Science and Technology for Development. The publication was welcomed by most Governments and stakeholders as a comprehensive, thorough and balanced analysis. Many representatives welcomed the way it drew on extensive submissions and contributions by United Nations agencies, Governments and other stakeholders. The Economic and Social Council decided to forward this publication, as well as the report of the Commission on Science and Technology for Development on its eighteenth session, as an input to the preparatory process of the overall review by the General Assembly.

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<sup>7</sup> E/RES/2013/9 and E/RES/2014/27.

563. In addition, the trust fund supported work of the secretariat on public policy issues pertaining to the Internet. Pursuant to Economic and Social Council resolution 2014/24, the secretariat prepared a report entitled “Mapping of international Internet public policy issues”, in close consultation with member States and other stakeholders. The report included a compendium covering 643 mechanisms pertaining to the Internet. The draft report was presented to the 2014–2015 Commission on Science and Technology for Development intersessional panel. It was also submitted to the Commission’s eighteenth session. The documents contributed to advancing understanding of salient public policy issues pertaining to the Internet.

564. Last but not least, the trust fund has allowed the secretariat to support multi-stakeholder participation in the meetings of the Commission on Science and Technology for Development, especially civil society entities from developing countries. The trust fund made possible the participation of two non-governmental organizations, one each from Asia and Africa, at the eighteenth session of the Commission on Science and Technology for Development. In particular, during the 2014–2015, 2015–2016 intersessional panels and the eighteenth session, the discussions on priority themes and the consultations as part of the 10-year review of the World Summit on the Information Society outcomes were enriched by the substantive contributions made by resource persons whose participation was financed through the trust fund. Multi-stakeholder participation has become a distinct hallmark of the Commission on Science and Technology for Development, and has greatly strengthened the work of the Commission.

565. **Results.** In December 2015, the General Assembly conducted an overall review of the World Summit on the Information Society outcomes, and its resolution 70/125 reaffirmed the outcomes, assessed the progress to date, identified gaps and challenges and made recommendations for the future. Further, it called for close alignment between the World Summit on the Information Society process and the 2030 Agenda for Sustainable Development.

566. The resolution recognized the 10-year review of the World Summit on the Information Society conducted by the Commission on Science and Technology for Development in May 2015 and the secretariat’s publication entitled “Implementing World Summit on the Information Society outcomes: A 10-year review” as relevant inputs for its overall review. The General Assembly called for the continuation of annual reports on the implementation of outcomes of the World Summit on the Information Society through the Commission on Science and Technology for Development of the Economic and Social Council. Further, the General Assembly requested the Commission, within its mandate related to the follow-up of the World Summit on the Information Society outcomes, to work with all stakeholders to regularly identify and promote specific, detailed actions to support the enabling environment for ICTs and development and provide the demand-driven policy advice, technical assistance and capacity-building, as appropriate, to realize them.

567. Finally, the resolution requested the Chair of the Commission, through the Economic and Social Council, to establish a working group to develop recommendations on how to further implement enhanced cooperation as envisioned in the Tunis Agenda. The Working Group is expected to be established by July 2016 and report to the Commission at its twenty-first session with recommendations.



## **XVI. Cluster XVI: Productive capacities in the least developed countries, landlocked developing countries, small island developing States and structurally weak, vulnerable and small economies**

### **Lead entity: Division for Africa, Least Developed Countries and Special Programmes**

568. The programmes under this cluster (table 16) focus on activities that promote economic and productive capacity-building in LDCs, landlocked developing countries, small island developing States and other structurally weak, vulnerable and small economies, taking into account the implications of structural and geographical challenges in these countries with regard to the nature and structure of competitive economic activities and the composition of external trade.

Table 16

### **Productive capacities in the least developed countries, landlocked developing countries, small island developing States and structurally weak, vulnerable and small economies**

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
INT/OT/DAC	Identifying growth opportunities and supporting measures to facilitate investment in commodity value chains in landlocked countries	2014–	Common Fund for Commodities
ROA-2286 (AT) <sup>a</sup>	Strengthening the capacity of the rural communities in the least developed countries to utilize the opportunities provided by duty-free quota-free market access and enhancing the value added of their traditional products	2012–2015	Development Account
ROA-2961 (M)	Building the capacities of selected least developed countries to upgrade and diversify their fish exports	2014–	Development Account

<sup>a</sup> Operationally but not financially completed or fully completed in 2015.

### **A. Trust fund for the least developed countries**

569. **Objectives and features.** Contributions to the trust fund for LDCs are aimed at strengthening national policymaking capacity and assisting countries in the preparation and implementation of projects and programmes of action. An important tool in this process is *The Least Developed Countries Report*, which is largely produced through regular budget resources but contributes to the aims of the trust fund. Increasingly, the report is focusing on the articulation of concrete policies and measures on key issues identified in the Programme of Action for the Least Developed Countries for the Decade 2011–2020 (Istanbul Programme of Action). The objective is to provide LDCs with alternative and more relevant policy options and to assist them to develop their capacities to implement policies. Therefore, wider dissemination in beneficiary countries of the findings and policy recommendations

of the report is essential. Resources available through the trust fund have helped to finance the organization of national and regional workshops, training of LDC policymakers and launch of reports.

