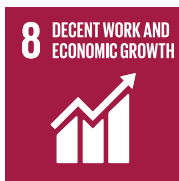


FOSTERING ECONOMIC EFFICIENCY, IMPROVING GOVERNANCE

Efficient markets and effective and development-focused States are indispensable for the successful implementation of the 2030 Agenda for Sustainable Development. Markets play an important role in the allocation of resources. However, without proper regulatory mechanisms, there are risks of market failures, including abuses of monopoly power, negative externalities and inequality. The role of States is to correct market failures, create an enabling legal, regulatory and institutional framework and provide the right incentives for market players to contribute more effectively towards sustainable development. UNCTAD technical cooperation supports developing countries in fostering economic efficiency and improving governance. In particular, it helps establish pro-competitive regulations, promote responsible business practices, reduce administrative burdens and strengthen statistical capacity to formulate sound economic policies.



COMPETITION AND CONSUMER PROTECTION POLICIES AND FRAMEWORKS

IMPROVING MARKET EFFICIENCY AND CONSUMER WELFARE



GLOBAL CONTEXT



UNCTAD assists developing countries and countries with economies in transition in adopting or revising competition and consumer protection legislation and policies, to align with international best practices, as well as regional frameworks in these areas. Competition and consumer protection policies are complementary to trade and industrial policies. They play an important role in achieving the Sustainable Development Goals.

UNCTAD contributes to the strengthening of competition and consumer protection regimes in developing countries and countries with economies in transition through the following:

- Developing policy, legislative and institutional frameworks;
- Drafting competition and consumer protection legislation adapted to addressing current challenges and harmonized with regional frameworks;
- Designing institutional frameworks to improve institutional efficiency;
- Building human capacities through training programmes;
- Developing curriculums for universities, to deliver courses on competition and consumer protection;
- Establishing links between agencies through study visits to agencies from both developed and developing countries.

UNCTAD has expertise in competition and consumer protection policies and has been working in these areas since the 1980s. Competition and consumer policies are crucial to inclusive and sustainable development. In the current global economy, with highly concentrated markets, competition policy is even more relevant. On the demand side, consumers need more effective protection and appropriate remedies in the digitalizing world.

UNCTAD has a record of accomplishments in assisting developing countries in building capacities to adopt and implement competition and consumer protection laws and policies. The work of UNCTAD in this field is evident in the following regions: Asia and the Pacific, including the Association of Southeast Asian Nations; Eastern Europe, including the Sofia Competition Forum; Latin America, including Competition and Consumer Protection for Latin America (COMPAL) Programme I, II and III; the Middle East and North Africa, including the competition and consumer protection programme for the region; and sub-Saharan Africa, including, at the national level, Ethiopia and Zimbabwe and, at the regional level, the Central African Economic and Monetary Community, the Common Market for Eastern and Southern Africa, SADC, the Southern African Customs Union and the West African Economic and Monetary Union.

As a result of the effective implementation of its capacity-building programmes, UNCTAD has developed good cooperation and working relationships with competition and consumer protection agencies in member States. The UNCTAD network with these agencies is further reinforced through annual meetings of the Intergovernmental Group of Experts on Competition Law and Policy, held since 1998, and the Intergovernmental Group of Experts on Consumer Protection Law and Policy, held since 2016.





HOW CAN COMPETITION AND CONSUMER PROTECTION POLICIES AND FRAMEWORKS HELP?

UNCTAD competition and consumer protection policies and frameworks help countries to adopt appropriate policies and legislation in these areas or improve existing ones, foster a competition culture and raise awareness among consumers and businesses. UNCTAD provides support to relevant institutions to improve their structures and organizations and to strengthen staff capacities in implementing competition and consumer protection legislation.



RESULTS AND IMPACT AT A GLANCE

UNCTAD has achieved the following results in countries involved in its capacity-building programmes:

- Improved competition and consumer protection legislation, to address current challenges;
- Strengthened human capacities in competition and consumer protection law enforcement;
- Improved institutional structure and organization to strengthen effective and efficient law enforcement;
- Enhanced competition culture through advocacy and awareness raising seminars.

Brief highlights

The West African Economic and Monetary Union adopted a new institutional and regulatory competition framework to strengthen cooperation between national competition authorities and the regional authority.

