

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

# Activities Report 2005



Division on Investment, Technology and Enterprise Development

## DITE



UNITED NATIONS

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# **DITE Activities Report 2005**



**United Nations  
New York and Geneva, 2006**

**UNCTAD/ITE/2006/1**

### **Note**

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## DITE WEBSITES

### Division Website

<http://www.unctad.org/dite>

### Programme Websites

*Advisory Service on Investment and Training (ASIT):* <http://www.unctad.org/asit>

*Enterprise Development and Internationalization:* <http://www.EMPRETEC.net/>

*FDI Statistics:* <http://www.unctad.org/fdistatistics>

*Global Investment Prospects Assessment:* <http://www.unctad.org/fdiprospects>

*Insurance Programme:* <http://www.unctad.org/insuranceprogramme>

*International Investment Agreements:* <http://www.unctad.org/ia>

*International Gateway:* <http://www.investway.org/>

*International Standards on Accounting and Reporting:* <http://www.unctad.org/isar>

*Investment Compass:* <http://compass.unctad.org/>

*Investment Map:* <http://www.investmentmap.org/>

*Investment Policy Reviews:* <http://www.unctad.org/ipr>

*LDC Investment Guides:* <http://www.unctad.org/investmentguides>

*Science and Technology for Development Network:* <http://www.unctad.org/stdev>

*Transnational Corporations Journal:* <http://www.unctad.org/tnc>

*UNCTAD-UNCTC Library on FDI and TNCs:* <http://unctc.unctad.org/>

*UNCTAD-ICSTD Project on Intellectual Property Rights:* <http://www.iprsonline.org/>

*World Association of Investment Promotion Agencies (WAIPA):* <http://www.waipa.org/>

*World Investment Report:* <http://www.unctad.org/wir>

**For further information on DITE's activities, please contact:**

**Christiane Stepanek-Allen**  
Chief, Office of the Director  
Division on Investment, Technology and Enterprise Development  
United Nations Conference on Trade and Development  
Palais des Nations, Room E.10051  
Geneva 1211  
Switzerland

Tel: +41 22 917 4519  
Fax: +41 22 917 0498  
e-mail: [christiane.stepanek@unctad.org](mailto:christiane.stepanek@unctad.org)

## PREFACE

There is today broad recognition that foreign direct investment (FDI) affects the development prospects of individual countries in important ways - but also that the outcome depends crucially on policies applied both domestically and internationally. The international community needs to ensure that developing countries are provided the necessary means to be able to benefit from the opportunities that have emerged as a result of liberalization, technological progress and stiffer international competition.

2005 saw an acceleration in the recovery of global FDI flows, up 29% over 2004 to \$900 billion. This recovery benefited both developed and developing economies. For most developing countries, FDI is now by far the largest component of foreign capital, accounting for around half of such flows on average. In most cases, it is several times larger than development aid.

FDI, however, remains highly geographically concentrated, and a number of developing countries that have not received much FDI are faced with serious challenges to finance their development. In this respect, new initiatives such as those proposed by the Millennium Development Goals by the United Nations and by the Commission for Africa that was set up in 2004 by the Government of the United Kingdom may help boost investment if implemented. Also important is entrepreneurship and enterprise development, as competitive enterprises in prospective host countries attract investment, including FDI.

As the focal point in the United Nations system on investment and technology, and building on 30 years of experience in these areas, UNCTAD, through DITE, promotes understanding of key issues, particularly matters related to foreign direct investment and transfer of technology. DITE also assists developing countries in attracting and benefiting from FDI and in building their productive capacities and international competitiveness.

The three pillars of the Division's work are policy research and analysis, consensus-building and technical assistance. In the course of 2005, in pursuit of the above goals, our staff organized some 100 conferences, meetings and workshops, produced over 100 publications, including the flagship *World Investment Report (WIR)*, and carried out around 120 missions. DITE has also made a substantial contribution to the ongoing debate on how best to achieve the Millennium Development Goals.

The *DITE Activities Report 2005* provides a detailed overview of these activities. It is also designed to provide the reader an impression of the impact of our work.

In concluding, I would like to acknowledge DITE's dedicated staff who continued to respond effectively and efficiently to a demanding workload amidst decreasing resources.

Geneva, March 2006

Khalil Hamdani  
Officer-in-Charge  
Division on Investment, Technology and Enterprise Development

## ACRONYMS

<b>ADB</b>	African Development Bank
<b>ASEAN</b>	Association of South East Asian Nations
<b>ASIT</b>	Advisory Services on Investment and Training
<b>BIT</b>	Bilateral Investment Treaty
<b>CABC</b>	China-Africa Business Council
<b>DESA</b>	Department of Economic and Social Affairs
<b>DFID</b>	Department for International Development (UK government)
<b>DITE</b>	Division on Investment, Technology and Enterprise Development
<b>FAO</b>	Food and Agricultural Organization
<b>FDI</b>	Foreign Direct Investment
<b>GDP</b>	Gross Domestic Product
<b>GTZ</b>	Gesellschaft für Technische Zusammenarbeit (German government)
<b>IAC</b>	Investment Advisory Council
<b>IASB</b>	International Accounting Standards Board
<b>ICT</b>	Information and Communication Technology
<b>IFAC</b>	International Federation of Accountants
<b>IFRS</b>	International Financial Reporting Standards
<b>IIA</b>	International Investment Agreement
<b>ILO</b>	International Labour Organization
<b>IPA</b>	Investment Promotion Agency
<b>IPR</b>	Investment Policy Review
<b>ISAR</b>	International Standards of Accounting and Reporting
<b>ITU</b>	International Telecommunications Union
<b>JBIC</b>	Japan Bank for International Cooperation
<b>LDC</b>	Least-Developed Country
<b>LLDC</b>	Landlocked Least-Developed Country
<b>M&amp;As</b>	Mergers and Acquisitions
<b>MDGs</b>	Millennium Development Goals
<b>OECD</b>	Organization for Economic Cooperation and Development
<b>OFDI</b>	Outward Foreign Direct Investment
<b>R&amp;D</b>	Research and Development
<b>SIDS</b>	Small-Island Developing Country
<b>SMEs</b>	Small- and Medium-Sized Enterprises
<b>STIP</b>	Science, Technology and Innovation Policy review
<b>TNC</b>	Transnational Corporation
<b>TRIPs</b>	Trade-Related Intellectual Property Rights
<b>UNCTAD</b>	United Nations Conference on Trade and Development
<b>UNDP</b>	United Nations Development Programme
<b>UNEP</b>	United Nations Environment Programme
<b>UNESCO</b>	United Nations Educational, Scientific and Cultural Organization
<b>WAIPA</b>	World Association of Investment Promotion Agencies
<b>WHO</b>	World Health Organization
<b>WIPO</b>	World Intellectual Property Organization
<b>WIR</b>	World Investment Report
<b>WSIS</b>	World Summit on the Information Society
<b>WTO</b>	World Trade Organization
<b>WTU</b>	World Trade University

## Highlights of activities and accomplishments

A quantitative breakdown of DITE's activities during 2005 is provided below (Box 1).

### Box 1. Quantitative breakdown of the Division's achievements

- Organized and serviced some 100 conferences, symposia, meetings and workshops, including over 30 training activities.
- Produced over 100 publications, including books, manuals, reviews, reports, issue papers, booklets and internet publications.
- Carried out around 120 advisory, fact-finding and other missions.
- Maintained 19 websites.
- Issued about 40 press releases, information notes, occasional notes and e-briefs.

Source: UNCTAD.

The following are some of the highlights of DITE's activities during 2005:

#### ▪ DITE's follow-up to major international conferences

A number of major international conferences were held during 2005, many of which had a direct impact on the work and objectives of the Division. These included:

**United Nations Millennium Summit.** One of the conclusions of the 2005 World Summit was that the United Nations should be more pro-active in promoting science and technology as a key means of achieving the Millennium Development Goals. Paragraph 60 of the Outcome Document outlined a number of areas in which science and technology could contribute to development. As the lead entity for science and technology within the United Nations system, and serving as Secretariat to the Commission on Science and Technology for Development (CSTD), UNCTAD plays a major role in this area. Since 2004, the CSTD has focussed on how science and technology can contribute to the MDGs and the Division has, in this context, conducted significant analytical work including a contribution to the Report of the Secretary-General on achieving the Millennium Development Goals. This analytical work has been complemented by a number of newly launched technical assistance projects, including a Network of Centres of Excellence in Developing Countries.

**World Summit on the Information Society (WSIS).** In the context of the second phase of the WSIS (Tunis, 16-18 November 2005), the Division organized a high-level parallel event on "Financing ICT through FDI" in cooperation with the African Development Bank. The event was a great success with panellists, including Ministers from a number of countries as well as representatives from the World Bank and the UK Department for International Development. As an outcome of the event, it was suggested that DITE and the ADB co-organize a forum on investment in ICT infrastructure in Africa during 2006. During the summit, the Division also organized two high-level forums on "The Role of ICT in Meeting the Millennium Development Goals" in collaboration with the UN Department of Economic and Social Affairs (DESA) and the Government of Malaysia. In addition, the Division made daily presentations of its ICT Benchmarking tool. One of the outcomes of the Summit was the announcement of a partnership

between UNCTAD and the International Telecommunications Union (ITU) which will develop a Digital Opportunity Index to measure the magnitude of the digital divide.

**Doha South-South Summit.** The Doha Plan of Action at the Group of 77 and China Second South Summit (16-17 June 2005) presented DITE with an opportunity to reaffirm that the South-South dimension of FDI is integral to UNCTAD's work. It was also an occasion for DITE to present a background note on South-South FDI, which focussed on the potential for developing countries to tap such investment flows in order to bolster their domestic productive capacity. This complemented a number of other initiatives that the Division has launched in this area, such as a study on *South-South Cooperation in International Investment Arrangements* and 13 country case studies on outward FDI from emerging markets prepared for the Expert Meeting on Enhancing the Productive Capacity of Developing Country Firms through Internationalization. This was complemented by the launch of new technical assistance projects such as work on a South-South Model Investment Agreement and South-South Cooperation through the Internationalization of Enterprises. The issue of OFDI from developing countries will be the theme of the *World Investment Report 2006*.

▪ **Intergovernmental meetings hosted by DITE**

**Commission on Investment, Technology and Related Financial Issues.** The 9<sup>th</sup> session of the Commission (Geneva, 7-11 March 2005) was attended by over 150 people from around 75 countries. The Commission successfully completed its four and a half days and adopted, without discussion, its recommendations and the topics of two Expert Meetings, on "*Positive Corporate Contributions to the Economic and Social Development of Host Developing Countries*" and on "*Capacity-Building in the Area of FDI: Data Compilation and Policy Formulation in Developing Countries*". It also conducted the 22<sup>nd</sup> session of ISAR that finalized its work on "*Guidance on Good Practices on Corporate Governance Disclosure*" and recommended its wide dissemination. This year, for the first time, DITE produced a CD-ROM containing all documentation relevant to the Commission on Investment. In late 2005, the Division organized Expert Meetings on the subjects chosen by the Commission.

The highlight of the Commission was a ***Special Session on the Millennium Development Goals***. In response to requests from member States, this interactive session outlined the role that investment, technology and enterprise competitiveness can play in achieving the Millennium Development Goals. In particular, delegates focussed on "developing a global partnership for development" (Goal 8). The meeting was addressed live via videoconference by Professor Jeffrey Sachs, Special Advisor to the UN Secretary-General, who emphasized the important role that UNCTAD can play in achieving the goals. A number of other speakers gave examples of best practice in this regard including Hon. Mwesigwa Rukutana, Minister of Finance of Uganda. The Commission commended UNCTAD on the session and requested, for the first time, that it undertake concrete activities in pursuit of the international development goals, particularly those contained in the Millennium Declaration.

### Box 2. DITE's contribution to the Millennium Development Goals

Through its work on investment, technology and enterprise development, the Division contributes to the achievement of all the MDGs. In particular, its activities make a major contribution towards achieving **Goal 8: *Develop a Global Partnership for Development***, which includes the following objective:

- *Develop further an open trading and financial system that is rule-based, predictable and non-discriminatory.*

Much of DITE's work is devoted to encouraging and facilitating the flow of foreign investment to developing countries. In this context, the Division plays a key role in shaping the international legal framework for investment. The Division helps facilitate numerous international investment agreements, and particularly bilateral investment treaties, which contribute to a more rule-based and predictable system for international investment. Not only does it organize the necessary negotiating sessions but DITE also provides extensive training for negotiators from developing countries. This helps ensure that developing country interests are adequately represented in the emerging legal system.

DITE also supports the development of competitive insurance markets in developing countries by helping prudential regulators and developing country corporations automate their insurance operations. This is achieved through the provision of advice, guidance and training for insurance supervisory authorities as well as post graduate courses organized for regulators and practitioners in the sector.

- *Address the special needs of least developed countries.*

DITE has increased the number of its activities, which are targeted at the world's least developed countries (LDCs). LDCs now account for almost a third of the countries in which DITE operates and it has designed a number of technical assistance programmes – including its investment guides, Blue Books on Best Practice in Investment Promotion and Facilitation and Good Governance in Investment Promotion Programme – to complement its existing products and address the specific needs of LDCs. Furthermore, it publishes a regular review of *FDI in LDCs at a Glance*, which provides in-depth information of the FDI situation in every LDC.

- *Address the special needs of landlocked and small island developing States*

Landlocked developing countries (LLDCs) and small island developing states (SIDS) are among the major beneficiaries of the Division's work. 90 per cent of LLDCs and over 70 per cent of SIDS benefit from at least one of the Division's programmes. For example, in Mali, one of the LLDCs, the GGIP programme produced a report on practical ways to improve interaction between government agencies and foreign investors. The country has also benefited from an Investment Guide.

- *In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries*

In pursuit of this objective, and in the context of the programme of work on the transfer of technology and intellectual property, DITE recently launched a project to provide "Technical assistance and capacity building in African least developed countries on the establishment of pharmaceutical production capacities". This will provide technical assistance to LDCs in formulating investment and intellectual property laws conducive to the local production of essential medicines.

/...

- *In cooperation with the private sector, make available the benefits of new technologies – especially information and communications technologies*

As the lead entity within the UN system for science and technology, UNCTAD has created a number of tools to diagnose and address the needs of developing countries, particularly in the areas of biotechnology and ICT. It has recently produced a number of case studies on the transfer of technology, a study on the development potential of biotechnology, a report on "The Digital Divide: ICT Development Indices 2004", as well as developing an ICT Benchmarking Tool. These last two were featured at the recent World Summit on the Information Society, where UNCTAD was an active participant. The Division also maintains a number of technical assistance programmes in this area, including two recently launched initiatives for developing countries: a Network of Centres of Excellence, intended to become key regional learning hubs, and Connect Africa, a project to train ICT engineers and technicians.

***Commission on Science & Technology for Development.*** The Division services the Commission on Science and Technology for Development (CSTD). This year's session provided an opportunity for policymakers and representatives of civil society and international and regional organizations to raise awareness of the importance of science and technology in development. Its discussions also focussed on the identification of specific measures to ensure that science and technology contribute to achieving the MDGs and to share national experiences in this regard. A special session of the Commission was devoted to the Science, Technology and Innovation Policy Review for the Islamic Republic of Iran. In November, the CSTD also held a panel on "Bridging the Technology Gap between and within Nations" in Rabat, Morocco. This focussed on the role of investment and technology policies in improving the technological capabilities of developing countries and drew on the experience of countries that have been successful in building an indigenous human resources capacity. The panel's findings and recommendations will be considered by the Commission at its next session.

***Commission on Enterprise, Business Facilitation and Development.*** The Division jointly services the Commission on Enterprise and, in particular its deliberations on improving the competitiveness of SMEs through enhancing productive capacity. This year, the Commission focussed on the threats and opportunities of globalization for firms in developing countries, particularly the potential benefits of linkages with transnational corporations and outward investment. DITE provided many of the background documents for the Commission as well as providing logistical support before, during and after the event. During 2005, DITE organized an Expert Meeting, in the context of the Commission's work, on "Enhancing the Productive Capacity of Developing Country Firms through Internationalization". This was attended by around 100 participants from over 40 countries and whose discussions were facilitated by 13 case studies on outward FDI from developing countries, prepared by the Division.

▪ **New and expanding products, services and partnerships**

**Products and services.** During 2005, DITE launched an expanded number of products and services. Among them, the *Blue Books Initiative on Best Practice in Investment Promotion and Facilitation*, which was extended to Africa to assist countries in East Africa to improve their investment climates. The Blue Books are the product of ongoing cooperation between UNCTAD and the Japan Bank for International Cooperation (JBIC). In the area of science and technology, the Division launched an innovative project to create a Network of Centres of Excellence, intended to connect regional learning hubs in developing countries.

**Investment for Development Partnerships.** In the context of the Investment for Development Partnerships launched at UNCTAD XI (see *DITE Activities Report 2004* pp.89-91), the Division was successful in raising funds to support UNCTAD cooperation with WAIPA. The Government of Sweden has announced the Euro 1 million contribution towards UNCTAD/WAIPA joint activities for the benefit of IPAs. UNCTAD, with a generous contribution from the German Government has partnered with GTZ and Brazilian institutions, the Ethos Institute and the Fundação dom Cabral to help promote business linkages in Brazil. UNCTAD also joined up with the China-Africa Business Council (CABC) to promote Africa to Chinese investors and raise awareness of its work helping African countries improve their investment climates.

**New Monitoring and Reporting Tools.** In order to better respond to the challenges facing it, the Division developed a number of new management and outreach tools in 2005. These included a database to better coordinate technical assistance activities, regular web updates of individual programmes; the organization of internal retreats; and the launch of a regular newsletter to improve internal information flows.

## **DITE in brief**

UNCTAD is the focal point in the United Nations for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment and sustainable development. Within UNCTAD, the Division on Investment, Technology and Enterprise Development (DITE) is responsible for investment, technology and enterprise competitiveness, building on 30 years of experience in these areas.

More specifically, the Division's work has three objectives: to increase understanding of the role of FDI, technology and enterprise activities in development; to help countries devise appropriate frameworks to attract investment and benefit from it, and to stimulate technology transfer and technical innovation, in order to strengthen the supply capacity of developing countries; and to build consensus on matters related to foreign direct investment, technology and enterprise competitiveness. The Division strives to foster an integrated approach, linking its activities in the areas of investment, science and technology and enterprise competitiveness with the overarching theme of productive capacity and international competitiveness.

This Activities Report documents the work of the Division during 2005. The following pages provide an overview and highlights; more detailed information is contained in two appendices listing activities and outputs.

### **Mandate**

The Division's principal mandate emanates from the tenth Ministerial Conference of UNCTAD in Bangkok, in 2000 (Bangkok Plan of Action TD/386). UNCTAD XI, the eleventh Ministerial Conference which took place in São Paulo in June 2004, reaffirmed this mandate and added to it a mandate on corporate responsibility. The Division was also called upon to expand its activities in the area of home country measures, intellectual property rights (in the context of transfer of technology) and linkages between TNCs and local firms. It was also asked to place special emphasis on the specific needs of least developed countries (LDCs) and African countries in building productive capacity (see *The Spirit of São Paulo and São Paulo Consensus*, TD/412, paragraphs 49–58).

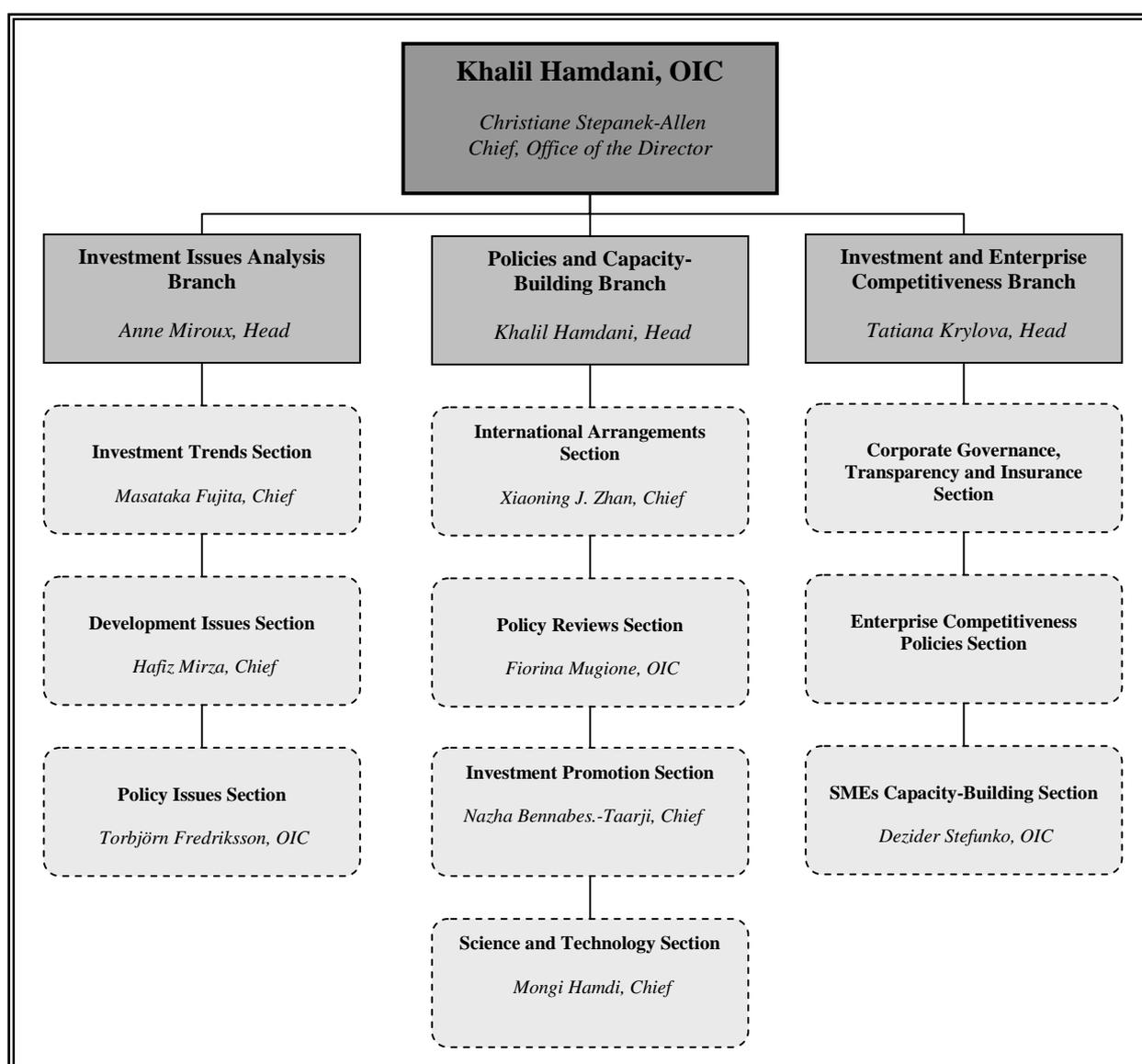
In addition, the Division is responsible for contributing to relevant General Assembly and ECOSOC resolutions in its areas of expertise, to the implementation of international development goals, especially those contained in the Millennium Declaration, and to the implementation of major United Nations Conferences (the Programme of Action for the Least Developed Countries for the Decade 2001-2010, the Monterrey Consensus, the Plan of Implementation agreed at the World Summit on Sustainable Development, the Declaration of Principles and the Plan of Action of the World Summit on the Information Society).

## Organization and structure

To carry out its mandate, DITE is organized as follows:

- The **Investment Issues Analysis Branch** is responsible for research and policy analysis on international investment. It is in charge of producing the *World Investment Report*; the *World Investment Directory*; the *Transnational Corporations* journal; comprehensive databases on FDI and TNCs; and analytical studies on various investment issues. The Investment Trends Section is responsible for documenting and analysing global and regional FDI trends, maintaining databases and training government officials in technical issues related to FDI statistics. The Development Issues Section studies the impact of FDI on development. The Policy Issues Section examines FDI-related policy issues, with a view to maximizing positive and minimizing negative effects of such investment.
- The **Policies and Capacity-Building Branch** deals with international investment and technology arrangements, policy reviews, policy advice in the area of investment promotion and technology for development. The Investment Agreements Section is responsible for promoting the development dimension in international investment rule-setting and assisting developing countries' participation therein. It also initiates work on corporate responsibility pursuant to the São Paulo Plan of Action. The Investment Policy Reviews Section undertakes investment policy reviews at the request of member States. Their findings and recommendations are presented by high-level government officials to UNCTAD's intergovernmental bodies and subsequently implemented. The Investment Promotion Section is responsible for the Division's technical cooperation in the area of investment, including in follow-up to Investment Policy Reviews. The Science and Technology Section works to strengthen the ability of member States to formulate sound science and technology policy and to realize opportunities for "catching up", enhance competitiveness and raise productivity through the integration of science, technology and innovation with investment and enterprise development. It provides policy advice, conducts research and disseminates information on the role of science, technology and innovation in economic and social development. The Section also provides substantive support to the Commission on Science and Technology for Development.
- The **Investment and Enterprise Competitiveness Branch** examines issues related to the international competitiveness of developing country firms and considers how enterprise development can be better stimulated by FDI. The Enterprise Competitiveness Policies Section undertakes policy analysis related to these issues, especially as regards export competitiveness, outward FDI by developing country firms and linkages between small and medium-sized enterprises (SMEs) and TNCs. The SMEs Capacity-Building Section works to build institutions and capacity in developing countries through the EMPRETEC programme. The Corporate Governance and Transparency Section, through the Intergovernmental Group of Experts on International Standards of Accounting and Reporting (ISAR) focuses on corporate governance best practice, the interface between national policy and global standard-setting in accounting and reporting and corporate transparency. The section also works to develop more stable and competitive insurance markets in developing countries

Within this structure, special attention is paid to cross-Branch cooperation in areas where the interplay of policy analysis, capacity-building and consensus-building is especially important.



Source: UNCTAD

### The three pillars of DITE's work

The Division aims to improve understanding of the development dimension of international investment, enterprise competitiveness and technology transfer issues and seeks to enhance the capacity of developing countries to implement policies in these areas. These objectives are achieved through the integration of three areas of work:

- **Research and policy analysis.** The Division produces one of UNCTAD's flagship publications – the *World Investment Report*. It undertakes research and policy analysis in the area of international investment agreements, national FDI policies, technology for development, accounting and enterprise internationalization. The Division also contributes to various cross-sectoral studies within UNCTAD, especially with regard to least developed countries and Africa. This work is based on an extensive statistical database.
- **Technical assistance.** DITE assists developing countries and economies in transition in undertaking Investment Policy Reviews (IPRs) and implementing their recommendations, establishing an enabling policy framework for attracting and benefiting from FDI, capacity-building for negotiating international investment agreements, linking foreign affiliates and domestic enterprises, and capacity-building in investment promotion. The Division also supports its clients in enhancing their technology capacity – through, for example, science, technology and innovation policy (STIP) reviews, and advice on transfer of technology and intellectual property rights – and promoting their enterprise competitiveness – through upgrading entrepreneurship, harmonizing international accounting and reporting standards and developing competitive insurance markets.
- **Consensus-building through intergovernmental bodies.** DITE services (or co-services) three of UNCTAD's four Commissions and nearly half of UNCTAD's intergovernmental expert meetings. These include the Commission on Investment, Technology and Related Financial Issues; the United Nations Commission on Science and Technology for Development (CSTD) and its panel meetings; the Commission on Enterprise, Business Facilitation and Development; the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR); and three annual expert meetings. In addition, the Division provides substantive input to the Trade and Development Board, for its consideration of international investment, enterprise competitiveness and technology transfer issues. It also provides input into other intergovernmental bodies, especially the WTO.

A good part of this work is being undertaken in close collaboration with programmes and agencies such as UNDP, OECD and ASEAN. The Division also benefits from cooperation with the private sector, NGOs – and in particular the World Association of Investment Promotion Agencies (WAIPA) – and other parts of civil society. This collaborative approach encourages interaction between the secretariat, policymakers, experts and other stakeholders. The Division's fieldwork benefits both the Secretariat (through the collection of empirical evidence, testing of assumptions, and receipt of feedback on policy implications, etc.) and member States (who, aside from benefiting from capacity-building, acquire a broader perspective on their own policy debates). All this in turn contributes to intergovernmental deliberations in Expert Meetings as well as the Commissions. Such intergovernmental deliberations strengthen the policy analysis contained in the Division's publications and reports.