570. **Outputs.** The trust fund helped finance dissemination of the findings of *The Least Developed Countries Report 2015* to policymakers in LDCs and provided coaching support to academics and civil society in LDCs. It also contributed to the dissemination of the *Economic Development in Africa Report 2015* to African LDCs. In addition, the trust fund helped finance a workshop on “Development policies for African LDCs: Accelerating structural transformation and leveraging trade in services” in Cotonou to disseminate key findings from UNCTAD research work on development challenges and development policies in LDCs and Africa using the material covered in *The Least Developed Countries Report* and in the *Economic Development in Africa Report*. The trust fund also financed a pilot case seminar on leveraging diaspora resources for growth and structural transformation in Ethiopia. The seminar discussed the technical, operational and substantive policy issues of an UNCTAD research paper on how best diaspora resources could help finance the domestically-defined development objectives of the pilot country, Ethiopia, drawing on experiences and best practices from successful developing countries in the field. The trust fund also financed a pilot case on export diversification strategy in oil-dependent LDCs, through the example of Angola. UNCTAD, jointly with the Common Fund for Commodities, is preparing a study that aims to identify the best suitable trade and development strategy that would enable the country to enhance its productive capacities and undertake a structural transformation.

#### 1. Policy analysis and dissemination

571. Each year, *The Least Developed Countries Report* examines a topic that is of particular relevance to LDCs and presents concrete policy proposals. The report includes a chapter on economic trends in LDCs, which enables countries to obtain up-to-date and comparable statistics on an annual basis. The *Least Developed Countries Report 2015: Transforming Rural Economies* investigated the quantum leap in the rate of progress required for LDCs to meet the Sustainable Development Goals and proposed an alternative approach to rural development that seeks to maximize the benefits of infrastructure investments for poverty reduction.

572. In order to facilitate knowledge transmission, the report is launched in as many countries as possible. In 2015, *The Least Developed Countries Report 2015* was launched in 36 countries and discussed in various media in LDCs, other developing countries and developed countries. Press conferences were held to publicize the report, with the participation of a number of government officials. Interest in the report led to 203 articles in the written press, and various radio and television interviews, as well as blog posts. In most cases, efforts were made to combine press launches with workshops, to enable in-depth discussions between policymakers, the private sector, civil society representatives and UNCTAD staff.

573. As the majority of LDCs are in Africa, the launch of *Economic Development in Africa Report 2015: Unlocking the Potential of Africa's Services Trade for Growth and Development* is of interest to these countries. In 2015, UNCTAD organized 12 launches and seminars to disseminate the report, including four in African LDCs. This year's simultaneous launches of the report featured a comprehensive social media component, including on Twitter, LinkedIn and Facebook. The aim is to extend the reach of the report beyond its typical constituencies. This new social media approach resulted in more than 65 messages, more than 83,000 impressions and more than 1,000 engagements for the *Economic Development in Africa Report*

alone. Furthermore, electronic publications of the reports (*Economic Development in Africa Report 2015* in English and overview of *The Least Developed Countries Report 2015* in English, French and Spanish) have been created and made available on the UNCTAD website. These publications can now be accessed from any Android and Apple device (mobile telephone or tablet).

## 2. Other activities in support of the least developed countries

574. UNCTAD provided extensive assistance to the WTO LDC Group on rules of origin in Geneva, through advisory services in the form of 14 one-to-one training sessions, elaboration of background documents, briefing notes and presentations on (a) substantial transformation: value added, percentage thresholds (paragraph 1.3 of the Ministerial Decision of the Ninth Ministerial Conference of WTO); (b) substantial transformation: methods of calculation of value added (paragraph 1.4 of the Decision); (c) substantial transformation: change of tariff classification rules (paragraph 1.5 of the Decision); (d) substantial transformation: specific manufacturing or processing operation rules (paragraph 1.6 of the Decision); (e) cumulation (paragraph 1.7 of the Decision); (f) documentary requirements and certification (paragraph 1.8 of the Decision); and (g) review of legislation currently notified to the WTO secretariat (paragraph 1.9 of the Decision).

575. Executive training seminars on “Rules of origin in international trade-concepts and techniques” were organized, jointly with the Academy of Global Governance of the European University Institute and funded by the Netherlands (Florence, Italy, April and October 2015). The seminars provided an introduction to the basic law and economics of applied rules of origin regimes in major markets, demystified key concepts, discussed the evidence on impacts of different types of rules, the political economy drivers of rules of origin, and the options and strategies that had been proposed by developing countries and analysts to make rules of origin less of a barrier to trade.