With the support of COMPAL, at present, 31 competition and consumer protection agencies in Latin America are linked by over 35 cooperation agreements. UNCTAD organizes seven annual regional activities, gathering more than 250 participants. Since 2015, more than 800 civil servants have been trained each year under COMPAL at the National Institute for the Defense of Competition and Protection of Intellectual Property (INDECOPI)-COMPAL school in Peru. COMPAL has built partnerships with other entities, ensuring the sustainability of its activities, whereby beneficiary funding forms up to 80 per cent of the budget.

“The competition and consumer protection project implemented by UNCTAD and funded by the Government of Luxembourg helped the Trade Competition and Consumer Protection Authority of Ethiopia build capacities, restructuring the Authority and amending the competition law. Training workshops have been helpful to [Authority] staff in competition law enforcement. The guidelines produced and validation workshops helped [the Authority] identify the gaps in the existing competition law and amend it to conform to international standards.”

Mr. Biruh Gemedo, Trade Competition and Consumer Protection Authority, Ethiopia



PROGRAMME FACTS AND FIGURES

Scope: All regions

Start date: 2003

Completed programmes:

1 national (Zimbabwe); 3 regional (COMPAL I and II, West African Economic and Monetary Union and Association of Southeast Asian Nations)

Ongoing programmes:

COMPAL III; 1 national (Ethiopia); 2 regional (Central African Economic and Monetary Community and competition and consumer protection programme for the Middle East and North Africa)

Website: unctad.org/competition



Sustainable Development Goals addressed:

Directly: 8 and 10

Indirectly: 12



DONORS/ FUNDING SOURCE

Current and past: Luxembourg, Spain, Sweden, Switzerland and the European Union



VOLUNTARY PEER REVIEWS OF COMPETITION AND CONSUMER PROTECTION LAWS AND POLICIES

SHARING BEST PRACTICES FOR DEVELOPING COUNTRIES



GLOBAL CONTEXT

Competition is fundamental to the success of any market economy. It stimulates a country's attractiveness as a business location and can foster economic efficiency, productivity, innovation and economic growth. Competition can also result in lower prices and a wider range of and improved products, which in turn can benefit consumers by protecting their welfare. Benefits from trade cannot reach their potential due to anti-competitive business practices, which restrict competition or erect barriers to market entry. Furthermore, increasing market concentration is a feature of the current global economy. Therefore, it is essential for all countries to assess and, if necessary, improve the effectiveness of their competition laws and policies.

UNCTAD has supported developing countries and countries with economies in transition through a process of voluntary peer reviews of their competition laws and policies since 2005. The unique development perspective and experience of UNCTAD in working with competition authorities worldwide serves as a guarantee that the voluntary peer review process focuses on improving competition laws and policies in a way that fosters competitiveness and addresses countries' development needs and current economic challenges.

Consumer protection law and policy play a crucial role in ensuring that consumers are well-informed and well-protected against deceptive and fraudulent practices, and will be provided with appropriate remedies if deceived. UNCTAD has supported developing countries and countries with economies in transition through a process of voluntary peer reviews of their consumer protection laws and policies since 2016. The reviews aim to improve consumer protection legislation and enforcement and ensure that countries are able to address current challenges in providing effective protection to consumers.



HOW CAN A VOLUNTARY REVIEW BY PEERS HELP?

UNCTAD Voluntary Peer Reviews of Competition and Consumer Protection Laws and Policies allow developing countries to benchmark their legislative framework against international best practices. They also provide an opportunity for reviewed agencies to self-evaluate their enforcement performance. The Reviews are conducted using an interactive peer review method that promotes knowledge-sharing between competition authorities at the regional and international levels, enhances informal cooperation networks and encourages both North–South and South–South cooperation.



The Reviews identify major procedural, administrative and legislative changes that might be necessary for the optimum functioning of the competition and consumer protection authority and the law. They give insights into country-specific constraints, including political and economic problems that restrict effective enforcement of the laws in question. The Reviews serve as a basis for peer review examination during the annual meetings of the Intergovernmental Groups of Experts on competition and consumer protection laws and policies.



RESULTS AND IMPACT AT A GLANCE

- Global competitiveness assessments carried out annually by the World Economic Forum show that competition climates have improved in 10 countries following their peer review processes, facilitated by UNCTAD – an indication of UNCTAD contributions to competition law and policy.
- Review reports have been used in amending legislations (at the level of draft laws), for advocacy and in establishing a new training agenda for staff. Based on an independent evaluation in 2013 of the UNCTAD programme, the proportion of recommendations adopted ranges from 10 to 85 per cent, with an average of 40 to 45 per cent. Competition authorities have been better equipped with high quality analysis capacities to assess competition.

