NOTES

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INTRODUCTION

The United Nations Conference on Trade and Development (UNCTAD) is the focal point of the United Nations for the integrated treatment of trade and development and the interrelated issues in the areas of finance, technology, investment and sustainable development. The Division on Technology and Logistics, also known under the name abbreviation DTL, is one of the substantive divisions within the organization.

The division’s objective is to enhance the economic development and competitiveness of developing countries and countries with economies in transition, in the globalized world economy, through (a) strengthened capacity to develop; (b) increased access to and sustainable utilization of technology and knowledge – including information and communications technology (ICT); (c) efficient trade logistics services and transit transport systems; and (d) training and capacity-building programmes for local institutions.

The aim of this report is to provide an overview of DTL’s work and achievements in 2010. Special focus is thereby put on the problems the world faces today and the importance of technologies and trade infrastructure towards sustainable economic growth.

Furthermore, emphasis is put on the upcoming Fourth United Nations Conference on Least Developed Countries (LDC IV) and challenges in the areas of technologies in agriculture and renewable energies, access to ICT services by small entrepreneurs through mobile devices and obstacles in the field of transport, including transit, and trade facilitation. Knowledge, capacity-building and human resources development and UNCTAD’s contribution therein is also highlighted. Moreover, reference is made to the implementation of the twelfth United Nations Conference on Trade and Development (UNCTAD-XII), which was held in Accra, Ghana, in 2008. Its mid-term review took place in September 2010 whereby, with regard to DTL mandates, member States expressed their full support with a particular mention to the division’s work on the training courses on key issues on the international economic agenda (Paragraph 166) and science and technology for development. The appreciation of technical assistance offered by the division is also reflected in an increase of projects that are funded by beneficiary developing countries themselves.

A word of thank is expressed to the donor agencies and countries as well as our partners, without whose support the activities described in the report could not take place.
SCIENCE, TECHNOLOGY AND ICT
At UNCTAD XII in 2008, the following mandates were given in relation to science, technology and ICTs:

“UNCTAD should further strengthen its research and analysis in the area of science, technology and innovation, including ICTs, “[…] promote effective international and national policies […]” and “assist developing countries and countries with economies in transition through science, technology and innovation policy reviews and related technical assistance”

(Accra Accord, para. 158).

“UNCTAD should also contribute to consensus-building in the international debate on science and technology for development, including ICTs and their implications for development, and continue to provide support as the secretariat to the Commission on Science and Technology for Development […]”

(Accra Accord, para. 159).

“UNCTAD should contribute to the implementation of the World Summit on the Information Society (WSIS) action lines on capacity building, an enabling environment, e-business and e-science” and to assist the Commission on Science and Technology for Development “in implementing its mandate on the follow-up to the WSIS outcomes”

(Accra Accord, para. 161).

“Information and communication technologies (ICTs) are helping to drive globalization by lifting enterprises into the knowledge-based economy […] Access to low-cost ICTs, in particular telecommunications, is crucial to the development of a competitive business sector”

(Accra Accord, para. 120).

“To help upgrade technological capabilities, Governments should regularly assess the conditions for technology acquisition and upgrading and should implement and review their science, technology and innovation (STI) policies. Supportive institutions may include public-private partnerships and STI policies may be incorporated into national development policies and poverty reduction strategies”

(Accra Accord, para. 134).

“North–South, and also South–South, partnerships and cooperation should be strengthened for the sharing of knowledge, innovation and technology transfer, and to address the gaps in education and research in developing countries, especially LDCs”

(Accra Accord, para. 135).
Science, technology and innovation (STI), including information and communication technologies (ICTs), are an essential component of policies to promote development.

STI is needed to generate organizational and structural change, so that higher value added activities develop, better-paying jobs become available, productivity is enhanced, poverty is reduced and sustainable improvements in human development are achieved.

The assimilation, diffusion and application of scientific and technological knowledge are not spontaneous phenomena. Rather, they require investments in human and physical capital, the establishment and nurturing of national knowledge and innovation systems and a systematic effort to enable firms, institutions and individuals of developing countries to access and use relevant knowledge. Policies at the national and international levels are needed to organize and sustain those processes.

UNCTAD’s Science, Technology and ICT Branch provides intellectual leadership and serves as a source of expertise on STI and ICT policies for development. UNCTAD’s activities in this area seek to bring the development perspective to international discussions, supporting consensus-building and capacity-building for sound, evidence-based, development-oriented policy in relevant areas.

HIGHLIGHTS

- Two annual reports on key topical issues: the Technology and Innovation Report and the Information and Economy Report
- Science, Technology and Innovation Policy Programme (STIP reviews)
- Publications on harmonization of cyberlegislation in Latin America and the Caribbean
- Expert meetings on science, technology and innovation
- Strong involvement in international fora and events such as WSIS, UNGIS and Partnership on Measuring ICT for Development
- Forum at Shanghai 2010 World Expo on STI and Urban Future
A.1. SCIENCE, TECHNOLOGY AND INNOVATION

1. Research and analysis

A. Technology and Innovation Report

In light of the heightened importance on the international agenda of technology in development, in May 2010, UNCTAD launched its first Technology and Innovation Report (TIR). The report is a major vehicle for the dissemination of the research and analysis work carried out by UNCTAD in the field on STI for development. The TIR 2010 focuses on the challenges of improving agricultural performance in Africa and the role of science, technology and innovation STI in raising agricultural production and incomes of all farmers, including smallholder farms.

Much of the analysis of the TIR is to some degree applicable to farmers in developing countries outside Africa. The Report argues that the main challenge that lies ahead is one of strengthening the innovation capabilities of African agricultural systems in order to be able to successfully address poverty, improve food security and achieve broader economic growth and development.

Noting that enhancing Africa’s ability to absorb, adapt and apply technologies across sectors will be crucial to improve agricultural productivity and food security in the continent, the TIR 2010 puts forward a number of policy recommendations, including:

- Smallholder farmers need to be at the centre of policy so that agricultural research, development and extension services meet the real needs of small-scale farmers;
- Policymaking capacities should be strengthened to create an environment allowing for agricultural innovation, and to make possible some degree of policy experimentation;
- Agricultural innovation systems need to be reinforced by focusing on the enabling environment and linking national, regional and international research to innovation;
- It is important to target agricultural investment by putting resources into the physical and scientific infrastructure, linkages and stronger extension services;
- Local agro-ecological conditions should be taken into account so that technologies are tailored to different agro-ecological zones and include appropriate and effective mixes both of low-, medium- and high-tech solutions as well as traditional knowledge and modern science; and
- Capacity building and international cooperation on technology transfer and technology sharing should be reinforced.

The TIR 2010 was presented during consultations of the President of the Trade and Development Board, where it elicited a number of favourable statements from representatives of member States. A public presentation of the Report for government officials, academics and the media was also organized in Nairobi in cooperation with the United Nations Information Centres (UNIC). Videoconference presentations were given to university members of UNCTAD’s Virtual Institute. UNCTAD was also invited to present the TIR 2010 to the Working Group on Trade and Transfer of Technology of the World Trade Organization (WTO), where it was commended as a timely and useful piece of research.

B. UNCTAD Current studies on Science, Technology and Innovation

As part of UNCTAD’s response to the growing interest in science, technology and innovation, two current studies on STI were published in 2010. The study Financing Mechanisms for Information and Communication Technology for Development presents observations and trends in the development of ICT opportunities and financing, and identifies key challenges and opportunities for addressing continuing gaps and new conditions in ICT development policy and financing in the post- World Summit on the Information
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Society (WSIS) era. It highlights the need to finance “soft” and less visible areas such as content and application development as well as capacity-building.

In addition, the study *Renewable Energy Technologies for Rural Development* provides an overview of some of the issues surrounding the use of renewable energy technologies to increase access to modern energy services in rural areas. Through a comparative analyses of seven case studies – from Nepal, Eritrea, Guatemala, China, Argentina, Lao People’s Democratic Republic and Namibia – the study draws some key policy lessons, especially in the area of technological learning and capacity-building.

2. Technical assistance

A. Science, Technology and Innovation Policy Reviews

Within the same context, Science, Technology and Innovation Policy Reviews (STIPs) are prepared. The main purpose of STIP Reviews is to enable participating countries to perform a review and analysis of their national science, technology and innovation strategy with a view to identifying policies and practices favouring capacity-building in STI activities and integrating them in their overall development policy. STIP Reviews typically look at (a) the design of STI systems; (b) the linkages among small and medium-sized enterprises, large firms, science and technology institutions and business associations; and (c) the policy dialogue and the relevant regulatory framework in the area of science, technology and innovation. These Reviews evaluate new and emerging science and technology trends and sectors that may bring economic opportunities to the country under review and provide recommendations to policymakers.

In 2010, field work and desk research was conducted for the implementation of the STIP Reviews of the Dominican Republic, El Salvador and Peru. These STIP Reviews are being carried out in close cooperation with the Economic Commission for Latin America and the Caribbean. The STIP Review of Peru has been completed in 2010. The STIP Reviews of the Dominican Republic and El Salvador will be finalized in 2011.

B. Ad Hoc Expert Meeting on STI Policy Reviews

In 2010 UNCTAD started a process of reinforcing the STIP Reviews through the organization of an ad hoc expert meeting in Geneva. Experts from academia and other international agencies with involvement in science, technology and innovation policy looked at the methodological issues, including the conceptual framework applicable to STIP Reviews in developing countries. They also discussed the ideal structure, content and the production process to maximize the long-term impact of STIP Reviews on policymaking in STI in developing countries. The outcome of the discussions will be a major input to the elaboration of a document on the methodology and guidelines for the implementation of STIP Reviews that the secretariat will prepare in 2011.

C. Network of Centres of Excellence

Enhancing scientific and technological networking among developing countries offers a significant potential to develop STI capabilities and improve access to new and emerging technologies. The Network of Centres of Excellence (NOCE) works with outstanding scientific and technological institutions in developing countries that collaborate as hubs of learning and training, and carries out advanced and basic training courses in biotechnology and ICTs for scientists and researchers from other developing countries. In November 2010, UNCTAD organized in the framework of NOCE and in collaboration with the National Agency for Computer Security of Tunisia, a training session on cybersecurity, in Hammamet, Tunisia. Several participants of these training sessions are members of the new national computer emergency teams.
currently being established in several African countries. Twelve participants from 11 African countries, including 8 least developed countries, benefited from this course.

D. Participation in courses on Key Issues on the International Economic Agenda (Paragraph 166 Courses)

In 2010, staff from the Policy Review Section delivered a module on STI, including ICTs, at the paragraph 166 course held in Beirut (October – November 2010).

3. Consensus-building

A. Multi-year Expert Meeting on Enterprise Development Policies and Capacity-building in STI

The second session of the Multi-Year Expert Meeting on Enterprise Development Policies and Capacity-building in Science, Technology and Innovation took place in January 2010, in Geneva. The session addressed the need for developing countries to be able to collect and use reliable STI indicators when they formulate, monitor and evaluate their STI policies. It also dealt with the collection of STI indicators in developing countries and explored the feasibility and value of identifying a core set of STI indicators for developing countries.

The meeting “noted that improved innovation policies offered major opportunities to accelerate growth, reduce poverty, and improve health and welfare. Further work on interaction and best practices, therefore, had the potential of high and sustained returns”. The experts encouraged UNCTAD, in collaboration with other international and regional organizations, to explore the possibility of developing a common list of STI indicators adapted to the realities of developing and least developed countries (LDCs) and to work towards building capacities in developing countries, in particular LDCs, to collect and analyse STI data to assist policymakers in formulating development oriented STI policies.