While the Division engages in many activities, it places emphasis on the quality and effectiveness of its outputs. A continuous internal process of self-evaluation and monitoring of feedback and impact is aimed at ensuring that the products and services of the Division are constantly adapted to the needs of its developing country clients. These are complemented by

regular external evaluations which provide the Division with an independent appraisal of its performance.

### **Beneficiaries of DITE's activities**

Over 160 countries (and eight territories) benefited from DITE activities in 2005. The Division strives to ensure a balanced geographical distribution of its services. In Africa, 50 of the continent's 55 countries benefited from the Division's activities, in comparison with 46 in 2004. In Latin America and the Caribbean, 35 out of 49 countries benefited, with another 31 out of 40 in developing Asia and all 11 of the emerging countries in Europe. The Division also continued to accord particular emphasis to addressing the needs of LDCs. During 2005, 42 LDCs (84 per cent of the total) benefited from DITE's activities as did 27 landlocked developing countries (LLDCs) and 23 small island developing states (SIDS).

#### **Box 3. DITE's Focus on Investment in Africa**

In response to requests from member States, DITE has sought to address the specific needs of Africa in its activities. In partnership with the Japan Bank for International Cooperation, the Division produced three *Blue Books in Best Practice in Investment Promotion and Facilitation* for Kenya, Tanzania and Uganda. The Blue Book series is an effective complement to one of DITE's more established products – its series of investment policy reviews (IPRs). 2005 saw the publication of two IPRs for African countries (Benin and Kenya), bringing to 11 the total number of African states to have benefited from a review (the others being Algeria, Botswana, Egypt, Ethiopia, Ghana, Lesotho, Mauritius, Tanzania and Uganda). The Division continued to provide IPR follow-up support to a number of these countries and produced follow-up reports for two African countries in 2005. In addition, the IPR model has been adapted to address the specific needs of war-torn countries through the *Invest in Peace* initiative, a programme currently being finalized for Rwanda. The Division also continued to produce Investment Guides, designed to showcase the improved investment climate in many African countries. Guides were produced for Kenya and Tanzania during 2005 as well as a regional guide for the East African community. The Division's new partnership with the China-Africa Business Council (CABC) is intended as a key dissemination tool for the Investment Guides, with summaries already translated into Mandarin and distributed in China. It is part of a broader effort by the Division to help Africa market itself as an investment destination to Asian businesses and, to this end the Division is also preparing a study on Asian FDI in Africa. The Division's work in Africa on investment, and particularly the Blue Book initiative, was recognized by Africa Investor Magazine which 'highly commended' the Blue Books at its annual investment awards. The latter were also the subject of a special report on CNBC Europe.

The number of countries benefiting from more than one of the Division's programmes is growing. During 2005, over two thirds of countries which received assistance from the Division, including nearly 70 per cent of LDCs, did so through more than one programme. This illustrates DITE's efforts to enhance capacity-building by integrating its products and services.

### **Programme resources**

The work programme of the Division is contained in UNCTAD's section of the UN Medium-term Plan for the period 2002-2005; its financing is set out in the UN Programme Budget for the 2004-2005 biennium as approved by the UN General Assembly.

The Division's work also benefited from contributions received through Section 33 of the United Nations Development Account and from the financing of an Interregional Advisor to support the Investment Policy Review Programme through Section 23 of the regular budget.

A major fundraising effort is thus required to mobilize the extra-budgetary resources necessary to deliver the programme of work set out at UNCTAD XI. In 2005, member governments (Box 1) confirmed their confidence in the work of the Division by contributing \$3.2 million to support its activities. DITE also received funding from numerous international organizations such as the Agence Intergouvernementale de la Francophonie, International Labour Organization, World Bank, UNDP and WAIPA. The Division had access to additional resources through cooperation agreements with a number of national and international organizations; a number of projects also received in-kind contributions from international organizations, bilateral funding sources and national governments or institutions.

**Box 4. Extrabudgetary  
resources: donor countries  
(2005)**

China, Denmark, France, Germany, Ghana, Italy, Japan, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United States of America.

*Source:* UNCTAD

At UNCTAD XI, the Division launched an umbrella programme– the Investment for Development Partnership – to leverage the outreach and impact of its work and to ensure closer integration of individual activities. In 2005, the Swedish Agency for International Development Cooperation (SIDA) announced a contribution of one million Euros to the Partnership's project on "Capacity-building and Transfer of Knowledge to Investment Promotion Agencies in Developing Countries".

The Division continues to benefit from the services of Junior Professional Officers financed by Germany, Italy and the Netherlands and the support of experts, scholars, consultants and interns, many of whom contribute without remuneration. DITE also benefits from the advice of a senior corporate executive in efforts to mobilize private sector participation in its business linkages programme. All of these contributions are gratefully acknowledged.

The challenge for the Division continues to be to carry out its mandate effectively and efficiently given its limited resources. In this context, it also intensified its efforts to enter into mutually beneficial partnerships, either on a project-by-project basis, or through more formal agreements to leverage and maximize the impact of its work (Box 5).

**Box 5. Some of the institutions with which DITE cooperated in 2005**

Association of South-East Asian Nations (ASEAN)  
African Centre for Catastrophe Risks (ACCR)  
Andean Community of Nations  
African Development Bank (ADB)  
African Insurance Organization (AIO)  
Agence intergouvernementale de la Francophonie  
Asian Development Bank  
Centre des Technologies de l'Information de l'Etat de Genève (CTI)  
China-Africa Business Council (CABC)  
City Business School  
Common Market for Eastern and Southern Africa (COMESA)  
Communauté économique et monétaire de l'Afrique Centrale (CEMAC)  
Consumer Unity and Trust Society of India (CUTS)  
Department for International Development (DFID)  
Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)  
Ethos Institute  
European Commission  
Fundação Dom Cabral  
German Foundation for Development (InWEnt)  
Government of Malaysia  
International Accounting Standards Board (IASB)  
International Association of Insurance Supervisors (IAIS)  
International Centre for Trade and Sustainable Development (ICTSD)  
International Chamber of Commerce (ICC)  
International Federation of Accountants (IFAC)  
International Telecommunications Union (ITU)  
Japan Bank for International Cooperation (JBIC)  
Organization for Economic Cooperation and Development (OECD)  
SEBRAE  
Southern African Customs Union (SACU)  
Southern African Development Community (SADC)  
United Nations Development Programme (UNDP)  
United Nations Department of Economic and Social Affairs (DESA)  
United Nations Economic and Social Commission for Western Asia (ESCWA)  
United Nations Industrial Development Organization (UNIDO)  
United States Agency for International Development (USAID)  
World Association of Investment Promotion Agencies (WAIPA)  
World Bank  
World Tourism Organization (UNWTO)  
World Trade Organization (WTO)  
World Trade University (WTU)

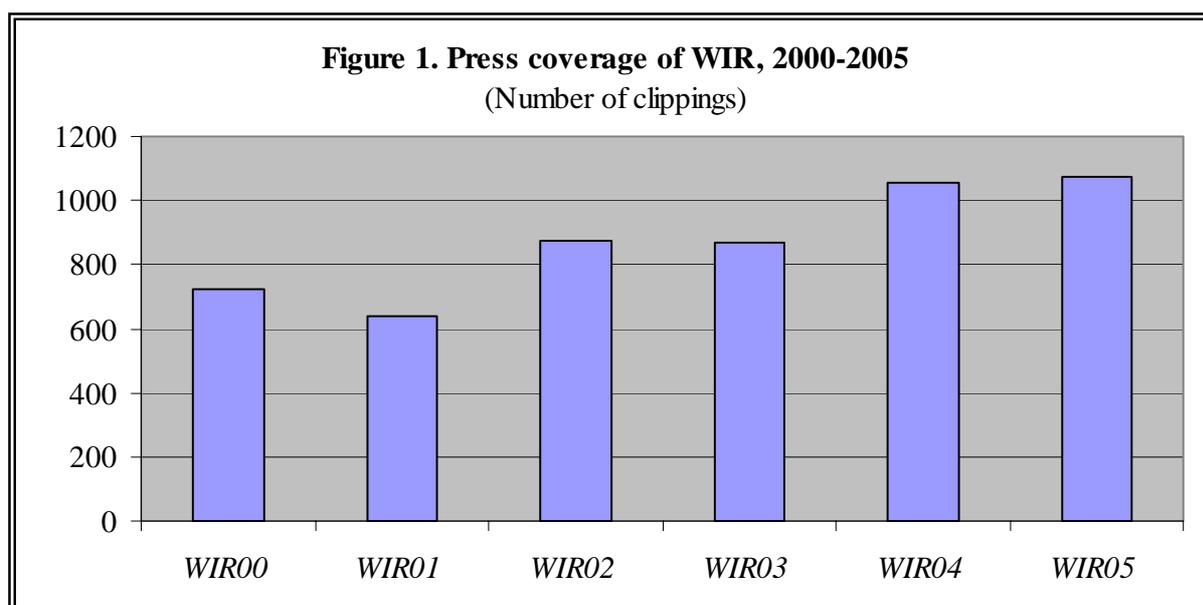
*Source:* UNCTAD.

### Activities by Branches

The following are highlights presented by each Branch:

- **Investment Issues Analysis**

This Branch produces the *World Investment Report*, one of UNCTAD's flagship publications. The 2005 volume focussed on the "internationalization of R&D" and the growing trend for TNCs to invest in selected developing countries to pursue their research and development activities. Its primary findings were that global FDI flows began to recover in 2004, led by investment into developing countries, and that research activities account for an increasingly significant proportion of FDI spending. As part of its analysis, this year's *WIR* included UNCTAD's first ever survey of TNCs' R&D spending. The publication also included 75 pages of statistical annexes, with data on FDI flows and stock for more than 200 economies, and was made available electronically, both online and on CD-ROM. The *WIR05* was launched on 29 September at 59 press conferences and briefings around the world, many hosted by the local investment promotion agency (IPA). UNCTAD's Secretary-General, Dr. Supachai Panitchpakdi, helped launch the *WIR* in Rome.



Source: UNCTAD

Feedback on the *WIR05* has been very positive (Box 6). It generated over 1,000 press clippings including comprehensive coverage by major international news media – such as the BBC, CNN, Bloomberg and Reuters – and national press in a number of countries. Over half the articles generated appeared in developing country media. Moreover, within three months of its launch, the *WIR05* had been downloaded over 600,000 times from the UNCTAD website. In total, volumes in the *World Investment Report* series were downloaded over 2 million times during 2005, confirming the ongoing relevance and value of their chosen themes.

As part of its analytical work, the Branch produced three regular issues of the *Transnational Corporations* journal, including a special volume dedicated to the issue of corporate social responsibility. It also published a number of more specific studies such as: *The Impact of the Removal of Textiles and Clothing Quotas on the investment of TNCs* and the *UNCTAD Survey on the Internationalization of R&D: Current Patterns and Prospects*. In addition, the Branch prepared the 2005/2006 edition of *FDI in LDCs at a Glance*, which provides a comprehensive picture of the foreign investment situation in each of the 50 least developed countries. Furthermore, the Branch has begun to publish two-page *Investment Briefs* which are intended to help IPAs access topical analysis directly relevant to the investment promotion business. Since the first brief was launched in September 2005, a total of five have been produced and disseminated electronically.

#### Box 6. Feedback on the WIR

From *Business Day* (South Africa), 4 October 2005:

*"The World Investment Report is...the definitive annual survey of foreign direct investment flows by the United Nations Conference on Trade and Development"*.

From *The Independent* (United Kingdom), 3 October 2005:

*"The UNCTAD report contains a special section on research and development...the results...make for fascinating reading"*.

From *The Business Tribune* (Bahrain), 30 September 2005, *UN report: Bahrain the best among all Arab countries for FDI performance*:

*"The World Investment Report is the only global encompassing report which is recognized the world over by governments and transnational corporations for its depth and analytical viewpoint of the current trends in foreign direct investment (FDI) around the world"*.

From *Singapore Economic Review* (Singapore), No.2, 2005:

*"This highly acclaimed series is the most solid and authoritative source of information regarding trends in the recent developments of FDI flows, mergers and acquisition (M&A) activities, off-shoring of services and its impacts, as well as national and international policy challenges."*

From *Revue Economique et Sociale* (France), December 2004:

*"This report, which incorporates the most recent and complete data on FDI, is unique in the wealth of information it provides. The bibliography constitutes an excellent source for any researcher or individual who is interested in transnational corporations."* [ORIGINAL TEXT IN FRENCH]

Source: UNCTAD.

DITE continues to be the leading source of data and information on international investment. In 2005, the Investment Issues Analysis Branch produced a new volume of the *World Investment Directory* devoted to developed countries. The data contained in these directories is also available online in the electronic databases maintained by the Division (see Box 7). The Branch is also preparing the *UNCTAD Manual of Statistics of FDI and Operations of TNCs*, which helps developing countries to enhance the capacity of the government agencies as regards

the compilation and dissemination of FDI and TNC statistics through implementing internationally recommended standards and addresses many of the challenges facing them in collecting FDI data. This was one of the subjects of discussion at the *ad hoc* Expert Meeting on Capacity Building in the Area of FDI Statistics (December 2005), for which the branch also prepared a detailed background note.

As a leading provider of data and analysis on trends in global FDI, the branch is well-positioned to assist developing countries and regional/subregional bodies in improving their FDI data collection, research and policy analysis. The lack, or non-existence, of statistical systems to collect data on FDI has hampered the efforts of many developing countries, and especially LDCs, to create effective policies for attracting and benefiting from foreign investment. To address this issue, DITE organized a number of national and regional workshops to train officials on international methodological standards and the collection and dissemination of internationally comparable statistics. In 2005, and in cooperation with ESCWA, UNCTAD held national workshops in Kuwait, Qatar and the United Arab Emirates. These trained officials from the respective national statistical institutes in the implementation of effective survey systems to collect and disseminate data on FDI and the activities of TNCs.

#### **Box 7. DITE's electronic statistical databases**

UNCTAD is widely accepted as the most authoritative source of data on FDI and the activities of TNCs. The Division continuously strives to ensure that the statistics it compiles reach as wide an audience as possible and maintains a number of online databases which consolidate much of its research data on issues such as:

- Global FDI flows and stocks;
- Activities of TNCs;
- The largest non-financial TNCs and financial TNCs;
- All cross-border mergers and acquisitions involving more than 10 per cent equity capital since 1987;
- Individual countries' FDI performance and potential, including up-to-date country fact sheets and profiles for 187 countries/economies; and
- All bilateral investment treaties and double taxation treaties currently in force.

These databases, available at [www.unctad.org/fdistatistics](http://www.unctad.org/fdistatistics) are free and largely interactive, allowing searches using a wide range of criteria. DITE also provides a data extract service, which can provide more tailored information upon request.

As part of DITE's broader strategy of focussing on the particular needs of LDCs, the Investment Issues Analysis branch published three new Investment Guides for Kenya, Tanzania and the East African Community) during 2005. These were launched at ceremonies in Nairobi and Kampala and at a separate event in Stockholm. Their publication brings the total number of Investment Guides to 11. The Guides help create a more professional approach to investment promotion and the Division has made every effort to improve their dissemination, including through the above partnership with CABC. The programme also incorporates a capacity-building element through the training of local consultants and IPA staff. The success and value of the investment guides is apparent from the feedback received from DITE (see Box 8).

- **Policies and Capacity-Building**

**Box 8. Feedback on the investment guides**

Mr. Ousmane Thiam, Minister for Investment Promotion and Small and Medium-Sized Enterprises, Mali:  
*"Following Thanks to UNCTAD for having assisted the Government of Mali in its efforts to demonstrate to the business community the investment opportunities that our country offers...The guide's credibility as well as its high-quality graphics constitute an undoubted advantage for our country's investment promotion efforts...I can assure you that the guide is a precious instrument for the Government in promoting the potential of our country...It is used as such by both the Prime Minister and the President of Mali".* [ORIGINAL TEXT IN FRENCH]

Mr. Peter Brabeck-Lemathe, Chairman and CEO, Nestlé:  
*"The last chapter, which tells you what [companies] think, is probably the best introduction to the country for business people."*

From *Jeune Afrique* (France), 6-12 February 2005, *Welcoming Investors*:  
*"Least developed countries (LDCs) cannot afford the luxury of producing their own investment guides...This injustice has been rectified thank to the United Nations Conference on Trade and Development...The guide to Mauritania explains clearly the strengths and weaknesses of this little known country. It comes at a crucial point in its history."* [ORIGINAL TEXT IN FRENCH]

From *Africa Investor* (United Kingdom), September-December 2005, *Leading the Way*:  
*"The product of nine months of research and consultation, each guide assess risks and opportunities for investors, with a clear focus on the role of the private sector. The tone is optimistic, although difficulties are not hidden...Findings are consistently investor-focussed and draw greatly on experience."*

Source: UNCTAD.

During 2005, the branch prepared investment policy reviews (IPRs) for a further five countries (Brazil, Colombia, the Islamic Republic of Iran, Kenya and Zambia). Five further reviews are currently being prepared (Bangladesh, Morocco, Nigeria, Rwanda and Senegal). Each IPR consists of an assessment of the situation in each country and a set of concrete recommendations to create an appropriate policy framework in order to enhance the development dimension of FDI. The IPR model can be adapted to the specific circumstances of the benefiting country. This has been achieved, for example, in the case of the *Invest in Peace* initiative which uses a specialized IPR to address the specific needs of post-conflict countries. The initiative was successfully piloted in Sri Lanka and is currently being implemented in Rwanda.

IPRs are conceived as a process rather than a one-off report and DITE offers substantial follow-up assistance to benefiting governments. During the year, the secretariat continued to expand its IPR follow-up activities with projects in nine countries (see Box 9). As part of this effort, DITE produces IPR implementation reports approximately five years after the completion of an IPR to assess the extent to which governments have implemented the recommendations of their IPR. During 2005, the Division completed an implementation report for Egypt. It also published a report on the capacities of the Algerian national IPA as part of that country's IPR follow-up support. As Box 9 demonstrates, UNCTAD continued to receive positive feedback on both its IPRs and follow-up support.

**Box 9. Feedback on IPR activities and follow-up**

H.E. Dr. Mukhisa Kituyi, Minister of Trade and Industry, Kenya:

*"I wish to extend...my appreciation for the well-structured and, to my mind, most constructive engagement we had at the Investment Policy Review meeting in Geneva. I am further encouraged by... the assurance of your continued support to our implementation of the agreed recommendations".*

Ms. Naela Gabr, Permanent Representative of Egypt to the United Nations in Geneva:

*"I am pleased to write to you to express the Mission's appreciation and sincere thanks for the efforts undertaken by the UNCTAD secretariat in producing the Implementation Report of the Investment Policy Review of Egypt."*

German Development Institute, May 2005, *"Strengthening the Development Impact of UNCTAD's Investment Policy Review"*:

*"There seems to be broad scope for integration of IPRs into development assistance... Generally, adjusting development aid to the needs identified in IPRs (infrastructure, institution-building, qualification of public officials and private-sector employees) would not only be helpful for private investors, it would at the same time improve investment conditions for domestic firms".*

Source: UNCTAD.

The Division has expanded the Investment Compass, a benchmarking tool for investment regulatory frameworks and fiscal regimes, which is an effective complement to the IPRs. By December 2005, the Compass included 55 countries and 1,760 registered users (an increase of nearly 50% over 2004), of which 20 per cent are government institutions. Over 200 people visit the Investment Compass website at least once a month and it records on average of 10,000 hits per month. The Compass has been praised by the OECD as a single tool able to reflect the diverse reasons why FDI may locate to a developing country.

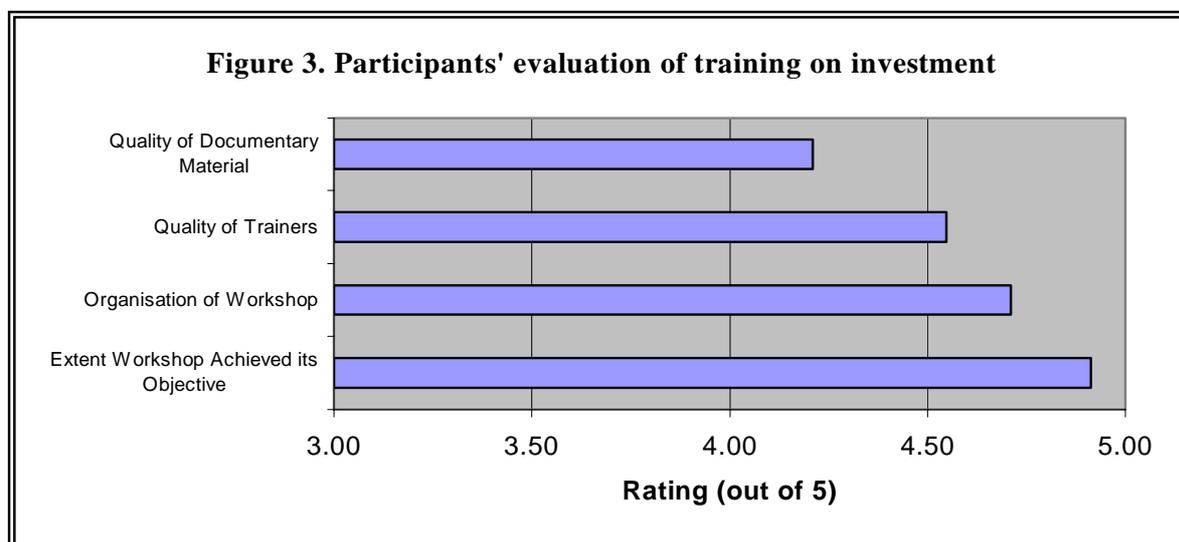
Around 20 countries also benefited from demand-based technical assistance on investment promotion issues provided by the Division's Advisory Services on Investment and Training (ASIT). During 2005, ASIT provided support on a range of issues, as requested by member States. It has, for example, produced a benchmarking study on business immigration practices and an investor targeting strategy for the garments industry, requested by the government of Botswana following the recommendations of its IPR. ASIT also organized a training workshop and seminar on the potential importance of the Clean Development Mechanism in the Kyoto Protocol for attracting FDI, with the Government of China. In addition to these demand-based services, ASIT maintains a number of other specific programmes, as outlined below. ASIT's work was greatly enhanced by the generous support of donor countries. Switzerland continued to be a major donor through the Quick Response Window project, while Sweden announced a contribution of 1 million Euros to ASIT's work in strengthening IPAs from developing countries.

**Figure 2. Examples of IPR follow-up in 2005**

Algeria	<ul style="list-style-type: none"> <li>• Published a study on the capacities of the national IPA</li> <li>• Developed electronic tracking system for the national IPA</li> <li>• Trained IPA staff in investor aftercare</li> <li>• Reform of corporate taxation to increase competition between local and foreign enterprises</li> <li>• Several regional one-stops shops opened</li> </ul>
Botswana	<ul style="list-style-type: none"> <li>• Conducted the research phase of an exercise to identify opportunities and prepare a marketing campaign for the textiles sector</li> <li>• Reviewed best practices in the provision of work permits for expatriates</li> </ul>
Egypt	<ul style="list-style-type: none"> <li>• Published a report on the implementation of the recommendations of the IPR</li> <li>• Completed a report on international experience of tax harmonization</li> <li>• Launched an assessment of Egypt's BITs</li> </ul>
Ghana	<ul style="list-style-type: none"> <li>• Assisted the Ghana Investment Promotion Centre (GIPC) in establishing a one-stop-shop</li> <li>• Assisted GIPC in establishing a land acquisition support desk and a bank</li> <li>• Assessed GIPC's training needs and launched training programme</li> <li>• Received and began to respond to requests for assistance in policy advocacy, capacity-building, SMEs and linkages development</li> </ul>
Kenya	<ul style="list-style-type: none"> <li>• Launched IPR and presented it to the Trade and Development Board</li> <li>• Helped sensitize MPs to the importance of FDI and key problems and issues</li> <li>• Advised on proposed legislation on removing minimum capital requirements for FDI entry</li> <li>• Received a request from the Kenya Investment authority for assistance in developing an investor tracking, targeting and aftercare service</li> </ul>
Lesotho	<ul style="list-style-type: none"> <li>• Drafted an investment code with high standards of investor treatment and protection</li> <li>• Benchmarked business immigration practices of several countries</li> <li>• Provided training government negotiators in international investment agreements</li> </ul>
Peru	<ul style="list-style-type: none"> <li>• Assisted in the establishment of regional investment promotion agencies and staff training</li> <li>• Assisted ProInversión, the national IPA, in setting up the Peru Investment Gateway</li> <li>• Provided training for Peruvian diplomats based in Latin America, Europe and America</li> </ul>
Sri Lanka	<ul style="list-style-type: none"> <li>• Produced a technical study and training on investment tax competitiveness, with KPMG</li> <li>• Reviewed current restrictions on FDI entry and the drafting of an investment law</li> <li>• Supported the restructuring of the Board of Investment</li> </ul>
Rwanda	<ul style="list-style-type: none"> <li>• Drafted model convention for the mining sector</li> <li>• Produced an investment promotion and targeting strategy for the mining sector</li> </ul>
<i>Source: UNCTAD.</i>	

In response to the recommendations of the Expert Meeting on Good Governance in Investment Promotion (GGIP), held in November 2004, ASIT reinforced its GGIP programme to ensure it is better placed to assist LDCs in identifying governance-related obstacles to investment and introducing greater transparency and accountability in the investment process. In the context of GGIP, the Government of Maldives has begun to implement the recommendations made by the programme, with the assistance of UNCTAD. ASIT prepared an advisory report for Mali with recommendations on improving governance in investment promotion. In addition, the programme

supported the Ugandan government in its implementation of TEAM Uganda, which promotes good governance by improving coordination between the 49 government institutions, which deal with foreign investors.



Source: UNCTAD.

ASIT continued to install Investment Gateway, its online content management system which connects investors with investment opportunities and government agencies in Bolivia, Colombia, Djibouti, Ecuador and Peru. During 2005, a new module on e-regulations was introduced to complement existing modules on the business environment, investment opportunities and potential business partners. This new module allows governments to present investors with a comprehensive overview of regulations and direct links with the institutions in charge of their application. Bulgaria, El Salvador, Ethiopia, Guatemala and the Russian Federation (Moscow Region) have all recently signed up to the Investment Gateway programme.

Through ASIT, DITE continued to collaborate with the World Association of Investment Promotion Agencies (WAIPA), particularly during a joint session of the Commission on Investment, Technology and Related Financial Issues and the WAIPA World Investment Conference. UNCTAD was also an active participant in the first WAIPA Regional Conference held in Busan, Republic of Korea in November 2005. In addition, DITE and WAIPA co-organized a number of training events during 2005, on issues such as policy advocacy (for IPAs from Africa, Asia and Europe), cluster creation and development (for countries in the Euro-Mediterranean region) and FDI in tourism (for IPAs from Central and Latin America).

In October, DITE organized a regional meeting in the context of the Investment Advisory Council (IAC) to coincide with the presentation of Kenya's IPR to the Trade and Development Board. The meeting resulted in the launch of four new initiatives. These included Team Tourism for Kenya, Uganda and Tanzania – to be implemented in partnership with national IPAs and the World Tourism Organization – and the expansion of the UNCTAD/JBIC series of *Blue Books on Best Practice in Investment Promotion and Facilitation*. The Blue Books are an innovative tool designed to provide governments, primarily LDCs, with a concise, user-friendly assessment of

major impediments to investment and clear policy recommendations. These measures have a short turnaround time and beneficiary governments commit to implementing them within an agreed timeframe, usually 12-18 months. Following the success of the initial Blue Books, produced for Laos and Cambodia in 2004, the Division produced another three (for Kenya, Uganda and Tanzania) in 2005. These were officially launched and presented to Presidents Yoweri Museveni and Mwai Kibaki at formal ceremonies in Kampala and Nairobi. The Blue Books complement both the IPRs and the Investment Guides which have been produced for these countries and this is a useful example of UNCTAD's increasingly coordinated and synergistic approach to helping countries improve their investment climates.

#### Box 10. Feedback on the Blue Books

Africa Investor, September 2005, *Action on Investment*:

*"The Blue Book...is an "investment Bible" for Kenya. The outcome of extensive consultations with local and international private sector voices, each Blue Book is a no-holds barred assessment of the investment environment."*

President Mwai Kibaki, Kenya:

*"The Blue Book identifies several measures whose implementation is expected to enhance business-public sectors dialogue on investment, contribute to the elimination of identified impediments to foreign direct investment and lead to an increase in the flow of foreign direct investments in the country."*

Mr. Sajeev Nair, Africa Resource Centre, Consumer Unity & Trust Society, Lusaka:

*"The [Blue Book] workshop was well received by both electronic and print media...It was our pleasure to work with you on this important initiative."* [ORIGINAL TEXT IN FRENCH]

Source: UNCTAD.