576. Finally, UNCTAD organized a pilot case seminar on leveraging diaspora resources for growth and structural transformation in Addis Ababa, Ethiopia on 23–24 December 2015 and is preparing a pilot case study on export diversification strategy in oil-dependent LDCs, taking the example of Angola.

## B. Cooperation with countries faced with the challenge of graduation from least developed country status

577. In accordance with the Doha Mandate (paragraph 41 (o)), UNCTAD continued to assist countries with prospects for graduation from LDC status. Activities in this regard focused on five countries.

578. Angola, in a national workshop in February 2015 in Luanda, benefited from UNCTAD advisory services on the implications of the upcoming decision of the United Nations to graduate Angola from LDC status. This workshop, a month before the 2015 triennial review by the United Nations Committee for Development Policy of the list of LDCs, gave UNCTAD a timely opportunity to advise the Government on essential policy choices to foster structural economic and social progress and make performance corroborate graduation. The Committee, in March 2015, recommended Angola’s graduation from LDC status. This recommendation was endorsed by the Economic and Social Council in June 2015. It was further endorsed by the General Assembly on 12 February 2016, through its resolution 70/253, which granted Angola an exceptionally long grace period before graduation (five years until

February 2021) in order to give the economy more time to achieve structural transformation despite its high vulnerability to oil price instability.

579. Kiribati received extensive advisory support from UNCTAD during the weeks preceding the review by the United Nations Committee for Development Policy (in March 2015) of the potential graduation case of Kiribati. The country, since 2012, had been technically eligible for graduation in light of United Nations data, yet the fallacy of Kiribati's readiness for graduation was highlighted by UNCTAD, which has called for a differentiated treatment of small island developing States by the United Nations, particularly for those least developed small island developing States, such as Kiribati and Tuvalu, which are highly vulnerable to external shocks beyond domestic control. The UNCTAD presentation to the United Nations Committee for Development Policy in March 2015 of the vulnerability profile of Kiribati was instrumental in persuading the Committee not to recommend Kiribati's graduation from LDC status.

580. Nepal, in March 2015, was found pre-eligible for graduation from LDC status, a landmark development confirming the structural progress fuelled by economic diversification over the years. However, the country was severely hit by two earthquakes in April and May 2015, a double natural disaster which killed 8,900 people and stalled the momentum of structural economic transformation. UNCTAD actively took part in international efforts to put Nepal back on its earlier development path, by starting to examine the consequences for Nepal of a hypothetical loss, by the country in 2021, of LDC status, with a particular focus on the benefits Nepal has been deriving from preferential market access for its manufactured products. UNCTAD assistance to the Government in this area will be pursued until and beyond the 2018 review of the list of LDCs, with a view to enabling all relevant United Nations bodies, first to bring a sound response to the question of graduation from LDC status, second to identify the most desirable special treatment of Nepal in anticipation of its likely loss of LDC status.

581. Tuvalu, one of the economically most vulnerable countries in the world and a long-term recipient of UNCTAD assistance on the question and consequences of graduation from LDC status, continued to receive UNCTAD support in 2015. In 2015, the Economic and Social Council, for the first time, took a position on the Committee for Development Policy's 2012 recommendation to graduate Tuvalu from LDC status by refraining from endorsing that 2012 recommendation. The Economic and Social Council deferred to 2018 the question of Tuvalu's graduation from LDC status.

582. Vanuatu, also a country highly exposed to external shocks beyond domestic control, has been a longstanding recipient of UNCTAD assistance on the question of graduation from LDC status (since 1997). UNCTAD has consistently called for special treatment of Vanuatu by all development partners (including the United Nations), considering the exceptional fragility of the country. This fragility was further evidenced by the severity of Cyclone Pam in March 2015, following which UNCTAD assisted the Government of Vanuatu to sensitize the General Assembly to Vanuatu's need for breathing space in the post-disaster context. The General Assembly, in a resolution adopted on 9 December 2015, granted Vanuatu an exceptional three-year extension to the pre-graduation grace period which member States had already agreed upon for the country in December 2013. The three-year extension delays to December 2020 the date of Vanuatu's graduation from LDC status.

### **C. Activities in support of productive capacities in the least developed countries**

583. In 2015, UNCTAD continued to implement the project (started in 2014) on building the capacities of selected LDCs to upgrade and diversify their fish exports. The main activity was to carry out training and capacity-building workshops in three beneficiary African LDCs – the Comoros, Mozambique and Uganda. The workshops were held in the three countries in July, October, and November, and brought together a wide range of stakeholders from public and private institutions. In addition, inter-agency collaboration brought added value to the implementation of the project with the Food and Agriculture Organization of the United Nations and United Nations Development Programme country/regional offices presenting their respective perspectives and taking an active part in the deliberations.