B. Single-year Expert Meeting on Green and Renewable Technologies as Energy Solutions for Rural Development

One of UNCTAD’s areas of focus that is also receiving increased interest is renewable energy technologies (RETs). In collaboration with the Division on International Trade and Commodities, in February 2010, the division held a single-year Expert Meeting on Green and Renewable Technologies as Energy Solutions for Rural Development. The aim of the meeting was to facilitate an exchange among experts, practitioners and policymakers on strategies to overcome the challenges associated with using RETs to catalyse rural development. About 130 people attended the meeting, representing over 53 countries and 31 intergovernmental and non-governmental organizations.

The meeting concluded that RETs can play a significant role in national poverty reduction strategies, enhanced energy security and access to affordable energy, as well as climate change mitigation. Scaled-up deployment of RETs in rural areas can notably enhance agricultural supply capacity (both in quantitative and qualitative terms), support the development of artisanal business, strengthen export competitiveness and open new opportunities for South–South cooperation and increased trade and investment. Participants emphasized the need to integrate RET deployment as part of the strategy for rural development and poverty reduction. They highlighted the importance of technology transfer and building local capabilities. Participants made a number of requests to UNCTAD, including to carry out research on integrated approaches to RETs as a tool for pro-poor development, facilitate the exchange between countries and communities of experiences and best practices, and promote South-South cooperation in the area of RETs for rural development, including trade and technology transfer aspects.
C. Ad Hoc Expert Meeting on STI Indicators

UNCTAD’s Ad Hoc Expert Meeting on STI Indicators was held in January 2010. Representatives from several international organizations and networks working in the field of STI indicators, as well as academics and STI experts, shared information and views about international best practices in the field of STI indicators, particularly in developing countries. They discussed possible avenues to facilitate progress towards the definition of a set of core STI indicators that are relevant for developing countries, and for international cooperation and interagency collaboration in the field of STI indicators.

D. FAO-UNCTAD parallel session at the International Technical Conference on Agricultural Biotechnologies in Developing Countries (ABCD-10)

UNCTAD and the Food and Agriculture Organization of the United Nations (FAO) co-organized a parallel event on policy coherence at the regional level in the context of FAO’s ABCD-10 Conference held in Guadalajara, Mexico, in March 2010. This session presented the experiences of the Association of South-east Asian Nations (ASEAN), Caribbean Community and Common Market (CARICOM) and Common Market for Eastern and Southern Africa (COMESA) regions in developing and implementing regional and national biotechnology policies in agriculture. The discussion focused on three general questions: (a) advantages of regional guidelines; (b) harmonization of technical requirements, regulatory procedures and legislation; and (c) capacity-building and sharing. Priorities that were identified for action at the regional level in this area included: (a) capacity building (human resources and infrastructure); (b) financial sustainability of regional guidelines; (c) establishment of effective regional bodies; (d) training of national decision makers; and (e) cost–benefit analysis related to the value of the regional guidelines.

A. Information and Economy Report

Yet another flagship report of UNCTAD is the Information Economy Report 2010: ICTs, Enterprises and Poverty Alleviation (IER 2010), which was launched in October 2010. It is one of few publications that monitor global trends in ICTs as they affect developing countries. The IER 2010 serves as a valuable reference for policymakers in those nations and was released via launching events in Addis Ababa (with the United Nations Economic Commission for Africa (UNECA)), Bangkok (with the United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)), Beirut (with the United Nations Economic and Social Commission for Western Asia (UNESCWA)), Colombo, Dhaka, Geneva, The Hague, Johannesburg, Lima, Luanda, Manchester, Medellín, Nairobi, Paris, Sao Paulo, Tunis and Yaoundé. In addition, the Report was presented at key international conferences dealing with ICT for development, such as (a) the M4D Conference in Kampala (10–11 November 2010); (b) the Euro–Africa ICT Research conference in Helsinki (7–8 December 2010); (c) ICTD 2010 in London (13–16 December 2010); and (d) the ICT4All Forum in Hammamet (10–12 November 2010).
The IER 2010 highlighted that, for the first time, there are realistic opportunities for inhabitants of remote locations in low-income countries to get connected via ICTs. Farmers, fishermen and micro-entrepreneurs in urban slums are rapidly adopting mobile phones as a key tool to advance their commercial activities, and some poor people are finding new livelihoods on the back of this trend. The Report stressed that policymakers should seize these new opportunities to leverage ICTs and enterprise to bring tangible benefits to the poor.

The Report called for tailored policy interventions in several areas. First, there is a need to secure affordable access to mobile telephony in those parts of low-income countries that are still not covered by a mobile signal. Interventions should be demand-driven and tailored to specific contexts. The links between ICT and enterprise policies should be strengthened in poverty reduction and national development strategies. In order for ICTs to facilitate economic growth that empowers those in poverty and enhances their livelihoods, policymakers need to support ICT adoption at lower levels of economic activity and sophistication. Development partners need to stay abreast of the rapid changes taking place within ICT for development, and to ensure that the potential of ICTs is given adequate attention within their programmes. In terms of implementation, governments and development agencies need to work in close partnership with the private sector and civil society.

The Report concludes that, if implemented successfully, the support of governments and development partners can help ensure that ICTs in enterprises make a stronger positive contribution to livelihoods and to poverty reduction. This is all the more important in view of the need to make progress with regard to the Millennium Development Goals.

B. Harmonizing cyberlaws

The Study on Prospects for Harmonizing Cyberlaws in Central America was launched in November 2010. It looks at seven countries in Central America and the Caribbean: Costa Rica, Dominican Republic, El Salvador, Guatemala, Honduras, Nicaragua and Panama. The study describes the current state of cyber-legislation, focusing on online transactions and electronic signatures, consumer protection, protection of privacy and personal data, cybercrime, intellectual property and domain names. This new publication provides government experts and the general public with a comprehensive overview of the situation in each of the countries concerned, and allows

Comments about the IER 2010

“A ground-breaking report”.

H.E. Ambassador Hannu Himanen of Finland

“A genuine wake up call to poorer States”.

H.E. Ambassador Abdul Hannan of Bangladesh

“This report could easily produce impact in the M4D academic community and for our project will be of great importance”.

Dr. Francisco Osorio on Mobile Livelihoods.wordpress.com

“The report does make for interesting reading—not least because it points out how much still needs to be done for…ICT to work its magic in poor countries”.

The Economist Blog, 16 October 2010
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for comparisons across the region. The Study on Prospects for Harmonizing Cyberlaws in Latin America, published in Spanish in 2009, is now available in English. During the launching of the cyberlaw publications delegates expressed their appreciation for the work of UNCTAD in this area.

2. Technical assistance

During 2010, UNCTAD saw continued demand for its ICT-related technical assistance, which reached all developing country regions, and relied on extrabudgetary support from the governments of Finland, France and Spain. ICT-related technical assistance work is focused on three main areas: (a) measuring ICT for development, (b) ICT and law reform and (c) ICT policy reviews.

A. Measuring ICT for development

Over the years, UNCTAD has been actively involved in supporting member States’ efforts to improve the availability of ICT statistics, especially with regard to the ICT sector and ICT use by the business sector. Without access to reliable data on the information economy, policymakers are at a clear disadvantage when formulating, implementing and evaluating their policies. In most developing countries, however, there is still a serious lack of reliable data in this area.

During 2010, UNCTAD delivered a regional training course on measuring ICT for development for French-speaking African countries. The course was organized in collaboration with UNECA in October 2010, and trained 17 staff members of national statistics offices (NSOs) of Francophone Africa. Most NSOs from the Francophone African countries have now benefited from such training. Once funding has been identified, similar courses could be foreseeable in other regions such as the Arab region and Central Asia.

The 2009 edition of the UNCTAD Manual for the Production of Statistics on the Information Economy was translated into Arabic by IIICSWA and into Spanish by the United Nations Economic Commission for Latin America and the Caribbean (UNECLAC). The manual is now available through UNCTAD’s website in Arabic, English, French and Spanish.

UNCTAD also continued its collaboration with other parts of the United Nations system. In July 2010, UNCTAD co-organized an international ICT seminar together with the United Nations Statistics Division, the International Telecommunications Union (ITU), the Government of the Republic of Korea and the Partnership on Measuring ICT for Development.

UNCTAD also participated actively in the first workshop of the interregional meeting on advancing ICT measurement in the Arab-speaking region in Amman, Jordan, in September 2010. Additionally, the work on measuring ICT was addressed in the context of several other international meetings in New York (United Nations Statistical Commission), Paris (WPIIS meeting), Helsinki (meeting of the CCSA) and Geneva (WSIS Forum, World Telecommunication/ICT Indicators Meeting).
In collaboration with ITU, UNCTAD provided two advisory missions to Tunisia (June and November 2010). Tunisian efforts to measure the information economy were assessed and proposals were made to further improve the international comparability of the statistics produced by the local NSO. Partly as a result of earlier support from UNCTAD, in 2010, Tunisia realized its first survey on ICT use in business, and is now exploring the production of statistics on its national ICT sector.

B. ICT and law reform

In order to seize the development opportunities created by ICT, effective cyberlaws are essential. In 2010, UNCTAD’s technical assistance activities in this field aimed primarily at facilitating increased regional harmonization of cyberlegislation, with projects in Africa, Asia and Latin America.

In Africa, as part of the assistance provided to the East African Community (EAC) since 2007 for the harmonization of cyberlaws in the five Partner States (Burundi, Kenya, Rwanda, Uganda and United Republic of Tanzania), a regional meeting of the EAC Task Force on cyberlaws was organized in Kigali in June 2010, with the support of the EAC Secretariat. The meeting took stock of progress made by the EAC Partner States in the preparation of cyberlaws. In particular, it welcomed the adoption of the EAC Legal Framework for Cyberlaws (Phase I) by the EAC Sectoral Council of Ministers on Transport, Communications, and Meteorology in May 2010.

As adopted, the EAC Legal Framework for Cyberlaw constitutes a Directive for Partner States to enact cyberlaws that will be harmonized and effective across the region. The States consider the adoption of harmonized cyberlaws critical for implementing e-government services effectively, and for increasing regional and foreign trade and investment.

In Asia, further to the draft cyberlaws prepared in 2007 for Cambodia and the Lao People’s Democratic Republic, advances have been made in both countries with regard to the discussion regional harmonization of cyberlegislation, with projects in Africa, Asia and Latin America.

“The United Nations Conference on Trade and Development played a valuable role in the preparation of the EAC Framework for Cyberlaws ... working closely with the secretariat in co-ordinating the workshops. The Secretariat, on behalf of the Partner States of the EAC, expresses its gratitude to UNCTAD for its excellent and continuing support in this and other development projects”.

Jean-Claude Nsengiyumva, Deputy Secretary General,
EAC Secretariat (June 2010)

“In Kenya and in other EAC countries, within the evolving payment systems the need for a dynamic e-framework grows exponentially. One of the recommendations by the financial sector and which will facilitate high uptake of electronic commerce/payments is the implementation of the EAC cyberlaw framework”.

Stephen Mwaura, Head Policy and Regulation,
Central Bank of Kenya (December 2010)
and approval of the draft e-commerce laws. Both countries have expressed the need to continue strengthening national capacity to ensure that such laws are adopted by 2012.

In Latin America and the Caribbean, a distance learning course on legal aspects of e-commerce was delivered to 210 participants from 19 Latin American and Caribbean Economic System (SELA) member countries. This course was delivered through the TrainForTrade platform. A face-to-face delivery of the course will follow up in February 2011 to allow practical discussion about ways to further harmonization in the region.

New requests for technical assistance to support cyberlaw development and the building of capacity in this field were also received in 2010, including from Madagascar, Burkina Faso and Niger through the United Nations Commission on International Trade Law (UNCITRAL).