During 2005, the Division also launched its participation in the Silk Road Initiative which is designed to harness the dynamism of the region's most rapidly growing economies to boost development across Central Asia. It aims to foster cooperation and integration between Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan and China. Focusing on three main areas - trade, investment and tourism – the objective is to establish new, long-lasting mechanisms to further regional integration. These include a Silk Road Investment Forum, the first of which is scheduled to take place in June in Xi'an, China.

The Branch continued its extensive work on international investment agreements (IIAs), which was the subject of a highly positive impact assessment during 2005 (see Box 11). The 28 booklets of the first generation series on issues in IIAs were compiled into three volumes. These have received very favourable reviews and were described by the *Singapore Economic Review* as: "an indispensable source of information for policy-makers and decision-makers." In addition, work continued on a second series – focussed specifically on international investment policies for development – which builds on and expands the first generation. Four studies in the second series have been prepared to date. In addition, the Division launched the IIA Monitor. Four issues were published electronically in 2005 and presented the recent trends in IIAs and highlighted policy implications, especially for developing countries. Two further studies on "*Bilateral Investment Treaties 1995-2005: Trends in Investment Rule-Making*" and "*International Investment*

*Agreements: Recent Trends and Implications*" – a joint project with APEC – are due to be published soon.

**Box 11. External impact evaluation**

During 2005, the UNCTAD work programme on capacity building in developing countries on issues in international investment agreements was the subject of an external impact evaluation. This utilized a number of different tools, including:

- Questionnaires from those who had participated in UNCTAD's training programmes and technical assistance projects;
- Interviews with third-party negotiators and negotiations facilitators from other international organizations;
- A quantified impact assessment of the programme's intervention tools; and
- A cost-benefit analysis and comparison with similar programmes maintained by other organizations.

The review concluded that DITE's work has a strong, direct and sustained impact on the capacities of the direct beneficiaries to engage effectively in the discussion and negotiation of IIAs. For example, 85 per cent of course participants reported that the training improved their ability to understand international investment rule making, and to participate effectively in the discussions and negotiations of IIAs. Course participants were almost unanimous in their praise for the programme and their demands that UNCTAD should intensify its work on IIA issues. The evaluation also found that the IIA programme's work is highly cost effective in comparison with that of other institutions and organizations.

The evaluation recommended that the IIA programme should strengthen the dissemination of its publications and training materials. It also proposed that these outputs should be adapted to reflect the increasing sophistication of modern IIAs and that the Division's capacity-building work in this area should be extended to the implementation of agreements, especially in the context of the management of investor-State disputes.

*Source:* UNCTAD.

UNCTAD continues to be the leading source of information on international investment agreements. During 2005, it published Volumes XIII and XIV of its *Compendium of International Investment Instruments* and made them available on the IIA website. Free trade agreements containing investment provisions have also been added to the online compendium. The Division continued to maintain its online database of bilateral investment treaties (BITs), which now encompasses 1,900 agreements. More than 1,300 visitors consulted the database every month during the last quarter of 2005 and has become a key resource for negotiators, lawyers and academics. In a letter to UNCTAD, Mr. Gary Sampliner, Senior Counselor at the US Treasury, described the database as "by far the most complete compilation available". UNCTAD's network of IIA Experts, another electronic resource maintained by the Division to facilitate improved information flow and discussions on IIA issues, now has 570 members.

In the course of 2005, the IIA programme organized 16 technical assistance projects. Much of this assistance took the form of training for government officials and negotiators. DITE conducted its first ever intensive training programme for IIA negotiators from Lusophone countries. It also organized a similar course for officials from Cambodia and Laos and a distance-

learning course on the core issues in IIAs for Francophone countries, in partnership with Train for Trade. Another major training activity during the year included an advanced training course for Latin American countries on managing investment disputes. In all, 313 participants from almost 80 countries benefited from these activities. More than 40 per cent of the beneficiaries were from LDCs. The effectiveness of DITE's training has been regularly confirmed by course participants in post-training evaluation questionnaires. Mr. Sallya Wickramasuriya, Director General of the Board of Investment of Sri Lanka, confirmed in a letter to UNCTAD that "the advice given to them [course participants] will be extremely useful in drafting our BITs and Investment Chapters at bilateral and regional levels".

The other major aspect of DITE's technical assistance in this area is the facilitation of bilateral investment treaty negotiations. In November, the Division, in cooperation with the *Agence Intergouvernementale de la Francophonie*, organized a round of BIT negotiations for Francophone African nations, hosted by the Republic of Congo. This was attended by 25 negotiators representing nine countries (including five LDCs) and resulted in the conclusion of six agreements.

UNCTAD continues to provide substantive servicing to the Commission on Science and Technology for Development. In this context, it has contributed to the debate on how best to achieve the Millennium Development Goals by examining the role of science and technology in development. Its key conclusion was that most developing countries are unlikely to achieve the goals without concerted efforts to build up their technological capabilities. The secretariat has therefore launched a new initiative to create a network of centres of excellence on science and technology. This designed to create regional learning hubs by pooling developing countries' existing research and development resources. The network will initially focus on biotechnologies and ICT, which have wide-ranging applications in health, agriculture and the environment.

Also in 2005, UNCTAD began to implement "Connect Africa", its partnership programme with the Centre des Technologies de l'Information of Geneva. First announced in 2004, this is designed to provide customized training to ICT engineers and technicians from developing countries, and especially LDCs. The project was piloted in Lesotho and a team of three ICT experts have since trained a number of engineers and technicians. The project has also provided 220 personal computers with software for use in a number of areas, including schools. Project officers are now discussing the creation of an "Observatoire Technologique" within Lesotho's Ministry of Communications, Science and Technology. Mali will be the next country to benefit from the pilot project.

One of the Division's leading products in the area of science and technology is its Science, Technology and Innovation Policy (STIP) reviews. These are designed to help developing countries take stock of their national innovation systems, identify their strengths, weaknesses and opportunities and develop appropriate policies to integrate science and technology into national development strategies. During 2005, the Division completed a STIP review for Iran and is about to commence preparing a review for Angola.

In the area of information and communication technologies, the Division has updated its ICT Benchmarking tool, launched in 2004, to provide more coverage for newly-defined ICT development parameters and to integrate the time dimension into datasets. As already mentioned,

the tool was introduced to the international community at the second phase of the World Summit on the Information Society (WSIS) in Tunis, where it was the subject of daily presentations. Also at the WSIS, UNCTAD announced a new partnership with the International Telecommunications Union to collaborate on efforts to measure the magnitude of the digital divide. This will incorporate the methodology that DITE developed in preparing *The Digital Divide: ICT Development Indices 2004*. This publication reviews trends in the digital divide through a comparative analysis of infrastructure, policy measures and access to ICTs across more than 150 countries. It includes four case studies of countries that have successfully promoted growth in ICT.

The Division also maintained its activities in the interrelated areas of transfer of technology and intellectual property. DITE has also maintained its support for the Like-Minded Group of Developing Countries within the WTO Working Group on the Relationship between Trade and the Transfer of Technology (WGTTT) and assisted in the creation of a number of draft proposals. The Division also produced two further studies in its series on *Transfer of Technology for Successful Integration into the World Economy*: the first was a *Case Study of the Electronics Industry in Thailand* and the second was *Taxation and Technology Transfer: Key Issues*. These were complemented by the production of a study on *Facilitating the Transfer of Technology to Developing Countries: a Survey of Home Country Measures*.

In the area of intellectual property, the Division continued to monitor negotiations at the WTO Council for TRIPs and the World Intellectual Property Organization's (WIPO) General Assembly. In the context of the Joint Project on Intellectual Property Rights, maintained in cooperation with the International Centre of Trade and Sustainable Development (ICTSD), the Division helped organize six events during 2005. These included a regional dialogue on intellectual property rights and policy in Arab countries and the Fifth Bellagio Dialogue on Intellectual Property and Sustainable Development. In addition, the Project published two major publications: a *Resource Book on TRIPs and Development* and a special publication on health issues, *Negotiating Health: Intellectual Property and Access to Medicines*. Both publications have been enthusiastically received – the Resource Book, in particular, has received widespread acclaim (Box 12). The Division also completed the 12<sup>th</sup> in its series of issues papers, namely *The International Copyright System: Limitations, Exceptions and Public Interest Considerations for Developing Countries in the Digital Environment*. At the end of 2005, the Division reached an agreement with the Governments of Germany and the United Kingdom to launch a project on "Technical assistance and capacity-building in African least developed countries on the establishment of pharmaceutical production capacities". This will assist LDCs in formulating investment and intellectual property laws which are conducive to the local production of essential medicines.

**Box 12. Feedback on the Resource Book on TRIPs and Development and the UNCTAD-ICTSD Project**

Professor Jerome Reichman, Duke University:

*"This book is a major contribution in the field."*

Dr. Meir Pugatch, Stockholm Network:

*"The Resource Book on TRIPs and Development is crucially important to those dealing with trade policies of intellectual property...More than anything, the Resource Book is a practical guide to the TRIPs Agreement... Researchers will find the book to be an indispensable resource for any academic research...To those interested in the legal aspects of TRIPs, the Resource Book provides a considerable amount of legal interpretation of TRIPs provisions, as well as linkages to jurisprudence. Policymakers will find the book to be a practical manual for IP negotiations. To students, the book provides an easy entry point to the world of IPRs...Indeed, a must read book!"*

Mr. Roland Abeng, Barrister, Cameroon Trade and Investment Facilitation Consultancy:

*"We hereby wish to congratulate you and your team for the wonderful work you people have been doing under the ICTSD-UNCTAD project on intellectual property rights."*

Source: UNCTAD.

▪ **Investment and Enterprise Competitiveness**

DITE, through the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR), has continued to promote best practice in accounting and reporting in developing countries and economies in transition. In 2005, UNCTAD organized the 22<sup>nd</sup> session of ISAR, which was attended by more than 200 experts from 72 member States. The meeting focused on practical issues in the implementation of the International Financial Reporting Standards (IFRS). In 2005 about 100 countries announced their transition to this single set of reporting standards. However, practical implementation of the IFRS creates a number of serious institutional and capacity-building challenges for developing countries and countries with economies in transition, which lack the necessary infrastructure and knowledge. To facilitate these discussions, the secretariat prepared two research papers: *"Guidance on best practice on corporate governance disclosure"* and *"Guidance on comparable and relevant corporate responsibility indicators in annual reports"*. At the meeting, the group requested that UNCTAD prepare guidance for publication and to disseminate it as widely as possible. This is a highly significant outcome, pioneering consensus on corporate governance disclosure through intergovernmental deliberations at an international level. The official proceedings of both the 21<sup>st</sup> and 22<sup>nd</sup> sessions of ISAR were published this year, in the *ISAR 2004 Review* and *ISAR 2005 Review*, respectively.

There were two more cases of guidelines published by ISAR being adopted in 2005. Pakistan has incorporated the guidelines on accounting by SMEs into national legislation and Kenya implemented ISAR's recommendations on corporate governance disclosure. In addition, the International Accounting Standards Board (IASB) and the International Federation of Accountants (IFAC) – the two global standards-setters in the area of accounting – are considering

incorporating ISAR guidance on accounting by SMEs and professional education in accounting into their activities.

In terms of technical assistance, the Division maintained its USAID-funded project to develop a national accounting qualification, which is compatible with international requirements, in the CIS region. Six modules of the training materials for the ISAR model curriculum are currently being adapted to CIS conditions. UNCTAD also expanded its cooperation with the IASB during 2005. This resulted in the organization of a joint technical workshop on implementation of the IFRS, which attracted over 100 participants, including a number of the leading experts in the area.

In the area of enterprise development, the Division organized an Expert Meeting on Enhancing the Productive Capacity of Developing Country Firms through Internationalization (5-7 December 2005). The discussions, which involved around 100 participants from over 40 countries, focussed on the opportunities and challenges of internationalization through outward FDI (OFDI) for developing country enterprises. In preparation for the meeting, the Division produced a series of 12 country case studies, which illustrated the potentially beneficial effects of outward FDI for firms from developing countries. It also co-organized a number of joint national seminars on OFDI, including events with the Ministry of Commerce in China and with Fundacao Dom Cabral and the Ministry of Development, Industry and Foreign Trade in Brazil.

The UNCTAD Business Linkages programme continued to develop policy advice for creating sustainable business linkages, and provide technical assistance to create and strengthen such linkages. UNCTAD – in collaboration with the *Gesellschaft für Technische Zusammenarbeit* (GTZ), *Ethos Institute* and *Fundação dom Cabral* – has also launched *Projeto Vínculos* in order to "promote inter-firm cooperation in the North-East of Brazil". In 2005, the Division produced case studies for a number of countries – including India, Malaysia, Mexico, South Africa and Uganda. These are designed to identify the underlying determinants of linkages formation and to better understand the circumstances under which TNC-SMEs linkages can become key drivers of economic growth and effective channels for the transfer of foreign technology and knowledge. The findings will initially be used as a basis for UNCTAD's policy advice on linkage promotion to the Brazilian government and later to any other country that may request it. As a result of the project, a number of TNCs have already committed themselves to assisting their Brazilian supply chain partners in upgrading their operations.

In 2005, UNCTAD also began to work with OECD and University of Fribourg on a joint project to identify mechanisms to increase the participation of SMEs in global value chains. To date, the Division has contributed to a literature review of the subject, helped finalize the theoretical framework of the project, and created guidelines for eventual country case studies. During 2006, DITE expects to carry out five case studies based on interviews with large companies operating in developing countries and their SME suppliers. The UNCTAD Business Linkages Programme in Uganda, officially launched on 21 October 2005, is being implemented by Enterprise Uganda in collaboration with the Uganda Investment Authority. To date, two of the 20 TNCs contacted by the project have committed to the programme and discussions are ongoing with a further three. UNCTAD is also pursuing potential Business Linkages projects in Vietnam – with initial funding from Unilever – and also in Ethiopia, subject to funding.

The EMPRETEC programme has consolidated its presence in Latin and Central America and Anglophone and Francophone Africa. With the assistance of established EMPRETEC Centres, the programme has been expanding to new countries and strengthening existing projects. In 2005, a new EMPRETEC programme was installed in Guyana. Moreover, based on EMPRETEC's success in Jordan and Romania in 2004, their respective governments committed substantive funding to ensure the programmes were maintained in 2005. In Romania, two new regional centres were established, while EMPRETEC Angola also established a new regional centre. In all these projects, the accumulated experience and specialized know-how of existing EMPRETEC Centres was essential. For example, the programme in Guyana was created with the support of Brazilian master trainers and in close cooperation with SEBRAE Brazil, while EMPRETEC Ghana helped train local staff in business development services. UNCTAD-EMPRETEC master trainers also conducted a number of training workshops in Jordan, Palestinian Territories and Romania. Furthermore, in response to requests from Indonesia, Sri Lanka and the Maldives, the Division developed a proposal to initiate an EMPRETEC Programme for South and South-East Asia, targeting the areas hardest hit by the 2004 tsunami. Discussions with both beneficiary countries and potential donors are already underway. The Division also initiated preparation about the implementation of the EMPRETEC programme in Mexico.

The annual meeting of EMPRETEC Directors attracted a record 26 directors, business counsellors and senior advisers from 20 different EMPRETEC centres. They addressed the major strategic challenges facing the EMPRETEC Programme. In the course of the meeting, a taskforce comprising a number of directors and UNCTAD/EMPRETEC staff, was established and identified a number of specific recommendations for strengthening the EMPRETEC model and brand. The new UNCTAD "business linkages" toolkit was also presented at the meeting. Participants reported that the meeting was highly relevant to their needs and important for networking.

UNCTAD's longstanding mandate on insurance was renewed at UNCTAD XI, with a particular focus on the needs of Africa and LDCs. In response, the Programme is currently seeking funding for five new projects, which will benefit the whole of Africa. These have been confirmed as Africa's five priority needs by the African Insurance Organization, which represents the continent's 55 Governments and their insurance sectors. In April 2005, the African Centre for Catastrophe Risks, of which UNCTAD is a founding member, held its first Annual General Meeting in Casablanca. Its legal persona and initial business plan are now in place and it is now actively seeking donor funding for its operational budget.

The Programme has recently begun providing technical assistance to help restructure Burundi's Insurance Legislation and Insurance Regulatory Authority. As in past years, the Programme actively supported regional insurance meetings and seminars for emerging markets in China, Australasia and Africa. The Insurance Programme maintains a number of projects under UNCTAD's policy of interdivisional cooperation. In 2005, these included commencement of work to create an Insurance Customs Bond facility for Afghanistan and assistance to UNCTAD's Trade Division in organizing an Expert Meeting on Insurance for the Commission on Trade's review of the Insurance and Distribution Sectors.

**Box 13. Feedback on EMPRETEC**

Mr. Mazen Khalaf, Director, EMPRETEC Jordan:

*"Thank you...for doing an excellent job in organizing and conducting the Directors' Meeting which gave us the opportunity to become familiar with EMPRETEC/UNCTAD's vision for the future and get a closer look at what other EMPRETEC centres are doing. One of the first tangible results of this meeting was more cooperation between the centres".*

Source: UNCTAD.

## Monitoring impact

The Division places special emphasis on the *quality* and *effectiveness* of its outputs. Despite the difficulty of measurement in some areas, it makes systematic impact assessment and monitoring an integral part of its day-to-day work.

Judging from feedback from the three principal groups who benefit from the Division's activities, namely policy-makers, decision-makers, academics and the general public (including media), its work had significant impact in a broad range of areas.

### Policy decision-makers

The positive impact of the Division's work is reflected in the statements and actions of member States. One example is the high implementation rate of the recommendations contained in the Investment Policy Reviews produced to date, which serves to underscore the value governments attach to them. Similarly, governments which have benefited from the series of Blue Books all agree to abide by a strict 12-month implementation timetable. Regulatory authorities around the world have made ample use of ISAR guidelines and those on accounting by SMEs, corporate governance disclosure, environmental accounting, and the accounting model curriculum have all recently been adopted by such authorities. During 2005, the Division collected 16 letters of appreciation from countries, which had benefited from its assistance. An equally relevant indicator of the value of the Division's work is the increasing demand for its policy advice and technical assistance. Almost all its major products received a number of new requests for assistance during 2005.

### Academics

The work of the Division, and in particular its publications, continues to receive favourable academic reviews in journals and debates. In general, DITE is seen as a leading authority in its fields of expertise and its outputs, especially the *World Investment Report*, are frequently quoted and reproduced. During 2005, the Division collected 15 reviews of its publications. All these reviews were overwhelmingly positive, describing the Division's publications as the most authoritative and reliable available.

### General public

The Division disseminates its work to a wide audience, including the general public in both developing and developed countries. One key indicator of the success of these dissemination efforts is the media reaction. Each of the press releases, e-briefs, occasional notes and information notes issued in 2005 generated media coverage, which was frequently very intense. Another useful measure of the relevance of the Division's work are the readership surveys, which are distributed with every publication. 95 per cent of the 335 survey forms returned during 2005 rated the Division's publications as "excellent" or "good". Moreover, 90 per cent confirmed that the publications were "very useful" in their work. Respondents particularly welcomed their "in-depth analysis", "policy relevance" and "quality of data".

## Downloads of DITE publications

### Overall

DITE publications were downloaded from the Division's various websites over 3 million times in 2005. Aside from the *World Investment Report*, the most popular publication was the *DITE Activity Report 2004*, which was downloaded over 110,000 times. The next two most popular publications were the *Anàlisis De Las Politicas De Inversión - Ecuador* (with 102,203 downloads) and 61,461 downloads of volume 13, no. 3 of the *Transnational Corporations* journal. The overall distribution of downloads presented in Figure 3 highlights the interest of visitors in the Division's policy analysis and advice, as well as in publications related to the digital divide. The most sought after publications include the *Transnational Corporations* Journal, *Investment Policy Reviews*, *Series on Issues in International Investment Agreements* and publications related to science and technology.

**Figure 4. The top 15 downloaded DITE publications, 2005**

Document	Downloads
<i>DITE Activities Report, 2004</i>	114,442
<i>Anàlisis De Las Politicas De Inversión - Ecuador</i>	102,203
<i>Transnational Corporations</i> (Vol.13, No.3)	61,461
<i>Transnational Corporations</i> (Vol.14, No.1)	43,670
<i>The Digital Divide: ICT Development Indices 2004</i>	26,848
<i>Transnational Corporations</i> (Vol.13, No.2)	23,838
<i>Information and Communications Technology Development Indices</i>	20,790
<i>World Investment Directory</i> (Volume VIII)	18,819
<i>Prospects For FDI and the Strategies of Transnational Corporations, 2004-2007</i>	18,003
<i>State Contracts</i>	17,936
<i>Transnational Corporations</i> (Vol.11, No.3)	17,051
<i>Dispute Settlement: State-State</i>	16,032
<i>An Investment Guide To The East African Community</i>	14,931
<i>FDI in Least Developed Countries at a Glance: 2002</i>	14,829
<i>Transnational Corporations</i> (Vol.12, No.2)	14,469
<b>Total downloads</b>	525,322
<b>Total downloads of DITE publications</b>	3,276,835
<i>Source: UNCTAD</i>	

### *World Investment Report*

The *World Investment Report* continues to be the most frequently downloaded of UNCTAD's publications. By the end of 2005, *WIR04*, or parts thereof, had been downloaded nearly 1.9 million times. Within five weeks of the launch of *WIR05* on 29 September 2005, it had already been downloaded 320,000 times. By the end of the year, this figure was 602,150. The figures also show a significant increase in demand for the electronic version of *WIR* over the past six years (see Figure 4). Earlier Reports still generate significant interest and continued to be downloaded regularly throughout 2005.

<b>Figure 5. Number of downloads of <i>WIR00</i> – <i>WIR05</i>, by end of 2005</b>	
<b>Year</b>	<b>Downloads</b>
<i>World Investment Report 2000</i>	207,037
<i>World Investment Report 2001</i>	542,339
<i>World Investment Report 2002</i>	1,566,423
<i>World Investment Report 2003</i>	1,852,454
<i>World Investment Report 2004</i>	1,889,525
<i>World Investment Report 2005</i> <sup>a</sup>	602,150
<b>Total Downloads 2000-2005:</b>	<b>6,659,928</b>
<i>Source:</i> UNCTAD and UNICC	
<sup>a</sup> Between September and end-December 2005	

This increasing demand underscores the importance of the UNCTAD website for the dissemination of its publications. Throughout 2005, DITE continued to intensify its outreach efforts, targeted at both internal and external constituencies. As part of this effort, it introduced several electronic networks, prepared a number of distance learning tools, expanded the electronic distribution of its publications and the redesigned and upgraded the divisional website, and those of many subprogrammes.

# **Appendix 1**

## **Activities**

## Intergovernmental Meetings

### Commissions:

#### **Commission on Enterprise, Business Facilitation and Development, ninth session**

The Commission considered all substantive items in the context of the Sao Paulo Consensus and of contributions made towards the achievement of the Millennium Development Goals. Under the theme of improving the competitiveness of SMEs through enhancing productive capacity, the Commission examined the threats and opportunities of globalization for domestic firms in developing countries. It also considered the issue of enhancing the competitiveness of developing countries' firms through internationalization, particularly by encouraging linkages with transnational corporations and outward investment. The Commission also considered the issue of efficient transport and trade facilitation to improve developing country participation in international trade. In particular, it discussed the development of multimodal transport and logistics services in developing countries in the context of recent developments in transit systems and the possible scope for enhancing cooperation among the various relevant international and UN bodies. The practical and institutional constraints faced by countries that depend on transit trade, in particular landlocked developing countries, were discussed, including the relevance of corridor-specific approaches and of appropriate national and regional coordination mechanisms. On the issue of ICT and electronic commerce strategies for development, the Commission considered the report of the Expert Meeting on the Policy and Development Implications of Free and Open-source Software and the progress made on the Partnerships on ICT for Development. In the context of the secretariat's contribution to international ICT initiatives, the Commission reviewed the outcomes of the WSIS Thematic Meeting on the Economic and Social Implications of ICT (Antigua, January 2005) and the WSIS Thematic Meeting on Measuring the Information Society (Geneva, February 2005).

Geneva, 22-25 February 2005 TD/B/COM.3/70
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#### **Commission on Investment, Technology and Related Financial Issues, ninth session**

The ninth session of the Commission considered three substantive items. The first concerned "Policy issues related to investment and development" (item 3). The reports of the Expert Meetings on Good Governance in Investment Promotion and The Impact of FDI on Development were presented followed by a panel discussion on Emerging FDI from Developing Countries. The next item covered issues related to investment arrangements (item 4). A policy dialogue considered the increase in international investment disputes arising from investment agreements, and the issues of how to clarify substantive provisions and procedural rules and how to better address development and policy implications. The final substantive issue involved an exchange of national experiences of investment policy reviews (IPRs). The Commission considered the IPRs of Algeria, Ghana and Peru and the follow-up to the recommendations of the IPR of Egypt. Under this item, the Commission also held a joint high-level session with the World Association of Investment Promotion Agencies (WAIPA), which discussed the issue of attracting FDI in service clusters. The Commission also considered the reports of the Intergovernmental Groups of Experts on International Standards of Accounting and Reporting and Competition Law and Policy, the implementation of recommendations addressed at the 8th session and DITE activities in 2004. The Commission also discussed progress on achieving the goals set out in the Millennium Declaration, particularly the role of investment, technology and enterprise competitiveness. Professor Jeffrey Sachs, Special Advisor to the UN Secretary-General, took part in the discussion via videoconference.

Geneva, 7-11 March 2005 TD/B/COM.2/66
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### Commission on Science and Technology for Development, eighth session

The eighth session of the Commission provided an opportunity for participants – policymakers, representatives of civil society and international and regional organizations, as well as eminent resource persons – to raise awareness of the importance of science and technology in the development process and to identify specific measures needed at the national and international levels to ensure that science and technology contribute effectively to achieving the Millennium Development Goals. It was also a forum to share national experiences, particularly in the use of science and technology to alleviate poverty.

Geneva, 23-27 May 2005  
E/CN.16/2005

One special segment of the session was devoted to the science, technology and innovation policy review of the Islamic Republic of Iran, which was completed during 2005.

#### Expert Meetings:

#### **Expert Meeting on the Impact of FDI on Development**

Reflecting a broader trend towards the offshoring of services, a number of developing countries are attracting foreign direct investment in research and development (R&D). Transnational corporations, including the ones headquartered in developing countries, are selecting developing countries as locations for such activities. With the offshoring of R&D, firms aim at accessing the skills of new locations, adapting products to local markets and reducing their costs, in response to competitive pressures, technological changes and a more liberal trade and investment environment. In particular, information and communication technologies (ICT) have had a profound effect on the way economic activities, including R&D, are organized, enabling firms to allocate tasks on a global scale through intra-firm information networks. At the same time, keeping up with new developments in ICT is a major challenge for developing countries wishing to accelerate their economic development. There are a number of key issues related to the trends towards globalization of R&D and its implications for developing countries. What is the development potential of this process? How can the establishment of R&D abroad affect the transfer of technology – one of the main potential benefits from foreign direct investment? What types of R&D are the most desirable for development? What benefits and costs are involved? And how can policies in home and host countries influence the allocation of such activities and their economic impact?

Geneva, 24-26 January 2005  
TD/B/COM.2/EM.16

#### **Expert Meeting on Positive Corporate Contributions to the Economic and Social Development of Host Developing Countries**

At its ninth session, in March 2005, the Commission on Investment, Technology and Related Financial Issues decided to convene an Expert Meeting on Positive Corporate Contributions to the Economic and Social Development of Host Developing Countries, in accordance with the mandate contained in the São Paulo Consensus, paragraph 58, which calls for the secretariat to "*carry out analytical work with a view towards facilitating and enhancing positive corporate contributions to the economic and social development of host developing countries*". The Expert Meeting began this process by considering what the economic development dimension of corporate responsibility might involve. It discussed examples of company and industry guidelines and best practices and country policies in encouraging such practices. It aimed to help develop a common language and understanding concerning the economic development dimension of corporate responsibility. The seven core topics of the expert meeting were: (i) investment in poor countries; (ii) provision of goods

Geneva, 31 October-2 November 2005  
TD/B/COM.2/EM.17

and services; (iii) employment creation, enhancement of skill levels of the local workforce and creating linkages; (iv) technology transfer; (v) ethical business behaviour; (vi) contribution to public revenue generation; and (vii) minimizing negative effects of business restructuring.