584. The workshop dealt with both technical aspects and policy issues. In particular, taking into account country-specific challenges and opportunities, they consisted of the following four main elements:

(a) Upgrading the technical knowledge and expertise of national experts, practitioners and policymakers as well as other stakeholders to overcome challenges posed by international standards on fish exports;

(b) Investigating how international standards, regulations and measures in the areas of fish and fishery products affect each country's exports and its international competitiveness in the fisheries sector;

(c) Sharing experiences and best practices in meeting international food safety standards;

(d) Recommending policies and strategies for implementation at national and international levels to improve the technical capacities of beneficiary countries to comply with international standards and diversify their respective exports.

585. The workshops built on prior work that included the preparation of country case studies with up-to-date statistical information and the drafting of a manual on improving national food safety and sanitary standards. The manual was discussed during the workshops and it was agreed that it would serve as a basis for subsequent strategies and actions to improve the quality and safety of fish exports, while at the same time addressing environmental concerns and promoting sustainable fishing from environmental, social and economic perspectives. The manual had also been translated into French (for the Comoros) and Portuguese (for Mozambique).

586. The immediate outcome of the workshops was an overall agreement among participants that fisheries should be considered as a strategic sector that deserves serious attention from policymakers as they formulate domestic trade and development policies. More generally, it was recognised that the fisheries sector has a crucial role in building the international competitiveness of the countries concerned, while ensuring food security and environmental sustainability.

### **D. Identifying growth opportunities and supporting measures to facilitate investment in commodity value chains in landlocked countries**

587. This project assisted UNCTAD participation in the high-level meeting on the follow-up to the second United Nations Conference on Landlocked Developing Countries (Vienna, November 2014) and in organizing a side event on promoting structural transformation in landlocked developing countries in Livingstone. The

high-level meeting was a follow-up to the second United Nations Conference on Landlocked Developing Countries, which adopted the Vienna Programme of Action that succeeded the Almaty Programme of Action for this group of countries for the previous decade. The meeting had two broad objectives. First, to devise ways and means for the implementation of priorities contained in the Vienna Programme of Action. This is intended to ensure that the specific goals and priorities of the Vienna Programme of Action are effectively translated into actions and results by all stakeholders. Second, to formulate a road map for monitoring and reporting on the implementation of the Programme of Action. Broad issues addressed during the three-day meeting included structural economic transformation in landlocked developing countries (session 1); international trade, trade facilitation and fundamental transit policy issues (session 2); infrastructure, regional integration and cooperation (session 3); means of implementation (session 4); and institutional mechanisms for mainstreaming the Vienna Programme of Action and indicator system for its monitoring (session 5). There were two additional side events, which were held in parallel with the main sessions of the high-level meeting, namely an event on promoting structural transformation in landlocked developing countries titled “Productive capacities, commodities and the post-2015 development agenda” and a private sector forum on “Engaging the private sector in the implementation of the Vienna Programme of Action”. In addition to the participation of the Secretary-General, UNCTAD involvement as a panellist included session 1, session 2 and both side events.

588. In 2015, a paper was published under this project entitled “Facilitating the participation of landlocked developing countries in commodity value chains”. The paper argued that despite the challenges, the case for diversification and structural economic transformation remained more persuasive for landlocked developing countries today than ever before. Empirical and historical evidence suggested that diversification, value addition and retention were key to attaining overall development objectives. The study also underscored the importance of joining regional and global commodity value chains and the urgency for these countries to take advantage of their natural resources wealth by enacting sound development policies and strategies that put productive capacities and structural economic transformation at the centre. The findings, conclusions and policy recommendations contained in the paper were expected to highlight the plight of commodity-dependent landlocked developing countries at global summits and conferences, including the fourteenth session of the United Nations Conference on Trade and Development.

## **E. Activities related to small island developing States**

589. Beyond the ongoing assistance to Kiribati, Tuvalu and Vanuatu on the question of graduation from LDC status, the most significant angle of UNCTAD cooperation with small island developing States, in 2015, was its support to the Joint Inspection Unit in the latter’s forthcoming “Comprehensive review of United Nations system support for small island developing States”. This timely post-Samoa exercise has been an opportunity for UNCTAD to recall United Nations Member States’ recognition of the “urgent need... to enhance international cooperation and action to address the unique and particular vulnerabilities of small island developing States so as to ensure their sustainable development” (paragraph 21 of the Samoa Pathway). UNCTAD has been emphasizing the consistency of this call by Member States with a similar call by the General Assembly in 2010 in its resolution 65/2 to “put forward concrete recommendations” and “consider what improved and

additional measures might be needed to more effectively address the unique and particular vulnerabilities and development needs of small island developing States”.

590. UNCTAD has been the only United Nations entity to effectively follow-up on this repeated call by Member States, by adopting its own list of genuine small island developing States (29 countries) and, more recently, by proposing the establishment of an integrated framework of resilience-building assistance to small island developing States, a mechanism based on the lessons drawn from the 20-year Enhanced Integrated Framework of trade-related technical assistance to LDCs. An initial version of this initiative is being implemented by UNCTAD through a Development Account-funded project of technical assistance to six small island developing States (Kiribati, Sao Tome and Principe, Solomon Islands, Timor-Leste, Tuvalu and Vanuatu).