In addition, UNCTAD was invited by UNCITRAL to be associated with the work on online dispute resolution mechanisms. Following UNCTAD’s participation in the Organization for Economic Cooperation and Development (OECD) Conference on Empowering E-Consumers organized in 2009, UNCTAD will continue to participate in the revision process to relay the concerns developing countries face in some of these areas.

In December 2010, an external evaluation of the programme on ICT and law reform was launched, with a presentation of the results expected during the spring of 2011.

C. ICT policy reviews

The Accra Accord stressed that UNCTAD should undertake ICT policy reviews (para 160). During 2010, UNCTAD finalized the review for Egypt carried out with the financial contribution of the United Nations Development Programme (UNDP) office in Egypt. The review will be presented to the Minister of Communication and Information Technology in the first quarter of 2011.

3. Consensus-building

In terms of consensus-building activities, UNCTAD contributed to the work of various international partnerships and mechanisms during 2010.

For example, UNCTAD is among the organizations involved in the Partnership on Measuring ICT for Development, and was elected in 2010 to serve another two-year term in the Steering Committee. This is an important collaborative mechanism in which all relevant international organizations participate. During 2010, activities by the Partnership included the preparation of a report to the United Nations Statistical Commission, the organization of a session during the WSIS Forum 2010 in May in Geneva, continued capacity-building efforts and the launch of a new Task Group on Measuring the WSIS Targets (led by ITU).

The WSIS Forum 2010, which ITU hosted in May 2010, is yet another excellent example of interagency cooperation among ITU, the United Nations Educational, Scientific, and Cultural Organization (UNESCO) and UNCTAD. Four hundred and thirty delegates from around 50 countries contributed to debates in a spirit of constructive multi-stakeholder
partnership. Many others followed the event through live webcasts and interacted electronically. UNCTAD played an active role in the preparations of the Forum as well as in its organization. In addition, UNCTAD organized the Action Line Facilitation on e-Business during the Forum, which this year was done jointly with FAO, and a session on Measuring ICT for Development (in cooperation with other members of the Partnership).

Moreover, during 2010, UNCTAD contributed to the interagency coordination of the United Nations Group on the Information Society and prepared a mapping of current STI-related capacity-building initiatives among United Nations agencies as an input for consideration by the High-level Committee on Programmes.

A.3. WSIS FOLLOW-UP AND THE COMMISSION ON SCIENCE AND TECHNOLOGY FOR DEVELOPMENT

A. Commission on Science and Technology for Development

CTSD-13 – At its thirteenth session, held in Geneva in May 2010, the Commission on Science and Technology for Development (CSTD) undertook a five-year review of the progress made in the implementation of and follow-up to the outcomes of the World Summit on the Information Society (WSIS) at the regional and international levels. In addition, it considered two priority themes: “improvements and innovations in existing financial mechanisms” and “new and emerging technologies.”

For the first time, the session also included a panel discussion on the theme “gender and science and technology,” as a contribution to the Economic and Social Council’s 2010 Annual Ministerial Review on “implementing the internationally agreed goals in regard to gender equality and empowerment of women” (Summary report (E/2010/92)). The CSTD session also included a segment on Science, Technology and Innovation Policy Reviews of Ghana and Lesotho.

In its thirteenth session, CSTD recommended to the Economic and Social Council two draft resolutions for adoption. The resolution on science and technology for development was adopted by the Economic and Social Council in July 2010. The Council encouraged the CSTD to continue serving as a platform for sharing examples of good practices and promoting North-South and South-South partnerships, especially in new and emerging technologies and RET transfer and deployment. Additionally, it invited the CSTD to make a contribution to the fifty-fifth session of the Commission on the Status of Women on “access and participation of women and girls to education, training, science and technology, including for the promotion of women’s equal access to full employment and decent work.” It also calls, inter alia, on UNCTAD to significantly increase its efforts to conduct STIP Reviews, in response to a high demand from member countries, and to continue its research and analysis work on RETs and STI policies. This falls in line with UNCTAD’s position in the United Nations system as a focal point for the integrated treatment of among others technology and its link to development.

The Economic and Social Council also adopted the resolution on “assessment of the progress made in the implementation of and follow-up to the outcomes of the World Summit on the Information Society” which was recommended by the thirteenth session of the CSTD. The resolution calls upon all stakeholders
to prioritize bridging the digital divide and highlights a number of priority areas, including sound strategies that contribute to e-government development, pro-poor ICT policies and applications including access to broadband at the grassroots level. It expresses appreciation for the role of the CSTD in assisting the Economic and Social Council as the focal point in the systemwide follow up of WSIS, and invites the Chair of the CSTD to establish a working group to seek inputs from all UN member states and all other stakeholders on improvements to the Internet Governance Forum (IGF) and report to its next substantive session in 2011.

The Economic and Social Council and the General Assembly – UNCTAD presented the report of the Secretary-General on “Progress made in the implementation of and follow-up to the outcomes of the World Summit on the Information Society at the regional and international levels” to the Economic and Social Council at its Coordination Segment in July and the sixty-fifth session of the General Assembly in October 2010, thereby contributing to facilitating policy dialogue and consensus-building carried out at the highest level of the United Nations intergovernmental processes. The General Assembly resolution on “Information and Communication Technologies for Development,” which was adopted in November 2010, recognized the role of the CSTD in assisting the Council in system-wide follow-up of WSIS.

CSTD 2010-2011 inter-sessional panel – The 2010–2011 inter-sessional panel of the CSTD took place 15-17 December 2010. The panel addressed the two priority themes for this intersessional period: (a) technologies to address challenges in areas such as agriculture and water, and (b) measuring the impact of ICTs for development. In addition, the panel addressed the follow-up to WSIS and decided on the composition for the Working Group on improvements to the IGF, which the Economic and Social Council requested the Chair of the CSTD to set up.

B. WSIS Plus Five Consultations
At the request of the Chair of the CSTD, UNCTAD launched a multi-stakeholder consultation in November 2010, on progress made towards the implementation of the outcomes of WSIS. The purpose of the review is to identify areas which have registered most progress, where obstacles and constraints are encountered and innovative measures to overcome them. In line with Economic and Social Council resolution 2006/46, the review also considers how changes in the ICT landscape may call for increased or reduced attention to certain areas. The outcome of this consultation will be presented in a study that will be launched at the fourteenth session of the CSTD in May 2011.

In collaboration with the Ministry of Science and Technology of the People’s Republic of China, the 2010 Shanghai World Expo Executive Committee, and the municipal Government of Wuxi, the Division on Technology and Logistics organized a forum entitled “Better City, Better Life: Science, Technology, Innovation and Urban Future”, 20–21 June in Wuxi, China, parallel to the 2010 World Expo. More than 800 international and Chinese policymakers, academics, business leaders and civil society representatives congregated in Wuxi, to address the role of STI in mitigating natural and manmade disasters and risks and meeting challenges of energy access.
and environmental sustainability, waste management, water and sanitation, as well as urban transport. The role of public policy to support innovation-based entrepreneurship was also discussed.

The Forum provided a useful platform for the sharing of examples of best practices from around the world in making twenty-first century cities sustainable through STI. Participants pointed out that the threats of global climate change and water and energy shortages require a new approach to urban development, marked by holistic planning and investment in building construction, housing, spatial planning, transport, energy, communications, environment, water and sanitation systems. Appropriate governance and international cooperation are key to ensuring the sustainability of many cities in developing countries. The outcome of the Forum fed into the Shanghai Declaration (see box).

“In an urban context, the future of our cities, one that is economically, socially and environmentally sustainable, will most certainly depend on our ability to capture and harness the benefits of science and technological innovation. But to do so, there is a need for international cooperation, technology transfer and building indigenous science, technology and innovation (STI) capabilities”.

*Opening statement by Mr. Supachai Panitchpakdi, Secretary-General of UNCTAD*

**Shanghai Declaration on STI**

“Cities should… apply principles of openness and mutual benefit in strengthening scientific and technological exchanges and collaboration to promote urban development around the world”.

*Source: Shanghai Declaration World Expo 2010*
Developing countries need to be provided with the means to develop and support policymakers and local institutions to ensure long-term sustainability of their capacity building efforts in trade and development.

**UNCTAD XII mandate on cross-divisional capacity-building under the Accra Accord:**

“UNCTAD should enhance its assistance in cross-divisional capacity-building programmes, including training for policymakers on the integrated treatment of the trade, investment, finance, technology and development issues referred to in paragraph 166 of the Bangkok Plan of Action, which must ensure wide and inclusive participation of developing countries. It should also continue to support the development of local teaching and research capacities in member countries’ academic institutions through the Virtual Institute, and foster training and capacity-building aimed at trade practitioners in order to assist member countries in developing a sustainable local capacity in trade, investment and development issues through TrainForTrade. UNCTAD should also continue to use these programmes to strengthen the synergies between its research and capacity-building activities”

(Accra Accord, para. 162).

**TrainForTrade**

**COURSE ON KEY ISSUES ON THE INTERNATIONAL ECONOMIC AGENDA**
UNCTAD assists developing countries and countries with economies in transition to build their capacities in the areas of trade and development through training and human resources development targeting different groups:

- The **TrainForTrade programme** for trade practitioners in the development of a sustainable local capacity in trade, investment and development issues;
- The **Courses on Key Issues on the International Economic Agenda** (the so-called Paragraph 166 of the Bangkok Plan of Action) for the training of policymakers;
- The **Virtual Institute** which supports academia.

These cross-divisional programmes expanded in 2010 thanks to the commitment and support of donor countries and partners, and to the wide recognition of their quality by beneficiaries. As in previous years, these programmes have pursued the integration of innovative methods and tools in their activities in order to provide sustainable support at the local level.

**HIGHLIGHTS**

- **TrainForTrade**: a key player in distance learning tools
- **TrainForTrade** carried out 18 face-to-face and distance learning workshops
- UNCTAD’s flagship course on trade and development: continued successfully its delivery
- Virtual Institute network now 55 members
B.1. TRAINFORTRADE

The TrainForTrade programme contributes to capacity development through the transfer of international trade-related knowledge in developing and LDCs. UNCTAD has picked three areas of focus where TrainForTrade can have the greatest impact. The past few years have been spent on developing and implementing our strategies for programmes for these areas:

1. Programme on international trade, investment and finance;
2. Programme on sustainable tourism for development;
3. Port training programme.

Four areas of activities are developed under each programme:

- Support to individuals (human resources development of TrainForTrade);
- Support to training institutions to generate knowledge taking into consideration local needs;
- Support to governmental institutions, including advisory services;
- Network for knowledge-sharing and multiplier effects.

The following pages include a few examples of how UNCTAD is working to help developing countries in capacity-building.

In 2010 TrainForTrade has continued delivering a total of 18 face-to-face and distance-learning courses in cooperation with other UNCTAD programmes which benefited 890 trade operators (of whom 32 per cent were women) from 45 developing countries, including 12 least developed countries.

About 142 of these trainees followed distance-learning courses all over the world. Seven train-the-trainer courses, including on distance-learning techniques, were organized for 93 African, Asian and Latin American trade operators. As a capacity-building result, 261 trainees were trained by local trainers all around the world.

TrainForTrade worked in collaboration with regional organizations such as the Economic Community of West African States (ECOWAS), the West African Economic and Monetary Union (WAEMU) and the Latin American and Caribbean Economic System (SELA).

A. Course Development

With strong expertise in training and methodological skills, the TrainForTrade programme developed and updated training packages to feed the specific needs of beneficiary countries according to their local environment. Face-to-face and e-learning packages have been developed on Investment Promotion, Climate Change and Carbon Market and International Trade Financing Procedures. Furthermore, several other courses have been updated and some elements were adapted for e-learning.