### **Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting, Twenty-second session**

The 22<sup>nd</sup> Session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) focussed on two principal issues: practical implementation of the International Financial Reporting Standards (IFRS) and the comparability and relevance of corporate responsibility indicators. The meeting, which attracted over 200 attendees, was opened by the Secretary-General of UNCTAD, Dr. Supachai Panitchpakdi. Considerable discussion was also devoted to the guidance on corporate social responsibility indicators and the updated guidance on good practices in corporate governance disclosure which were prepared by the Secretariat. Both UNCTAD and several other international and regional organizations updated participants on their activities. The session agreed to conduct a further review of the practical challenges in implementing IFRS. It also requested that UNCTAD finalize the updated guidance discussed at the session and disseminating it as widely as possible.

Geneva, 21-23 November 2005  
TD/B/COM.2/ISAR

### **Expert Meeting on Enhancing the Productive Capacity of Developing Country Firms through Internationalization**

Around 100 participants from over 40 countries attended this expert meeting. Much of the discussion focussed on elements contained in an issues note and 13 country case studies prepared or coordinated by the Division, which illustrated the potentially beneficial effects of outward FDI (OFDI) for firms from developing countries. In addition, the meeting heard from the CEOs of four internationalized SMEs, a senior executive of a TNC as well as a number of other experts. The meeting concluded that firms from the developing world are increasingly important in the global economy and that OFDI is an essential tool for such enterprises to become more competitive. It identified the drivers, policy practices, a number of the opportunities, benefits and risks of OFDI, including industries where OFDI is most prominent. It also highlighted a number of issues that need to be addressed and it was agreed that UNCTAD's research, advisory, training and capacity-building capabilities can play an essential role in this context.

Geneva, 5-7 December 2005  
TD/B/COM.3/EM.26

### **Expert Meeting on Capacity-Building in the Area of FDI: Data Compilation and Policy Formulation in Developing Countries**

The Expert Meeting was designed to raise awareness of the importance of FDI data and to help countries, especially those from the developing world, improve the quality of their statistics on FDI and the activities of TNCs. The meeting, which was attended by over 60 people from 24 countries, considered some of the major problems and challenges in this area and concluded that there is still significant scope for improving FDI data. A number of countries shared their experiences in trying to improve statistical methodologies while representatives of the IMF and OECD reported on their progress in updating international guidelines governing FDI statistics. Among the recommendations of the Meeting was that a mechanism should be created for countries to submit data directly to UNCTAD and that UNCTAD should take a more prominent institution-building role to help improve the quality of FDI data. The experts also recommended that similar meetings on FDI

Geneva, 12-14 December 2005  
TD/B/COM.2/EM.18

statistics and policy formulation be organized by UNCTAD on a regular basis. Finally, experts also recommended that the report of the meeting be presented to the UN Statistical Commission, the OECD Workshop on International investment and the IMF's Committee on Balance of payments Statistics. The experts also recommended that similar meetings on FDI statistics and policy formulation be organized by UNCTAD on a regular basis. Finally, experts also recommended that the report of the meeting be presented to the UN Statistical Commission, the OECD Workshop on International investment and the IMF's Committee on Balance of Payments Statistics

## Investment Issues Analysis Branch

### A. Meetings and Workshops

#### Policy Seminar on the World Investment Report 2005

This meeting of experts aimed to discuss the outline of the World Investment Report 2005 and to identify areas to which more attention should be paid.

#### Expert Meeting on FDI in Tourism: The Development Dimension

This Expert Meeting aimed to refine the conceptual framework and design a research methodology to identify, and where possible, quantify, the economic impacts of different forms of foreign direct investment in Tourism. It evaluated the current state of understanding on the research questions raised, and considered how to resolve them.

Geneva, Switzerland 21 February 2005
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#### Global Seminar on the Draft World Investment Report 2005

The *WIR* peer review Global Seminar, organized on the theme of *WIR05* (“Transnational Corporations and the Internationalization of R&D”), discussed trends in the international conduct (particularly in developing countries) of R&D by TNCs, the links from these trends to innovation and development, the drivers, determinants and development implications of these trends, and the role of national and international policies on their international R&D activities. Experts provided inputs into *WIR05* and made a number of suggestions and recommendations with a view towards its finalization.

Geneva, Switzerland 24-25 May 2005
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#### Policy Seminar on the World Investment Report 2006

This meeting of experts discussed the draft outline of *WIR06* and provided suggestions on the topic, as well as on FDI trends in 2005.

Geneva, Switzerland 8 December 2005
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#### Ad-Hoc Expert Meeting on FDI Statistics in Developing Countries: Capacity-Building and Networking

This one day meeting discussed the future direction of UNCTAD's activities in the area of FDI statistics, exchanging ideas among developing countries and regions as well as international organizations about recommendations of the inter-governmental Expert Meeting on Capacity-Building in the Area of FDI: Data Compilation and Policy Formulation in Developing Countries.

Geneva, Switzerland 15 December 2005
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## B. Publications

### *World Investment Report 2005: Transnational Corporations and the Internationalisation of R&D*

The *World Investment Report 2005* presents the latest trends in FDI and explores the internationalization of research and development by TNCs along with the development implications of this phenomenon. *Part one* highlights recent global and regional trends in FDI and international production by TNCs. Global FDI flows resumed growth in 2004, but inflows continued to decline in developed countries and it is developing regions which are leading the recovery. This section also documents trends in FDI financing (equity investment, re-invested earnings, intra-company loans, etc.), as well as modes of investment (mergers and acquisitions, greenfield FDI, etc.).

<b>Place of publication:</b> New York and Geneva <b>Date of publication:</b> September 2005 <b>No. of pages:</b> 366 pages <b>Document symbol:</b> UNCTAD/WIR/2005 <b>Sales No.</b> E.05.II.D.10 <b>ISBN:</b> 92-1-112667-3 <b>Price:</b> \$75 <b>Web:</b> <a href="#">WIR05</a>
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*Part two* assesses the implications of the recent surge in R&D internationalization by TNCs. Increasingly sophisticated R&D activities are being transferred to selected developing countries and, unlike in past years, this is often more than local market adaptation. Instead, it involves highly complex activities targeted at global markets. The Report discusses the driving forces behind this trend and considers how host, as well as home, countries are affected. Finally, the Report analyses the need for pro-active and coherent policies to enhance the development benefits of R&D internationalization. It underlines the importance of creating an environment conducive to fruitful interaction between the R&D activities of TNCs and those of domestic firms and institutions. A final chapter outlines the role of international agreements in this area. A substantial Statistical Annex with data on FDI flows and stock for more than 200 economies is also included.

### *Transnational Corporations Journal, Vol. 14, No. 1*

The first article in this volume is by Anne Arquit Niederberger and Raymond Saner. They consider the history and future of the Clean Development Mechanism (CDM) and conclude that it has become much more concrete. The article provides an overview of this innovative policy instrument, which is an element of the United Nations Kyoto Protocol, and questions the simplistic assumption that CDM flows will essentially mimic FDI flows. The volume's second article, by Yuping Zhou and Sanjaya Lall, assesses the claim that China's surge in FDI inflows is diverting investment away from other South-East Asian economies. Their model suggests that China raised rather than diverted such investment into neighbouring economies during 1986-2001. The authors speculate that this may be because countries do not compete for foreign direct investment in market and resource-seeking activities only in export-processing – here China may be complementing other countries in electronics, where they are being integrated into a regional production network. The next article, by Stephen J. Kobrin, uses a database supplied by UNCTAD to analyse the determinants of changing FDI policy in 116 developing countries from 1992 to 2001. 95 per cent of the change over the decade was liberalizing rather than restrictive. The author suggests two possible explanations for this: policymakers' beliefs that attracting more FDI is in the best interest of their countries, and external pressure to adopt neoliberal economic policies. Results provide strong support for the "rational" decision argument and only limited support for the external pressure thesis. Lastly, Joanna Scott-Kennel and Peter Enderwick conduct a theoretical investigation

<b>Date of publication:</b> April 2005 <b>No. of pages:</b> 194 pages <b>Document symbol:</b> UNCTAD/ITE/IIT/2005/1 <b>Web:</b> <a href="#">TNC Journal Vol. 14, No. 1</a>
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of the *black box* of the Investment Development Path theory – specifically, the mechanisms by which inward FDI prompts domestic firms to augment their ownership-specific advantages. They conclude that the contribution of inward direct investment to a country’s economic development is positively related to the degree of linkage intensity at the firm level.

***Transnational Corporations Journal, Vol. 14, No. 2***

In this volume's first article, Lorraine Eden explores the implications for transfer pricing of growth in offshored business services using the case study of the teleservices industry. She concludes that “Went for cost, priced at cost” is the appropriate maxim for tax authorities and firms. In the article, she uses economic analysis to develop pricing rules for offshored call centres, including implications for location savings. In the next article, Giovanni Balcet and Rinaldo Evangelista assess the technological contribution of foreign affiliates in Italy, comparing their innovation performance and strategies with those of domestic firms. The empirical evidence suggests that foreign affiliates and domestic firms differ more in terms of innovation strategy than performance. Foreign affiliates' strategies largely fall into one of three groups: low-tech, adaptive or asset-seeking. Of these, the adaptive approach is by far the most common. These findings highlight some important general aspects of the innovation strategies of foreign affiliates. The third article, by Peter Enderwick, considers ways to judge the 'desirability' of FDI. To date, most attempts have concentrated on short-term impact using structural factors including firm size, entry mode, nationality and the value added. The article develops a conceptual framework of how FDI might be expected to impact on a host economy. It then contrasts this with another derived from a major empirical study by the McKinsey Global Institute. The article also identifies a number of ambiguities associated with the concepts of investment targeting and desirability. In the fourth piece, Noemi Gal-Or examines two innovations which emerged from NAFTA's provision for the settlement of investor-State disputes. The first is the recognition that the legal standing of an investor is equal to that of the State. The second is the decision that the inclusion of an alternative dispute resolution mechanism in an intergovernmental treaty is contradictory to the voluntary commitment by parties to such an agreement. These innovations have given rise to challenges in international public law. Finally, John Dunning reviews three volumes on globalization; *In Defence of Globalization* by Jagdish Bhagwati; *Why Globalization Works* by Martin Wolf; and *Globalization and its Discontents* by Joseph Stiglitz.

**Date of Publication:** August 2005  
**No. of pages:** 218 pages  
**Document symbol:** UNCTAD/ITE/IIT/2005/5  
**Web:** [TNC Journal Vol. 14, No. 2](#)

***Transnational Corporations Journal, Vol. 14, No. 3***

This special issue is devoted to the evolving character of voluntary codes of conduct. It contains three articles, based on papers presented at the First International Conference on Voluntary Codes of Conduct for Multinational Corporations: Promises and Challenges. In the first article Ans Kolk and Rob van Tulder focus on historical aspects of code development and implementation. They explore the current state of international social responsibility codes, their effectiveness and future development. The second article by John Kline examines the role of TNCs in formulating and implementing the political agenda in countries of production. According to Kline, codes of conduct largely ignore the dilemmas presented by increasing pressures on TNCs to engage in political activities that support human rights objectives in foreign countries. The author offers a conceptual “connection continuum” to help identify and evaluate key factors that determine the nature and degree of a TNCs' responsibility to undertake such political involvement. In the final article, S. Prakash Sethi undertakes a detailed analysis of the voluntary code of conduct in mining, an industry which is under heavy pressure for its operational practices, widely considered harmful to the

**Date of Publication:** Forthcoming

environment. The author analyses the ICMM's Sustainable Development Framework, its adequacy in terms of what the industry's aims and further actions that might be needed to engender public trust.

### ***FDI in LDCs at a Glance***

The 2005 version of FDI in LDCs at a Glance provides information on the current FDI situation in each of 50 LDCs. The first part depicts recent trends in FDI to least developed countries and changes that have taken place in relevant areas of the regulatory legal framework. The second part presents country profiles for each of the 50 least developed countries, including Timor-Leste that was added to the list of LDCs in 2003, to enable the reader, at a glance, to get a general picture of the role of FDI in these countries. Basic information is provided on the volume and significance of FDI in the least developed countries. The data coverage also includes a breakdown of FDI by source country, industry and mode of entry, both greenfield FDI for the first time and cross-border M&As. FDI flows are related to domestic investment, and data on the largest foreign affiliates and their operations in the least developed countries are presented. Finally, information is provided on developments in the international legal framework.

**Date of Publication:** Forthcoming  
**Document symbol:** UNCTAD/ITE/IIA/2005/7

### ***TNCs and the Removal of Textiles and Clothing Quotas***

With the expiry of the Agreement on Textiles and Clothing, the quota system originally set up through the Multifibre Arrangement was phased out. This volume shows that, for a number of reasons, TNCs are likely to play a critical role in determining the future global production structure in these industries. First, the sourcing strategies of large retailing companies place stringent requirements on the locations in which textiles and clothes will be produced. Secondly, the investment strategies of large transnational producers will also affect the final outcome. The removal of quotas generally means intensified competition for FDI in textiles and clothing. To become or stay competitive as a host location, many countries will need to move away from simple assembly to "full-package" production. Key policy areas in this regard include identifying specialized niches, skills training and technological upgrading, investment in information technology, improvement of infrastructure such as ports and export processing zones, and leveraging existing preferences in the global trading system.

**Place of publication:** New York and Geneva  
**Year of Publication:** May 2005  
**Document symbol:** UNCTAD/ITE/IIA/2005/1  
**Sales No.** E.05.II.D.20  
**ISBN:** 92-1-112680-0  
**Web:** [TNCs and the Removal of Textile Quotas](#)

### ***UNCTAD Survey on the Internationalization of R&D***

UNCTAD's survey of the world largest R&D investors suggests that the pace of R&D internationalization may be accelerating. As many as 67 per cent of firms that responded to the survey stated that the share of foreign R&D is set to increase, while only 2 per cent indicated the opposite. In addition, the survey shows significant differences in the degree of internationalization of R&D between countries of origin. While the average firm in the survey spent 28 per cent of its R&D budget abroad in 2003, European TNCs had above average levels of internationalization (41 per cent on average). US TNCs were below the overall average (24 per cent) and Japanese and Korean TNCs displayed the lowest share of foreign R&D (15 and 2 per cent, respectively). However, TNCs in Japan and the Republic of Korea seem particularly keen to increase the share of foreign R&D in the future compared with TNCs in other parts of the world. The survey

**Place of publication:** Geneva  
**Date of Publication:** December 2005  
**No. of pages:** 17 pages  
**Document symbol:** UNCTAD/WEB/ITE/IIA/2005/12  
**Price:** Available free of charge  
**Web:** [Internationalization of R&D](#)  
(occasional note)

predicts that developing countries as R&D locations are set to grow in importance in the next 5 years. More than half (57 per cent) of the TNCs surveyed already have an R&D presence in China, India or Singapore. Developing Asia is the most often mentioned location for further R&D expansion. However, to date, the majority of developing countries remain excluded from this phenomenon. Whether R&D activities will spread to a growing number of developing countries will, to a great extent, depend on the ability of these locations to strengthen their innovation systems.

### *An Investment Guide to the East African Community*

The East African Community (EAC), composed of Kenya, Tanzania and Uganda, covers a total area of 1,768,812 sq. kms and is inhabited by 93 million people. Located below the Horn of Africa and with a coastline of 2,104 kms, the region is endowed with some remarkable physical features including Lake Victoria and the source of the river Nile. The climate and soil in much of the region are ideal for agriculture, while the wildlife in its forests and savannahs is an enormous asset for tourism. The EAC is also richly endowed with a variety of natural resources such as gold, oil and gas. Constraints on investment include poor infrastructure, especially in transport and power, weak administration and persistent corruption. Against these, however, should be set its strong advantages, including a skilled and enterprising workforce in Kenya, one of the most liberal African economies in Uganda and political stability in all three countries. The basic objective of the Community is to move towards full integration. The first step of the integration process was achieved with the establishment of the Customs Union in January 2005. The EAC Fast-tracking Committee has recommended a road map to political federation by 2013. At their most recent Summit in May 2005, the Presidents of Kenya, Tanzania and Uganda confirmed their commitment to fast-tracking the integration process.

<p><b>Place of publication:</b> Geneva  <b>Date of Publication:</b> September 2005  <b>No. of pages:</b> 109 pages  <b>Document symbol:</b> UNCTAD/ITE/IIA/2005/4  <b>Price:</b> Available free of charge  <b>Web:</b> <a href="#">Investment Guide to East Africa</a></p>
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### *An Investment Guide to Kenya*

Kenya is the leading economy in East Africa. Its strategic location and well-developed business infrastructure makes it a natural choice for investors and many international firms have made it their regional hub. Investing in Kenya also provides access to the larger regional market of the East African Community, with its 93 million consumers. The EAC customs union came into effect in January 2005

<p><b>Place of publication:</b> Geneva  <b>Date of Publication:</b> September 2005  <b>No. of pages:</b> 92 pages  <b>Document symbol:</b> UNCTAD/ITE/IIA/2005/2  <b>Price:</b> Available free of charge  <b>Web:</b> <a href="#">Investment Guide to Kenya</a></p>
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and it is expected to form a political federation by 2013. As a member of the Common Market for Eastern and Southern Africa, Kenya gives investors access to a further 385 million consumers. But Kenya has much more to offer than its membership of regional trading blocs. Foreign investors routinely refer to *people* as Kenya's greatest asset: its workers are among the best educated and most enterprising and hard-working in Africa. The climate and soil in many parts offer ideal conditions for agriculture, as demonstrated by the success of horticulture and, in particular, floriculture. Kenya also has significant natural assets for attracting tourism, such as the Maasai Mara and the Mombassa coast. Other investment opportunities can be found in manufacturing and infrastructure. Kenya also offers some serious obstacles to investors. The transport infrastructure is the major impediment, especially roads, which are in bad shape even by regional standards. Governance and security are also important issues, although the Government has adopted various measures for fighting corruption and controlling crime.

### *An Investment Guide to Tanzania*

The United Republic of Tanzania, formed in 1964 by the union of newly-independent Tanganyika and Zanzibar, is a model of successful democratization and steady growth. For almost 50 years, Tanzania has enjoyed political stability, including ten years of multi-party democracy. The rule of law is well-established and security is notably higher than in neighbouring countries. Tanzania's membership of regional trading blocs, along with its location, makes it a strategic destination for investment. Tanzania offers a domestic market of 36 million consumers while investors also enjoy access to the 93 million consumers of the East African Community (EAC) and to the 215 million consumers of the Southern African Development Community (SADC). Besides its 1,400km of coastline, Tanzania has many other natural assets, making it one of the finest tourist destinations in Africa. 25% of the country consists of national parks and game reserves (including Mt. Kilimanjaro and the Serengeti). Mining is attracting a number of foreign investors, with Tanzania the third largest gold producer in Africa. There are also opportunities in agriculture and infrastructure. Difficulties facing investors include the transport infrastructure, limited labour skills and bureaucracy. But Tanzania's prospects are bright. At the domestic level, it has maintained steady economic growth and rising foreign direct investment. At the regional level, investors can expect further integration of the EAC, which established a Customs Union in January 2005 and is expected to form a political federation by 2013.

**Place of publication:** Geneva  
**Date of Publication:** September 2005  
**No. of pages:** 82 pages  
**Document symbol:** UNCTAD/ITE/IIA/2005/3  
**Price:** Available free of charge  
**Web:** [Investment Guide to Tanzania](#)

### *The Locations Most Favoured by the Largest TNCs*

The world's largest transnational corporations (TNCs) have resumed their international expansion after a few years of consolidation. UNCTAD research shows that some locations host virtually all of the top TNCs. Among developed countries, the United Kingdom and the Netherlands are the preferred host countries, while Brazil leads the developing-country list, with investments by 75 per cent of the top 100 TNCs.

**Place of publication:** Geneva  
**Year of Publication:** 2005  
**No. of pages:** 2 pages  
**Document symbol:** UNCTAD/WEB/ITE/IIA/2005/11  
**Price:** Available free of charge  
**Web:** [Locations Most Favoured by TNCs](#)

### *Asian TNCs Most Eager to Attract R&D from TNCs*

More than 90 per cent of investment promotion agencies (IPAs) in Asia and Oceania actively target foreign direct investment (FDI) in research and development (R&D), according to UNCTAD. This figure is considerably higher than in other regions. Countries that seek to attract R&D-related FDI commonly use science parks and tax incentives. For promotional efforts to be successful in this area, IPAs need to collaborate closely with other government bodies.

**Place of publication:** Geneva  
**Year of Publication:** 2005  
**No. of pages:** 2 pages  
**Document symbol:** UNCTAD/WEB/ITE/IIA/2005/9  
**Price:** Available free of charge  
**Web:** [Asian IPAs Most Eager to Attract R&D](#)

### ***Fierce Competition for FDI without Clothing Quotas***

The removal of quotas on textiles and clothing has resulted in the industry being increasingly dominated by transnational corporations (TNCs) who can take advantage of economies of scale and consolidated production. The dismantling of quotas on 1 January 2005, following the expiry of the WTO Agreement on Textiles and Clothing, added to already fierce competition for foreign direct investment in these industries.

<b>Place of publication:</b> Geneva <b>Year of Publication:</b> 2005 <b>No. of pages:</b> 2 pages <b>Document symbol:</b> UNCTAD/WEB/ITE/IIA/2005/8 <b>Price:</b> Available free of charge <b>Web:</b> <a href="#">Fierce Competition for FDI in Clothing</a>
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### ***FDI Flows Bounce Back - Led by Developing Countries***

New estimates from UNCTAD show that global foreign direct investment (FDI) inflows rose to \$612 billion in 2004, thus reversing the downward trend of recent years. The upswing in FDI was led by developing countries, which saw an overall rise of 48 per cent compared with 2003. Developed countries, however, slumped further. As a result, developing countries' share of global FDI rose to 42 per cent – the highest level for a decade.

<b>Place of publication:</b> Geneva <b>Year of Publication:</b> 2005 <b>No. of pages:</b> 2 pages <b>Document symbol:</b> UNCTAD/WEB/ITE/IIA/2005/7 <b>Price:</b> Available free of charge <b>Web:</b> <a href="#">FDI Flows Bounce Back</a>
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## **C. Technical Assistance**

- Assistance to Governments and regional/subregional groupings to strengthen their research and policy analysis on FDI. UNCTAD and ASEAN continued to jointly organize a number of events to support the regional integration and the ASEAN Investment Area process. In 2005 two seminars were organized: the ASEAN/UNCTAD Seminar on Key Issues of FDI: Attracting Quality FDI (Bangkok, 2-4 May 2005) and, with financial support of the ASEAN-Japan Centre, the seminar on Japanese FDI in ASEAN: Investment, Reinvestment and Relocation (Jakarta, 7-8 September 2005). Together with ESCWA, an expert group meeting was held to analyse FDI policies for members of ESCWA in 20-22 December 2005, as part of the work undertaken for the Joint ESCWA/UNCTAD project on Strengthening Networking and Expertise on Foreign Direct Investment in ESCWA Member Countries.
- UNCTAD continued to act as an advisor and resource to the ASEAN Working Group on Foreign Direct Investment Statistics. UNCTAD provided expertise to this Group on work activities to be developed in 2005
- Technical assistance to relevant government entities on the preparation of FDI statistics: In 2005, UNCTAD, together with ESCWA, organized national workshops in Kuwait (25-29 June 2005), Qatar (20-24 November 2005) and the United Arab Emirates (26-30 November 2005). These helped beneficiary countries to implement international methodological standards and set up data compilation and dissemination systems to produce internationally comparable FDI statistics. They trained officials from the respective national statistical institutes in the implementation of effective survey systems to collect and disseminate data on FDI and the activities of TNCs. As a result of training workshops undertaken in the previous years, Bahrain, Oman and Saudi Arabia recently undertook surveys on FDI for the first time.

- As the focal point on FDI within the United Nations system, UNCTAD also continued to cooperate with the OECD in the area of FDI-related statistics. In particular, UNCTAD was called up to provide its expertise in improving data in the Middle East and North Africa (MENA) region.

#### **D. Technical Materials, Websites and Databases**

##### ***FDI/TNC database ([www.fdistatistics.org](http://www.fdistatistics.org))***

The database contains comprehensive data and other information on flows and stock of FDI, the operations of TNCs, FDI methodologies, cross-border mergers and acquisitions, the largest TNCs, investment treaties and FDI and related indicators (e.g. FDI performance and potential indices). All these databases are consolidated on the FDI Statistics website. UNCTAD also regularly produces developed FDI Country Profiles (containing extensive data on FDI flows and stocks, the activities of TNCs and the legal framework within each country/economy), as well as Country Fact Sheets (containing the most relevant indicators about FDI in a concise format), which are available on the FDI Statistics site. By the end of 2005, Country Profiles were available for 112 economies and Country Fact Sheets for 187. The site also contains interactive FDI data. Users can access an interactive database covering 196 economies from 1970 to 2003 free of charge. A Data Extract Service provides more detailed information from the UNCTAD databases on request ([statfdi@unctad.org](mailto:statfdi@unctad.org)).

##### ***Development Gateway ([www.developmentgateway.org](http://www.developmentgateway.org))***

In partnership with MIGA and FIAS, DITE supports the World Bank, Internet-based *Development Gateway* project, providing updated information to FDI.

##### ***Investment Map ([www.investmentmap.org](http://www.investmentmap.org))***

This Website, maintained jointly by UNCTAD and the ITC, provides an analytical tool on investment and trade. It helps facilitate investment promotion, targeting decisions and analysis by investment promotion agencies and host governments. FDI data cover about 80 countries. A unique graphic design and site structure present data and analysis in a user-friendly way.

## Policies and Capacity-Building Branch

### Investment Policy Reviews Section

#### A. Meetings and Workshops

##### National Workshop in Peru

###### Cuzco

There were 15 participants – 10 from the regional government and the remaining from academia and the private sector. After reviewing best practices and different experiences of investment promotion agencies at the regional level and the main techniques and tools in promoting regions, participants worked on a proposal on how to promote Cusco, proposing relevant action in three areas: regulatory framework, market analysis and investment generation. Special attention was given to mining and tourism activities in the region.

###### Arequipa

There were 25 participants – 8 from the regional government and the remaining from academia and the private sector. After reviewing best practices and different experiences of investment promotion agencies at the regional level and the main techniques and tools in promoting regions, participants worked on a proposal on how to promote Arequipa, proposing relevant action in three areas: regulatory framework, market analysis and investment generation. The plan took into account the work of the local institutions in promoting textile and garments and agro-industry.

###### Lambayeque

There were 20 participants – 10 from the regional government and the remaining from academia and the private sector. After reviewing best practices and different experiences of investment promotion agencies at the regional level and the main techniques and tools in promoting regions, participants worked on a proposal on how to promote Lambayeque, proposing relevant action in three areas: regulatory framework, market analysis and investment generation. The plan took into account work of the local investment promotion agency and the complementary role of trade and investment promotion.

##### National Workshop on the Investment Policy Review of Kenya

The **Workshop on Foreign Direct Investment** was attended by over 30 members of Parliament. The workshop was articulated around six thematic presentations by UNCTAD staff, followed by open discussions and question & answers on each of the six topics. Members of parliament were very actively engaged in the discussions, which allowed a very open and good-spirited exchange of views on a wide range of issues relating to FDI. Particular attention was paid to the recently passed Investment Promotion Act, and the need to amend it so as to make it an effective tool for (foreign) investment promotion. Members of Parliament rated the usefulness of the workshop as "high" or "very high" in their vast majority, and many stated that it helped improve their understanding of FDI or affected their views on certain issues. The workshop also allowed a better understanding by UNCTAD staff of concerns that local politicians have about the impact of FDI on the local economy and the role they wish FDI to play in economic development.

The **National Workshop** presented the main findings and recommendations of the Investment Policy Review to the Government, civil society and the private sector. It was attended by over 80 high-level representatives and allowed a fruitful exchange of views on the IPR. In addition to UNCTAD staff presenting the main findings and recommendations of the IPR, the Assistant Minister of Trade and Industry, Advisor to the Minister of Planning and Development and Deputy Resident Representative of UNDP made remarks on the IPR, and three representatives from private companies made remarks on the challenges facing investors in their respective sectors.

The **Taxation Workshop** was attended by about 20 IPC staff members and was aimed at giving them training on issues of corporate taxation so as to enhance their capacity for advocacy.