## **XVII. Cluster XVII: Strengthening support for trade mainstreaming into national development plans and/or poverty reduction strategy papers in the least developed countries in the context of the Enhanced Integrated Framework**

### **Lead entity: Division for Africa, Least Developed Countries and Special Programmes**

591. Programmes under this cluster (table 17) proactively focus on tailored support for the efforts of LDCs in the formulation of a trade policy framework as a basis for identifying and sequencing trade priorities. This assistance aims to build capacity for in-country implementation of the Enhanced Integrated Framework.

Table 17

#### **Strengthening support for trade mainstreaming into national development plans and/or poverty reduction strategy papers in the least developed countries in the context of the Enhanced Integrated Framework**

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
BEN/OT/EAN	Enhanced Integrated Framework – Renforcement des capacités productives et commerciales du Benin	2015–	United Nations Office for Project Services
CMB/OT/BBI <sup>a</sup>	Rules of origin: Operational procedures and training	2012–2015	World Bank
DJI/OT/CBL	Enhanced Integrated Framework Project: Update of the Diagnostic Trade Integration Study for Djibouti	2013–	United Nations Office for Project Services
ETH/OT/DBO	Enhanced Integrated Framework Project: Update of the Diagnostic Trade Integration Study for Ethiopia	2014–	United Nations Office for Project Services
MLI/OT/CBN	Enhanced Integrated Framework Project: Update of the Diagnostic Trade Integration Study for Mali	2013–	United Nations Office for Project Services
MOZ/OT/BDH	Enhanced Integrated Framework Project: Update of the Diagnostic Trade Integration Study for Mozambique	2012–	United Nations Office for Project Services

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
NER/0T/DAI	Enhanced Integrated Framework Project: Update of the Diagnostic Trade Integration Study for the Niger	2014–	United Nations Office for Project Services
INT/9X/77J	Trust fund for the least developed countries, core project	1997–	Multi-donors
INT/0T/4AY	Integration of the least developed countries, landlocked developing countries and island countries into the global economy	2004–	Multi-donors
INT/0T/5BP <sup>a</sup>	Mid-term review of progress in the implementation of the Programme of Action for the Least Developed Countries for the Decade 2001–2010	2005–2015	Austria and Norway
INT/0T/AAK	Market access and trade laws for the least developed countries	2010–	Italy
INT/0T/DBR	Rules of origin	2015–	Netherlands
ROA-2906 (M8)	Strengthening the capacities of trade and planning ministries of selected least developed countries in developing and implementing trade strategies that are conducive to poverty reduction	2013–	Development Account

<sup>a</sup> Operationally but not financially completed or fully completed in 2015.

## A. Enhanced Integrated Framework

592. Within the context of the Enhanced Integrated Framework, an increasing number of LDCs have made progress in mainstreaming trade policies into their national development plans and identified trade-related priorities and implemented their action matrices.

593. UNCTAD, as lead agency in collaboration with the Enhanced Integrated Framework secretariat, has concluded the Diagnostic Trade Integration Studies updates for Djibouti, Mali, the Niger and Ethiopia after a number of advisory missions and the elaboration of a final report including an action matrix. The Diagnostic Trade Integration Study update of Djibouti was concluded in November 2014 and a validation workshop was held in February 2015. The aim of this workshop was to introduce the action matrix included in the update and discuss proposed plans for trade integration. Subsequent to Djibouti's update, a Djibouti and Ethiopia workshop is planned to be held in 2016 with the objective of providing an assessment of the operation of the corridor between Djibouti and Ethiopia in order to identify and tackle the issues affecting trade between Djibouti and Ethiopia and to establish a road map for the improvement of trade facilitation between the two countries. Mali's update was finalized in April 2015. Subsequent to the finalization of the study, a validation workshop was held in Bamako. The update of the Niger was finalized in December 2015. A Diagnostic Trade Integration Study update validation workshop was held in Niamey in December 2015, which introduced the action matrix included in the study, and addressed specific issues included in the recommendations such as the regulatory framework and institutional support for trade development and investment, trade and transport facilitation, and the mining and agricultural sectors. In 2015, the Diagnostic Trade Integration Study update of Ethiopia was drafted. The final report and action matrix were finalized at the



beginning of 2016 and a validation workshop was held in February 2016. Preliminarily finalization of the update involved a Diagnostic Trade Integration Study policy coordination consultative workshop held in Ethiopia in October 2015. The workshop addressed recommendations proposed in the update of Ethiopia towards achieving a more effective coordination of trade-related policies.

594. Regarding implementation activities in tier 2 projects and trade mainstreaming support, in 2015, UNCTAD assisted Benin in the formulation of its National Trade Development Policy. In this connection, an advisory mission was conducted to Cotonou in August. The aim of the mission was to initialize the implementation of activities related to elaboration of the National Trade Development Policy and identify the needs and expectations of the Government of Benin. Three studies on trade in services; trade facilitation and transport; and geographical indications as a tool for promoting products of rural communities were conducted by international consultants. These studies will serve as a road map to integrate such priority sectors into the policy document. In December, a workshop was organized to discuss the conclusions from the Diagnostic Trade Integration Study of Benin for their integration into the National Trade Development Policy and potential challenges in its elaboration.