B. Course Delivery

Hybrid training, the combination of e-learning and traditional face-to-face delivery, was used in many different ways. The approach consisted of a first phase in e-learning mode, followed by a face-to-face workshop which allowed for a higher quality level of participation. In specific cases, e-learning was also used to replace experts that could not travel in the beneficiary country.

A new initiative was launched by way of using audio-conference to replace basic chat sessions in Angola: questions were posted in the chat room and the experts provided answers through audio-conference over the Internet. This forum is a very powerful element of the TrainForTrade e-learning platform: for instance, more than 2000 messages were exchanged in one month during the course on Legal Aspects of E-commerce held in Latin-America.
C. Increased Cooperation on E-learning

An excellent example of cooperation with international agencies is the one established with the Office for the Coordination of Humanitarian Affairs (OCHA), which aimed at strengthening the skills of OCHA staff. The United Nations Office at Geneva (UNOG) also plans to collaborate on e-learning and a dedicated platform is currently shared by TrainForTrade and UNOG’s Staff Development and Learning Section. Increasingly, TrainForTrade is recognized as a key player in distance learning by Geneva-based organizations. A Community of Practice is expected to be established in the very near future, whereby TrainForTrade would play a pivotal role.

1. Training Programme on International Trade, Investment and Finance

As part of UNCTAD’s response to strengthen local capacities of trade, investment and finance, and fostering developing countries’ ownership of knowledge in the field of trade and investment, TrainForTrade supported a number of projects.

A. Implementation of current projects

In Angola, the four-year TrainForTrade project funded by the European Commission successfully continued its activities. Several new TrainForTrade courses were planned and developed in Portuguese, among which:

- A first course on “Climate Change and the Carbon Market” for participants from several Ministries (Environment, Energy and Water, Oil, Agriculture, Rural Development and Fisheries and Commerce), civil society, as well as other institutions;
- A national study on investment;
- A seminar on consumer protection to raise awareness on the importance of consumer protection and the needs for regulation to ensure law enforcement and facilitate market surveillance. Following the recommendations of the seminar, TrainForTrade, in collaboration with the Competition and Consumer Policies Branch in UNCTAD, is currently assisting the Angolan government in drafting regulations for consumer protection.

In the framework of the joint project between UNCTAD/TrainForTrade and the International Trade Centre (ITC) in Guinea, two activities were organized, namely the creation of a team of qualified trainers from several Ministries and national institutions through the development of trade-related training capacities at the local level, and the organization of a workshop on theories and techniques of negotiation on trade-related issues.

B. Cooperation with Regional Integration Organizations

In partnership with ECOWAS, TrainForTrade organized a training programme for national directors of commerce on “International Trade Financing” and the difficulties faced by African exporters. As a result, Burkina Faso, Senegal and Togo submitted a request for national training on the subject.

TrainForTrade has also been very active with West African Economic and Monetary Union (WAEMU). In the framework of the cooperation agreement signed in 2008 by UNCTAD and WAEMU, TrainForTrade has worked in partnership with WAEMU’s trade experts to develop a regional training programme on trade-related capacity building to be implemented in 2011.

Thanks to the excellent cooperation with SELA and the contribution from Spain, the Programme organized the “Negotiators of International Investment Agreements” course in Santo Domingo, Dominican Republic, for representatives from 13 countries (the Plurinational State of Bolivia, Chile, Colombia, Cuba, Dominican Republic, Ecuador, Guatemala, Jamaica, Mexico, Nicaragua, Panama, Uruguay and the Bolivarian Republic of Venezuela) and organized a course on “Legal Aspects of Electronic Commerce” (see box page 20).
The year 2010 was one of significant progress to UNCTAD’s activities in sustainable tourism. TrainForTrade continued the development of capacities on this topic through collaboration mechanisms with national, regional and local authorities, civil society and the private sector. In the current environment, whereby the regional level plays a facilitator and pivotal role among the national and the local levels, stakeholders in LDCs are called to endorse increasing responsibilities, in the formulation of comprehensive and mutually-agreed tourism development strategies, in particular. In this context, the following activities were undertaken in Africa:

- A new training cycle on sustainable tourism for development was launched in Angola ranging from a hybrid seminar in Benguela on institutional support to enhance national policy dialogue to a sector-wide study to identify opportunities and weaknesses in the tourism sector;
- A study tour was organized in Senegal for representatives of the Benin tourism sector;
- A joint UNCTAD TrainForTrade/WAEMU training cycle on sustainable tourism was launched in October 2010 with a regional seminar for high-level tourism representatives from the member States and regional institutions. As a result of the training activity, key stakeholders at the national level now share a common vision on sustainable tourism and the needs for harmonizing discussions on the regional WAEMU legal framework.

“This seminar is of great importance to design and implement successful projects of sustainable tourism development in the WAEMU countries. I hope that such courses are organized in our respective countries for various levels of stakeholders involved in tourism development. I congratulate and thank UNCTAD for supporting our countries”.

Paul C. Akoha, Director of Tourism development, Benin

Technical assistance missions were undertaken to El Salvador and Nicaragua to consolidate cooperation opportunities following a successful first regional training on sustainable tourism for development held in Guatemala in 2009.
High-Level International Meeting of Experts on Sustainable Tourism for Development in the Least Developed Countries, Caen, France, 12-14 October 2010

18 suggestions were adopted at the High-level meeting for the consideration of LDCs and their development partners with a view to promote sustainable tourism for development (Caen Declaration):

At the national level:
1. Create a safe and stable enabling environment to encourage sustainable tourism development and encourage investment […] in the wider tourism economy;
2. Mainstream sustainable tourism development as an important poverty reduction avenue in all national development strategy documents […];
3. Harness product specialization and branding to strengthen market position of LDC tourism destinations in light of evolving international, subregional and domestic demand for tourism services […];
4. Promote domestic tourism to support the viability of the local tourism industry;
5. Promote decent work and respect the rights of the individual in the wider tourism sector with an emphasis on the most vulnerable groups, i.e. women, youth, children and migrants;
6. Adopt and implement investment, tourism and trade policies that support national strategies for sustainable tourism development;
7. Strengthen linkages and create synergies between tourism and other economic, environmental and cultural sectors for poverty reduction […];
8. Develop national mechanisms to support tourism enterprises viability and competitiveness;
9. Design and implement strategies […] to enhance the efficiency of various means of transport […] to, inter alia, make tourism sites more easily accessible;
10. Enhance the human resources potential for tourism activities […];

At the international level:
11. Support the national initiatives of the LDCs […];
12. Establish a joint cooperation mechanism between LDCs and their development partners to promote sustainable tourism in LDCs, strengthen […] assistance to LDCs in the area of sustainable tourism development, […] and encourage foreign direct investment with development impact to the tourism industries in LDCs;
13. Explore modalities of international support for the creation of national or subregional entities that will be able to extend development services to small tourism enterprises;
14. Explore the possibility of creating an international venture capital fund or other specialized mechanisms to finance […] investment projects […];
15. Support LDCs’ efforts to access knowledge and relevant and environmentally-friendly technology […];
16. Encourage decentralized cooperation options through which subnational authorities in partner countries would share their experiences with LDC authorities on sustainable tourism initiatives;
17. Encourage regional or subregional integration programmes of direct relevance to sustainable tourism development for the benefit of LDCs. Initiate and promote cooperation and synergies among stakeholders at all levels;
18. Enhance collaboration among the various international organizations […] to ensure synergy in supporting sustainable tourism development in the LDCs.[…].

Source: Proposals stemming from the Caen meeting, UNCTAD/ALDC/2010/3
A. Intergovernmental support

At the same time, TrainForTrade, in its capacity as executive secretariat of the UNCTAD Task Force on Sustainable Tourism for Development, co-organized with the UNCTAD Programme on Africa and LDCs, the High-Level International Meeting of Experts on Sustainable Tourism for Development in the Least Developed Countries (LDCs) held in Caen, France, in October 2010. TrainForTrade also led a session on the linkages among the three levels (macro-, meso- and micro-economic) and on the participatory approach needed for successful sustainable tourism development and planning.

The event resulted in the “Caen Declaration”, with 18 specific points instrumental in recognizing sustainable tourism as one of the key tools for poverty reduction and the achievement of the Millennium Development Goals for LDCs (see box page 21). Capacity-building and human resources development activities were recognized as being of paramount importance to support countries’ efforts towards the development of a sustainable tourism sector. These inputs constituted a relevant contribution to the preparation process of the forthcoming LDC-IV.

3. Port Training Programme

In the past year, UNCTAD also succeeded in expanding its activities in the TrainForTrade’s Port Management Programme. Building on recent successes in this area, the Port Partners of the Port Training Programme Networks gathered in Geneva in December 2010 to discuss their support to the beneficiary countries in Africa, Asia and Latin America; they also participated in the Multi-Year Expert Meeting on Transport and Trade Facilitation focusing on Emerging Challenges and Recent Developments Affecting Transport and Trade Facilitation that was organized by the Transport and Logistics Branch of DTL.

A. English-speaking Port Communities

In cooperation with the Dublin Port Company and Irish Aid, TrainForTrade organized the second Training of Technical Tutors for English-speaking Port Communities in Dar Es Salaam, United Republic of Tanzania in June 2010.

In addition, the last four modules of the Modern Port Management course were delivered in each of the countries of the network, namely, Ghana (Ghana Ports and Harbours Authority), Indonesia (PT. Pelabuhan, Indonesia), Malaysia (Kuantan Port Consortium), the Maldives (Maldives Ports Limited) and the United Republic of Tanzania (Tanzania Ports Authority).

In the course of September to November 2010, a dissertation session in these five pilot ports was organized as well as a Coaching Workshop on the pedagogic aspect of the TrainForTrade methodology for core instructors and focal points. This was followed by the International Coordination Meeting in Dublin, Ireland, with representatives from Ghana, Indonesia, Malaysia, Maldives, Namibia, Nigeria, Seychelles and the United Republic of Tanzania for the presentation and assessment of results and impacts of the pilot phase in the five member countries (Ghana, Indonesia, Malaysia, Maldives and the United Republic of Tanzania). A report was adopted at the meeting covering among others the strengthening of the programme and a future implementation scheme for new members. Pilot port member countries have already committed to engage in the new cycle of 2011–2012 and new port communities will examine the possibilities to integrate the network in 2011.
B. French-speaking African Ports

The French-speaking African Ports members of the TrainForTrade Port Training Programme organized new training cycles of the Modern Port Management course for the port communities of Cotonou (Benin), Douala (Cameroon), and Dakar (Senegal). The port of Djibouti started its first implementation of the programme in January 2010 and the cycle is planned for over a period of two years.

In addition, a training-of-trainers seminar was held in Marseille, France, for the port members of the network and the new potential port members. A Memorandum of Understanding was signed between Marseille Fos Port Authority (France) and UNCTAD in order to strengthen the long-standing relationship that was developed since 1996 to support the French-speaking port communities of Africa.

C. Portuguese-speaking Ports

Four seminars were organized by TrainForTrade, in cooperation with the Port of Luanda, in Angola on Modern Port Management. For the first time, the delivery of the courses was done by local instructors and the use of new technologies such as interactive chat session via Skype between the participants in Luanda, experts from Port of Sines, Portugal and the TrainForTrade team in Geneva.

D. Spanish-speaking network

In the framework of the Spanish-speaking Network of the Port Training Programme, participants from Guatemala and Peru participated in an intensive workshop for instructors in Gijón, Spain in June 2010 while the first cycle with the final process of the dissertation panels of the Programme came to its completion in October 2010.