## B. Publications

### *Investment Policy Review of Kenya*

Kenya's economic leadership in East Africa has suffered from poor growth performance in the past couple of decades. Similarly, FDI flows have been small and stagnant at a time when flows to other countries in Africa and the developing world rose rapidly. In spite of this, many TNCs maintain a presence in Kenya, and FDI has played a key role in the emergence of some dynamic sectors, including horticulture and floriculture.

<p><b>Place of publication:</b> Geneva  <b>Date of Publication:</b> July 2005  <b>No. of pages:</b> 126 pages  <b>Document symbol:</b> UNCTAD/ITE/IPC/2005/8  <b>Sales No.</b> E.05.II.D.21  <b>ISBN:</b> 92-1-112681-9  <b>Web:</b> <a href="#">IPR of Kenya</a> (Advanced unedited copy)</p>
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The IPR reflects the Government's desire to improve the investment framework and to create a strategy of FDI attraction. While the Review finds that many laws regulating the investment climate are relatively sound, it highlights problems of implementation. It also expresses serious reservations about the newly-adopted Investment Promotion Act, which introduces new barriers to FDI. The IPR suggests an alternative approach to regulating FDI entry that would both address the concerns of the Government and be investor-friendly. In addition to making recommendations on ways to turn the investment framework into an effective tool for local and foreign investment promotion, the IPR suggests a strategy to attract FDI and optimize its impact on the economy based on four pillars: manufacture of basic consumer goods and industrial inputs for the regional market; agri-business; positioning Kenya as a regional services hub; and diversifying production in EPZs. The Review suggests measures to attract higher flows of FDI to these sectors and to optimize their impact on Kenya's economy.

### *Investment Policy Review of Colombia*

The Investment Policy Review for Colombia notes that the country has enjoyed growth for almost 50 years, has soundly managed its economy and is a democracy. It has modern, large companies, new export sectors and a small but educated middle class. Furthermore, it benefits from being astride two oceans and close to the United States. However, compared to its competitors, its science and technological capacities are lacking, its infrastructure is poor and there remains a sense of insecurity, despite recent government successes. A wide array of TNCs are nevertheless present in the country and FDI has played a key role in some of the most dynamic sectors of the economy. The IPR finds that the investment framework is relatively sound but is lacking in terms of protection and guarantees. It raises concerns over standards of dispute

<p><b>Place of publication:</b> Geneva  <b>Date of Publication:</b> Forthcoming  <b>No. of pages:</b> tbc  <b>Document symbol:</b>  UNCTAD/ITE/IPC/2005/11  <b>Web:</b> tbc</p>
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settlement and compensation for expropriation and notes the absence of investment treaties that could improve these areas. It also notes that the corporate tax regime is uncompetitive and its reform should be a priority. Attention should also be paid to policies in the field of skills development and the science and technology base; this in order to attract FDI to support technological upgrading. The Review proposes the strengthening of the investment promotion agency.

### ***Evaluation des Capacités de Promotion des Investissements de l'ANDI***

The IPR Algeria, which was completed in December 2003, identified a number of measures to modernize investment promotion, improve Algeria's image and install a pro-active investment promotion strategy. The review concluded that a key element must be the strengthening of the national IPA, ANDI, thus enabling it to become the driving force in the government's investment promotion strategy. The objective was to allow ANDI to focus its investment promotion efforts and to improve its investor attraction and aftercare. UNCTAD has assisted the Algerian authorities in creating an electronic investor tracking system and has trained ANDI's staff in its use. In addition, it has conducted this comprehensive review of the capacities of the IPA to identify key measures that will enable it to become even more effective in the future.

**Place of publication:** Geneva  
**Year of Publication:** October 2005  
**No. of pages:** 21 pages  
**Document symbol:**  
 UNCTAD/WEB/ITE/IPC/2005/8  
**Price:** Available free of charge  
**Web:** [Evaluation des Capacités de l'ANDI](#)

### ***Report on the Implementation of the Investment Policy Review for Egypt***

The Investment Policy Review (IPR) of Egypt was published in 1999 – one of the first to be conducted. It made a number of recommendations to improve the country's investment framework and to develop its investment promotion. The Government of Egypt subsequently invited UNCTAD to assess the extent to which it implemented the IPR's recommendations. A mission to Egypt was conducted in February 2005 and its findings are contained in this Implementation Report. A preliminary version of this report was discussed at the Commission on Investment, Technology and Related Financial Issues in March 2005.

**Place of publication:** New York and Geneva  
**Year of Publication:** October 2005  
**No. of pages:** 18 pages  
**Document symbol:**  
 UNCTAD/WEB/ITE/IPC/2005/7  
**Price:** Available free of charge  
**Web:** [Egypt IPR Implementation Report](#)

### ***Blue Book on Best Practice in Investment Promotion and Facilitation: Kenya***

The Blue Book for Kenya contains concrete and measurable initiatives to help the Government achieve best practice. These measures will contribute towards a business-public dialogue about investment impediments, the elimination of identified impediments to foreign direct investment and ultimately an increase in foreign direct investment in Kenya. The measures presented reflect the views of a number of stakeholders including the Investment Promotion Centre, existing foreign investors and their advisers, and industry associations whose members include existing local and foreign investors. The measures were initially developed through a series of in-depth consultations with representatives from all these groups and were subsequently discussed at a stakeholder workshop attended by foreign and domestic investors and Government representatives.

**Place of publication:** Geneva  
**Date of Publication:** May 2005  
**No. of pages:** 24 pages  
**Web:** [Blue Book for Kenya](#)

### ***Blue Book on Best Practice in Investment Promotion and Facilitation: Tanzania***

The Blue Book for Tanzania contains concrete and measurable initiatives to help the government achieve best practice. These measures will contribute towards a business-public dialogue on investment impediments, the elimination

**Place of publication:** Geneva  
**Date of Publication:** May 2005  
**No. of pages:** 25 pages  
**Web:** [Blue Book for Tanzania](#)

of identified impediments to foreign direct investment and ultimately an increase in foreign direct investment in Tanzania. The measures presented reflect the views of a number of stakeholders, including the Investment Promotion Centre, existing foreign investors and their advisers and industry associations whose members include existing local and foreign investors. The measures were initially developed through a series of in-depth consultations with representatives from all these groups and were subsequently discussed at a stakeholder workshop attended by foreign and domestic investors and Government representatives.

### ***Blue Book on Best Practice in Investment Promotion and Facilitation: Uganda***

The Blue Book for Uganda contains concrete and measurable initiatives to help the government achieve best practice. These measures will contribute towards a business-public dialogue about investment impediments, the elimination of identified impediments to foreign direct investment and ultimately an increase in foreign direct investment in Uganda. The measures presented reflect the views of a number of stakeholders including the Investment Promotion Centre, existing foreign investors and their advisers, and industry associations whose members include existing local and foreign investors. The measures were initially developed through a series of in-depth consultations with representatives from all these groups and were subsequently discussed at a stakeholder workshop attended by foreign and domestic investors and Government representatives.

<p><b>Place of publication:</b> Geneva  <b>Date of Publication:</b> May 2005  <b>No. of pages:</b> 29 pages  <b>Web:</b> <a href="#">Blue Book for Uganda</a></p>
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## **C. Technical Materials, Websites and Databases**

### ***Benchmarking User Guide***

Specially designed for developing countries, the INVESTMENT COMPASS is an interactive tool that aims to analyze the main economic and policy determinants that affect the investment environment. The Investment Compass permits comparison between countries, between a country and a region, or between a country and a best performer. The Investment Compass shows in a graphic – a hexagon – format a country's FDI benchmark organized around six major Areas (Resource Assets, Infrastructure, Operating Costs, Economic Performance and Governance, Taxation and Regulatory Framework). The tool comprises 60 indicators based on international statistics and on special national surveys conducted by UNCTAD.

### ***Investment Compass Database (<http://compass.unctad.org>)***

The tool now covers 55 countries, has 1,760 registered users, of which 20 per cent are government institutions (investment promotion agencies, ministries). The Website is visited at least once a month by over 200 people and, on average, records 10 000 hits per month.

### ***News Broadcast on the Blue Books for Uganda, Kenya and Tanzania***

This news programme, covering the production and launch of the Blue Books for Uganda, Kenya and Tanzania, was broadcast on CNBC Europe in June 2005.

## Investment Promotion Section

### A. Meetings and Workshops

#### *The Rise of Reciprocal Investment in Asia and its Implication for Emerging Economies, WAIPA Asia-Pacific Investment Conference 2005*

UNCTAD participated substantively in the first ever WAIPA Regional Conference through the organization of a session on FDI-related issues, as well as moderating another session. This event was held in Busan, Republic of Korea, from 15 to 16 November parallel to the APEC Conference. The WAIPA Conference was attended by over 200 participants and focussed on subjects such as Asian FDI flows, policies and trends, intraregional investment success stories, business opinion on investing in Asia and best practices in attracting intra-Asian investment. The final session was an interactive roundtable on the "Development Implications of FDI for Asia's Emerging Economies". UNCTAD representatives actively participated in this Regional Conference and made a number of presentations at its sessions. After the Conference, UNCTAD and WAIPA organized a joint training workshop on Policy Advocacy for IPAs from Asia.

### B. Publications

#### *What's Next? Strategic Views on Foreign Direct Investment*

Published by Invest in Sweden Agency (ISA) in cooperation with UNCTAD and the World Association of Investment Promotion Agencies (WAIPA), this book contains 20 articles by leading experts. It identifies what the next wave of FDI might look like, following the dramatic decline in investment flows of the past few years. *What's Next?* also addresses some of the most pressing questions being raised by the investment community, such as why some countries seem to benefit more from FDI than others; what policy initiatives can be taken to maximize the positive effects of FDI; and how new and evolving business strategies can work alongside other efforts to increase the attractiveness of countries and regions.

<p><b>Place of publication:</b> Stockholm  <b>Date of Publication:</b> September 2005  <b>No. of pages:</b> 54 pages  <b>ISBN:</b> 91-974477-8-1  <b>Web:</b> <a href="#">What's Next?</a></p>
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#### *A Survey of Support for Investment Promotion Agencies through Linkages*

Based on an UNCTAD survey of 123 investment promotion agencies, this study explores the extent to which IPAs promote the formation of business linkages between foreign investors and local SMEs, as well as the strengths and weaknesses of business linkages programmes. The report has three main conclusions. First, those IPAs that wish to be active in supporting the creation and nurturing of business linkages should have a clear mandate to provide prospective investors with accurate and timely information and contacts on potential SME partners. Second, IPAs should make full use of their position to help mobilize TNCs and other stakeholders to nurture their partners in the host economy. Finally, effective IPA business linkages programmes value not only job creation but also the transfer of skills and technology.

<p><b>Place of publication:</b> Geneva  <b>Date of Publication:</b> Forthcoming  <b>No. of pages:</b> 54 pages  <b>Document symbol:</b>  UNCTAD/ITE/IPC/2005/12  <b>Web:</b> Tbc</p>
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### C. Technical Assistance

- The **FORINVEST programme** (Policy Framework for Attracting Foreign Investment) provides advisory services and training packages relating to the investment regulatory framework, investment policies and strategies and policies governing the participation of TNCs in specific industries. Major activities in 2005 included projects for:

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- *Bosnia and Herzegovina*: national investor targeting and cluster development strategy and capacity building;
  - *Botswana*: elaboration of an investor targeting strategy for the garments sector and capacity building;
  - *China*: project on awareness-raising and capacity-building for Chinese IPAs on the Clean Development Mechanism (CDM) and its implications for FDI and preparation of an investment promotion strategy for the tourism sector in the Chinese Silk Road provinces;
  - *Economic and Monetary Community of Central Africa (CEMAC)*: preparation of a diagnostic study on the region's investment climate in order to increase FDI;
  - *Honduras*: review of the national strategy for foreign direct investment promotion and capacity-building;
  - *Jordan*: enhancing the policy, legal and institutional framework in the mining/minerals sector and capacity-building;
  - *Kenya*: development of an investor targeting strategy and capacity-building;
  - *Lesotho*: drafting of FDI legislation and a benchmarking study on business immigration practices;
  - *Occupied Palestinian Territory*: investment retention strategy and capacity-building for the Palestinian Investment Promotion Agency; and
  - *Peru*: creation of an FDI promotion strategy, including at the subnational level.
- The **STAMP programme** (Strengthening and Streamlining Agencies Concerned with Foreign Direct Investment) provides assistance to developing countries and economies in transition to strengthen their investment institutions, FDI approval processes, monitoring of investment flows and activities aimed at increasing their attractiveness as investment locations. Major activities in 2005 included projects for:
    - *Development account project*: capacity-building of developing country investment promotion agencies (IPAs) in investment promotion. Preparation of training materials on policy advocacy and providing training on a regional basis;
    - *Botswana*: assistance to the national IPA on various aspects of investor targeting and investment promotion strategies and best practice;
    - *Morocco*: assistance to the national IPA on various aspects of investor targeting and investment promotion strategies and best practice;
    - *Peru*: training for diplomats on investment promotion as well as assistance to the national IPA on various aspects of investor targeting and investment promotion strategies and best practice; and
    - *Russian Federation*: Support to Moscow Exports and Investment Promotion Agency, including the creation of an information system to service the investment process.
  - The **Programme on Good Governance in Investment Promotion and Facilitation (GGIP)** seeks to assist LDCs in identifying governance-related obstacles to FDI and in introducing instruments and practices that promote accountability, participation, predictability and transparency in the successive stages of the investment process. Major activities in 2005 included projects for:
    - *Ethiopia*; as a follow-up to the 2002 GGIP advisory report recommendation to improve the facilitation of investment in Ethiopia, a comprehensive UNCTAD project started to provide assistance in investment facilitation and aftercare to the Ethiopian Investment Commission and two Regional Investment Commissions;
    - *Maldives*: Follow-up to a 2004 GGIP advisory report recommendation on improvement of the country's FDI data collection system through advisory services and training by UNCTAD.
    - *Mali*: Preparation of an advisory report on GGIP, including recommendations on how to improve governance in investment promotion;

- *Uganda*: a review and evaluation of the use of a client charter with public service standards by the Uganda Investment Authority, as well as support to the TEAM Uganda government initiative, which aims to improve service delivery to investors.
- The **Investment Gateway** is an Internet-based interactive platform for investment promotion. It contains information on investment opportunities, the legal and regulatory framework, contact data on potential investors and market intelligence. In 2005 implementation activities were carried out in Bolivia; Bulgaria; Colombia; Djibouti; Ethiopia; Ecuador; El Salvador; Guatemala; Peru; and the Russian Federation.

## International Arrangements Section

### A. Meetings and Workshops

#### Meeting on Investor-State Disputes and Policy Implications

The ad-hoc expert meeting analysed new perspectives in dispute settlement provisions in IIAs through the exchange of views among experts; developed new ideas for improvements to the current system; and drew up possible policy options for developing countries.

Geneva, Switzerland 8 March 2005
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#### Meeting on Intellectual Property Rights and Access to Medicines in Developing Countries

The purpose of the meeting was to discuss with Professor Jerome Reichman from Duke University possible ways of operationalizing the project on access to medicines that UNCTAD is implementing jointly with the German government (BMZ).

Geneva, Switzerland 7 October 2005
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#### Symposium on Making the Most of IIAs

UNCTAD, in cooperation with the International Centre for the Settlement of Investment Disputes (ICSID) and the OECD, organized a symposium to address recent developments in international investment arbitration. The symposium was attended by nearly 200 people including senior officials from governments and international organizations, NGOs, lawyers and academics. Among the issues addressed were the primary jurisdictional challenges and substantive issues arising from investor-State dispute settlement, implications for the role of the State, possible ways to improve the current system and the need for capacity-building in developing countries.

Paris, France 12 December 2005
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## B. Publications

### Series on Issues in International Investment Agreements (1<sup>st</sup> generation)

#### *International Investment Agreements: Key Issues*

With the growing importance of FDI in the era of globalization, international investment rule-making is at the forefront of economic diplomacy. Countries' efforts to attract FDI and benefit from it take place in an environment increasingly characterized by a proliferation of investment rules at the bilateral, sub-regional, regional and multilateral levels. The resulting rules are multi-layered and multi-faceted. Obligations differ in geographical scope and range from the voluntary to the binding. They constitute an intricate web of overlapping and complementary commitments.

This three-volume compilation combines the 27 booklets of UNCTAD's *Issues in International Investment Agreements* series. This series seeks to provide balanced analyses of issues that arise in negotiations and/or discussions of IIAs. Each chapter of the compilation deals with a specific issue and each seeks to explore its conceptual meanings, its use in relevant instruments, as well as its interconnection with other issues and its development implications. The series recognizes that it is up to States to decide how best to develop the investment policy framework and so makes no specific recommendations. Instead, the chapters outline the options available to negotiators tasked with drafting treaty provisions and highlight specific circumstances that may or may not apply in the pursuit of each provision.

**Place of publication:** New York and Geneva  
**Document symbol:** UNCTAD/ITE/IIT/2004/10  
**Sales No.** E.05.II.D.6  
**ISBN:** 92-1-112663-0

**Volume I**  
**Date of Publication:** March 2005  
**No. of pages:** 415 pages  
**ISBN:** 92-1-112660-6  
**Price:** \$65  
**Web:** [IIAs: Key Issues Vol. I](#)

**Volume II**  
**Date of Publication:** May 2005  
**No. of pages:** 260 pages  
**ISBN:** 92-1-112661-4  
**Web:** [IIAs: Key Issues Vol. II](#)

**Volume III**  
**Year of Publication:** June 2005  
**No. of pages:** 232 pages  
**ISBN:** 92-1-112662-2  
**Web:** [IIAs: Key Issues Vol. III](#)

### Series on International Investment Policies for Development (2<sup>nd</sup> generation)

#### *The REIO Exception in MFN Treatment Clauses*

This paper examines the issue of regional economic integration organization exceptions in IIAs and their possible effects, especially on developing countries. A REIO exception excludes the applicability of the principle of treatment with regard to preferential treatment that members of a REIO grant other REIO members and their investors. While such clauses appear indispensable for the pursuit of internal investment policies, including possible future integration measures, they might undermine the principle of non-discrimination as one of the essential rights in IIAs. Developing countries in particular may be concerned about the effects of such an exception upon their ability to benefit from membership of IIAs, particularly those that involve developed country members of a REIO.

**Place of publication:** New York and Geneva  
**Date of Publication:** February 2005  
**No. of pages:** 84 pages  
**Document symbol:** UNCTAD/ITE/IIT/2004/7  
**Sales No.** E.05.II.D.1  
**ISBN:** 92-1-112656-8  
**Price:** \$15  
**Web:** [REIO Exception in MFN Treatment](#)

### ***International Investment Agreement in Services***

Since services FDI, especially in intermediate and infrastructure services, affects the economic performance of a host-country in all sectors, this paper analyses key issues relating to the interaction between national and international policies on FDI in services. As many services are deeply embedded in the social, cultural and political fabric of host societies, the impact of FDI on those services

could be far-reaching. Policies therefore matter – not only to attract FDI in services, but also to maximize its benefits and minimize its potential negative impacts. The proliferation of IIAs covering FDI in services has resulted in a multifaceted and multilayered network of international rules that increasingly set parameters for national policy-making, and have profound implications for countries, especially developing countries, in pursuing their development policies. This paper also contains the relevant texts of the *World Investment Report 2004: The Shift Towards Services*.

**Place of publication:** New York and Geneva  
**Date of Publication:** October 2005  
**No. of pages:** 110 pages  
**Document symbol:** UNCTAD/ITE/IIT/2005/2  
**Sales No.** E.05.II.D.15  
**ISBN:** 92-1-112675-4  
**Web:** [International Investment Agreement in Services](#)

### ***A Wave of South-South Cooperation in the Area of International Investment Policies***

During the past decade, the number of IIAs among developing countries increased substantially, both in number and geographical coverage. This is a product of growing South-South cooperation on investment issues. The trend is confirmed by the recent proliferation of bilateral investment agreements and double taxation treaties, as well as various

types of preferential trade agreements with investment components. Developing countries are actively using these agreements as "tools" to attract investment flows among themselves. Although South-South investment agreements vary in the extent to which they contain provisions for strengthening the development dimension, they are one aspect of South-South cooperation, that – more broadly – aims at achieving developmental goals and covers a wide range of activities and issue areas, all of which form part of a new South-South development strategy.

**Place of publication:** New York and Geneva  
**Date of Publication:** November 2005  
**No. of pages:** 96 pages  
**Document symbol:** UNCTAD/ITE/IIT/2005/3  
**Sales No.** E.05.II.D.26  
**ISBN:** 92-1-112687-8

### ***International Investment Agreements: Trends and Emerging Issues***

The past decade saw a proliferation of international investment agreements at the bilateral, regional and inter-regional levels and the emergence of a new generation of increasingly sophisticated and complex IIAs. This presents new challenges for policy makers. As global economic integration becomes ever deeper, managing the impacts of integration on the domestic economy becomes more

complex and the challenges involved in concluding IIAs correspondingly greater. The paper provides an overview of recent trends in IIAs, including in as far as the new generation of IIAs is concerned. The paper also identifies some of the key issues that have emerged in the new generation of IIAs, as well as some of the issues that arise as countries seek to ensure policy coherence in the face of a complex network of overlapping IIA provisions. The paper concludes with a consideration of some of the implications for developing countries pertaining to the new generation of IIAs.

**Place of publication:** Geneva  
**Date of Publication:** Forthcoming  
**No. of pages:** 97 pages  
**Document symbol:** UNCTAD/ITE/IIT/2005/11

### ***Investor-State Disputes arising from Investment Treaties: a Review***

Investment treaty provisions on investor-State dispute settlement have been frequently used in recent years, resulting in an increase in arbitral tribunal awards. The

**Place of publication:** New York and Geneva  
**Date of Publication:** Forthcoming  
**Document symbol:** UNCTAD/ITE/IIT/2005/4

paper takes stock of, and analyses, the nature and implications of this trend, considering the effects of arbitral decisions on the evolution of dispute settlement procedures under IIAs (with a focus on the definition of investor/investment, the issue of multiplicity of fora, conflict of jurisdictions, the issue of “treaty shopping”, and the transparency of investor-State proceedings), and on the interpretation and further refinement of the substantive standards of protection that they contain (paying particular attention to rights of establishment, the national treatment and MFN principles, the fair and equitable treatment principle and full protection and security, the scope of protection against expropriation, and other possible areas for future interpretation). It concludes with a number of recommendations in this regard and considers what role the international community can play in enhancing the capacities of developing countries to handle investment disputes.

## Studies

### *Economic Integration Investment Agreements*

The expansion of economic integration agreements (EIAs) has been identified as one of the key developments in international economic relations in recent years. International investment rules are increasingly being adopted as part of agreements that address, and seek to facilitate, trade and investment transactions. The proliferation of EIAs with investment provisions (EIIAs) is changing the configuration of the investment relations landscape worldwide and is creating new challenges for investment rule-making and policymakers. The study provides a comprehensive picture of the universe of EIIAs starting with a historical review of the evolution of these agreements, i.e. their numbers and geographical distribution before proceeding to a more detailed comparative analysis of their substantive features. The role of the interaction among the provisions of the agreements is also discussed in light of the growing complexity and overlapping commitments of the network of international investment rules. Finally, the study identifies policy challenges and options for policymakers and negotiators of EIIAs, as well as some considerations and implications for developing countries.

<p><b>Place of publication:</b> Geneva  <b>Date of Publication:</b> Forthcoming  <b>No. of pages:</b> 250 pages  <b>Document symbol:</b>  UNCTAD/ITE/IIT/2005/10</p>
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## Compendium

### *International Investment Instruments: A Compendium, Volumes XIII*

*Volume XIII* is divided into three parts. Part One contains additional regional instruments, including agreements and other texts from regional organizations with an inclusive geographical context. Part Two reproduces investment-related provisions in a number of additional free trade, economic partnership arrangements and framework agreements not covered in previous volumes. Part Three contains the texts of a number of additional prototype BITs not covered in previous volumes.

<p><b>Place of publication:</b> Geneva  <b>Year of Publication:</b> March 2005  <b>No. of pages:</b> 306 pages  <b>Document symbol:</b>  UNCTAD/DITE/4 Vol. XIII  <b>Sales No.</b> E.05.II.D.7  <b>ISBN:</b> 92-1-112664-9  <b>Price:</b> \$70  <b>Web:</b> <a href="#">III Compendium Vol. XIII</a></p>
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***International Investment Instruments: A Compendium, Volumes XIV***

*Volume XIV* is divided into three parts. Part One contains additional regional instruments, including agreements and other texts from regional organizations with an inclusive geographical context. Part Two reproduces investment-related provisions in a number of additional free trade, economic partnership arrangements and framework agreements not covered in previous volumes. Part Three contains the texts of a number of additional prototype BITs not covered in previous volumes.

<b>Place of publication:</b> Geneva <b>Year of Publication:</b> March 2005 <b>No. of pages:</b> 326 pages <b>Document symbol:</b> UNCTAD/DITE/4 Vol. XIV <b>Sales No.</b> E.05.II.D.8 <b>ISBN:</b> 92-1-112665-7 <b>Price:</b> \$55 <b>Web:</b> <a href="#">III Compendium Vol. XIV</a>
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**IIA Monitors 2005:****No. 1 : South-South Cooperation in IIAs****No. 2 : Recent Developments in International Investment Agreements****No. 3 : BITs in Force****No. 4: Latest Developments in Investor-State Dispute Settlement****Other****Publications of the UNCTAD-ICTSD Project on Intellectual Property Rights and Sustainable Development*****Resource Book on TRIPS and Development***

The Resource Book was conceived as a guide to the TRIPS Agreement and provides detailed analysis of each of its provisions in order to foster a sound understanding of the rights and obligations of WTO Members. It aims to clarify the Agreement's implications and, especially, to highlight the areas in which the treaty leaves leeway for Members to pursue their own policy objectives, depending on their respective levels of development. The book does not produce tailor-made prescriptions but gives guidance on the implications of specific issues and on the options available. It is not limited to analysing the TRIPS Agreement but also considers related questions and development at the national, regional and international level.

<b>Place of publication:</b> New York <b>Year of Publication:</b> February 2005 <b>No. of pages:</b> 830 pages <b>ISBN:</b> 05-2-185044-4 <b>Price:</b> \$70 <b>Web:</b> <a href="#">TRIPS and Development Resource Book</a>
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***Negotiating Health - Intellectual Property and Access to Medicines***

This volume offers a unique selection of analyses from scholars, IGOs, civil society and private sector, originally commissioned for multi-stakeholder dialogues organized by UNCTAD and ICTSD as part of their joint program on intellectual property rights and development. The book consists of three parts. Part 1 analyzes the implications of patents for public health and access policies. Part 2 deals with the protection of pharmaceutical test data and its potential for delaying the market entry of generic producers into the market. Part 3 proposes a range of pro-active options that could be taken to promote broader access to medicines.

## UNCTAD-ICTSD Issues papers

### *Utility Models and Innovation in Developing Countries*

The purpose of this study is to assess the feasibility of utility model regimes for developing countries, while taking into account that utility model systems are quite varied and so analysis must be extended to the type of utility model system likely to be of most benefit to a country. A key element of utility model protection is that it is a legal instrument which is outside the sphere of international influence and hence tends to be specifically tailored for domestic/regional needs and concerns. Undoubtedly, it is well worth considering the question of why some countries have utility model protection, and much of this report examines such countries and regions. Even if a country decides on the importance of the utility model system, there is the further need to analyse the type of system required. This is very important. If one references the European Union Member States, for example, one finds a wide disparity in the amount of applications made within each country, and this in turn correlates to the nature of utility model protection. Finally, the report considers alternative modes of protecting minor innovations such as unfair competition and design laws.

**Place of publication:** Geneva  
**Date of Publication:** December 2005  
**No. of pages:** 72 pages  
**Web:** [Utility Models and Innovation](#)

### *The International Copyright System: Limitations, Exceptions and Public Interest Considerations for Developing Countries in the Digital Environment*

This study examines the structure of the domestic/international balance for access to copyrighted works, with a focus on existing limitations and exceptions in international copyright law. It also identifies the interests of developing countries and offers analysis and proposals for expanding the public welfare component of international copyright regulation. An important element of the study is the discussion of bulk access for developing countries – that is, access to sufficient copies of copyrighted works at affordable prices. Bulk access has received very little attention in the literature about international copyright law, yet it is the most urgent need for developing countries. Article 40 of the TRIPS Agreement has been suggested by some commentators as a possible vehicle through which bulk access to public goods, particularly patented pharmaceuticals, could be addressed by developing countries. As such, some attention is devoted in this paper to analyzing the prospect of Article 40 as an access mechanism for copyrighted works, and any relative advantages such an approach may have over other mechanisms, including the Berne Convention Appendix.