595. A trade mainstreaming support project proposal for the Gambia which had been previously formulated was revised in the course of 2015 and approved in November. The activities of this project started to be implemented at the beginning of 2016. The aim of the project is to support the implementation process of selected trade priorities, in light of the newest Government-validated trade related analysis, as included in the 2013 Diagnostic Trade Integration Study and to elaborate National Trade Strategy and National Industry Policy documents. Furthermore, upon request of the Government of Burkina Faso, UNCTAD is assisting the country in the elaboration of a medium-term plan (Plan d'opérationnalisation à moyen terme) to ensure effective implementation of the recommendations included in its 2014 Diagnostic Trade Integration Study update. The 2014 study identified two main priority areas, namely, export diversification and trade facilitation. The assistance provided will focus on implementation of the recommendations of the Diagnostic Trade Integration Study in the two above-mentioned areas. An advisory mission to Ouagadougou was conducted in March 2016.

## **B. Rules of origin**

596. UNCTAD has traditionally supported LDCs in WTO negotiations by providing technical assistance on duty-free quota-free, rules of origin and the services waiver. In 2015, the activities carried out have particularly focused on the adoption of a Decision on Preferential Rules of Origin for LDCs by the Tenth Ministerial Conference of WTO pursuing the LDC intention of making progress in the implementation of the Ministerial Decision of the Ninth Ministerial Conference of WTO.

597. Two executive training sessions on negotiation and drafting rules of origin were organized, in partnership with the Global Governance Programme of the European University Institute, in April and October 2015 in Florence. The rationale of such trainings was to enhance the negotiating capacities of WTO LDC delegates in order to enable them to participate effectively in debates at the consecutive meetings and informal consultations on preferential rules of origin and in preparation for the Tenth Ministerial Conference of WTO. Furthermore, a technical review of the draft of the ministerial decision on rules of origin, which was submitted on

24 September 2015 by Bangladesh on behalf of the WTO LDC group, was provided during the training.

598. Technical support was provided to LDC WTO delegates in a number of Committee on Rules of Origin and Trade Negotiations Committee meetings in 2015. This assistance was delivered through advisory services, technical meetings, one-to-one training sessions and elaboration of background documents and briefing notes. In order to provide support to the WTO LDC group for the Committee on Rules of Origin meeting in July 2015, UNCTAD elaborated a presentation for each of the agenda items addressed during the meeting, which included each of the elements for preferential rules of origin of the Ministerial Decision of the Ninth Ministerial Conference of WTO.

599. Assessment and technical assistance was provided on the revision of the LDC proposal on preferential rules of origin under unilateral preference schemes for LDCs.

### **C. Tripartite free trade area**

600. A mission was undertaken to the Trade Law Centre of Southern Africa and Southern African Customs Union secretariat in December 2015 to discuss the modalities of their participation and cooperation in the UNCTAD initiative on “Africa integration through law” on lessons learned from the tripartite free trade area.

### **D. Trade mainstreaming for poverty reduction**

601. In the context of the project “Strengthening of capacities of trade and planning ministries of selected LDCs to develop and implement trade strategies that are conducive to poverty reduction”, the following activities were organized in support of LDCs:

(a) National workshops in Bhutan and Kiribati. The workshops examined the extent to which the countries have been able to integrate trade into national development strategies and offer recommendations on how they could better exploit the potential of trade for poverty reduction and sustained development, and how to strengthen technical and institutional capacities in trade policy formulation and implementation. In Bhutan, the workshop was seen by the Government’s officials as very timely and as a critical input for graduation from the LDC category.

(b) A national training workshop on trade mainstreaming and effective policy formulation for poverty reduction in Ethiopia. The workshop aimed at supporting the trade policymaking process in the country, and was designed to strengthen country-level knowledge on the impact of sectoral and trade policies and related issues such as structural transformation and national development. Thirty-five government officials and stakeholders from the private sector and civil society participated. The national study developed under the project and presented at the workshop was a key input for Ethiopia’s Diagnostic Trade Integration Study update coordinated by UNCTAD, and the new trade strategy of the country, which is being drafted under Growth and Transformation Plan II.

(c) Regional workshops on mainstreaming trade into national development strategies in Africa and in Asia and the Pacific, in Lesotho and the Philippines, respectively. The workshops identified the necessary policy actions to make trade more

inclusive. Both regional workshops brought together over 100 participants from LDCs in both regions, including senior officials from the trade and planning ministries and other relevant stakeholders from the civil society and the private sector, and other partner agencies. Government officials from Africa (Ethiopia, Lesotho and Senegal) participated in the regional workshop in the Philippines, sharing experiences and building consensus on effective trade mainstreaming practices with their Asia-Pacific counterparts.