Brief highlights

The Peer Review of Competition Law and Policy of Zimbabwe led to a capacity-building project to implement the Review recommendations. This project, funded by the European Union, was implemented by UNCTAD in 2014–2016, and resulted in the adoption of a national competition policy by the Cabinet and the drafting of a new competition law for Zimbabwe, to be submitted to the Parliament.

The recommendations of the Peer Review of Competition Law and Policy of Mongolia, undertaken in 2012, are currently being implemented in cooperation with the Japan International Cooperation Agency and the Authority for Fair Competition and Consumer Protection of Mongolia.



PROGRAMME FACTS AND FIGURES

Start date: 2005

Reviews per year:

2 (starting in 2018, one on competition law and policy and one on consumer protection law and policy)

Completed Peer Reviews of Competition Law and Policy:

25, including 1 regional Review in the West African Economic and Monetary Union (28 countries covered)

Upcoming Reviews: Botswana (competition law and policy) and Morocco (consumer protection law and policy; the first Review in this area)

Website: unctad.org/competition/peer-reviews



Sustainable Development Goals addressed:

Directly: 8 and 10
Indirectly: 12



DONORS/ FUNDING SOURCE

Current and past:

Norway, Spain, Sweden, Switzerland, the United Kingdom and the European Union



BUSINESS FACILITATION

SIMPLIFYING THE REGULATORY ENVIRONMENT TO IMPROVE NATIONAL BUSINESS, INVESTMENT AND TRADE CLIMATES



GLOBAL CONTEXT

Facilitating business through simplified administrative procedures reduces informality and corruption, empowers small entrepreneurs, removes bureaucratic barriers to trade and investment and increases government revenue, thereby fostering enterprise creation and operation. It also increases competitiveness and ultimately contributes to economic growth. UNCTAD estimates that administrative and procedural transaction costs, excluding customs-related costs, constitute between 3 and 6 per cent of the value of internationally traded goods. There are thus opportunities for reductions in transaction costs and for increased competitiveness.

The UNCTAD Business Facilitation Programme aims to seize such opportunities and offers a series of efficient ICT tools and interactive methodologies to clarify and simplify procedures. Applied sequentially, they comprise an integrated programme for the modernization of public administration. The Programme provides an interface for interdivisional and inter-agency cooperation for increased coherence and impact at the country level.



HOW DOES THE PROGRAMME HELP IMPROVE THE BUSINESS ENVIRONMENT?

The Business Facilitation Programme provides a methodology that allows for the simplification of procedures without changes to regulations. Focused on streamlining administrative practices, the main aspect experienced by users, the Programme is aimed at producing quick and measurable results and includes three sequential components: eRegulations, eSimplifications and eRegistrations. The tools are developed at the request of beneficiary Governments.

The eRegulations system is an affordable, turn-key solution for Governments to clarify and publicize administrative procedures on the Internet. It shows administrative procedures step by step from the user's point of view. For each step, it provides the following data: contact information (entity, office and person in charge), expected result of the step, required documents, cost, duration, legal justification and ways to complain. Any type of administrative

procedure can be clarified through an eRegulations portal, such as company creation, tax payment, import and export.

Once clarified, procedures are easier to simplify, by comparing the practice to the law and limiting the number of interactions and documents to what is necessary and sufficient. The 10 principles to simplify administrative procedures – eSimplifications – generally allow Governments to decrease steps and requirements by more than 50 per cent, without changing laws.

Simplified procedures are computerized using the UNCTAD eRegistrations system, a web-based application conceived to create electronic single windows, which allow for simultaneous registration with multiple public agencies.





RESULTS AND IMPACT AT A GLANCE

With rapid and measurable results, the Business Facilitation Programme concretely supports the move from an informal to a more formal economy with increased transparency. It also empowers small entrepreneurs through the removal of unnecessary bureaucratic barriers to trade and investment.

The Programme supports Governments' efforts towards institutional efficiency, including the increased collection of tax revenue, to be later reinjected into the economy in support of innovative sectors with a focus on the employment of women and youth.