**Place of publication:** Geneva  
**Year of Publication:** September 2005  
**No. of pages:** 42 pages  
**Web:** [International Copyright System](#)

## Series on Transfer of Technology for Successful Integration into the Global Economy (2nd generation)

### *Transfer of Technology for Successful Integration into the Global Economy: A Case Study of the Electronics Industry in Thailand*

Thailand has built up a globally competitive electronics industry, thanks in large part to proactive government policies. Thailand adapted its policies to align with the rapidly changing trends in the global economy. Realizing that its domestic market is too small to support industrialization, Thailand shifted from an "import-substitution" to an "export-oriented" development strategy. This required liberalization of the economy to promote trade and investment. As a result, about \$4.5 billion was invested in the electronics industry between 1986 and 2001, providing a flow of both finance and technology. FDI continues to play an important role in technology transfer, financing and marketing of electronic products. The Government created a number of successful policy initiatives to promote technology

**Place of publication:** New York and Geneva  
**Date of Publication:** August 2005  
**No. of pages:** 41 pages  
**Document symbol:** UNCTAD/ITE/IPC/2005/6  
**Price:** Available free of charge  
**Web:** [Electronics Industry in Thailand](#)

transfer, diffusion and innovation. It is now redirecting its efforts to build the capacity needed to operate increasingly sophisticated assembly plants and generate novel processes and products. These new initiatives signal the country's commitment to promoting innovation and technology development. They will ensure that Thailand does not remain a contract manufacturer but gradually moves up the value chain.

### ***Taxation and Technology Transfer: Key Issues***

Different forms of technology may be transferred from one country to another through trade in tangible and intangible assets, the provision of services or licensing and leasing agreements, and also as part of FDI. The different modes of transfer and methods of payments may give rise to different tax obligations. There are two ways in which taxation affects technology transfer: it increases the cost of the actual transfer and reduces the returns to the owner

of the technology. Although most tax provisions could be perceived as obstacles to technology flows, in practice only a few taxes are likely to hinder technology transfer. Excessive corporate income tax, high import duties, excessive taxation of dividends, royalties and technical fees, and high withholding taxes are some of the tax instruments that may deter technology transfer. Similarly, exorbitant taxation of expatriate employees may also discourage the transfer of knowledge and skills. Many countries offer investment incentives in the form of tax concessions to acquire technology through trade and FDI flows. Although there are concerns that, in some cases, the incentives granted may exceed the benefits that countries obtain from the investment, there is evidence to suggest that tax incentives play an important role in some types of investment decisions. From the recipient country-perspective, enhancing the impact of incentives requires careful targeting. This study examines the implications of various tax instruments on the transfer of technology from the perspective of both technology importing and exporting countries. It also identifies some of the tax-related policy instruments that can be used to promote technology transfer to developing countries.

**Place of publication:** New York and Geneva  
**Year of Publication:** November 2005  
**No. of pages:** 58 pages  
**Document symbol:** UNCTAD/ITE/IPC/2005/9  
**Sales No.** E.05.II.D.24  
**ISBN:** 92-1-112684-3  
**Price:** \$15  
**Web:** [Taxation and Technology Transfer](#)

### ***Prospects for Foreign Direct Investment and the Strategies of Transnational Corporations 2005-2008***

The Global Investment Prospects Assessment 2005-2008 presents future trends of global and regional FDI flows, strategies of transnational corporations (TNCs) and developments in FDI policy. The assessment is based on the findings of three worldwide surveys (of the world's largest TNCs, national investment promotion agencies and international investment experts), as well as on the analysis

of relevant leading economic indicators, and policy developments that would shape future FDI patterns. This year's assessment found a mood of cautious optimism. The prospects for global FDI are promising in both the short term (2005-2006) and the medium term (2007-2008). Although there are some potential risks, which may weaken FDI momentum, growth is likely to continue in the years to come. The recovery is increasingly fuelled by investment into, and from, developing countries.

**Place of publication:** Geneva  
**Date of Publication:** December 2005  
**No. of pages:** 74 pages  
**Document symbol:** UNCTAD/ITE/IIT/2005/7  
**Sales No.** E.05.II.D.32  
**Price:** \$18  
**Web:** [Prospects for FDI, 2005-2008](#)

### ***Transfer of Technology for Successful Integration into the Global Economy: The Case of the Salmon Industry in Chile***

The emergence and development of the Chilean salmon industry demonstrates the important role of technology transfer in industrial development. Technology transfer has enabled Chile to build a globally competitive and innovative salmon industry over the last two decades. The close cooperation between government agencies and the salmon

**Place of publication:** Geneva  
**Date of Publication:** Forthcoming  
**No. of pages:** 41 pages  
**Document symbol:** UNCTAD/ITE/IIT/2005/12

producers played a vital role in the growth of the industry especially in the development of licensing regulations, sanitary standards and supporting research and development activities. Similarly, R&D institutions have worked closely with the national fishing agency, the National Commission for Science and Technology, and the salmon industry. As a result of these measures, salmon production in Chile grew about 17-fold between 1990 and 2002. Its share in the global production of farmed salmon and trout increased from about 10 per cent in 1990 to about 35 per cent within the same period. The industry's exports have increased from about \$291 million in 1993 to about \$1.4 billion in 2004. The export products have also evolved from mainly frozen tailless and beheaded salmon that were easier to process, store and transport to the export of value added products. The ratio of value added product increased from about 23 to 69 per cent of total salmon industry exports between 1994 and 2004.

### **C. Technical Assistance**

- Two intensive training sessions, the first was held in Cambodia and Lao PDR in English and the second in Switzerland for Lusophone countries in Portuguese. Both courses were preceded by distance-learning courses;
- Advanced training course on "Managing Investment Disputes" for Latin American countries;
- Three seminars and/or advisory services for requesting countries (Egypt, Pakistan, Sri Lanka), two regional seminars (Asia, Central and Eastern Europe) and two advisory services missions to a regional organization (COMESA);
- A training workshop on IIAs in cooperation with the Virtual Institute;
- Co-organization of three conferences (Seminar with APEC, expert meeting with GTZ, symposium on investment dispute settlement with the OECD and ICSID);
- Organization and facilitation of a round of BIT negotiations for Francophone African countries in Brazzaville, Congo;
- Seven events under the joint UNCTAD-ICTSD Project on Intellectual Property Rights and Sustainable Development;

## D. Technical materials, databases, websites

- Production of a training manual on the economic and legal aspects of IIAs in cooperation with the Virtual Institute;
- Distance-learning material on key issues in IIAs: review and update in 4 languages, development of distance learning material in Arabic;
- Update of the online BITs database (1,900 full text agreements) and country list of BITs (2,405 agreement); More than 1,300 visitors per month consult the BITs database; creation of an in-house database on free trade agreements with investment provisions;
- Expansion of the network of IIA experts, which now has 570 members. The network is designed to facilitate the exchange of information and dialogue among scholars on issues regarding BITs. During 2005, more than 110 messages were posted through the network.

## Science and Technology Section

### A. Meetings and Workshops

#### Ministerial Roundtable on Science, Technology and Innovation to Meet the MDGs, including the ICTs

UNCTAD, in cooperation with the United Nations ICT Task Force and the Commission on Science and Technology for Development, organized this Ministerial roundtable as part of the 2005 meeting of ECOSOC. It took place during the High-level segment on "Achieving the internationally agreed development goals, including those contained in the Millennium Declaration, as well as implementing the outcomes of the major United Nations conferences and summits: progress made, challenges and opportunities".

#### High-level Roundtable on Putting ICT to Work for the Millennium Development Goals and the UN Development Agenda

The roundtable, organized jointly by UNCTAD, the United Nations ICT Task Force and the United Nations Fund for International Partnerships (Tunis, 17 November) in conjunction with the WSIS, was the second in a series of discussions on ICT for development issues. It built on the results of the 13 September roundtable on "Innovation and Investment: Scaling Science and Technology, especially ICT, to meet the Millennium Development Goals", held in New York on the eve of the 2005 World Summit. The High-level roundtable examined how ICT can be applied to the achievement of the internationally agreed development goals, and discussed ways to raise awareness of ICT as an enabler of development.

Tunis, Tunisia 17 November 2005
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#### WSIS parallel event on Financing ICT through FDI

The event on Financing ICT for Development was organized by UNCTAD, the African Development Bank and the Commission on Science and Technology for Development as a parallel event to the World Summit on the Information Society in Tunis on 15 November 2005. The objective of the event, which was attended by a number of Ministers of Information and Communication Technologies from Africa, was to contribute to the discussion on how to improve the proliferation of information

Tunis, Tunisia 15 November 2005
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and communication technologies in Africa. The main focus of the event was the role of foreign direct investment (FDI) in building ICT infrastructure and capabilities, and how to stimulate the interest of potential investors to invest in the ICT industry in Africa. This event focussed on the role of financing, especially foreign direct investment, in building ICT infrastructure and capabilities, and on how to stimulate such financing for ICT development in Africa.

### **Policy Seminar on Science, Technology and Innovation Policy Review: Iran**

The Science, Technology and Innovation Policy (STIP) Review for Iran was presented to and discussed at the eighth session of the Commission on Science and Technology for Development. Describing Iran's technological status and economic prospects, UNCTAD secretariat qualified its development strategy of self-reliance as fairly successful. Endowed with abundant oil and natural gas resources, Iran has invested its oil revenues into importing technology to upgrade its industrial base and strengthen its productive capacity. The Science, Technology and Innovation Policy Review of Iran was initiated at the request of the Iranian Ministry of Science, Research and Technology (MSRT), and undertaken in close cooperation with the United Nations University's Institute for Innovation and Technology (UNU/INTECH) and the United Nations Development Programme (UNDP), which provided funding for the project.

Geneva, Switzerland May 2005
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### **CSTD Panel Meeting**

A panel meeting for the Commission on Science and Technology for Development on "Bridging the technology gap between and within nations", was organized by UNCTAD in Rabat, Morocco from 10 to 12 November 2005. Specific emphasis was placed on multi-stakeholder partnerships not only for bridging the technology gap, but also avoiding the possibility that it may grow wider. The panel focused on investment and technology policies that aim at acquiring and improving on technological capabilities, drawing on experiences of those countries that have been successful in building an indigenous human resources capacity that have enabled them to catch up. It is hoped that the panel will contribute to identifying strategic policy options aimed at helping those countries that are at the bottom of the scale in technology development to catch up and those that are keeping up to become more competitive. A special segment of the panel will be dedicated to the "Digital Divide". The findings and recommendations that emerged from this panel will be considered by the Commission at its ninth session in May 2006.

Rabat, Morocco 10-12 November 2005
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### **Workshop on Capacity Building in ICT, Maseru, Lesotho**

As part of the partnership project "Connect Africa", a workshop on capacity-building in ICT had been organized in Maseru, Lesotho, in October 2005. The workshop provided training to 16 ICT engineers and technicians.

## **B. Publications**

### ***Science, Technology and Innovation Policy Review: The Islamic Republic of Iran***

Iran has pursued a development strategy of self-reliance with some success. Endowed with abundant oil and natural gas resources, it was able to avoid any import constraints. It adopted an import substitution policy and used its oil revenues to acquire foreign technologies to industrialize. Today, Iran is a middle-income developing country, with a significant industrial base, a relatively well-developed science and technology infrastructure and good human development. However, unlike other middle-

<b>Place of publication:</b> Geneva <b>Year of Publication:</b> June 2005 <b>No. of pages:</b> 118 pages <b>Document symbol:</b> UNCTAD/ITE/IPC/2005/7 <b>Web:</b> <a href="#">Science &amp; Technology Review: Iran</a> (Advance unedited copy)
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income countries, Iran is still largely a natural resource-based economy. Diversification is an imperative, not only because natural resources are exhaustible but also because export success in world markets increasingly demands knowledge-intensive production and innovation-based competition. Above all, there is need to provide quality jobs for the 800,000 literate Iranian men and women that enter the labour market every year. The shift to a more knowledge-based economy will require creating a national innovation system that can not only import and adapt technologies, but also improve upon them, innovate new technologies and diffuse them economy wide. There is need to better link the science and technology infrastructure to the needs of the productive sector generally, and in particular to build up capabilities in high technology areas such as biotechnology, petrochemicals and new materials.

### C. Technical Assistance

- **Connect Africa:** The Division has initiated a partnership programme with the State of Geneva to assist African countries, especially LDCs, in developing human resources in the area of ICTs. The aim of the project is to provide customized training to ICT engineers and technicians from LDCs in Africa. Lesotho was chosen as the pilot country and, to date, training has been provided to about 20 ICT engineers and technical personnel. In addition, the project had provided the Kingdom of Lesotho 220 computers with software.
- **South-South Network of Centres of Excellence:** The aim of this project is to connect centres of excellence in developing countries, especially those in Africa. The network will consist initially of 10 existing outstanding scientific institutions, which are willing and able to make their facilities available to scientists and engineers from other developing countries. Each of these institutions will provide training for scientists and engineers in selected subject areas. The Network is being financed from a generous grant provided by the Italian Government.

### D. Technical Materials, Websites and Databases

#### *CSTD Brochure*

The brochure contains useful information about the United Nations Commission on Science and Technology for Developments, in terms of mandate, membership, substantive themes, and secretarial support.

<p><b>Place of publication:</b> Geneva  <b>Date of Publication:</b> December 2005</p>
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#### **Science and Technology for Development Gateway (STDEV)**

STDEV serves as a gateway to information on activities related to science and technology for development within the United Nation System, other multilateral and bilateral institutions, and non-governmental organisations. As such, it constitutes a major channel for disseminating the results of the Commission's work. STDev has been expanded to link up with relevant S&T networks at the regional and sub-regional levels. A search engine has been developed to allow users to have direct access to dynamically generated information on S&T within the United Nations system. Furthermore, the gateway has been restructured to make the navigation and interface more user-friendly. The gateway receives an average of 2,800 visits per month.

#### **ICT Benchmarking Tool**

This tool was developed by UNCTAD and the CSTD to provide policy-makers in developing countries with a useful interactive tool to assess their countries' ICT capabilities in terms of speed of connectivity and ease of access and to compare them against those of other countries. The tool has been upgraded to include a more countries in the analysis (<http://www.unctad.org/stdev>).

## Investment and Enterprise Competitiveness Branch

### A. Meetings and Workshops

#### Twelfth EMPRETEC Directors' Meeting

Twenty-six directors, business counselors and senior advisers, representing 20 EMPRETEC Centres, attended the meeting – a record attendance level. The main objective of the meeting was to collectively lay foundations for further development of entrepreneurship and the EMPRETEC programme. The meeting emphasized the role of EMPRETEC in implementing UNCTAD's mandate in the area of SME development. The discussions focussed on the best way to achieve financial sustainability of the EMPRETEC Centres, taking into account their specific business situation and competitive environments. In this context importance of Business Development Services (BDS) and customization for financial sustainability and competitiveness of the Programme were underlined. Furthermore, the development of cost-effective and reliable impact measurement and assessment system for marketing purposes and fund-raising were judged to be necessary; improving ways of communication among Centres and UNCTAD were also identified as crucial elements for the development of the EMPRETEC Programme. Finally, it was felt that UNCTAD's business linkages programme was a new business opportunity for Centres which could enhance Centres' revenue generating activities. As a conclusion to the meeting a plan of action was presented and adopted at the meeting.

Geneva, Switzerland  
9-11 November 2005

#### Ad Hoc Expert Meeting on the International Financial Reporting Standards

This meeting addressed issues on first-time application of the IFRS fair value measurement and revenue recognition and how these concepts can be applied in developing countries and economies in transition. Discussions at the meeting, which was attended by around 90 people, were facilitated by four panels of high-ranking international experts from different parts of the world.

Geneva, Switzerland  
24 November 2005

### B. Publications

#### *International Accounting and Reporting Issues, 2005 Review*

This publication contains the proceedings of the twenty-second session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) that was held in Geneva 21-23 November, 2005. The session dealt with practical implementation issues of International Financial Reporting Standards (IFRS), comparability and relevance of existing indicators on corporate responsibility, corporate governance disclosures, users of corporate responsibility reporting and their information needs, 2005 review of the implementation status of corporate governance disclosures, and various articles on selected issues on corporate reporting.

**Place of publication:** Geneva  
**Date of Publication:** Forthcoming  
**Document symbol:**  
UNCTAD/ITE/TEB/2005/7

***International Accounting and Reporting Issues, 2004 Review***

This volume contains the proceedings of ISAR's 21st session which took place in Geneva between 27 and 29 October. The first chapter contains a summary of the Groups' deliberations and a background document on the comparability and relevance of existing indicators on corporate social responsibility. The second chapter contains a background paper on the implementation status of corporate governance disclosures and the role of such disclosures in adding sustainable value. The third chapter reproduces a study by the World Bank which addresses challenges to the successful implementation of international accounting and auditing standards. It highlights the lack of a strong institutional and regulatory framework as a critical challenge in the implementation of international financial reporting and auditing standards. The fourth chapter presents a study by the International Federation of Accountants (IFAC) which addresses a number of questions, including: How do we move towards international convergence? What obstacles need to be overcome? What systems and processes can help facilitate international convergence? What roles can the IASB and IAASB and national standard-setters play in ensuring that international convergence is approached in a systematic and, where possible, consistent way? The last chapter contains articles that address selected corporate transparency issues.

**Place of publication:** Geneva  
**Date of Publication:** July 2005  
**No. of pages:** 153 pages  
**Document symbol:**  
 UNCTAD/ITE/TEB/2005/2  
**Sales No.** E.05.II.D.22  
**ISBN:** 92-1-112682-7  
**Price:** \$70  
**Web:** [ISAR 2004 Review](#)

***ISAR Update, No. 6***

This volume of ISAR Update contains news on the twenty-first session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR), workshop on practical implementation issues of International Financial Reporting Standards and cooperation between the International Federation of Accountants and UNCTAD. It also includes news items on global developments in the areas of accounting, auditing, corporate responsibility reporting and corporate governance. This newsletter is published twice a year by the UNCTAD secretariat on behalf of ISAR, to provide news and updates to the global network of experts and other participants.

**Place of publication:** Geneva  
**Date of Publication:** September 2005  
**No. of pages:** 8 pages  
**Document symbol:**  
 UNCTAD/ITE/TEB/2005/3  
**Web:** [ISAR Update No. 6](#)

***ISAR Update, No. 7***

This volume of ISAR Update contains news and updates on the activities of ISAR and on global developments in the areas of accounting, auditing, corporate responsibility reporting and corporate governance. This newsletter is published twice a year by the UNCTAD Secretariat on behalf of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR), to provide news and updates to the global network of experts and other participants.

**Place of publication:** Geneva  
**Date of Publication:** December 2005  
**No. of pages:** 8 pages  
**Document symbol:**  
 UNCTAD/ITE/TEB/2005/8

***ISAR Update, No. 8***

This volume of ISAR Update contains news on the twenty-second session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR) and also on global developments in the areas of accounting, auditing, corporate responsibility reporting and corporate governance. This newsletter is

**Place of publication:** Geneva  
**Date of Publication:** December 2005  
**No. of pages:** 8 pages  
**Document symbol:**  
 UNCTAD/ITE/TEB/2005/10

published twice a year by the UNCTAD secretariat on behalf of ISAR to provide news and updates to the global network of experts and other participants.

### ***Improving the Competitiveness of SMEs through Enhancing Productive Capacity***

Small and medium-sized enterprises (SMEs) represent important agents of development throughout the world. Promoting a country's SME sector plays a crucial role in maintaining high employment and income generation and is therefore critical for achieving sustainable growth. To better understand how to better pursue this objective, UNCTAD has organized four expert meetings to discuss specific topics that are considered critical for SME development, namely TNC-SME Linkages; Financing Technology for SMEs; Technology Development and Mastery; Promoting SMEs Export Competitiveness.

<p><b>Place of publication:</b> Geneva  <b>Date of Publication:</b> July 2005  <b>No. of pages:</b> 189 pages  <b>Document symbol:</b>  UNCTAD/ITE/TEB/2005/1  <b>Web:</b> <a href="#">Improving the Competitiveness of SMEs</a></p>
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The present publication is a selection of papers that were presented during these four expert meetings and gives an overview of the main issues discussed. Each chapter consists of an issues paper prepared by the UNCTAD secretariat as well as of a selection of national case studies that complement theory with relevant cross-country experiences. The sections end with a summary of conclusions and recommendations by experts.

### ***Business Linkages Programme Guidelines***

Experience has shown that transnational corporations (TNCs) can have a positive impact in countries in which they operate and they can offer a potential contribution to the development of a competitive private sector of these countries by promoting business linkages between their affiliates and small and medium-sized enterprises (SMEs). The ability of foreign affiliates' linkage activities to contribute to domestic supplier development depends, to a large extent, on the domestic markets' and local firms' capabilities. However, government interventions are important to create an environment conducive to sustainable business linkages, through policies and regulations that support the mutual interests of both foreign affiliates and domestic firms. The Business Linkages Programme Guidelines aims to highlight some of the main considerations and best practices for the initiation and the eventual implementation of a business linkages programme. Furthermore, it includes a roster of good practices that complies together concrete linkages activities and can constitute as a checklist for stakeholders to pursue in order to exploit potential linkages activities fully.

<p><b>Place of publication:</b> Geneva  <b>Date of Publication:</b> Forthcoming  <b>No. of pages:</b>  <b>Document symbol:</b>  UNCTAD/ITE/TEB/2005/11</p>
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## **C. Technical Assistance**

- *EMPRETEC* was created in 1988 to foster entrepreneurship and enterprise competitiveness. It is an entrepreneurial capacity-building programme that promotes the creation of sustainable support structures that help existing and promising entrepreneurs build innovative and internationally competitive SMEs. EMPRETEC programmes have been initiated in 27 countries, assisting more than 80,000 entrepreneurs through local, market-driven business support centres. EMPRETEC also encourages the formation of mutually beneficial business linkages among SMEs as well as with transnational corporations (TNCs). As a result, it contributes to the development of a dynamic private sector and an open entrepreneurial culture. Therefore, it is a vital complement to effective macroeconomic policies and enabling legal and regulatory framework. In 2005 the EMPRETEC Program has consolidated its presence in Latin and Central America, Anglophone and Francophone Africa. Additionally, with the assistance of established EMPRETEC Centres and the network of UNCTAD-EMPRETEC master trainers the program has been expanding to new countries in these regions (namely Angola and Guyana). Finally, UNCTAD has recently also

started to develop projects in the Middle East and Central and Eastern Europe and namely in Jordan, Palestinian Territories and Romania.

- *Linkages:* DITE, together with two Brazilian partner institutions (Fundação Dom Cabral, Ethos Institute) and a number of foreign affiliates in Brazil, established a Study Group to explore the issue of business linkages. This resulted in the development of a comprehensive business linkages programme for north-eastern Brazil, launched in January 2005. The experience gained from this project will result in the extension of the programme to other countries.
- *Insurance:* DITE provides advice, guidance and training for insurance supervisory authorities, in particular for the establishment of legal and supervisory frameworks geared towards sustaining the development of competitive insurance markets.
- *Global Players:* DITE jointly organized with the Ministry of Development, Industry and Foreign Trade of Brazil and Fundação Dom Cabral a national workshop on *Global Players from Emerging Markets: Brazil*. The objective of the workshop was to promote an exchange of experiences among Brazilian policymakers, executives and entrepreneurs on best Brazilian and international practices, policy alternatives and support measures for enhancing the competitiveness of Brazilian enterprises and their integration into the world economy through outward investment.

#### D. Technical Materials, Websites and Databases

##### *Insurance Programme Brochure*

Promotional brochure on UNCTAD technical assistance programmes aimed at building and strengthening the insurance sector in developing countries and economies in transition. It outlines UNCTAD mandate in the area of insurance, main outputs, main counterparts, and substantive areas of work.

<p><b>Place of publication:</b> Geneva  <b>Date of Publication:</b> December 2005</p>
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##### *EMPRETEC Trainers Manual*

Training material for EMPRETEC capacity building programme on entrepreneurial skills development. EMPRETEC Trainers Manual consists of 20 modules on issues such as EMPRETEC methodology, goals setting, initiative taking, business creation, business risk assessment, entrepreneurial persistence and basic management tools. Overheads to facilitate training are also included.

<p><b>Place of publication:</b> Geneva  <b>Date of Publication:</b> Forthcoming  <b>No. of pages:</b> tbc  <b>Document symbol:</b>  UNCTAD/ITE/TEB/2005/6  <b>Web:</b> tbc</p>
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# **Appendix 2**

## **List of Outputs**

### Activities by economy and region

Economies and regions that benefited from DITE's work during the reporting period.

Programme	Economy	Regional Organizations
International Investment Agreements	Afghanistan, Albania, Algeria, Angola, Argentina, Bangladesh, Benin, Bhutan, Bolivia, Brazil, Brunei Darussalam, Bulgaria, Burkina Faso, Burundi, Cambodia, Cameroon, Cape Verde, Chad, Chile, China, Colombia, Comoros, Congo, Congo DR, Costa Rica, Djibouti, Dominican Republic, Ecuador, Egypt, Ethiopia, Finland, France, Ghana, Guatemala, Guinea, Guinea Bissau, Honduras, Indonesia, Italy, Jordan, Kenya, Lao PDR, Lebanon, Libyan Arab Jamahiriya, Kuwait, Macedonia (Former Yugoslav Republic of), Madagascar, Malawi, Maldives, Mali, Mauritania, Mauritius, Mexico, Moldova (Republic of), Morocco, Mozambique, Myanmar, Nepal, Nicaragua, Oman, Pakistan, Panama, Peru, Qatar, Romania, Rwanda, Sao Tome and Principe, Senegal, Seychelles, Sri Lanka, Sudan, Swaziland, Thailand, Timor Leste, Togo, Tunisia, Uganda, Uruguay, Vietnam, Yemen, Zambia, Zimbabwe.	APEC, CEMAC, COMESA
Investment Policy Reviews (IPRs) and Related Activities	Algeria, Benin, Botswana, Brazil, Cambodia, Colombia, China, Egypt, Ghana, Iran (Islamic Republic of), Kenya, Lao PDR, Morocco, Nigeria, Peru, Rwanda, Senegal, Sri Lanka, Tanzania (United Republic of), Uganda, Zambia.	
Investment Promotion and Related Issues	Algeria, Antigua and Barbuda, Bahrain, Bolivia, Bosnia and Herzegovina, Botswana, Bulgaria, Cambodia, Cameroon, Central African Republic, Chad, Chile, China, Colombia, Congo (Democratic Republic of the), Congo (Republic of the), Costa Rica, Croatia, Czech Republic, Djibouti, Ecuador, Egypt, El Salvador, Equatorial Guinea, Estonia, Ethiopia, Fiji, French Polynesia, Gabon, Guatemala, Honduras, Israel, Jamaica, Jordan, Kenya, Lebanon, Lesotho, Malaysia, Maldives, Mali, Morocco, Nicaragua, Occupied Palestinian Territory, Papua New Guinea, Peru, Poland, Republic of Korea, Russian Federation, Samoa, Saudi Arabia, Serbia and Montenegro, Syria, Tanzania (United Republic of), Tunisia, Uganda, United Arab Emirates, Venezuela, Zambia.	
LDC Investment Guides	Kenya, Mali, Rwanda, Tanzania (United Republic of).	East African Community
Preparation and Launching of WIR	Austria, Argentina Bahrain, Bangladesh, Belgium, Botswana, Brazil, Bulgaria, Cambodia, Canada, Chile, China, Colombia, Costa Rica, Croatia, Czech Republic, Denmark, Ecuador, Egypt, El Salvador, Ethiopia, Finland, France, Ghana, Greece, Hong Kong (China), Hungary, India, Indonesia, Iran (Islamic Republic of), Ireland, Italy, Jamaica, Japan, Kenya, Korea (Republic of), Latvia, Lebanon, Macedonia (Former Yugoslav Republic of), Malaysia, Malta, Mauritius, Mexico, Moldova (Republic of), Morocco, Netherlands, New Zealand, Nigeria, Norway, Pakistan, Philippines, Poland, Romania, Russian Federation, Saudi Arabia,	

	Senegal, Serbia and Montenegro, Slovenia, South Africa, Spain, Sweden, Switzerland, Tanzania (United Republic of), Thailand, Turkey, United Arab Emirates, United Kingdom, United States, Uganda, Uzbekistan, Venezuela, Vietnam, Zambia.	
Science and Technology	Angola, Cameroon, Chile, China, Germany, Greece, India, Iran (Islamic Republic of), Italy, Jamaica, Morocco, Oman, Romania, Sierra Leone, Slovakia, Sri Lanka, Sudan, Turkey.	
Entrepreneurship and Enterprise Development	Angola, Argentina, Brazil, Chile, Colombia, El Salvador, Ethiopia, Ghana, Guatemala, Guyana, Iran (Islamic Republic Of), Jordan, Mauritius, Morocco, Mozambique, Namibia, Nigeria, Occupied Palestinian Territory, Panama, Paraguay, Romania, Senegal, South Africa, Tunisia, Uganda, Venezuela, Zimbabwe.	
Corporate Governance and Accounting	Algeria, Angola, Argentina, Bahrain, Bangladesh, Belgium, Benin, Bosnia and Herzegovina, Brazil, Bulgaria, Canada, China, Congo, Croatia, Cyprus, Czech Republic, Denmark, Djibouti, Egypt, Ethiopia, France, Georgia, Germany, Greece, Hungary, India, Iran (Islamic Republic of), Italy, Jordan, Kazakhstan, Kenya, Korea (Republic of), Lao PDR, Lebanon, Lesotho, Lithuania, Macedonia (Former Yugoslav Republic of), Malaysia, Malta, México, Moldova (Republic of), Morocco, Namibia, Netherlands, Nigeria, Pakistan, Panama, Philippines, Poland, Portugal, Romania, Russian Federation, Rwanda, Saint Lucia, Saudi Arabia, Senegal, Serbia and Montenegro, Slovakia, Spain, South Africa, Sri Lanka, Sudan, Switzerland, Tanzania (United Republic of), Thailand, Trinidad and Tobago, Tunisia, Turkey, Ukraine, United Arab Emirates, United Kingdom, United States of America, Vietnam, Yemen, Zimbabwe.	
Development of Competitive Insurance Markets	Algeria, Angola, Anguilla, Bahamas, Bahrain, Bangladesh, Barbados, Belize, Benin, Bermuda, Brazil, British Virgin Islands, Brunei Darussalam, Burkina Faso, Burundi, Cambodia, Cameroon, Cayman Islands, Central African Republic, Chad, China, Congo, Cote d'Ivoire, Cyprus, Djibouti, Dominica, Egypt, Eritrea, Ethiopia, Gabon, Gambia, Ghana, Gibraltar, Grenada, Guernsey, Guinea, Hong Kong (China), India, Indonesia, Isle of Man, Iran (Islamic Republic of), Jamaica, Jersey, Jordan, Kenya, Korea (Republic of), Labuan (Malaysia), Lao PDR, Lebanon, Lesotho, Libyan Arab Jamahiriya, Madagascar, Malaysia, Malawi, Mali, Malta, Mauritius, Morocco, Mozambique, Myanmar, Namibia, Nepal, Netherlands Antilles, Niger, Nigeria, Oman, Pakistan, Papua New Guinea, Philippines, Poland, Qatar, Saint Kitts and Nevis, Saint Lucia, Saint Vincent, Senegal, Seychelles, Sierra Leone, Singapore, South Africa, Sri Lanka, Sudan, Swaziland, Tanzania (United Republic of), Thailand, Togo, Trinidad and Tobago, Tunisia, Turkey, Turks and Caicos Islands, United Arab Emirates, Uganda, Vanuatu, Vietnam, Yemen, Zambia, Zimbabwe.	