UNCTAD organized the Coordination Meeting of its Port Training Programme for the Spanish-speaking Network in Valencia, Spain, in November 2010. The actors of the Spanish-speaking Network evaluated the activities implemented during the first training cycle of the

Portuguese-speaking network

Most of the activities are concentrated in Angola, where six of the main Angolan ports participated in the training (Luanda, Cabinda, Soyo, Namibe, Arboim and Lobito). With the restructuring taking place in the port administrations in Angola, two of the participants of the Modern Port Management course, Mr. António Samuel and Ms. Conceição Benza, have been promoted as Directors in the Port of Namibe.

“Training individuals in the society and for the society is something of great responsibility and requires a set of trainer’s skills which could be summed up as professionalism. This is exactly what was taught during the six days of our training. I believe that every one of us will leave this training with new skills symbolized by a change in our behaviour as trainers. Everything that was successful on this issue is a result of the organizational capacities of TrainForTrade, especially the instructors’ talent in transferring the knowledge, which I am very thankful for.

Fernando Finda Alúnia, National School of Commerce, Angola
programme and elaborated the work plan of activities for the second phase of 2011–2012. The representatives from the two new ports from Colombia and Argentina participated in the meeting and discussed possibilities to participate in the Spanish-speaking network.

**B.2. COURSE ON KEY ISSUES ON THE INTERNATIONAL ECONOMIC AGENDA**

The Course on Key Issues on the International Economic Agenda, or Paragraph 166 course as it is also known, targets policymakers – both in government ministries and agencies, and in permanent missions to the United Nations in Geneva. In providing this unique platform for addressing the many challenges developing countries face, UNCTAD has reconfirmed its role as focal point in the United Nations system for the integrated treatment of international finance, trade, investment, technology and their links with development. It is this approach that the participants consider to be the main value of the course.

The course is currently delivered in two forms: (a) three-week regional courses for policymakers working on economic policy matters in ministries of finance, economy and/or trade, investment agencies or central banks, as well as academics involved in teaching and researching trade and development issues; and (b) short (half-day) courses for Geneva-based diplomats.

Over the years, the regional course has forged itself a solid reputation, and is now recognized as an innovative product on the market for trade-related technical assistance services, particularly due to its unique integrated approach to trade and development. The relevance of the course is also recognized by the ambassadors of member States leading the course’s Advisory Body. In 2010, the Body reiterated its support for the programme and approved the venues for the remaining courses of the 2010–2011 biennium. The Advisory Body endorsed the offers of Colombia and Singapore for the next courses. It discussed the possibility of establishing permanent or semi-permanent venues in the future and requested the Secretariat to produce the corresponding Terms of Reference.

**1. Delivery of two regional courses**

The objective of these courses is to provide a comprehensive overview of (a) how economic factors such as international trade, finance, investment and technology are related to one another; (b) how they can impact positively on the economic and social development of countries; and (c) how appropriate policies in these areas can bring gains from the globalized economy. In 2010, two three-week regional courses were organized for 37 participants from 17 countries in:

- Baku, Azerbaijan, for economies in transition (July-August 2010); and
- Beirut, Lebanon, with the support of the United Nations Economic and Social Commission for Western Asia (October–November 2010).

The course is designed and its individual modules are delivered by resource persons – from UNCTAD, United Nations regional commissions and host countries – to provide a clear and coherent message.
on development. The programme was enriched with detailed case studies and lessons learnt from previous policy decisions, such as national investment strategies, or innovation and technology strategies, as well as critical examinations of negotiating proposals tabled, for instance, at WTO.

2. Short courses for Geneva-based diplomats

The objective of short courses is to update Geneva-based policymakers on the most recent issues and developments on the international economic agenda. Six such courses were offered in the spring and autumn sessions in cooperation with relevant UNCTAD divisions, namely on (a) Migration and development; (b) Trade agreements between developing and developed countries; (c) Transport and trade facilitation: infrastructure and services to enhance the competitiveness of landlocked and transit developing countries; (d) Millennium Development Goals; (e) Living in a carbon-constrained future: trade and development implications of climate change, and (f) South–South cooperation. A total of 178 delegates from 67 permanent missions from developing, transition and developed countries participated in the courses.

In the evaluations of the 2010 series of short courses, all the diplomats invariably stated that the courses had raised their awareness of trade topics, with around 85 per cent stating that the presentations, debates, as well as the materials received were directly useful for their work.

“The course was almost congruent to my expectations, given the amazing reputation of UNCTAD’s training courses. What needs a round of applause is the way things have been undertaken to better my understanding of international economic affairs and how they are interlinked with development issues, while highlighting the difficulties faced by decision-makers in selecting and tailoring appropriate policy options”.

Amr Al Melegy, Ministry of Foreign Affairs, Egypt

“I increased my knowledge of foreign trade policies in general, as well as specific trade issues that concern different countries – the CIS and other developed and developing countries”.

Mushfig Osmanov, Ministry of Economic Development, Azerbaijan

“The course covered important issues such as trade, financial flows and macroeconomic policies in a globalizing economy, investment and enterprise development, trade logistics and the role of ICT and finally WTO issues such as trade facilitation and the services negotiations. All in all, it was a very good experience for me and increased my knowledge and understanding of these topics”.

Aygul Isayeva, Khazar University, Azerbaijan

“The short courses have enabled me to negotiate better as a result of being better equipped technically”.

Delegate of Uganda

“I am dealing with trade facilitation and regional trade agreements so the courses have been very useful for my current job”.

Delegate of Romania
B.3. VIRTUAL INSTITUTE

The Virtual Institute (Vi) continued to work with academia in developing and transition countries to strengthen their teaching and research capacities on trade and development and increase the policy relevance of their work. Four universities from Brazil, Cameroon, China and the Russian Federation joined the Vi in 2010, expanding the network to 55 universities from 32 countries, of which 5 (Ethiopia, Mozambique, Senegal, Uganda and the United Republic of Tanzania) from LDCs.

In 2010, the Vi provided advisory and curriculum support to universities in the United Republic of Tanzania and Senegal, and assisted Cairo University (Egypt) in the update of their graduate course on International Economics. In cooperation with UNCTAD divisions, it developed teaching materials on international economic and legal issues, and on legal instruments of international economic relations and regional integration. It also provided grants and expert advice/peer review to academics from member universities for the adaptation of its generic teaching materials to their countries’ local conditions (“localization”). Five study tours were organized for students from member universities in the Caribbean, China and Colombia, the Russian Federation, and the United Republic of Tanzania, and two shorter sessions for students of the World Trade Institute (Switzerland) and students from the University of Barcelona (Spain).

The Vi organized as well regional and national workshops for academics in Latin America and African LDCs, for a total of 186 participants. In 2010, the Vi fellowship programme supported 15 developing country academics to develop research projects on a wide range of trade and development topics.

Four joint research project with members of the Vi universities networks, funded by the Government of Spain, were finalized in 2010. The projects were carried out in cooperation with divisions within UNCTAD. The Vi also continued using its networking capacity to facilitate North–South cooperation projects among Vi member universities.

In 2010 the Vi stepped up its efforts aimed at dissemination of UNCTAD’s research and publications from other international organizations to academia through virtual means, including the Vi website, the development of 10 new multimedia teaching resources and the organization of 8 videoconference presentations to disseminate the findings of UNCTAD research, in particular its flagship reports.

Finally, the Vi published a study, prepared by Argentina’s Latin American School of Social Sciences (FLACSO), on the contributions of academic capacity-building to the development of human resources and to policy support in developing countries.
In accordance with UNCTAD–XII, the following mandates exist with regard to trade logistics:

“Trade facilitation and access to efficient transport systems, as well as improvement of productive capacities, are essential for trade competitiveness. Ineffective trade procedures, excessive transport costs and lack of connectivity undermine the export competitiveness of developing countries, especially landlocked developing countries. Developing countries also face increasing demands to comply with different requirements in respect of maritime trade and supply-chain security”

(Accra Accord, para. 121).

“In the area of trade facilitation, transport and related services of interest to developing countries, UNCTAD should continue to analyze issues that affect the trade and transport of developing countries and international supply-chain security. It should also disseminate its analyses and relevant information, and promote the exchange of experiences”

(Accra Accord, para. 164).

“UNCTAD should continue to provide capacity-building and technical assistance to policymakers and other stakeholders in developing countries on such issues as reducing transport costs and improving transport connectivity and competitiveness, developing and implementing appropriate institutional and legal frameworks, and devising and implementing national and international actions to promote transport and trade facilitation, including in transit corridors. It should coordinate this work with other relevant organizations where appropriate. It should continue to assist developing countries in transport and trade facilitation negotiations, including in the context of the Doha Round, and in ensuring the effective implementation of agreed rules and standards”

(Accra Accord, para. 166).

“UNCTAD should undertake research to develop policy recommendations that will enable developing countries to cut transport costs and improve transport efficiency and connectivity. The research should pay special attention to the needs of the most vulnerable economies, and in particular to the development and implementation of coherent transit systems that will benefit landlocked developing countries and transit developing countries, taking into account the Almaty Ministerial Declaration and Programme of Action. Attention should also be paid to the promotion of multimodal transport”

(Accra Accord, para. 165).

“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 automated system for customs data”

(Accra Accord, para. 167).

“Through its research and policy analysis, UNCTAD should help developing countries make informed policy choices to address environmental challenges in relation to transport strategies, and to help identify associated capacity-building needs and appropriate regulatory responses”

(Accra Accord, para. 168).
A combination of factors is currently transforming the international transportation landscape, spanning a broad range of areas, including economic, energy-related, environmental, political, regulatory and technological. These factors have a significant impact on transport and trade costs which greatly determine trade performance and competitiveness.

UNCTAD’s role in the field of Trade Logistics is to enhance the economic development and competitiveness of developing countries, in particular least developed countries, landlocked developing countries and countries with economies in transition, through efficient trade logistics services, trade facilitation, including Customs modernization, efficient transport systems, and a supportive regulatory and legal framework.

The Trade Logistics Branch under the Division on Technology and Logistics consists of three Sections - one on transport, one on trade facilitation and one on policy and legislation – whose activities are laid down in this chapter. UNCTAD’s technical assistance programme on customs automation, ASYCUDA, is further presented in chapter D.

**HIGHLIGHTS**
- Review of Maritime Transport in its 41st year
- Transport Newsletter with more than 3000 subscribers
- Topical studies on oil prices and transport costs, and on trade facilitation negotiations and implementation
- Liner Shipping Connectivity Index
- Advisory services on international transport and trade facilitation
- Special technical assistance programme in WTO trade facilitation negotiations
- Workshops, fora and seminars on trade facilitation issues and climate change and international transport
C.1. TRANSPORT

1. Research and analysis

A. Review of Maritime Transport

UNCTAD’s well established annual Review of Maritime Transport reports on the evolution of global merchandise trade and maritime transport activities. It provides concise coverage of key issues and developments in the field, especially as they relate to developing countries, and provides access to highly specialized data not usually freely available. Issues covered in the 2010 edition of the Review of Maritime Transport included (a) international seaborne trade; (b) developments in the world fleet, including registration and ownership; (c) ports and cargo throughput; and (d) regulatory and legal developments in the field of transport and trade. For 2010, economic and maritime transport developments in Asia and the Pacific were the focus of a special regional chapter. In tandem with the market deceleration experienced by the region in 2009, merchandise exports fell by a significant rate of about 12 per cent. In addition to relevant 2009 and 2010 statistical data, the Review of Maritime Transport presented historical time-series, which are of particular interest to a broad readership.

B. Transport Newsletter

Four times per year, UNCTAD’s Transport Newsletter provides updates on recent and upcoming transport and trade facilitation events and publications. Each issue features selected, topical articles and provides a forum for key players and other international organizations to share their views with our readership. The Transport Newsletter is sent out electronically to a large and growing number of subscribers. Subscription is free via www.unctad.org/transportnews.