The Programme has been implemented in 34 countries. More than 60 user-centred open source electronic government systems have been developed to clarify, simplify and automate administrative procedures, thereby facilitating business operations and alleviating regulatory burdens. A few recent examples are as follows:

- Benin has reduced the time and cost for registering a business by 85 per cent through implementation of the eRegulations and eRegistrations systems. Businesses can now comply with formalities online and obtain nine mandatory registries with six different institutions through a unique platform in one day. Previously, the procedure involved 20 physical steps, 30 documents and 15 days of processing time;
- Cameroon has formalized over 12,000 businesses in one year through the eRegistrations system. The system has been installed in three regions, namely Douala, Garoua and Yaoundé, and has led to a reduction of more than 70 per cent in the number of steps and requirements and in processing time;
- El Salvador has fully automated the process to register companies and individual traders. Eight institutions now offer their services online through the eRegistrations system and businesses can obtain their mandatory registrations in less than three days;

- India, Oman and Saudi Arabia have officially joined the Global Enterprise Registration portal, a joint initiative by UNCTAD, the Kauffman Foundation's Global Entrepreneurship Network and the Department of State of the United States. The portal gives direct access to official business registration websites worldwide and assessments of their user-friendliness. Bhutan and Cameroon have received Global Enterprise Registration awards for their online systems.



PROGRAMME FACTS AND FIGURES

Start date: 2005

Countries assisted per year:
6 (average)

Coverage: 52 eRegulations, 5 eRegistrations and 8 trade portal systems implemented in 34 countries

Website: unctad.org/Business-Facilitation

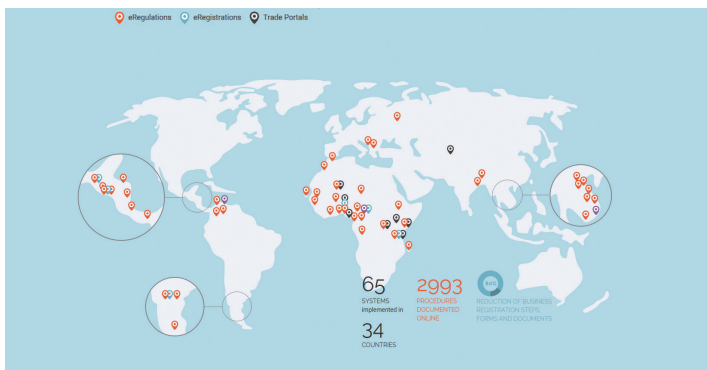


Sustainable Development Goals addressed:

Directly: 8 and 16

Indirectly: 1 and 17

Business facilitation systems implemented



DONORS/ FUNDING SOURCE

Current: Self-financing by some user countries, Germany, the United States, European Commission, One United Nations Fund and Trade Mark East Africa

Past: France, Luxembourg, the Netherlands and Switzerland



TRADE FACILITATION

MAKING TRADE EASIER AND FASTER



GLOBAL CONTEXT

In an international environment where falling tariffs and quotas represent less of a barrier to trade, trade facilitation has emerged as an important trade policy tool. The main objective of trade facilitation is to reduce complexities and costs associated with cumbersome border procedures and controls, while maintaining efficient compliance controls. World Bank estimates suggest that administrative hurdles arising from cumbersome border procedures can cause up to 75 per cent of delays of shipments.

The Agreement on Trade Facilitation of the World Trade Organization, which entered into force on 22 February 2017, is a major international achievement. It aims to reduce trade transaction costs and bureaucratic barriers, speeding up clearance procedures for the cross-border trade of goods, thereby making trade easier, faster and less costly. The alignment of national and regional rules with the multilateral trade facilitation framework is instrumental to achieving increased trade integration.

To facilitate the implementation of the technical and institutional obligations resulting from the Agreement on Trade Facilitation, UNCTAD assists developing countries and LDCs with a range of activities, as follows: elaboration of needs assessments and assistance with the ratification, categorization and notification of national trade facilitation implementation plans; development of project plans; assistance with the establishment of national trade facilitation committees; general capacity-building and technical assistance on trade facilitation reforms; and assistance with the implementation of trade facilitation measures through related activities such as the Automated System for Customs Data (ASYCUDA).



HOW DOES UNCTAD SUPPORT NATIONAL TRADE FACILITATION COMMITTEES?

UNCTAD provides an intensive professional programme for the secretariat and members of national trade facilitation committees, namely the Empowerment Programme for National Trade Facilitation Committees. The main objective is to assist committees to implement, in a coordinated manner, trade facilitation reforms, including the provisions of the Agreement on Trade Facilitation, and to be able to monitor implementation.