Source: UNCTAD

## List of Activities 2005

**Intergovernmental and Expert Meetings, technical cooperation and other events organized/co-organized and serviced by DITE in 2005.**

<b>Categories</b>		
IM - Intergovernmental Meetings	TC - Technical Cooperation/Advisory Services	
AD - Ad-hoc Expert Meetings	TR - Training	
Date(s)	Title	Category
14 January	<i>Ad-hoc</i> Expert Meeting on the Science, Technology and Innovation Policy of Iran, Geneva.	AD
24-26 January	Expert Meeting on the Impact of FDI on Development.	IM
27 January	<i>Ad-hoc</i> Expert Meeting on Themes Related to the WIR (Globalization of R&D and Development), Geneva.	AD
9 February	High-level meeting to present the report on investment climate in CEMAC region, Libreville.	TC
7-18 February	Entrepreneurship Training Workshop (EMPRETEC) in Luanda.	TR
14-16 February	National seminar on BIT negotiation and dispute settlement, Islamabad.	TC
17-21 February	Workshop to implement the recommendations of the Laos Blue Book on Best Practice in Investment Promotion and Facilitation, Vientiane.	TC
21 February	Training Programme for Developing Countries' Trade Negotiators and Administrators: lecture on IP and development (European Institute of Public Administration), Maastricht.	
21 February	<i>Ad-hoc</i> Expert Meeting on Issues Related to Foreign Investment of Key Concern to Developing Countries, Geneva.	AD
21-23 February	Review of science, technology and innovation strategy document for Lesotho, Maseru.	TC
22-25 February	Ninth Session of the Commission on Enterprise, Business Facilitation and Development, Geneva.	IM
7-11 March	Advisory services on ISAR Working Group on Corporate Responsibility, Sao Paulo.	TC
7-11 March	Ninth Session of the Commission on Investment, Technology and Related Financial Issues, Geneva.	IM
10 March	Training workshop on e-government tools for investment promotion for investment promotion agencies, Geneva.	TR
10 March	Training workshop on policy advocacy for investment promotion agencies, Geneva.	TR
18 March	Sensitization of Members of Parliament to FDI issues and IPR, Mombasa.	TC
21-23 March	First regional COMESA negotiating forum of the COMESA Common investment area, Lusaka.	TC
22 March	National workshop on IPR Kenya, Nairobi.	TC
23 March	Training workshop for IPA staff on taxation issues.	TR
28-29 March	Meeting on OFDI project, Moscow.	TC
28 March-9 April	BDS Study tour to Enterprise Uganda, Kampala.	TC
28 March-8 April	Entrepreneurship Training Workshop (EMPRETEC) in Bucharest	TR
4-6 April	Capacity building workshop on investment promotion and targeting in the mining sector, Amman.	TR
4-9 April	Support to Moldovan authorities on ASYCUDA World Technology, Chisinau.	TC
5-7 April	Regional workshop and training on Blue Books for Cambodia and Laos, Phnom Penh.	TC
7 April	Implementing Intellectual Property Rights from the Development Perspective: UNCTAD/ICTSD Roundtable on the Resource Book on TRIPs and Development, Geneva.	
11-13 April	Inter-Sessional Intergovernmental Meeting on A Development Agenda for WIPO: presentation of TOT-IP work programme.	
18-29 April	Intensive training session for IIA negotiators from Lusophone countries,	TR

	Geneva.	
23-24 April	UNCTAD Regional Workshop to review selected sections of the WIR 2005, Monterrey.	TC
28-29 April	<i>Ad-hoc</i> training to ECOWAS secretariat, Abuja.	TR
2 May	Meeting on first draft report on Botswana's investor targeting strategy for the garments sector, Zurich.	TC
2 May	Workshop on attracting investment to East African countries, Arusha.	TC
2-4 May	ASEAN/UNCTAD Seminar on 'Key Issues of FDI: Attracting Quality FDI', Bangkok.	TC
2-6 May	To meet consultants and private and public sector entities in Nairobi and conduct workshops on the Blue Books, Tanzania, Uganda, and in Kenya.	TC
4 May	Workshop on Blue Book for Tanzania and attracting investment to East African Community, Dar-es Salaam.	TC
5 May	Workshop on investment promotion at the subnational level, Cusco, Peru	TC
6 May	Workshop on Blue Book for Uganda and attracting investment to East African Community, Kampala.	TC
6 May	Workshop on investment promotion at the subnational level, Ariquepa, Peru	TC
9 May	Workshop on the Blue Book for Kenya and attracting investment to East African Community, Nairobi.	TC
9-20 May	Entrepreneurship Training Workshop (EMPRETEC) in Baia Mare	TR
10 May	Workshop on investment promotion at the subnational level, Lambayeque, Peru.	TC
16-22 May	Distance-learning course on key issues in IIAs for French-speaking countries.	TR
18 May	Consultative Group meeting on corporate governance disclosures, Geneva.	TC
18-20 May	Meeting on Phase III of EMPRETEC Romania and speech at closing ceremony of training workshop, Baia-mare.	TC
23-27 May	Eighth Session of the Commission on Science and Technology for Development, Geneva.	IM
24 May-2 June	Entrepreneurship Training Workshop (EMPRETEC) in Ramallah.	TR
24-25 May	<i>Ad-hoc</i> Expert Meeting on Themes Related to the WIR05 (Globalization of R&D and Development), Geneva.	AD
2-7 June	Meeting with members of the Emergency Assistance to EMPRETEC programme and attendance of the closing ETW session in Ramallah, Palestine.	TC
6 June	Workshop on Investment Gateway, San Salvador.	TC
7 June	Workshop on Investment Gateway, Tegucigalpa.	TC
8-14 June	Workshop on Investment Gateway, St. John's.	TC
9-10 June	Consultative Group meeting on corporate responsibility reporting, Geneva.	TC
10 June	Delivery ceremony for the African Blue Books on Best Practice in Investment Promotion, Arusha.	TC
13-14 June	Delivery ceremony for the African Blue Books on Best Practice in Investment Promotion, Dar-es Salaam.	TC
15 June	Workshop on Investment Gateway, Mexico City.	TC
15 June	Delivery ceremony for the African Blue Books on Best Practice in Investment Promotion, Kampala.	TC
16-20 June	Workshop on the Investment Gateway, Guatemala City.	TC
18-24 June	Institutional support and capacity building on investment retention for the Palestinian Investment Promotion Agency (PIPA), Ramallah.	TC
20 June-1 July	Entrepreneurship Training Workshop (EMPRETEC) in Brasov.	TR
19-20 June	Delivery ceremony for the African Blue Books on Best Practice in Investment Promotion, Nairobi.	TC
2-22 June	Inter-Sessional Intergovernmental Meeting on A Development Agenda for WIPO: presentation of TOT-IP work program, Geneva	
25-29 June	National training workshop on methodologies in compiling FDI statistics, Kuwait.	TR
27 June-1 July	Seminar on negotiation of international trade and investment agreements, for Francophone Central and Eastern Europe. Bucharest.	TR
27 June -1 July	Technical assistance to improve EMPRETEC quality control, Guyana.	TC
26-28 June	UNCTAD-ICTSD Regional Arab Dialogue on Intellectual Property Rights,	

	Innovation and Sustainable Development, in cooperation with Bibliotheca Alexandrina, Alexandria.	
29 June	UNCTAD-ICTSD national Egyptian dialogue on Current Trends in Intellectual Property Policy and Public Health, in cooperation with Bibliotheca, Cairo	
30 June-1 July	Workshop for Central and East European investment promotion agencies on policy advocacy, La Baule, France.	TR
1-4 July	Ceremony of the first Entrepreneurship Training Workshop and discussions with Mexican authorities, Mexico City.	TC
7-8 July	Technical Meeting to discuss drafts of the investor targeting strategy for Kenya and of a report on harnessing technology, Nairobi	TC
11-12 July	Participation in ICTSD dialogue on technical cooperation for intellectual property policy in developing countries, Geneva.	
11-13 July	UNCTAD/WAIPA regional workshop on policy advocacy for African IPAs, Nairobi.	TR
20-22 July	Inter-Sessional Intergovernmental Meeting on A Development Agenda for WIPO: presentation of TOT-IP work program, Geneva.	
5 August -30 September	Distance-learning course on key issues in international investment agreements.	TR
8-9 August	Presentation of draft FDI legislation to the Ministry of Trade & Industry of Lesotho and other relevant stakeholders, Maseru.	TC
8-10 August	Second regional negotiating Forum of the COMESA Common Investment Area, Mangochi.	TC
14-23 August	Entrepreneurship Training Workshop (EMPRETEC) in Hebron.	TR
21-22 August	Workshop on the Investment Policy Review of Zambia, Lusaka.	TC
1-2 September	Seminar on APEC Investment Facilitation Initiative: A Cooperate Effort with UNCTAD and other Multilateral Institutions, Tokyo.	TC
7-8 September	Roundtable seminar on Japanese FDI in Asia: 'Investment, Reinvestment and Relocation', Jakarta.	TC
7-9 September	Meeting with the Ministry of Foreign Affairs and lecture at the International Conference on Investment, Beijing and Xiamen.	TC
9 September	UNCTAD/WAIPA International Roundtable Conference for investment promotion agencies on operational mechanisms and core functions of IPAs, Xiamen, China.	TC
10-11 September	Training workshop on Clean Development Mechanism and investment for Chinese investment promotion agencies, Xiamen, China.	TR
12-14 September	Technical assistance to Sri Lanka on emerging issues in IIAs and a review of the BIT model, Geneva.	TC
12-30 September	Technical assistance; Investment Policy Review Morocco-Fact Finding Mission.	TC
21-29 September	Assistance in implementing the Sri Lanka Taxation Review, Colombo.	TC
23 September	The International Copyright System: Limitations, Exceptions and Public Interest Considerations for Developing Countries in the Digital Environment, UNCTAD-ICTSD Roundtable, Geneva.	
23-24 September	Participation in Study Session on Intellectual Property and Human Rights (3D - Trade, Human Rights, Equitable Economy), Geneva.	
23-30 September	Advisory services on ISAR Working Group on Corporate Responsibility, Bangkok.	TC
26 September	Sensitizing workshop on UNCTAD technical cooperation in investment promotion, including Investment Gateway, Moscow.	TC
26 September	Donors' meeting on the Blue Book Kenya, Nairobi.	TC
28 September-10 October	Global launches of WIR05.	TC
29 September	Launch of Investment Guides to Kenya and the East African Community, Nairobi.	TC
1-9 October	Entrepreneurship Training Workshop (EMPRETEC) in Luanda.	TR
2-4 October	Meetings with international organizations and private sector, Kampala.	TC
3 October	Launch of Investment Guide to the East African Community, Kampala and donors' meeting on the Uganda Blue Book.	TC
3 October	Consultations as part of IPR follow-up support on investment and trade	TC

	issues.	
4-5 October	UNCTAD/WAIPA regional workshop on promoting and targeting FDI into tourism and benefit from it, San José.	TR
5 October	Meeting with the East African Business Council and the East African Community Secretariat on the implementation of the East African Blue Books' measures, Arusha.	TC
6 October	Launch and meetings with international organizations and private sector, Nairobi.	TC
10-12 October	Training on the use of the Investment Gateway and monitoring project results, Sofia.	TR
10-14 October	Intensive training session for negotiators of international investment agreements, Vientiane.	TR
13-21 October	Entrepreneurship Training Workshop (EMPRETEC) in Luanda	TR
16 October 2- November	Technical assistance – Investment Policy Review Nigeria- Fact Finding Mission	TC
17-28 October	Entrepreneurship Training Workshop (EMPRETEC) in Timisoara	TR
17-20 October	Technical assistance to Egypt on the implementation of IIAs, Cairo.	TC
20 October	Launch of the investment guides to Kenya, Tanzania and the East Africa Community, Stockholm,.	TC
24-25 October	Training workshop for Peruvian diplomats on investment promotion issues, Lima.	TR
26 October-2 November	Steering Committee of Projeto Vinculos, Sao Paulo.	TC
24-28 October	UNCTAD-ICTSD Fifth Bellagio Dialogue on Intellectual Property and Sustainable Development: Revisiting the Agenda in a New Context.	
31 October-2 November	Expert Meeting on Positive Corporate Contributions to Economic and Social Development, Geneva.	IM
3-11 November	Advanced training course on managing investment disputes, Washington DC.	TR
3-4 November	UIA Client Charter Review, Kampala, Uganda.	TC
7-11 November	Round of BIT negotiations for Francophone African countries, Brazzaville.	TC
7-18 November	Entrepreneurship Training Workshop (EMPRETEC) in Brasov.	TR
9-11 November	Twelfth EMPRETEC Directors' Meeting, Geneva.	AD
9-11 November	Workshop with Team Uganda on the development of a client charter, Kampala, Uganda.	TC
10-12 November	CSTD Panel Meeting on Bridging the Technology Gap Between and Within Nations, Rabat.	IG
19 November	Regional training workshop on policy advocacy for IPAs in the Asia-Pacific, Busan, Republic of Korea.	TR
20-22 November	Expert Meeting on 'International Law and Economic Development: The Globalization of Law and its Relevance for Development Policy and Cooperation', Berlin.	AD
20-24 November	National workshop on survey methodologies in collecting data on FDI and TNC activities, Doha.	TC
20-29 November	Entrepreneurship Training Workshop (EMPRETEC) in Ramallah	TR
21-23 November	22 <sup>nd</sup> Session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR), Geneva.	IM
24 November	Workshop on International Financial Reporting Standards (IFRS), Geneva.	AD
26-30 November	National workshop on survey methodologies in collecting data on FDI and TNC activities, Abu Dhabi.	TC
26 November-1 December	EMPRETEC Training Workshop, Ramallah, Palestine.	TR
26 November-4 December	Entrepreneurship Training Workshop (EMPRETEC) in Benguela.	TR
28-29 November	Technical workshop on the Investment Gateway, San Salvador.	TC
28 November-2 December	Workshop on teaching and research on economic and legal aspects of IIAs, Bangkok.	TR
28 November-9	Entrepreneurship Training Workshop (EMPRETEC) in Baia Mare.	TR

December		
30 November-6 December	Technical workshop on the Investment Gateway, Guatemala City.	TC
4-7 December	Training workshop on a cluster based approach to attracting FDI, Marseille, France.	TR
5-7 December	Expert Meeting on Enhancing the Productive Capacity of Developing Country Firms through Internationalization, Geneva.	IM
8-16 December	Entrepreneurship Training Workshop (EMPRETEC) in Benguela.	TR
8 December	<i>Ad-hoc</i> Expert Meeting on Themes Related to the WIR06 (OFDI from Developing Countries), Geneva	AD
9-11 December	<i>Training of Trainers Workshop (EMPRETEC) in Baia Mare</i>	TR
12 December	OECD/ICSID /UNCTAD symposium on 'Making the Most of IIAs: A Common Agenda', Paris.	AD
12-14 December	Expert Meeting on FDI Statistics: Data Compilation and Policy Formulation	IM
12-16 December	Technical assistance- Follow-up to IPR Rwanda: Drafting investment strategy for promotion of the industrial mining sector.	TC
13-14 December	Training of the Reseau International pour les PME (INSME) et Agence de Promotion de l'Industrie, Tunis.	TR
15 December	<i>Ad-hoc</i> Expert Meeting on FDI Statistics, Geneva.	AD
20-22 December	Expert Group meeting to analyze FDI policies for members of ESCWA.	TC

## Publications prepared by DITE in 2005

### A. Parliamentary Documentation

#### *Commission on Investment, Technology and Related Financial Issues, Ninth Session*

- Report of the Commission on Investment, Technology and Related Financial Issues on its Ninth session  
*TD/B/COM.2/66*
- Policy Issues Related to Investment and Development - Emerging FDI from Developing Countries  
*TD/B/COM.2/64*
- Report of the Expert Meeting on the Impact of FDI on Development  
*TD/B/COM.2/EM.16/3*
- Summary of Deliberations of the Investment Policy Reviews of Algeria, Benin and Sri Lanka  
*TD/B/COM.2/65*
- Progress Report on the Implementation of Recommendations for the UNCTAD Secretariat  
*TD/B/COM.2/63*
- Issues Related to International Arrangements-Investor State Disputes and Policy Implications.  
*TD/B/COM.2/62*
- Report of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting on its Twenty-First Session  
*TD/B/COM.2/ISAR/26*
- Report of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting on its Twenty-second Session  
*TD/B/COM.2/ISAR/31*
- Report of the Expert Meeting on Good Governance in Investment Promotion  
*TD/B/COM.2/EM.15/3*

#### *Expert Meeting on Capacity-Building in the Area of FDI: Data Compilation and Policy Formulation in Developing Countries*

- Report of the Expert Meeting on Capacity-Building in the area of FDI
- FDI statistics: Data compilation and policy issues.  
*TD/B/COM.2/EM.18/2*

#### *Expert Meeting on Positive Corporate Contributions to Economic and Social Development of Host Developing Countries*

- Report of the Expert Meeting on Positive Corporate Contributions
- Positive Corporate Contributions to the Economic and Social Development of Host Developing Countries  
*TD/B/COM.2/EM.17/2*

***Commission on Enterprise, Business Facilitation and Development, Ninth Session***

- Report of the Commission on Enterprise, Business Facilitation and Development on its Ninth Session  
*TD/B/COM.3/70*
- Improving the Competitiveness of SMEs through Enhancing Productive Capacity  
*TD/B/COM.3/L.29*
- Linkages, Value Chains and Outward Investment: Internationalization Patterns of Developing Countries' SMEs  
*TD/B/COM.3/69*
- Report of the Expert Meeting on Promoting the Export Competitiveness of SMEs  
*TD/B/COM.3/EM.23/3*
- Progress Report on the Implementation of the agreed Recommendations of the Commission at its eighth session  
*TD/B/COM.3/66*

***Expert Meeting on Enhancing the Productive Capacity of Developing Country Firms through Internationalization***

- Internationalization of Developing Country Enterprises through outward foreign direct investment  
*TD/B/COM.3/EM.26/2*
- Case study on outward foreign direct investment by enterprises from Argentina  
*TD/B/COM.3/EM.26/2/Add.1*
- Case study on outward foreign direct investment by Indian small and medium-sized enterprises  
*TD/B/COM.3/EM.26/2/Add.2*
- Case study on outward foreign direct investment by Singaporean firms: Enterprise competitiveness and development  
*TD/B/COM.3/EM.26/2/Add.3*
- Case study on outward foreign direct investment by Russian enterprises  
*TD/B/COM.3/EM.26/2/Add.4*
- Case study on outward foreign direct investment by South African Enterprises  
*TD/B/COM.3/EM.26/2/Add.5*

***Commission on Science and Technology for Development, Eighth Session***

- Bridging the Technology Gap, Issues paper prepared by the Secretariat for the CSTD inter-sessional panel, Rabat, Morocco, 10-12 November 2005.
- Report on the eighth session of the Commission on Science and Technology for Development  
*E/CN.16/2005/5 and E/2005/31*
- Science and Technology Promotion, Advice and Application for the Achievement of the Millennium Development Goals  
*E/CN.16/2005/2, E/CN.16/2005/2/Corr.1 and 2*

- Review of Methods of Work of the Commission on Science and Technology for Development  
*E/CN.16/2005/4, E/CN.16/2005/4/Corr.1*
- Implementation of, and Progress Made on, Decisions Taken at the Seventh Session of the Commission on Science and Technology for Development  
*E/CN.16/2005/3*

*Expert Meeting on the Impact of FDI on Development*

- Report of the Expert Meeting on the Impact of FDI on Development  
*TD/B/COM.2/EM.16/3*
- The Impact of FDI on Development: Globalization of R&D by Transnational Corporations and Implications for Developing Countries  
*TD/B/COM.2/EM.16/2*

*Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting, Twenty-second session*

- Review of Practical Implementation Issues of International Financing Reporting Standards  
*TD/B/COM.2/ISAR/28*
- Guidance on Good Practices in Corporate Governance Disclosures  
*TD/B/COM.2/ISAR/30*
- Guidance on Corporate Governance Responsibility in Annual Reports  
*TD/B/COM.2/ISAR/29*
- 2005 Review of the Implementation Status Of Corporate Governance Disclosures  
*TD/B/COM.2/ISAR/CRP.1 (Conference Room Paper)*
- Users of Corporate Responsibility Reporting And Their Information Needs  
*TD/B/COM.2/ISAR/CRP.2 (Conference Room Paper)*

**B. Recurrent Publications**

- World Economic Situation and Prospects 2005, January 2005.  
*Sales No. E.05.II.C.2. ISBN 92-1-109148-92.*
- Transnational Corporations Journal
  1. Vol. 14, No. 1, April 2005. *UNCTAD/ITE/IIT/2005/1. ISBN 92-1-112668-1.*
  2. Vol. 14, No. 2, August 2005. *UNCTAD/ITE/IIT/2005/5. ISBN 92-1-112690-8.*
  3. Vol. 14, No. 3, December 2005. *UNCTAD/ITE/IIT/2005/5. ISBN 92-1-112690-8.*
- International Accounting and Reporting Issues: 2004 Review, 1 July 2005.  
*UNCTAD/ITE/TEB/2005/2 Sales No. E05.II.D.22. ISBN: 92-1-112682-7.*
- International Accounting and Reporting Issues: 2005 Review (forthcoming).  
*UNCTAD/ITE/TEB/2005/7.*
- World Investment Report 2005: Transnational Corporations and the Internationalization of R&D, September 2005.  
*UNCTAD/WIR/2005. Sales No. E.05.II.D.10. ISBN 92-1-112667-3.*

- FDI in Least Developed Countries at a Glance 2005 (forthcoming).  
*UNCTAD/ITE/IIA/2005/7*

### **C. Non-Recurrent publications**

#### International Investment Instruments: A Compendium

- Volume XIII, March 2005.  
*UNCTAD/DITE/4, Vol.XIII. Sales No. E.05.II.D.7. ISBN 92-1-112665-7.*
- Volume XIV, March 2005.  
*UNCTAD/DITE/4, Vol.XIV. Sales No. E.05.II.D.8. ISBN 92-1-112664-9.*

#### Investment Guides

- An Investment Guide to the East African Community, September 2005.  
*UNCTAD/ITE/IIA/2005/4.*
- An Investment Guide to Tanzania, September 2005.  
*UNCTAD/ITE/IIA/2005/3.*
- An Investment Guide to Kenya, September 2005.  
*UNCTAD/ITE/IIA/2005/2.*

#### Investment Policy Reviews

- Investment Policy Review of Brazil, January 2005 (Advance unedited copy).  
*UNCTAD/ITE/IPC/Misc/2005/1.*
- Investment Policy Review of Benin, March 2005.  
*UNCTAD/ITE/IPC/2004/4. Sales No. F.04.II.D.43. ISBN: 92-1-212314-7.*
- Investment Policy Review of Kenya, July 2005.  
*UNCTAD/ITE/IPC/2005/8. Sales No. E.05.II.D.21.*
- Report on the Implementation of the Investment Policy Review for Egypt, October 2005.  
*UNCTAD/WEB/ITE/IPC/2005/7.*
- Algérie: Evaluation des capacités de promotion des investissements de l'ANDI, October 2005.  
*UNCTAD/WEB/ITE/IPC/2005/8.*
- Investment Policy Review of Colombia (forthcoming).  
*UNCTAD/ITE/IPC/2005/11.*
- Science, Technology and Innovation Policy Review: The Islamic Republic of Iran, February 2005.  
*UNCTAD/ITE/IPC/2005/7.*

#### Blue Books on Best Practice in Investment Promotion and Facilitation

- Blue Book on Best Practice in Investment Promotion and Facilitation: Kenya, May 2005.
- Blue Book on Best Practice in Investment Promotion and Facilitation: Tanzania, May 2005.

- Blue Book on Best Practice in Investment Promotion and Facilitation: Uganda, May 2005.