602. Overall, around 200 policymakers and stakeholders in the national and regional workshops were trained. Gender issues were included in the substantive activities and issues addressed, particularly the importance of inclusive gender policies for successful trade mainstreaming. Gender balance was pursued in the training and capacity-building activities. On average, over 40 per cent of participants were women.

603. Finally, a Handbook on how to make trade work for LDCs through effective trade mainstreaming was prepared in 2015 to assist LDCs in trade policymaking formulation and implementation.

## **E. Market access and trade laws for the least developed countries**

604. The “Market access and trade laws for LDCs” project has helped to increase the utilization of market access initiatives in favour of LDCs. The project supports rural communities to use geographical indications and to increase their exports and supply capacity of traditional products. It enlarges the scope of activities beyond the mere market access. In this context, a number of workshops and publications have been carried out.

605. In March 2015, a workshop in collaboration with the Food and Agriculture Organization of the United Nations on “Making geographical indications work for Myanmar” was held in Yangon. The workshop identified the benefits, challenges and lessons learned with regard to the implementation of geographical indications and provided recommendations on how to use them to promote rural development, such as strengthening the national institutions responsible for geographical indications development, protection and promotion and the establishment of effective public–private collaborations. Furthermore, benefits of geographical indications for the entire value chain and consumers, as well as potential products to be recognized as geographical indications, were identified. Examples of existing geographical indications in other Asian countries were provided in order to show the socioeconomic benefits they had brought.

606. UNCTAD participated in the World Assembly of Geographical Indications in Milan (October 2015) to present the experience gained in promoting products of rural communities in LDCs through the use of geographical indications and the technical assistance that UNCTAD has provided on the matter.

607. A number of studies on geographical indications were published in the course of 2015, including “Lessons learned in promoting geographical indications in least developed countries” and “Branding products initiatives in LDCs through geographical indications: the case of the Kampot Pepper in Cambodia and the Hareenna Coffee in Ethiopia”, which were presented at “Intellectual property rights for geographical indications: what is at stake in the Transatlantic Trade and Investment Partnership” and the “Conference on agriculture in an urbanizing society, reconnecting agriculture and food chains to societal needs”, respectively. Furthermore, a study examining the results of UNCTAD projects supporting regional

branding strategies including geographical indications as a tool to reduce poverty was prepared, entitled “Why geographical indications for LDCs?” Another study entitled “Intellectual property options to defend Ethiopian fine coffees: Trademarks or geographical indications?” analysed the Ethiopian coffee sector, aimed at determining potential options for Ethiopian producers to commercialize their fine coffee.

## **F. Mainstreaming the least developed countries in the global economy**

608. A paper was prepared at the request of the Government of Cambodia as guidance to reformulate Cambodia’s trade agenda. The paper, entitled “Towards a new trade policy on market access for Cambodia: Identifying a positive agenda among challenges and opportunities”, examines the potential trade impacts arising from the creation of ASEAN-European Union free trade agreements and the Trans-Pacific Partnership Agreement, and establishes a set of recommendations for the formulation and implementation of a new trade policy on market access. A national workshop was held in Phnom Penh to discuss the elaboration of the paper with Cambodian officials and private sector participants.

609. Two handbooks designed to provide technical assistance to LDCs to enhance their capacity to benefit from market access arrangements were prepared. The “Handbook on using trade preferences granted to Cambodia, part II: Free trade agreements” was designed to assist Cambodia in better understanding and applying the rules of origin contained in the different free trade agreements under which trade preferences are granted to Cambodia. The handbook attempts to provide necessary tools to maximize the utilization of Cambodia’s free trade agreements preferential treatment. An update of the “Handbook on duty-free quota-free and rules of origin, part I: Quad countries” focused on the duty-free quota-free schemes implemented by preference-granting members including Canada, Japan, the United States and the European Union, and described the preferential rules of origin put in place under such schemes. The handbook emphasized the trade preferences given to the least developed countries.

## **XVIII. Cluster XVIII: Executive direction and management, and support services**

### **Lead entities: Office of the Secretary-General, Technical Cooperation Service and Resources Management Service**

610. Programmes under this cluster (table 18) include support services and projects from which all divisions benefit, as well as projects under the direct responsibility of the Office of the Secretary-General. Trust fund projects in support of activities for cooperation and outreach with civil society and for activities carried out in the areas of gender and trade are also included in this cluster.