With a view to ratification and implementation of the Agreement, UNCTAD support covers the following:

- (a) Assessments of technical assistance needs and preparation of categorization of provisions of the Agreement;
- (b) Tailored training on trade, transit and transport facilitation;
- (c) Advisory services on ratification of the Agreement;
- (d) Assistance in the creation and sustainable operation of national trade facilitation committees.



UNCTAD
EMPOWERMENT
PROGRAMME

for National Trade Facilitation Committees



RESULTS AND IMPACT AT A GLANCE

UNCTAD has developed 45 implementation plans and 145 project proposals related to needs assessments and gap analyses.

UNCTAD has established an online repository of national trade facilitation committees, containing information and analyses of over 130 committees worldwide.

UNCTAD published *Trade Facilitation and Development: Driving Trade Competitiveness, Border Agency Effectiveness and Strengthened Governance*.

UNCTAD has provided assistance to the East African Community secretariat and has supported the East African Community and its members in achieving the following:

- Notification of Category A provisions;
- Establishment of a regional subcommittee on trade facilitation;
- Establishment of five national trade facilitation committees;
- Design of strategic planning on trade facilitation;
- Elaboration of 15 project proposals;
- Completion of gap analyses and need assessments.



PROGRAMME FACTS AND FIGURES

Scope: All regions

Start date: 2012

Countries assisted: 50+

Ongoing programmes:
Empowerment Programme for National Trade Facilitation Committees, in 15 developing countries and LDCs

Website: unctad.org/tf

Sustainable Development Goals addressed:

Directly: 10 and 16

Indirectly: 17



DONORS/ FUNDING SOURCE

Current: China, Germany, the United Kingdom, the United States (Agency for International Development), the European Union and Trade Mark East Africa

Past: Norway, Spain, Sweden and United Nations Development Programme



ASYCUDA – AUTOMATED SYSTEM FOR CUSTOMS DATA STREAMLINING CUSTOMS MANAGEMENT



GLOBAL CONTEXT

Long waiting times at borders, inappropriate fees and cumbersome formalities are all serious obstacles to trade and adversely affect investment and employment. An efficient and effective customs administration is essential to the welfare of any country. It benefits the national economy in various ways: by collecting revenue; by assisting the Government to promote cross-border trade; and by combating fraud and illegal trafficking of prohibited and restricted goods. It further provides the statistical information on foreign trade transactions essential for economic planning and encourages international trade. The automatic calculation of duties speeds up and simplifies the clearance process and increases State revenues.

ASYCUDA is an ICT-based customs management system targeted at reforming the customs clearance processes of developing and middle-income countries. It computerizes and simplifies procedures. ASYCUDA has a major impact on electronic business and government transactions, making international trade simpler and cheaper, and international markets more accessible to enterprises from developing countries. In more and more countries, ASYCUDA constitutes the core system for building a single window for international trade, trade portals, port management training and the implementation of transit and corridor management.



HOW CAN CUSTOMS PROCEDURES BE IMPROVED?

The UNCTAD ASYCUDA software is installed at the request of Governments and adapted to suit the national characteristics of individual customs regimes, national tariffs and legislation.

The ASYCUDA Programme itself is implemented in three phases. A preparation phase identifies the areas needing reforms, such as simplification of clearance procedures, alignment of forms to international standards and modernization of the national customs law.

During the implementation phase, ASYCUDA is configured to incorporate national specificities, that is, the coding of tariffs and related regulations and legislation, data entry of the control tables and preparation of valuation systems. A large training and capacity-building programme is associated with this phase for the transfer of skills and know-how.

In the roll-out phase, various national sites are equipped with the human, logistical and technical skills to autonomously implement and manage the ASYCUDA project.



PROGRAMME FACTS AND FIGURES

Scope: All regions

Start date: 1981

Countries and territories benefited: 113

Ongoing activities: 5–8 projects under negotiation; 45–50 active projects

Countries using latest ASYCUDA version (2015–2016): 77

New ASYCUDA projects or addendums signed (2015–2016): 19

Website: unctad.org/ASYCUDA



Sustainable Development Goals addressed:

Directly: 9

The ASYCUDA software suite ensures that what gets measured, gets done, and that what gets measured, gets managed. A new module, the AYCUDA System for Performance Measurement, is a tool that allows customs management to measure its performance, through the provision of dynamic graphs, diagrams and tables based on live and accurate information on all customs operations, which enable management to detect inefficient practices and increase its efficiency.