Series on Issues in International Investment Agreements (First Generation)

- State Contracts, February 2005.  
*UNCTAD/ITE/IIT/2004/11. Sales No. E.05.II.D.5. ISBN 92-1-112659-2.*
- International Investment Agreements: Key Issues, Volume I, March 2005.  
*UNCTAD/ITE/IIT/2004/10 (Vol. I). Sales No. E.05.II.D.6. ISBN 92-1-112660-6.*
- International Investment Agreements: Key Issues, Volume II, May 2005.  
*UNCTAD/ITE/IIT/2004/10 (Vol. II). Sales No. E.05.II.D.6. ISBN 92-1-112661-4.*
- International Investment Agreements: Key Issues, Volume III, June 2005.  
*UNCTAD/ITE/IIT/2004/10 (Vol. III). Sales No. E.05.II.D.6. ISBN 92-1-112662-2.*

Series on International Investment policies for Development (Second Generation)

- The REIO Exception in MFN Treatment Clauses, February 2005.  
*UNCTAD/ITE/IIT/2004/7.*
- International Investment Agreement and Services FDI, October 2005.  
*UNCTAD/ITE/IIT/2005/2.*
- A Wave of South-South Cooperation in the Area of International Investment Agreements.  
*UNCTAD/ITE/IIT/2005/3.*
- International Investment Agreements: Trends and Emerging Issues, December 2005.  
*UNCTAD/ITE/IIT/2005/11.*
- Economic Integration Investment Agreements (forthcoming).  
*UNCTAD/ITE/IIT/2005/10.*
- Investor-State Disputes arising from Investment Treaties: A Review (forthcoming)

IIA Monitor:

- Recent Developments in International Investment Agreements, No.2, August 2005.  
*UNCTAD/WEB/ITE/IIT/2005/1. ISBN 92-1-112680-0.*
- BITs in Force, No.3, November 2005.  
*UNCTAD/WEB/ITE/IIA/2005/10.*
- Latest Developments in Investor-Dispute Settlements, No.4, December 2005.  
*UNCTAD/WEB/ITE/IIT/2005/2.*

Issues in International Agreements and Arrangements Related to Technology

- Transfer of Technology to Developing Countries: A Survey of Home Country Measures, February 2005.  
*UNCTAD/ITE/IPC/2004/5.*

- Transfer of Technology for Successful Integration into the Global Economy: A case study of the electronic industry in Thailand, July 2005.  
*UNCTAD/ITE/IPC/2005/6. Sales No. E.03.II.D.31. ISBN: 92-1-112603-7.*
- Taxation and Technology Transfer, November 2005.  
*UNCTAD/ITE/IPC/2005/9. Sales No. E.05.II.D.24. ISBN: 92-1-112684-3.*

UNCTAD/ICTSD Publications and Studies on Technology Transfer and Intellectual Property

- Resource Book on TRIPS and Development, June 2005.  
*ISBN: 05-2-185044-4.*
- Negotiating Health - Intellectual Property and Access to Medicines (forthcoming).
- *UNCTAD/ICTSD Studies on Intellectual Property:*
  1. The International Copyright System: Limitations, Exceptions and Public Interest Considerations for Developing Countries in the Digital Environment, September 2005.
  2. Utility Models and Innovation in Developing Countries, December 2005.
  3. Technical Assistance for the Formulation and Implementation of Intellectual Property Policy in Developing Countries and Transition Economies, June 2005.

ISAR Newsletter

- ISAR Update, Volume 1, N°6, September 2005.  
*UNCTAD/ITE/TEB/2005/3.*
- ISAR Update, Volume 1, N°7, December 2005.  
*UNCTAD/ITE/TEB/2005/8.*
- ISAR Update, Volume 1, N°8, December 2005.  
*UNCTAD/ITE/TEB/2005/10.*

UNCTAD Investment Briefs and Occasional Notes

- Blue Books: Award-Winning Approach to Promoting Investment.  
*UNCTAD/WEB/ITE/IIA/2005/13.*
- UNCTAD Survey on the Internationalization of R&D.  
*UNCTAD/WEB/ITE/IIA/2005/12.*
- The Locations Most Favoured By the Largest TNCs, November 2005.  
*UNCTAD/WEB/ITE/IIA/2005/11.*
- Many BITs have yet to enter into Force, November 2005.  
*UNCTAD/WEB/ITE/IIA/2005/10.*
- Asian TNCs Most Eager to Attract R&D from TNCs, October 2005.  
*UNCTAD/WEB/ITE/IIA/2005/9.*
- Fierce Competition for FDI without Clothing Quotas, September 2005.  
*UNCTAD/WEB/ITE/IIA/2005/8.*
- FDI Flows Bounce Back - Led by Developing Countries, January 2005.  
*UNCTAD/WEB/ITE/IIA/2005/7.*

Other Publications

- Information Note: Training on International Investment Agreements, April 2005.  
*UNCTAD/PRESS/IN/2005/016.*
- The Digital Divide: ICT Development Indices 2004, April 2005.  
*UNCTAD/ITE/IPC/2005/4.*
- TNCs and the Removal of Textiles and Clothing Quotas, May 2005.  
*UNCTAD/ITE/IIA/2005/1. Sales No. E.05.II.D.20.*
- Research Note: Recent Developments in International Investment Agreements, August 2005.  
*UNCTAD/WEB/ITE/IIT/2005/1. ISBN 92-1-112680-0.*
- What's Next? Strategic Views on Foreign Direct Investment, September 2005. ISBN: 91-974477-8-1.
- Global Investment Prospects Assessments: Prospects for FDI and TNCs strategies 2005-2008, December 2005.  
*UNCTAD/ITE/IIT/2005/7. ISBN 92-1-112691-6.*
- A Survey of Support for Investment Promotion Agencies through Linkages, December 2005.  
*UNCTAD/ITE/IPC/2005/12*
- Training Manual on the Economic and Legal Aspects of IIAs, December 2005.
- New Sources of FDI: the BRICs. Outward FDI from Brazil, Russian Federation, India and China, May 2005.

## Press releases by DITE in 2005

Reference/date	Language	Press Releases, E-briefs, Occasional notes, FDI BRIEFS
UNCTAD/PRESS/IN/2005/040 21/11/05	E	UNCTAD and ITU announce future collaboration in measuring the digital divide
UNCTAD/PRESS/PR/2005/053 15/11/05	E	Gravity shifts to Asia in Global FDI and R&D networks, Asian economies benefiting from active policies aimed at knowledge-based growth
UNCTAD/PRESS/EB/2005/015 14/11/05	E, F	Global Investment Prospects Assessment (GIPA) 2005–2008 published; predicts trends in foreign direct investment
UNCTAD/PRESS/EB/2005/014 31/10/05	E	Portugal: upward FDI trend reversed in 2004
UNCTAD/PRESS/IN/2005/033 20/10/05	E	Guiding investment into East Africa
UNCTAD/PRESS/EB/2005/013 17/10/05	E, F	United States: FDI swings upwards in 2004
UNCTAD/PRESS/EB/2005/012 14/10/05	E, F	Luxembourg: further downturn in FDI flows in 2004
UNCTAD/PRESS/EB/2005/011 13/10/05	E, F	Ireland: FDI flows continued downward swing in 2004
UNCTAD/PRESS/IN/2005/031 13/10/05	E, F	Sweden contributes €1 million to UNCTAD's Investment for Development Partnership, World Association of Investment Promotion Agencies to be principal partner
UNCTAD/PRESS/EB/2005/010 12/10/05	E, F	Germany: FDI inflows reach a low ebb in 2004
UNCTAD/PRESS/EB/2005/009 11/10/05	E, F	Finland: FDI inflows swing upwards in 2004
UNCTAD/PRESS/EB/2005/008 11/10/05	E, F	France: FDI inflows continue downslide in 2004
UNCTAD/PRESS/EB/2005/007 07/10/05	E, F	Belgium: slight upturn in FDI inflows in 2004
UNCTAD/PRESS/EB/2005/006 06/10/05	E, F	Austria: FDI inflows slump in 2004
29/09/05	E	WIR 2005: Country fact sheets
UNCTAD/PRESS/PR/2005/039 29/09/05	E, F, S	The World's Largest TNCs
UNCTAD/PRESS/PR/2005/038 29/09/05	E, F, S, A, R	FDI rises for fourth year in a row in South-East Europe, Commonwealth of Independent States
UNCTAD/PRESS/PR/2005/037 29/09/05	E, F, S, A, R	Foreign direct investment rebounds in Latin America & the Caribbean
UNCTAD/PRESS/PR/2005/036 29/09/05	E, F, S, A, C, J	Foreign direct investment in developing Asia & Oceania reaches new high
UNCTAD/PRESS/PR/2005/035 29/09/05	E, F, S, A	Foreign direct investment in Africa remains buoyant, sustained by interest in natural resources
UNCTAD/PRESS/PR/2005/034 29/09/05	E, F, S, A, C, J, R	Surge in foreign direct investment in developing countries reverses global downturn
UNCTAD/PRESS/PR/2005/033	E, F, S, A,	Developing countries emerge as attractive

29/09/05	C, J, R	locations for R&D
UNCTAD/PRESS/IN/2005/029 16/09/05	E	New FDI book sets out challenges for future
UNCTAD/PRESS/PR/2005/031 05/09/05	E	New UNCTAD surveys: foreign direct investment prospects promising for 2005-2008
UNCTAD/PRESS/EB/2005/004 31/08/05	E, F	Recent trends in international investment agreements: new UNCTAD research note
UNCTAD/PRESS/IN/2005/024 06/07/05	E	UNCTAD/ICSID workshop on the settlement of investment disputes
UNCTAD/PRESS/IN/2005/023 27/06/05	E, F, S	Spain contributes to UNCTAD's technical cooperation work
UNCTAD/PRESS/PR/2005/019 13/06/05	E, F, S	Transnational corporations expected to increase dominance of clothing and textile sectors, says UNCTAD
UNCTAD/PRESS/IN/2005/020 02/06/05	E	UNCTAD to create science & technology network in developing countries, Italy pledges \$500,000 for project
UNCTAD/PRESS/PR/2005/018 30/05/05	E, F, S	Firms in developing countries rapidly expanding foreign investment, transnational activities
UNCTAD/PRESS/IN/2005/018 25/05/05	E	United Nations Commission on Science and Technology for Development meets in Geneva
UNCTAD/PRESS/IN/2005/016 25/04/05	E, F, P	Training on international investment agreements
UNCTAD/PRESS/IN/2005/014 07/04/05	E	Implementing the trips agreement from the development perspective: New UNCTAD/ICTSD publication
UNCTAD/PRESS/IN/2005/012 16/03/05	E, F	A decade of FDI liberalisation: The evidence
UNCTAD/PRESS/IN/2005/011 11/03/05	E, F	UNCTAD launches Invest in Peace Initiative
UNCTAD/PRESS/IN/2005/009 10/03/05	E	Egyptian reforms could herald more foreign investment, says UNCTAD
UNCTAD/PRESS/IN/2005/010 10/03/05	E	WAIPA and UNCTAD award investment promotion agencies for best use of website
UNCTAD/PRESS/IN/2005/008/Rev.1 09/03/05	E	UNCTAD, JBIC to foster Japanese investment in East Africa
UNCTAD/PRESS/IN/2005/007 07/03/05	E, F, S	China is not crowding out FDI from the rest of East Asia, experts say
UNCTAD/PRESS/IN/2005/004 24/02/05	E, F, S	Digital divide wide, but narrowing slowly, UNCTAD finds
UNCTAD/PRESS/PR/2005/010 15/02/05	E, F	Kyoto protocol offers investment opportunities in developing countries
UNCTAD/PRESS/IN/2005/003 15/02/05	E, F, S	Measuring information and communication technologies for development
UNCTAD/PRESS/IN/2005/001 14/01/05	E, F	New issue of transnational corporations journal published
UNCTAD/PRESS/PR/2005/002 11/01/05	E, F	World FDI flows grew an estimated 6% in 2004, ending downturn

## **Major Missions by DITE staff and Events Attended by the Division in 2005**

### **1. Fact Finding and Advisory Services Missions**

- To participate in a brainstorming seminar, Cartagena, Colombia, 4-7 January.
- To present a new version of the Andean regional investment promotion project to the Andean Corporation for Development, Caracas, 8-12 January.
- To prepare and organize a workshop on system's design for IG new regulations module, Bogota, 4-11 January.
- To conduct a fact-finding mission to follow up IPR Botswana, Gabarone, 23 January-7 February.
- To conduct a fact-finding mission for Investment Policy Implementation Review, Cairo, 14-25 February.
- To organize a strategic planning seminar for the Transparency in Investment Procedures project, Guatemala City, 12-23 March.
- To discuss with the Secretariat of Economy (Mexico), SIECA and BCIE (Guatemala) and Ministry of Trade (Bolivia) issues of delivery of technical cooperation activities, Mexico City, 29 April, Guatemala City 30 April-2 May, and Bogotá, 3-10 May.
- To provide advisory services to the Bahrain Economic Development Board, Manama, 15-16 May.
- To conduct an advisory mission to review the status of investment promotion and facilitation, Bamako, 22-27 May.
- To provide advisory services to the Investment Promotion Centre of Kenya, Nairobi, 6-13 July.
- To conduct field work in Kenya and Tanzania and prepare a country study, Kenya and Tanzania, 15-30 August.
- To negotiate the Investment Gateway project document with government and donors, Lima, 16-17 August, Guayaquil, 18 August, San Jose, 19-22 August, Caracas, 23-24 August, Bogotá, 25-30 August.
- To provide advisory services to Botswana's authorities on investor targeting for the textiles and garments industry and on a FDI strategy, Gabarone, 29 August-2 September.
- To discuss project development with project officials on the Accounting Developing in Developing Countries Trust Fund Project, Moscow, 9-13 September.
- To provide advisory services to the Chinese Investment Promotion Agency (CIPA) and discuss the implementation of technical cooperation activities, Beijing, 12-13 September.
- To conduct a fact-finding mission for the Investment Policy Review of Morocco, Rabat, 12-30 September.
- To discuss with officials from the Moscow City Government a new technical cooperation project in investment promotion Moscow, 26-27 September.
- To review Zambia's investment policy, Lusaka, 4-6 October.
- To conduct a review of the implementation by CINDE of recommendations of the QRW technical cooperation project and to identify new performance and impact indicators for evaluation purposes, San Jose, 6 October.
- To prepare for the new Investment Guide for Rwanda, Kigali, 10-20 October.
- Advisory mission to discuss the draft regional investment promotion strategy with Peruvian authorities and to launch a new project on strengthening investment promotion, Lima, 22-26 October.
- To prepare for the Investment Policy Review of Nigeria, Abuja, 16-29 October, Lagos, 29 October-3 November.
- To conduct fieldwork for the project on 'FDI in Tourism - the Development Dimension', Casablanca, 6-16 November.
- To present to stakeholders of Guatemala a progress report on e-regulations system, Guatemala City, 23-27 November.

- To conduct fieldwork for the project on 'FDI in Tourism - the Development Dimension', Santo Domingo, 23 November-2 December.
- To conduct research in preparation for IPR Morocco, Casablanca, 28 November-3 December.

## 2. Representation/Attendance Missions

- To attend the Standard Advisory Council meeting, London, 8-11 February.
- To attend the 15<sup>th</sup> Annual Accountancy Congress, Beirut, 11-12 February.
- To attend the *Economist* "Technology Industry Summit on ICTs", Hanover, 8-9 March.
- To attend planning meetings in London for the 5th UNCTAD Emerging Insurance Markets conference held in February 2006, 11-14 March.
- To participate in a Board meeting of the International Organisation for the Knowledge Economy and Enterprise Development (IKED), Sweden, 4 April.
- To attend the Global Capital Markets Meeting, Brussels, 4-5 April.
- To attend Russian Economic Forum, London, 10-12 April.
- To attend a meeting of the Committee of the African Centre for Catastrophe Risks, Casablanca, 11 April.
- To attend the Interim Donor Committee, Berlin, 20-21 April.
- To participate as a speaker at the World Free Zone International Conference, Izmir, Turkey, 20-22 April.
- To lecture at the BRIC Conference, University of Connecticut, Storrs, 29-30 April.
- To participate as a key-note speaker at the conference "Foreign Direct Investment in Bahrain and the GCC Countries: Opportunities and Challenges", Manama, 17-18 May.
- To participate in the Business and Invest Workshop, Focus on India Seminar, Finland, 18 May.
- To make a presentation at and participate in the International Entrepreneurship Forum & Exhibition 2005, Dubai, 23-25 May.
- To participate in the Global Players Seminar on Emerging Markets: Brazil and other meetings, Sao Paulo, 27-31 May
- To make a presentation on outward FDI from Singapore and China, and to follow up on the outcome of the event, Brazil, 30-31 May.
- To attend the Ethical Corporation's 2005 Eurasian Conference on the UN Global Compact, St. Petersburg, 7-8 June.
- To attend meetings with London City Business school, the Cooperation of London and the Chartered Insurance Institute, London, 13-17 June.
- To meet with the President of the World Trade University (WTU) to continue preparatory work for the WTU/UNCTAD insurance EMBA, London, 20-21 June.
- To attend the Standard Advisory Council meeting, London, 27-28 June.
- To participate in the La Baule World Investment Conference, la Baule, France, 30 June-1 July.
- To lecture in a seminar on trade and investment negotiations, Bucharest, 30 June-1 July.
- To participate in a private/public sector dialogue on corporate responsibility, promote ISAR's work and to discuss the USAID project on CIPA qualities with consultants, Moscow, 21-22 July.
- To participate in the 2005 ACUNS Summer Workshop, Waterloo, Ontario, 24 July-6 August.
- To act as moderator and panellist at the Asia Pacific Conference on the New World of Liability Insurance, Sydney, 26-27 July.
- To meet with members of the Emergency Assistance to EMPRETEC Palestine; to attend the closing session of the Entrepreneurship Training Workshop and to discuss with UNDP Jerusalem the possible extension of the EMPRETEC Programme in Gaza, Tel Aviv, 20-24 August.
- To attend the Investment Forum - Investment for Growth in the Greater Tumen Region, Chagehun, 2-4 September.

- To discuss project and to co-organise FDI seminar, Tokyo, 4-6 September, Jakarta, 7-8 September.
- To participate in a seminar on relocation of investment, policy issues on promoting intra-regional investment and enterprise competitiveness, Jakarta, 7-9 September.
- To represent DITE at the 9<sup>th</sup> China International Fair on Investment and Trade, Xiamen, 9-12 September.
- To attend and make a presentation at Sudan Invest 2005 International Investment Forum, Khartoum, 14-15 September.
- To attend discussions with Ghanaian Cabinet Ministers, Berne, 15 September.
- To participate in the conference “What's Next? Strategic Views on Foreign Direct Investment”, Stockholm, 18-19 September.
- To participate in the ESCAP International Conference on Strengthening Regional Cooperation for Managing Globalization, Moscow, 28-30 September.
- To attend the Senior Officials' meeting and the Second African Ministerial Conference on Science and Technology for Development, Dakar, 29-30 September.
- To attend and make a presentation at the Development Finance International Workshop on Best Practices in Monitoring and Analysing Foreign Private Capital, Kampala, 24-26 October.
- To speak and participate at an international conference on Offshore Customer Management, Prague, 1-3 November.
- To participate in the Sixth China Insurance Convention, Shanghai, 6-8 November.
- To attend IFC meeting on Outward FDI, Mumbai, 9-19 November.
- To attend the ProInvest Meeting on 'Connect Afrique-Europe', Dakar, 17-18 November.
- To lecture at the Expert Meeting on International Law and Economic Development, co-organised with GTZ, Berlin, 21 November.
- To attend a conference on FDI organised by the Konrad Adenauer Foundation, Bonn, 21-22 November.
- To make a presentation to the international conference on 'Reforming the Business Environment', 29 November-1 December.
- To participate in the Third International Egypt Invest Forum, Cairo, 30 November-1 December.
- To participate as a key-note speaker at the “Invest Guangzhou International Forum”, Guangzhou, China, 1-2 December.
- To speak at the fifth anniversary Conference of the World Freezone Convention, London, 7 December.

**3. Close collaboration with UNDP, including in the launching of the WIR, and with other UN departments, regional commissions and their bodies, in the work related to investment, enterprise and technology issues**

- To discuss funding of the IPR for Rwanda with UNDP and to initiate the review, Kigali, 27 May-11 June.
- To discuss funding of the IPR of Rwanda with UNDP and to jointly initiate the review, Amsterdam, 11 June; Kigali, 12-30 June; Nairobi, 30 June.
- To attend High-Level Segment of ECOSOC Ministerial breakfast roundtable to discuss issues related to the role of Science, Technology and Innovation, New York, 29 June-1 July.
- To lecture at a UNCITRAL meeting, Vienna, 12-13 July.
- To attend World Summit and other meeting at UN Headquarters, New York, 12-16 September.
- To negotiate with UNDP a new project on investment promotion for the Moscow government, Moscow, 27-28 September
- To meet national authorities and represent UNCTAD at UNESCAP conference, Moscow, 26-30 September.
- To participate in the Second Phase of the World Summit on the Information Society, Tunis, 16-18 November.

**4. Collaboration (joint research/technical collaboration), cooperation and liaison with World Bank, regional development banks, IMF, IFC, ILO, WIPO, UNIDO, UNESCO, WTO, OECD etc.**

- To participate in the OECD Meeting of the inter-Agency Statistics Taskforce, Paris, 2-3 February.
- To attend IMF/OECD Direct Investment Technology Expert Group Meeting, Paris, 9-11 March.
- To attend the first Steering Group meeting on the Working Party on SMEs and Enterprise (WPSME), on the role of SMEs in Global value Chains; and to attend the first WPSME Steering Group on SME financing, 23-24 March.
- To participate in OECD Initiative on Investment Development - OECD Taskforce, Paris, 7-8 April.
- To participate in the 11<sup>th</sup> session of the WTO Group on Trade and Transfer of Technology, Geneva 11 April.
- To attend OECD Workshop on International Investment Statistics, Paris, 26-28 April.
- To participate in the High Level Meeting of ECOSOC, the Breton Woods Institutions, WTO, UNCTAD and other meetings, New York, 18-20 April.
- To make a presentation at the NEPAD/OECD roundtable on IAD, Entebbe, Uganda, 24-27 May.
- To attend a meeting on the joint conference on Investment Dispute Settlement and to participate in the OECD Investment Forum, Paris, 13-14 June.
- To participate in a World Bank Institute workshop on "Regionalism: Implications for Developing Countries" and to discuss possible cooperation with the Inter-American Development Bank, Washington DC, 22-24 June.
- To discuss future cooperation on Corporate Transparency with the OECD, Paris, 9 August.
- To participate in the Economic Committee of the OECD, Paris, 20-22 September.
- To meet with World Bank officials, Washington DC, 7 October.
- To participate in the 13<sup>th</sup> session of the WTO Group on Trade and Transfer of Technology, Geneva 11 October.
- To participate in the OECD Conference on 'Investment for Development: Making it Happen', Rio de Janeiro, 25-27 October.
- To attend the Benchmark Advisory Group Meeting at the OECD, Paris, 15-18 November.
- To meet with World Bank officials, Washington DC, 21-22 November.

**5. Cooperation with governmental and intergovernmental bodies, including regional and subregional groupings, on investment, enterprise and technology issues**

- To meet with the National Foundation on Financial Reporting, Moscow, 26 February-1 March.
- To participate in the Working Group on Social Responsibility of the International Organisation for Standardisation, Salvador, 7-11 March.
- To meet with officials from the Japanese Bank for International Cooperation, Tokyo, Japan, and to participate in the International Investment Promotion Forum 2005, Tianjin, China, 14-18 March.
- To attend the Seminar on Investment Issues and Negotiations and present a paper entitled "FDI competition, enterprise development and policy implications for ASEAN", Yogyakarta, Indonesia, 30 March-1 April.
- To discuss project proposals with SIECA and BCIE Guatemala, 2 May.
- To discuss project proposals with Ministry of trade and UNDP, Bogota, 3-10 May.

- To organise and participate in the UNCTAD/ASEAN WIR05 seminar on attracting Quality FDI, Bangkok, 5-6 May.
- To discuss project proposals with the Secretariat de Economia, Mexico, 29 May.
- To jointly organise and conduct the national workshop on "Global Players from Emerging Markets: Brazil" with the Ministry of Development, Industry and Foreign Trade of Brazil and Fundacao Dom Cabral, Sao Paulo, Brazil, 30 May.
- To consult with US State Department on UNCTAD's work on corporate contributions to economic and social development, Washington, D.C, 2 June.
- To make a presentation on Investment Trends at the 3rd Africa Union (AU) Conference of Ministers of Trade, Cairo, 5-9 June.
- To participate in the Second South Summit, Doha, 12-16 June.
- To lecture at an APEC Conference, Tokyo, 1-2 September.
- To attend a joint APEC/UNCTAD conference and to participate in an investment experts group meeting, Japan, 1-6 September.
- To attend and provide a summary of the discussion of the joint seminar with ASEAN-Japan Centre, ASEAN Secretariat and UNCTAD on "Japanese FDI in ASEAN: Investment, Reinvestment and Relocation", Jakarta, Indonesia, 7-8 September.
- To attend meeting of the joint FATS Working Group with Eurostat and the European Commission, Luxembourg, 15-16 September.
- To attend the G77 meeting, New York, 21-23 September.
- To work on UNCTAD's partnership with Conference Board and meet with officials from the Canadian International Development Agency, Ottawa, 24-25 October.
- To attend the UNCTAD/ESCWA Expert Meeting Group Meeting on Networking of Expertise on FDI, Beirut, 28-30 October.

**6. Cooperation with national and international business organisations, professional associations, trade unions, academia, private enterprises and nongovernmental organisations on investment, enterprise and technology issues**

- To attend the Executive Meeting for the International Federation of Accountants (IFAC), 7-8 February.
- To participate in the Education Committee of International Federation of Accountants, 1-4 March.
- To participate in the work of the tenth annual World Investment Conference of the World Association of Investment Promotion Agencies (WAIPA), Geneva, 9-10 March.
- To participate in the IFAC Developing Nations Task Force, Prague, 7-8 March.
- To present UNCTAD's work on SMEs to the IFAC Conference, Prague, 11 March.
- To attend the AFRASIA Business Council launching in Mauritius, 29-31 March.
- To create a course for Varese University on FDI (causes, effects and national policies), 1 April.
- To present to the INSME General Assembly, and the INSME 2005 Annual Meeting, Barcelona, 13-14 April.
- To participate in Arab region roundtable on Harnessing Science and Technology and Innovation for Sustainability, Dubai, 17-18 April.
- To meet and interview TNCs to obtain inputs for WIR2005; to participate in regional workshop on WIR05 jointly organized by UNCTAD, Texas A&M International University and EGADE, Monterrey, 21-24 April.
- To participate in Preparatory NGO/Civil Society Forum, Tunisia, 23-25 April.
- To meet with the City Business School to agree on the Syllabus and curricula for the six remaining management models of the Insurance EMBA, London, 4 -5 May.
- To participate in the IAASB Clarity Forum, Brussels, 11 July.
- To attend technical ICAI International Conference on the Accounting Profession: Adding Value to New Horizons of Economic Growth, New Delhi, 1-2 September.

- To participate in the EFAC Developing Nations Permanent Taskforce, Kolkutta, 18-19 October.
- To participate in the WAIPA Regional Conference "The Rise of Reciprocal Investment in Asia and its Implication for Emerging Economies", Busan, Republic of Korea, 15-19 November.
- To make a presentation to the China-Africa Business Council (CABC) on Africa's investment climate, Beijing, 27-28 December.

**7. Liaison with relevant agencies (ITU, WIPO, FAO, UNV, UNESCO, etc.) in support of the coordinating role of the CSTD, as requested by ECOSOC**

- To represent UNCTAD/CSTD and make presentation of the digital divide report 04 on the WSIS Thematic meeting on Multi-stakeholder Partnership for Bridging the Digital Divide, Seoul, 22-26 June.
- To participate at Prep-Com 3 (World Summit on the International Society), 19-30 September, Geneva.
- Meeting at UNIDO on Biotechnology Network

## DITE WEBSITES

### **Division Website**

<http://www.unctad.org/dite>

### **Programme Websites**

*Advisory Service on Investment and Training (ASIT):* <http://www.unctad.org/asit>

*Enterprise Development and Internationalization:* <http://www.EMPRETEC.net/>

*FDI Statistics:* <http://www.unctad.org/fdistatistics>

*Global Investment Prospects Assessment:* <http://www.unctad.org/fdiprosects>

*Insurance Programme:* <http://www.unctad.org/insuranceprogramme>

*International Investment Agreements:* <http://www.unctad.org/ia>

*International Gateway:* <http://www.investway.org/>

*International Standards on Accounting and Reporting:* <http://www.unctad.org/isar>

*Investment Compass:* <http://compass.unctad.org/>

*Investment Map:* <http://www.investmentmap.org/>

*Investment Policy Reviews:* <http://www.unctad.org/ipr>

*LDC Investment Guides:* <http://www.unctad.org/investmentguides>

*Science and Technology for Development Network:* <http://www.unctad.org/stdev>

*Transnational Corporations Journal:* <http://www.unctad.org/tnc>

*UNCTAD-UNCTC Library on FDI and TNCs:* <http://unctc.unctad.org/>

*UNCTAD-ICSTD Project on Intellectual Property Rights:* <http://www.iprsonline.org/>

*World Association of Investment Promotion Agencies (WAIPA):* <http://www.waipa.org/>

*World Investment Report:* <http://www.unctad.org/wir>