C. Liner Shipping Connectivity Index

The share in developing countries exports of manufactured goods has continuously increased over the last decades and supply chains have become truly global, with an increased participation of developing countries. International trade in manufactured goods is mostly transported by containerized liner shipping services which connect seaports with each other through a global liner shipping network. UNCTAD helps filling the need for analyzing trends in the structure of this network since 2004 through our Liner Shipping Connectivity Index (LSCI) (see box page 31). The LSCI also provides an indicator of a country’s position within the global container transport network.

2010 issues of the Transport Newsletter have dealt with the following topics:

- Trends in liner shipping connectivity;
- The transport of refrigerated cargo;
- Public and private partnerships in transportation and trade;
- Regional initiatives in trade facilitation;
- Port reforms;
- Transit transport;
- International transport and climate change;
- Special challenges for LDCs;
- Trade facilitation negotiations at WTO;
- Maritime cargo container scanning;
- UNCTAD’s Port Training Programme; and
- National and regional collaborative mechanisms in trade facilitation.
In 2010, UNCTAD put its LSCI online (http://unctadstat.unctad.org). This index has enjoyed increasing success. For example, research on international trade and transport is increasingly incorporating the LSCI among the explanatory variables. Also, it has been included in the calculation of the 2010 “Enabling Trade Index” of the World Economic Forum. A comparison between the LSCI and the World Bank’s “Logistics Performance Index” (LPI) showed a high positive correlation between the different components of the two indices (see Transport Newsletter, No. 46, Second Quarter 2010).

2. Consensus-building

A. Multi-year Expert Meeting on Transport and Trade Facilitation

Consensus-building is an important element of UNCTAD’s work. The third session of the Multi-year Expert Meeting on Transport and Trade Facilitation took place in Geneva from 8 to 10 December 2010. Further to the request of member States, UNCTAD published an issues note for the meeting on “Emerging challenges and recent developments affecting transport and trade facilitation”.

The note reviews some of the emerging challenges affecting transport costs and connectivity as well as the regulatory and legal framework for transport and trade facilitation. UNCTAD’s contribution to the effective implementation of trade facilitation measures ensuing from the World Trade Organization negotiations and the use of information and communication technologies in logistics are also examined in the note.

The meeting covered a broad range of areas, such as (a) economic (e.g. the financial crisis); (b) energy-related (e.g. fuel prices); (c) environmental (e.g. climate change); (d) political (e.g. security); (e) regulatory (e.g. international convention and multilateral/regional agreements in transport and trade facilitation); and (f) technological (e.g. information and communication technologies).

Experts made several proposals regarding the role UNCTAD could play in expanding or deepening its work in different areas, including:

(a) Research and analysis for instance to better assess the impact of oil prices and freight rates;

UNCTAD’s LSCI helps to analyse trends in liner shipping connectivity

An analysis of the LSCI’s components suggests that the long term developments of the global liner shipping network are mixed.

On the positive side, larger ships and higher container carrying capacities can cater for the growing global trade in manufactured goods and economies of scale help to reduce costs; the average size of the largest ships deployed per country went up by more than 60 per cent between 2004 and 2010.

On the negative side, the larger ships also pose a challenge to smaller ports in many developing countries as regards the necessary investments in infrastructure. The network as such is not expanding in terms of companies or services; rather the trend is towards lower costs and less choice for importers and exporters as the average number of companies providing services per country decreased by more than 20 per cent between 2004 and 2010. The latter trend is of particular concern to smaller markets in many LDCs and small Island Developing States (SIDS), as they may be confronted with the risk of anti-competitive behavior by a small number of transport service providers.

Sources: Transport Newsletter, No. 47, Third Quarter 2010; and Lloyds List, 10 June 2010
(b) The implementation of trade and transport facilitation projects to allow developing countries to fully benefit from trade facilitation; including in case of harmonization procedures between landlocked developing countries (LLDCs) and transit countries;

(c) Human resources capacity-building, especially in port management and development through UNCTAD’s TrainForTrade programme and the expansion of the latter’s network;

(d) Effective implementation of the Almaty Programme of Action; and

(e) Customs automation.

B. Partnerships and collaboration

As part of UNCTAD’s response to addressing emerging global challenges, the division continue to actively participate in global collaborative initiatives in the area of trade and transport facilitation, including notably the Global Facilitation Partnership (GFP) and working groups of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT). The collaboration includes contributions to capacity-building activities and the development of new trade facilitation recommendations. For instance, UNCTAD is currently contributing to the work of the UN/CEFACT Trade Procedures Working Group in the development of new recommendations, particularly concerning the establishment of national trade facilitation coordination mechanisms and Single Window inter-operability.


Moreover, modules were taught on trade logistics within the Division’s programmes TrainForTrade Port Training Programme (Dar es Salaam), the Course on Key Issues on the International Economic Agenda (Para. 166) (Baku, Beirut and Geneva), and the Virtual Institute. In cooperation with other Branches of the Division on Technology and Logistics, contributions were made to the organization and documentation for UNCTAD’s intergovernmental meetings, including the UNCTAD pre-conference event for the Fourth United Nations Conference on the Least Developed Countries (LDC-IV), “Building productive capacities in LDCs for inclusive and sustainable development”. At the latter event, international panellists analysed and discussed the crucial role of transport and trade facilitation for the development of LDCs and the support that is required from the international community.
C.2. TRADE FACILITATION

Throughout 2010, the WTO negotiations on trade facilitation continued to be among the most important features of international trade facilitation efforts. With its research and technical assistance, UNCTAD has provided information and expertise for developing countries, enabling them to better participate in the negotiations and to strategically plan national and regional trade facilitation reforms.

1. Research and analysis

In addition to research and analysis on transport issues, two documents directly related to the ongoing negotiations on trade facilitation at WTO were produced in 2010. The study “Reflections on a future trade facilitation agreement implementation of WTO obligations: A comparison of existing WTO provisions” provides an overview and analysis of implementation related provisions in WTO law. It explores options for a new approach to special and differential treatment of developing countries in the context of the trade facilitation negotiations. The document “Technical notes on trade facilitation measures” compiles background information on 17 interventions that are key to trade facilitation reforms. It presents objectives and impact, as well as implementation requirements for each of these measures. The document is a revised and updated version of a 2005 report, reflecting the developments in the negotiating process at the WTO during the last five years.

2. Technical assistance and advisory services

At the same time, UNCTAD has continued to provide support to Geneva-based delegations by providing advice on substantive issues of the trade facilitation negotiations, including transit and general aspects of the WTO negotiating process. It has furthermore conducted activities to strengthen national capital-based expert groups on trade facilitation and the related WTO negotiations. In Niger and the Republic of Congo, trade facilitation needs assessments were conducted and workshops on the current WTO negotiating text were held in Benin, Botswana, Honduras and Senegal.

As economic regional integration is a dynamic reality of the world trade system UNCTAD continued to provide its advisory services through, and in collaboration with, the Commission of the West African Economic and Monetary Union (WAEMU) and the Secretariat of the Organization of East Caribbean States (OECS). As a result of regional workshops organized in 2010 for member States of these two regions, a forum was created for the exchange of negotiating positions and the sharing of implementation experiences and best practices. Within this context, UNCTAD worked to engage public agencies and private sector representatives in groups of national experts studying trade facilitation challenges and solutions in their respective countries. The OECS secretariat is aiming at developing a regional trade facilitation strategy to advance necessary reforms in its member states.

A. Capacity-building

In 2010, UNCTAD organized jointly with the Agency for International Trade Information and Cooperation (ATIC) two regional workshops on regional trade facilitation initiatives and the WTO negotiations on trade facilitation for capital based experts in Uganda and Nepal. Furthermore, two dedicated regional UNCTAD workshops on the same topics gathered experts from ALADI and SIECA member states in Uruguay and Guatemala respectively.

B. Partnership-building in trade facilitation

In line with the implementation discussion taking place in the context of the WTO
negotiations on trade facilitation, UNCTAD organized a two-day Forum on “Engaging the Trading Community: WTO, Trade Facilitation and the Private Sector in Developing Countries”, in Geneva in February 2010 (see box). More than 100 participants and experts from private and public sector gathered to discuss the role of private sector based solutions for trade facilitation and explore forms of private-public collaboration in this field. Given the budget constrains of many governments reform initiatives have to successfully integrate technologies and expertise from the private sector to achieve innovation and operational efficiency. The forum highlighted the positive results that such private-public partnerships can bring to trade facilitation.

C. National trade facilitation projects

Three technical assistance projects were carried out in Afghanistan, Comoros and Pakistan:

- In Afghanistan, UNCTAD successfully concluded the implementation of the trade facilitation component of the “Emergency Customs Modernization and Trade Facilitation Project”. The key achievements of this project, implemented since 2004 in cooperation with UNOPS and the World Bank, include the following: (a) a professional directory and training package for the national association of freight forwarders; (b) the restructuring of the department in charge of transit in the Ministry of Commerce and Industries; (c) the initiation of the negotiations to join the World Trade Organization with the preparation of the Memorandum on its Foreign Trade Regime; and (d) the conclusions of the negotiations with Pakistan on the Afghanistan Pakistan Transit Trade Agreement – APTTA. UNCTAD’s expertise and assistance were instrumental during the preparation of the draft agreement by Afghanistan’s Ministry of Commerce and Industry. A key factor of success for UNCTAD’s support lay in the combination of advisory services by UNCTAD experts, international consultants, national seminars and workshops, and the recruitment and training of local consultants.

- In Comoros, with the assistance of UNCTAD, port governance was
strengthened in the framework of the Integrated Framework (IF) projects. The project succeeded in offering a platform for the private and public stakeholders for sharing information and identifying solutions to improve operational efficiency.

- In Pakistan, under the World Bank financed Trade and Transport Facilitation Project II, UNCTAD initiated its advisory services. Ad hoc support was provided in the WTO Trade Facilitation negotiations to the Pakistan Mission in Geneva. As the activities under the four-year project were initiated, various meetings were held in Islamabad, Lahore and Karachi with key project stakeholders from the World Bank, the Government of Pakistan, Customs, and the National Trade and Transport Facilitation Committee.

C.3. POLICY AND LEGISLATION

1. Research and analysis

As part of its mandate on trade logistics, UNCTAD carries out substantive research on a wide range of policy, legal and regulatory issues and related developments affecting the transport and trade of developing countries. Where appropriate, formal or informal meetings convened by UNCTAD also provide an important forum for discussion of relevant issues by member States, public and private sector stakeholders and other experts. Detailed advice and guidance on legal matters is provided upon request.

A. Recent developments

Substantive areas of focus in relation to legal and regulatory issues include commercial transport law, as well as maritime and supply-chain security and environmental regulation in the field of shipping, with a dedicated chapter in the Review of Maritime Transport 2010 providing an overview of relevant recent developments. Another dedicated chapter in the Review of Maritime Transport 2010 focuses on recent relevant developments affecting international seaborne trade, including the implications of the latest global financial crisis and the subsequent economic downturn, as well as some emerging developments with implications for maritime transport, such as energy security and the long term development of oil prices, environmental sustainability and the impacts of climate change.

B. Oil Prices and Maritime Freight Rates

With over 80 per cent of global merchandise trade carried by sea and maritime transport being largely dependent on heavy fuel oil for propulsion, the implications of elevated oil prices on maritime transport costs are of considerable interest. A technical report by UNCTAD entitled “Oil Prices and Maritime Freight Rates: An Empirical Investigation”, published in April 2010, one of the few empirical studies on the subject, provides much-needed data to advance the understanding of oil prices as a determinant of maritime freight rates. The study also served to assist in the work of an International Maritime Organization (IMO) Expert Group on Market Based Measures charged with assessing the feasibility and impact of different proposed market-based measures currently under consideration by the IMO’s Marine Environment Protection Committee (see MEPC 61/INF.2).