- Inter-agency cooperation improved through information-sharing facilitated by use of ASYCUDA World, which streamlined work and reduced need for multiple verifications of the same consignment.



RESULTS AND IMPACT AT A GLANCE

In Afghanistan, in the last eight years, customs revenues have increased from around \$50 million in 2003 to over \$950 million in 2011 – an increase of around 2,000 per cent. In addition, the waiting time for trucks at major border crossings has decreased. At Torkham, the border with Pakistan, over 90 per cent of trucks are now cleared in less than 1.5 hours, down from 18 hours in 2003.

In Rwanda, a \$3.3 million electronic single window system recorded the following results:

- Time taken to clear goods decreased from 11 days in 2010 to 34 hours in 2014, and volumes of cargo inspected increased from 14 per cent in 2012 to 42 per cent in 2014;
- Cost of clearance reduced by more than 85 per cent in one-year period (2013–2014);



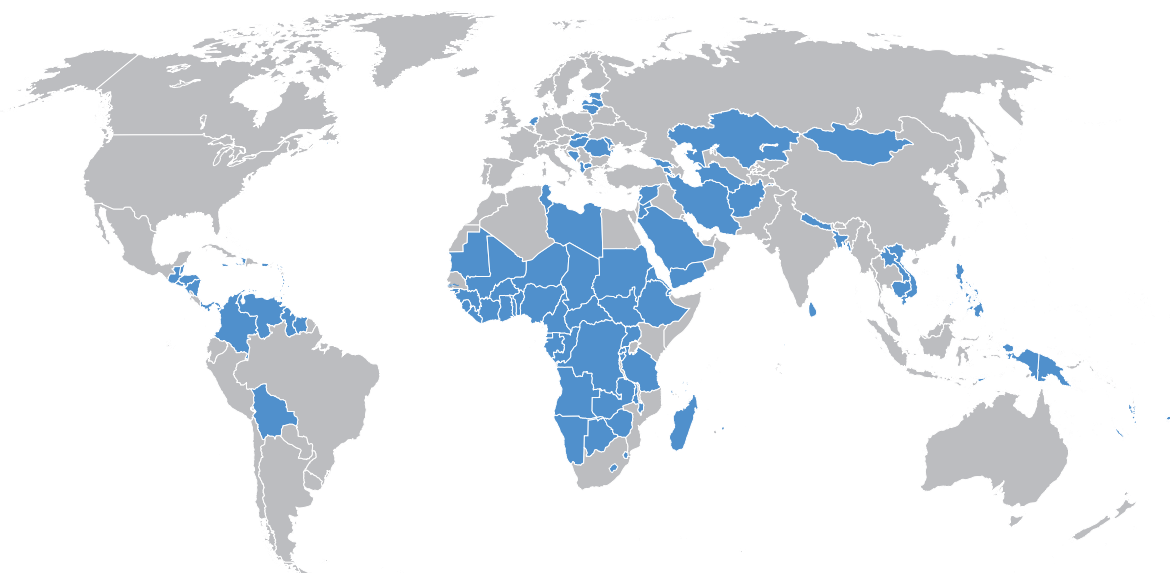
DONORS/ FUNDING SOURCE

Current: Beneficiary countries (91.3 per cent financed by recipient Governments in 2015–2016), development banks (3.3 per cent) and others (5.4 per cent)

Past: France, Japan, the Netherlands, Norway, the United Kingdom, European Commission and World Bank

ASYCUDA technical assistance projects, 2017

In 2017, 40 least developed countries, 24 landlocked developing countries and 20 small island developing States benefited from ASYCUDA programme support



STATISTICS

MAKING THE NUMBERS ADD UP TO INFORM AND IMPROVE POLICY RECOMMENDATIONS



GLOBAL CONTEXT

Reliable statistical information – statistics and indicators used in the analysis of international trade, investment and development – is indispensable for formulating sound economic policies and recommendations. Policy decisions, once taken, may commit countries for many years as they strive to integrate into the world economy and improve the living standards of their citizens. Having access to high-quality research and evidence-based policy analysis thus enables countries to make informed decisions and design better policies. This, in turn, is essential to fostering social, environmental and economic development.