Table 18  
**Executive direction and management, and support services**

<i>Project number</i>	<i>Short title</i>	<i>Period covered</i>	<i>Source of fund</i>
GLO/0T/8CG	Support to Avian Influenza and Food Crisis Coordination Office	2008–	United Nations Development Programme
GLO/0T/ABA	Support and capacity-building for Group of 77 countries	2010–	China
INT/0T/0BU	Support to UNCTAD technical cooperation	2000–	Belgium
INT/0T/1AK	Financing of participation of experts from developing countries and countries with economies in transition in UNCTAD expert groups	2001–	Finland, Iceland and Mauritius
INT/0T/4BS	Strengthening results-based management of UNCTAD programmes	2004–	Norway
INT/0T/AAO	Civil society participation in UNCTAD activities	2011–	Multi-donors
RAF/0T/CAR	Promoting regional supply chains in sub-Saharan Africa	2013–	African Export–Import Bank
ROA-2244 (Q7)	Enhancing capacities of developing countries to mainstream gender into trade policy	2010–	Development Account
UND12–340	Interregional advisory services	Ongoing	Regular programme of technical cooperation

### **A. Strengthening results-based management of UNCTAD programmes**

611. In 2015, this trust fund continued partly to support the work of the Evaluation and Monitoring Unit aimed at strengthening accountability, thereby contributing towards effective delivery by UNCTAD of its mandate.

612. Three project components are intended to be supported by this trust fund, as follows:

(a) Annual in-depth evaluation of an UNCTAD programme of work through independent and expert advice and interactions with stakeholders during the evaluation process. This contributes to reorientation of the programme for enhanced impact and effectiveness;

(b) Publication of a results-oriented annual report of UNCTAD;

(c) UNCTAD participation in inter-agency initiatives on evaluation, in particular through active membership in the United Nation Evaluation Group's work to harmonize evaluation standards and strengthen methodologies, such as on impact evaluation, and on the evaluation of normative work.

613. The contribution received for 2015 was limited to enabling project component (a), and the outcomes of this activity are described below.

614. In 2015, this trust fund partially<sup>8</sup> enabled delivery of the external evaluation of the work undertaken by subprogramme 3, which was considered by the Working Party on the Strategic Framework and the Programme Budget at its seventy-first session in 2015. The evaluation contributed to strengthening accountability and sharing lessons learned through the assessment of performance against the programme plans (2010–2014) that member States consider and approve, and is thus consistent with results-based management principles.

615. The evaluation confirmed the relevance and responsiveness of subprogramme 3 to the needs of its stakeholders. It concluded that subprogramme 3 had made material contributions across its work streams to strengthen understanding, analysis and policy formulation capacities in a large number of countries. The evaluation team also concluded that the institutional culture of commitment to promoting economic growth through trade, strong technical expertise in multiple domains, a network of global experts and convening power as a United Nations agency had contributed to concrete results despite limited extrabudgetary support. The evaluation team observed subprogramme 3's achievements through inter-agency cooperation and partnership with other UNCTAD divisions. However, the evaluation report pointed out subprogramme 3's weakness in lacking a robust results framework and communications strategy, and the challenges in demonstrating synergies and concrete outcomes from its research and analysis work and intergovernmental consensus work.

616. On the basis of its observations, the evaluation team presented 13 recommendations that covered a range of issues. On the issue of programme design and performance indicators setting, the evaluation team recommended the use of more concrete and change-language indicators in the biennial work programmes and branch-wide programmes which showed the contributions, synergies and impacts of activities and corresponded to overarching economic, social and environmental goals and targets enshrined in the Sustainable Development Goals. To improve the effectiveness of the work of the subprogramme, the evaluation recommended that it review and optimize the number of research outputs, broaden the policy alternatives for development in the elaboration of policy advice, publications, technical cooperation, parliamentary documents, etc., and explore greater synergy with WTO, frontline agencies under the United Nations Inter-Agency Cluster on Trade and Productive Capacity and other UNCTAD subprogrammes. The evaluation team also provided specific recommendations on some particular areas of work under the subprogramme, such as those regarding gender, environment and NTMs. On communications, the report recommended that subprogramme 3 develop an integrated communications plan, integrating electronic and social media tools for strengthening outreach and stakeholder engagement. Finally, the evaluation suggested that UNCTAD should prioritize technical assistance in a manner that took into consideration country capacities and willingness to assume implementation commitments of reforms, which could lead to the sustained success of its interventions.

617. At the conclusion of the seventy-first session of the Working Party, member States noted with appreciation the evaluation findings concerning the relevance of the subprogramme and its responsiveness in addressing the needs of stakeholders. Member States also expressed their appreciation to the independent evaluation team

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<sup>8</sup> Due to the limited funds, the secretariat had to seek an additional \$15,000 from the regular budget to fund the external evaluation of subprogramme 3.

for the evaluation report and emphasized the importance of the independent evaluation process in UNCTAD in contributing to the sharing of information, learning and the improvement of programme effectiveness and accountability.

## **B. Advisory services**

618. As reported in previous years, UNCTAD technical cooperation is supported not only by project-specific funds but also from section 23 of the United Nations programme budget. Under this budget, UNCTAD received, for 2015, an allotment for general temporary assistance, together with travel, and individual fellowship funds. These resources were devoted to five main areas, as follows: globalization and development; issues related to international trade in goods and services, and commodities; investment, enterprise development and technology; services infrastructure for development and trade efficiency; LDCs. Interregional advisers undertook four missions in 2015.

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