C. Environmental challenges in the field of transportation

One important area of the work programme arises from a mandate in paragraph 168 of the Accra Accord that UNCTAD, through its research and policy analysis should help developing countries make informed policy choices to address the environmental challenges in relation to transport strategy and help identify associated capacity-building needs and appropriate regulatory responses. To this
end, UNCTAD continues to analyse, assess and report on relevant developments in the field and to cooperate with relevant international organizations, in particular the International Maritime Organization (IMO) and the United Nations Economic Commission for Europe, as appropriate.

### 2. Technical assistance

#### A. Advisory services

In response to requests received from various governmental and intergovernmental entities as well as non-governmental organizations, advice and policy guidance was provided on a range of substantive legal issues and international legal instruments, including (a) the Rotterdam Rules, 2008; (b) the International Convention on Arrest of Ships, 1999; (c) the United Nations Convention on International Multimodal Transport of Goods, 1980; and (d) the Convention on a Code of Conduct for Liner Conferences, 1974. Information, documentation and data, in particular relating to seaborne trade and freight costs, were also provided to various public and private sector entities. For example, data, relevant information, documentation and advice were provided in response to requests received from other United Nations entities and related memberships, as well as academia, consultancy firms and industry associations from both developed and developing countries such as Brazil and Western African countries.

#### B. Cooperation

UNCTAD cooperates with a range of entities sharing a common interest in transportation and related issues, including within the context of sustainable development. Partners included the United Nations Office of Legal Affairs, the International Maritime Organization (IMO), the United Nations Environment Programme (UNEP) and UNECE. In addition to the above mentioned joint UNCTAD-UNECE workshop on Climate Change Impacts on International Transport Networks held in September 2010, UNCTAD also actively participated in a number of UNECE meetings, including the Inland Transport Security Forum, the UN CEFAC Trade Procedures Working Group (TPWG 15), in February 2010 and the UNECE Working Party on Intermodal Transport and Logistics, held in October 2010.

### 3. Consensus-building

#### A. United Nations reports

Information about UNCTAD’s work in the field of policy and legislation was also shared and disseminated by way of contribution to a number of United Nations Reports, including the United Nations Secretary-General Report on Oceans and the Law of the Sea and the United Nations Caribbean Sea Report, as well as through involvements in a number of international meetings and conferences. In 2010, this included participation at a round-table event, organized by the International Centre for Trade and Sustainable Development (ICTSD) on Climate Change, Trade and Development, focusing on aviation and shipping, held in November 2010, as well as delivery of key-note speeches at events such as the EU-sponsored stakeholder meeting on “Technology opportunities and strategies towards climate–friendly transport” (TOSCA), in September 2010. UNCTAD also delivered a presentation at the plenary session of the annual conference of the International Union of Marine Insurers (IUMI) – “Marine Insurance – Meeting the Challenge of the New Decade” – in September 2010. The presentation, to an audience of some 750 delegates, set the global scene by highlighting developments affecting international shipping and seaborne trade and sharing some thoughts about future prospects and their impact on the marine insurance.

#### B. Compensation for ship-source pollution

In April 2010, an important regulatory development under the auspices of IMO was the adoption of a Protocol to the 1996 International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (HNS Convention), which aims to overcome obstacles to the ratification and
entry into force of the Convention. Given the increasing trade of large volumes of hazardous and noxious substances by sea, entry into force of the HNS Convention, which addresses an important regulatory gap and complements the international regime for compensation for ship-source oil pollution, could provide significant benefits to coastal states that are exposed to potential accidents and pollution incidents. UNCTAD participated as an observer in the Diplomatic Conference at which the HNS Protocol was adopted. To raise awareness about the central features of the new legal instrument and to assist policymakers in assessing the merits of its ratification, an analytical overview of the 2010 HNS Protocol was provided in the Review of Maritime Transport 2010. The topic was further highlighted as part of the discussions at the third session of UNCTAD’s Multi-year Expert Meeting on Transport and Trade Facilitation, held in December 2010.

As concerns oil pollution from tankers, the relevant international legal framework is very robust and well developed, providing significant compensation for loss due to oil pollution incidents. With many coastal or small island developing States’ economies heavily dependent on income from fisheries and tourism, exposure to damage arising from ship-source oil pollution incidents poses a potentially significant economic threat. Thus, ratification of the relevant legal instruments could have significant potential benefits for some developing countries that are not yet among the Contracting States.

Against this background, work is also underway on a report relating to the international regulatory framework for compensation for ship-source oil pollution. The report, due to be published in early 2011 provides an analytical overview of the complex legal framework and aims to assist policymakers, particularly in developing countries, in assessing the benefits and challenges associated with adoption and implementation of the relevant international legal instruments.

C. Implications of climate change for transportation

To help raise awareness about the potentially important implications of climate change for international transportation infrastructure and services across modes, UNCTAD, in cooperation with UNECE, organized a joint workshop on “Climate Change Impacts on International Transport Networks” and prepared a substantive background paper on the subject (ECE/TRANS/WP.5/2010/3), highlighting a range of important issues for consideration. The joint workshop, held in September 2010, brought together experts across regions, including representatives from governments, academia, as well as intergovernmental and nongovernmental organizations for considered discussions on the subject. In view of the complexity of the substantive issues at hand, it was emphasized that further information sharing was required and that appropriate adaptation policy action, involving policymakers, as well as stakeholders throughout global supply chains needed to be urgently considered. UNCTAD will continue to aim for synergy and collaborate further in this respect, as appropriate, with UNECE, as well as with other interested organizations, such as the International Association of Ports and Harbours, which has expressed its strong interest in cooperating with relevant United Nations initiatives in the field.

In respect of climate change-related issues, it should also be noted that an edited volume of papers by speakers at the 2009 expert meeting on “Maritime Transport and the Climate Challenge” as well as some other expert contributors is currently in preparation and is due to be published by Earthscan in late 2011.
A mandate was given at UNCTAD–XII on an automated system for customs data:

“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 automated system for customs data”

(Accra Accord, para. 167).

The UNCTAD Automated System for Customs Data (ASYCUDA) is a customs management system for international trade and transport operations in a modern automated environment. Advanced software applications are designed and developed for customs administrations and the trade community to comply with international standards when fulfilling import, export and transit related procedures.

Through its ASYCUDA programme, UNCTAD aims at:

- Modernizing customs operations and helping to improve revenue collection;
- Facilitating trade efficiency and competitiveness by substantially reducing transaction time and costs;
- Improving security by streamlining procedures of cargo control, transit of goods and clearance of goods;
- Helping fight corruption by enhancing the transparency of transactions; and
- Promoting sustainable development by cutting down on the use of paper.

The ASYCUDA Programme is the largest technical cooperation programme within UNCTAD, present in over 90 countries, among which 38 LDCs.
UNCTAD’s competency in the complex area of customs automation is internationally well recognized. The implementation of an ASYCUDA project in a beneficiary country is based on the delivery of a comprehensive training programme, ensuring the full transfer of the ASCYUDA know-how to the national staff, in order to allow the national team to administrate, maintain and further develop its ASYCUDA system independently, without external technical assistance and support. An important factor for success of the projects is the willingness to change and the commitment and full support of the government.

Information on latest relevant developments of the Programme and its operations and improvements in about 90 countries worldwide is provided on a biannual basis through online newsletters for the ASYCUDA users community and other interested parties. The first such newsletter was launched in July 2010 and complements the ASYCUDA World Report, which comes out every few years.

**HIGHLIGHTS**

- Largest UNCTAD technical assistance programme
- Over 90 countries use ASYCUDA system
- Implemented in 38 LDCs
- 44 training sessions on know-how and capacity-building transfer
- Online newsletters
A. Impact of ASYCUDA

As UNCTAD continues to refine its strategies based on the lessons learnt in the field, the organization is paying particular attention to the question of impact assessment of ASYCUDA projects. This can be assessed by various institutional and trade facilitation benchmarks, including increased revenue, improved trade facilitation, shorter clearance times, and availability of timely and reliable trade statistical data. The consistent enforcement of the customs and related legislation nationwide and the automatic calculation of duties and taxes result in the increase of State budget revenue, while reliable and timely trade and fiscal statistics assist Governments in planning their economic policy.

A first cluster of Achievement Indicators has been developed and is currently being implemented through the Logical Framework Matrix (LFM) concept in a pilot project in Liberia (see box page 42). At the same time, the Matrix is at present being introduced to all new projects. It allows the beneficiary country’s management to collect data and information, thereby creating knowledge, which improves the country’s decision-making framework. Moreover, the LFM allows project evaluators to illustrate the impact of the development intervention and its sustainability.

It is likely that ASYCUDA’s latest version will have 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.

1. Technical assistance

The ASYCUDA Programme operates in over 90 customs administrations worldwide and is UNCTAD’s first flagship technical assistance programme (see http://www.asycuda.org). In 2010, there were some 67 operational ASYCUDA technical assistance projects, including 14 regional/interregional projects.

The system is recognized as an efficient tool for trade development. It is worthwhile noting that ASYCUDA has been adopted by 38 among the 49 LDCs.

In 2010, the ASYCUDA Central Team continued to provide remote technical assistance and support for system maintenance (online, e-mail, and telephone), and in the field (for implementation of new projects and new software releases, adaptation to new hardware or software, improvement of functionalities, etc). More than 300 missions undertaken by staff or consultants (training excluded) were organized in the beneficiary countries. In the spirit of South-South cooperation, more than 60 per cent of these missions were carried out by experts from ASYCUDA-user countries.

Regarding know-how transfer and capacity-building, 44 ASYCUDA training sessions were held worldwide at the national and regional level on customs and ICT matters throughout the year. The functional courses covered mainly selectivity and risk-management, customs valuation and implementation of transit, while the ICT courses focused on database structure and administration, information exchange and telecommunications, web technology, and ASYCUDA maintenance and development.

A. Activities in countries and regions in 2010

National projects and activities – The year 2010 was a good year with new projects and good project progress. Implementation activities for ASYCUDA’s latest version started or continued in Anguilla, Gibraltar, the Islamic Republic of Iran, the Lao People’s Democratic Republic, the
Libyan Arab Jamahiriya, Maldives, Montserrat, Sao Tome and Principe, Sri Lanka, Tunisia, Turks and Caicos Islands and the Bolivarian Republic of Venezuela.

Also, projects were signed for the migration to ASYCUDA’s latest version in Burundi, the Republic of the Congo, Mali, Sudan and for a first system implementation in Djibouti.

Finally, the latest release of the system is operational in Albania, Anguilla, Belize, Cambodia, Côte d’Ivoire, Dominica, Georgia, Haiti, Jordan (for both the National Customs Administration and the Aqaba Economic Free Zone Authority), Lebanon, Liberia, Montserrat, the Republic of Moldova, Nicaragua, Palestine, Saint Lucia, the Syrian Arab Republic, Trinidad and Tobago, the Bolivarian Republic of Venezuela and Zimbabwe, covering the full customs clearance process.

Regional projects and activities – In 2010, technical assistance activities also took place at the regional level. The cooperation with the Secretariat of the Economic Community of Central African States (CEMAC), through a project funded by the European Union, is an excellent example. This project aims at improving the current national systems and developing and implementing a regional transit system, based on ASYCUDA’s latest version. It includes a broad series of activities (e.g. training, collection and compiling of regional transit statistics, development of documentation and provision of regional support). The project will initially focus on two corridors (Douala-Bangui and Douala-N’djamena) in its transit component and then, in a second stage, be extended to all seven countries of the region.

In addition, in the framework of a regional project being implemented in cooperation with the Common Market for Eastern and Southern Africa (COMESA) secretariat, the number of operational sites using the ASYCUDA system was extended in Comoros, the Democratic Republic of the Congo, Eritrea, Seychelles and Swaziland. Activities for the implementation of, or for the migration to, a more recent version of ASYCUDA continued in Afghanistan, Botswana, Cameroon, Guinea, Guinea-Bissau, Malawi, Nigeria and Sierra Leone.