Good quality, robust statistics are inherent to the work of UNCTAD. UNCTAD compiles, validates and processes a range of data collected from national and international sources. Most time series data cover extended periods of time, with some dating back to 1948, for almost all economies in the world. The breadth of information makes possible analysis of emerging and timely issues in the context of long-lasting trends and a wide geographical scope. When data are missing or there is a break in a series, UNCTAD applies its expertise and methodology to make estimates. UNCTAD statistics are thus grounded in continuity, accuracy and timeliness. Statistical work also conforms to the United Nations principles governing international statistical activities – formulated with significant contributions from UNCTAD.



HOW CAN STATISTICS BECOME THE BASIS FOR POLICY DECISIONS?

Broadly, the UNCTAD Statistics Programme produces more than 150 indicators and statistical time series essential for the analysis of international trade, economic trends, FDI, external financial resources, the population and labour force, commodities, the information economy and maritime transport. In many cases, UNCTAD statistics are compiled jointly or in close cooperation with other statistical agencies. For example, quarterly and annual trade in services statistics are jointly compiled with the World Trade Organization. This is not only an efficient use of resources but also ensures comparable and consistent results.

On a practical level, being able to use data is key to conducting the research and analysis that are the foundation of policymaking. The UNCTADstat database houses data for every country in the world. Such information can be used to automatically generate “country profiles”. The profiles are individual summaries of selected descriptive statistics that can be of interest to a range of users – from economists and modellers, who typically want all the data they can get, to journalists who need a few pertinent facts. UNCTADstat can also generate detailed tables for specialists.



PROGRAMME FACTS AND FIGURES

Scope: 150+ indicators and time series data

Start date: 1967

FDI activities per year: 4 (since 2004)

Website: unctad.org/statistics

UNCTADstat database:
unctadstat.unctad.org



**Sustainable Development
Goals addressed:
Directly:** 17



DONORS/ FUNDING SOURCE

Current and past: West African Economic and Monetary Union (statistics on trade in services), Multi-donor/Cross-cluster Trust Fund on Capacity-building in Investment for Development (statistics on FDI) and United Nations Development Account (statistics on illicit financial flows)

The country profiles are tailored to showcase data unique to UNCTAD: trade, investment, ICT and maritime transport. Other basic economic data are also included – such as gross domestic product and exchange rates – to provide context. Currently, country profiles include data for 2005, 2010, 2015 and 2016. The profiles reflect any updates or revisions to the data and reference years are redefined accordingly, as soon as all variables have been brought up to date.

Reliable FDI data is crucial for the national statistical analysis of investment and for better shaping and evaluating national policies. To make this a reality on the ground, UNCTAD proposes workshops that aim to enhance the capacity of developing country government agencies to compile, disseminate and report FDI and transnational corporation data.

UNCTAD also assists national statistical agencies in developing countries and countries with economies in transition in their data collection and dissemination efforts. In cooperation with United Nations agencies, development banks and other international organizations, such as Eurostat, capacity-building initiatives are carried out in the areas of international trade, FDI, debt, commodities, ICT and the creative economy.



RESULTS AND IMPACT AT A GLANCE

- The UNCTADstat database went live in 2010. It is updated and enhanced continuously to provide users with the latest available data. In 2016, the revamped UNCTADstat website recorded close to 400,000 visits from over 200 countries.
- Country profiles, launched in 2015, are specially designed to display on most current web browsers. They draw on UNCTADstat and can be accessed from anywhere in the world using only basic computers. This enables users from developing countries, even with limited bandwidth, to have access to a wide range of easily accessible data. Moreover, each country profile can be easily downloaded in PDF format. A new series of maritime profiles was launched in 2016.
- In the context of the 2030 Agenda for Sustainable Development, the Statistics Programme contributed to the formulation of indicators for the Sustainable Development Goals, providing technical advice and data on several proposed indicators. An annual dashboard dedicated to indicators for which UNCTAD is custodian is currently under development.
- UNCTAD produces a number of publications to further facilitate access to data. The *UNCTAD Handbook of Statistics* is produced

annually – capturing data at one point in time, as are the relatively new *Key Statistics and Trends in International Trade* and *Key Statistics and Trends in Trade Policy*. In addition, UNCTAD produces the online *Development and Globalization: Facts and Figures*, which offers practical tools for a better understanding of development trends and their evolution over time. The 2016 edition was dedicated to the measurement of the achievement of the Sustainable Development Goals.