B. System developments

Our ongoing commitment to improve the ASYCUDA system was bolstered through research and analysis activities undertaken for the extension of the ASYCUDA functionality in order to embrace the concept of Single Window (SW) for International Trade. Such a concept will allow the connection of the Other Government Agencies (OGAs) to the customs system for the electronic exchange of data and documents, setting the basis for the implementation of e-customs and e-government, and opening for the trade community the access to a paperless environment.

Thanks to cooperation agreements, significant progress could be made in a number of areas. For instance, and in the above-mentioned context, UNCTAD signed a project with the Ministry of Agriculture of the Kingdom of the Netherlands in December 2009 for (a) the integration of that country’s CLIENT Export System into the ASYCUDA System and (b) the piloting of an ASYCUDA/CLIENT Export System for the computerization of export operations, including the issuing of Export Control Certificates. The activities of the project started in April 2010 and the application software is under development. The Government of Ethiopia agreed to become the pilot country for the implementation of the first project to start during the first half of 2011. This will include system implementation and tech-
Highlights on the case study in Liberia

Post war Liberia is making strenuous efforts to catch up with the rest of the world’s development trends after 14 years of civil war and destruction. For the Government of Liberia, the modernization of administrative and other procedures for international trade is, among many other factors, crucial to the development of the country. This is why, through direct budgetary support from the African Development Bank (ADB), the Government of Liberia signed an agreement with UNCTAD to introduce ASYCUDA in April 2009.

Project activities started in July 2009 with a mobilization seminar. UNCTAD experts arrived in July 2009 and by November 2009 the first site was running at Free Port Collectorate. The first release of the system prototype was prepared in a few months. This prototype was then refined and completed before the second operational site went live in September 2010.

Monitoring and evaluation – From the beginning of the project, the Liberia Project has made use of the Logical Framework Matrix (LFM) and the derived Monitoring Plan, including through the implementation of a number of achievement indicators.

Capacity-building – In the first nine months of 2010, the National Project Team (NPT) carried out nine training sessions both on technical and functional matters for a total of 236 customs staff and stakeholders (168 men and 68 women). In addition, 21 public awareness presentations were made to trade community stakeholders and other government agencies. The project organized two study tours to Côte d’Ivoire and Jordan for two groups of NPT staff. Debriefing sessions were held in the presence of all NPT members, local/Geneva UNCTAD staff, during which lessons learnt from countries visited and “ways of doing” that could be applicable or adapted to the Liberian situation were presented.

Conclusion – The results encountered in such a short period of time are significant, particularly taking into account the difficult working environment resulting from the civil war. This can be attributed to:

(a) The commitment of the authorities up to the ministerial level, including the Customs management;
(b) The motivation of the National Project Team and other Customs staff; and
(c) The active participation of other trade and public stakeholders that deserves to be underlined.

The mobilization of all the stakeholders from the very beginning of the project should be considered of paramount importance for system acceptance and national ownership leading to a successful implementation.
Technical and functional training for both customs and the personnel of the Ministry of Agriculture.

Furthermore, a project was signed with the International Road Union (IRU) for enhancing the functionality of the system for the management of the international transit under TIR Carnet in April 2010. This project is based on the electronic exchange of data and aims at automating the lodgment of pre-arrival information (Electronic Pre Declaration) and discharging information for the TIR carnets (SAFETIR messages) thus facilitating and speeding the release of transit guarantees.

2. Consensus-building

During the Multi-Year Expert Meeting on Transport and Trade Facilitation, in Geneva in December 2010, the ASYCUDA Programme organized a session which allowed for an exchange of views among participating experts. Collaborative initiatives can significantly benefit from the use of information and communication technologies, including in the implementation of regional transit, as examples in the Middle East and Central Africa demonstrated. Experts highlighted the benefits encountered by ASYCUDA and requested that UNCTAD continue to facilitate the dialogue between customs administrations and other government agencies and businesses, as well as to promote public-private partnerships in the interest of the efficient implementation of the Single Window concept.

In addition, a strong interest was expressed for the continuation of the constructive cooperation with the World Customs Organization, the World Bank and other interested parties in the promotion of international standards and best practices in the customs area, the implementation of the Single Window concept, the development of customs-to-customs information and interaction at bilateral, regional and at global levels.
A. Flagship reports
On science, technology and information and communication technologies:

- Technology and Innovation Report 2010: Enhancing food security in Africa through science, technology and innovation (Symbol UNCTAD/TIR/2009)
- Information Economy Report 2010: ICTs, enterprises and poverty alleviation (Symbol UNCTAD/IER/2010)

On trade logistics:
- Review of Maritime Transport 2010 (Symbol UNCTAD/RMT/2010)
- Review of Maritime Transport 2009 (Symbol UNCTAD/RMT/2009)
- Review of Maritime Transport 2008 (Symbol UNCTAD/RMT/2008)

B. Non-recurrent publications
On science, technology and information and communication technologies:

- Science, Technology and Innovation Policy Review Peru (Symbol UNCTAD/DTL/STICT/2010/2)
- Science, Technology and Innovation Policy Review Lesotho (Symbol UNCTAD/DTL/STICT/2009/7)
- UNCTAD Current Studies on financing ICT for development (Symbol UNCTAD/DTL/STICT/2009/5)
- UNCTAD Current Studies on green and renewable energy technologies for rural development (Symbol UNCTAD/DTL/STICT/2009/4)
- Estudio sobre las perspectivas de la armonización de la ciberlegislación en Centroamérica y el Caribe (Symbol UNCTAD/DTL/STICT/2009/3)
- Estudio sobre las perspectivas de la armonización de la ciberlegislación en América Latina (Symbol UNCTAD/DTL/STICT/2009/1)
- Science, Technology and Innovation Policy Review of Angola (Symbol UNCTAD/SDTE/STICT/2008/1)
- WSIS follow-up Report 2008 (Symbol UNCTAD/DTL/STICT/2008/1)

On cross divisional capacity building:
- Study on capacity-building for academia: the contributions to the development of human resources and policy support in developing countries (Symbol UNCTAD/DTL/KTCD/2009/3)

On trade logistics:
- Reflections on a future trade facilitation agreement (Symbol UNCTAD/DTL/TLB/2010/2)
- Technical notes on trade facilitation measures (Symbol UNCTAD/DTL/TLB/2010/1)
- The development of transit ports affecting LDCs (Symbol UNCTAD/DTL/TLB/2009/3)
- Maritime freight rates and oil prices: an empirical investigation (Symbol UNCTAD/DTL/TLB/2009/2)
- Maritime Transport and the Climate Change Challenge (Symbol UNCTAD/DTL/TLB/2009/1)
- Trade facilitation opportunities for land-locked and transit developing countries (Symbol UNCTAD/DTL/TLB/MISC/2008/2)

C. Technical and Information material
- Division on Technology and Logistics Activity report 2010 (Symbol UNCTAD/DTL/2011/1)
### ANNEX II  List of DTL publications in the biennium 2008–2010 (continued)

- Division on Technology and Logistics Activity report 2009 (Symbol: UNCTAD/DTL/2010/1)
- Division on Technology and Logistics Activity report 2008 (Symbol: UNCTAD/DTL/2009/1)

**On science, technology and information and communication technologies:**

- Flyer: Building a legal framework for the information economy (Symbol: UNCTAD/SDTE/STICT/MISC/2008/2)
- Flyer: Partnership on Measuring ICT for Development (Symbol: UNCTAD/SDTE/STICT/MISC/2008/1)

**On cross divisional capacity building:**

- “O quadro jurídico do investimento privado na República de Angola” (Symbol: UNCTAD/DTL/KTCD/2010/1)
- Capacity-building for Trade and Development Flyer (Symbol: UNCTAD/DTL/KTCD/Misc/2009/8)
- Vi teaching materials on Transfer of Technology (Symbol: UNCTAD/DTL/KTCD/2009/4)
- Vi localized teaching materials on (a) regional trade agreements, (b) trade data analysis; (c) competitiveness and development, (d) transfer of technology; issued throughout the year 2009
- Vi teaching materials on Trade Policy Analysis (Symbol: UNCTAD/DTL/KTCD/2009/2)
- UNCTAD Virtual Institute Brochure (Symbol: UNCTAD/DTL/NTTC/2008/4)
- Brochure for Course on Key issues on the International Economic Agenda (Symbol: UNCTAD/DTL/KTCD/2008/4/Add.1)
- Capacity building through human resource development (Symbol: UNCTAD/DTL/KTCD/2008/1)
- HRD/TrainForTrade Brochure (Symbol: UNCTAD/DTL/NTTC/2008/1)

**On trade logistics:**

- ASYCUDA Newsletter December 2010, Web-based (Symbol: UNCTAD/WEB/DTL/TLB/2011/1)
- ASYCUDA Newsletter July 2010, Web-based (Symbol: UNCTAD/WEB/DTL/TLB/2010/2)
- Transport Newsletter No 48 (fourth quarter 2010), Web-based (Symbol: UNCTAD/WEB/DTL/TLB/2010/5)
- Transport Newsletter No. 47 (third quarter 2010), Web-based (Symbol: UNCTAD/WEB/DTL/TLB/2010/4)
- Transport Newsletter No. 46 (second quarter 2010), Web-based (Symbol: UNCTAD/WEB/DTL/TLB/2010/3)
- Transport Newsletter No. 45 (first quarter 2010), Web-based (Symbol: UNCTAD/WEB/DTL/TLB/2010/1)
- Transport Newsletter No. 44 (fourth quarter 2009), Web-based (Symbol: UNCTAD/WEB/DTL/TLB/2009/3)
- Transport Newsletter No. 43 (first & second quarter 2009), Web-based (Symbol: UNCTAD/WEB/DTL/TLB/2009/2)
- Transport Newsletter No. 44 (second quarter 2009), Web-based (Symbol: UNCTAD/WEB/DTL/TLB/2009/3)
- Transport Newsletter No. 42 (first quarter 2009), Web-based (Symbol: UNCTAD/WEB/DTL/TLB/2009/1)
- Transport Newsletter No. 41 (fourth quarter 2008), Web-based (Symbol: UNCTAD/WEB/DTL/2008/2)
- Transport Newsletter No. 40 (third quarter 2008), Web-based (Symbol: UNCTAD/WEB/DTL/2008/1)
- Transport Newsletter No. 38 (first quarter 2008), Web-based (Symbol: UNCTAD/SDTE/TLB/MISC/2008/1)
- Transport Newsletter No. 39 (second quarter 2008), Web-based (Symbol: UNCTAD/DTL/TLB/MISC/2008/1)
ANNEX II  List of DTL publications in the biennium 2008–2010 (continued)

D. Websites

- Division on Technology and Logistics at http://www.unctad.org/dtl

On science, technology and information and communication technologies:

- Science and technology for development at http://stdev.unctad.org
- Network of centres of excellence at http://www.unctad.org/noce
- Network of centres of excellence platform at http://noce.unctad.org
- Commission on Science and Technology for Development at http://unctad.org/cstd
- ICT for development at http://r0.unctad.org/ecommerce/

On cross divisional capacity building:

- TrainForTrade at http://learn.unctad.org
- Virtual Institute at http://vi.unctad.org

On trade logistics:

- Transport and trade logistics at http://www.unctad.org/ttl
- ASYCUDA Customs Modernization and Automation at http://www.asycuda.org
- Multi-year expert meeting on transport and trade facilitation in 2008 and 2998 at http://www.unctad.org/Templates/Page.asp?intItemID=4714&lang=1