- The scarcity, unreliability and inconsistency of FDI data pose a serious challenge for policymakers, academics and practitioners. To fill that gap, UNCTAD launched the Bilateral FDI Statistics 2014, which presents FDI data systematically. The tool covers inward and outward FDI flows and stocks by region and economy.
- The Statistics Programme is currently developing a “World Economy Database” – this will be a macro-modellers database designed to support the UNCTAD Global Economic Model, used to simulate and/or test scenarios for the Group of 20 specifically, but also generally for global computable general equilibrium modelling.

Results in-depth: Applying the numbers – UNCTAD flagships

The annual UNCTAD flagship publications – the *Trade and Development Report*, *The Least Developed Countries Report*, *Economic Development in Africa Report*, *World Investment Report* and *Review of Maritime Transport* – provide rigorous research and policy recommendations on globalization, interdependence and development. The reports draw on the Statistics Programme’s data for their analysis of issues ranging from current economic trends and major policy issues of international concern to trends in FDI and emerging measures to improve the contribution of FDI to development, and socioeconomic analysis and data on the world’s most impoverished countries. The data and analysis serve as the basis for the policy recommendations presented by UNCTAD in the reports for addressing such issues at the national, regional and multilateral levels.



CORPORATE ACCOUNTING AND REPORTING

AIMING AT TRANSPARENCY



GLOBAL CONTEXT

The increasing pace of globalization has created a strong interdependence and connectivity among worldwide financial markets. Compliance with a series of international standards, codes and regulations applicable to corporate reporting has become an essential requirement for countries to continue attracting financial resources. Consequently, a sound accounting infrastructure that enables high-quality corporate reporting has become critical for facilitating economic development. Such an accounting infrastructure strengthens investors' and other stakeholders' confidence and enhances comparability, transparency, credibility and financial stability. A strong reporting system facilitates international flows of financial resources and regional economic integration, while helping to reduce corruption and the mismanagement of resources. In addition, the non-financial information component of corporate reporting makes companies and organizations accountable for the social and environmental impacts that their activities produce, and provides a link between enterprise reporting and the Sustainable Development Goals. Finally, accounting infrastructure elements related to microenterprises and SMEs play an essential role in fostering financial inclusion and access to finance.

The challenge for many countries, however, continues to be the adoption and effective implementation of international standards. Developing countries, LDCs and countries with economies in transition often struggle to comply with such requirements. UNCTAD, through its Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting, developed the Accounting Development Tool with a view to responding to those challenges. The Tool has two main components: an accounting development framework for high-quality corporate reporting; and a related assessment questionnaire, consisting of detailed questions on important elements of an effective accounting infrastructure, based on international best practices.

UNCTAD is mandated to advance its work on international standards of accounting and reporting, and to promote best practices in corporate transparency and accounting, including through the use of the Accounting Development Tool.



HOW DOES THE ACCOUNTING DEVELOPMENT TOOL WORK?

The Accounting Development Tool enables beneficiary countries to voluntarily assess their accounting infrastructure, including national institutions, regulations, human resources and processes, against international requirements for high-quality corporate reporting. The Tool also promotes an open and constructive dialogue among all



PROGRAMME FACTS AND FIGURES

Scope: All regions

Start date: 2012

Countries assisted: 15

Ongoing or upcoming assessments: 3

Website: unctad.org/isar

Accounting Development Tool website:
adt.unctad.org

**Sustainable Development
Goals addressed:**



Directly: 12 and 17

Indirectly: 9, 13 and 16

stakeholders involved in the reporting supply chain which is required for conducting successful accounting reforms. It is designed to provide guidance to stakeholders and policymakers on the current level of development of a country's accounting infrastructure in order to identify gaps, determine priority areas for further development and design and implement sustainable strategies and action plans towards convergence with international standards and practices.

The Accounting Development Tool provides a quantitative benchmark of a country's position at a particular point in time and its progress towards increased implementation of international standards and practices. Dynamic graphical quantitative information can be generated on strengths and weaknesses at different levels of detail. The Tool also features an Internet-based platform, currently available in English, French, Russian and Spanish, through which assessments can be conducted.



RESULTS AND IMPACT AT A GLANCE

The impact of assessments conducted through the Accounting Development Tool is evidenced in the commitment of countries to implement the Tool and endorse the resulting recommendations through action plans. As at 2017, 15 countries had implemented the Accounting Development Tool. In some cases, countries have implemented the Tool more than once, in order to obtain a quantitative assessment of progress in enacting accounting reform, thereby showcasing the Tool's status as a relevant policymaking guidance instrument.

In 2016, delegates at the thirty-third session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting encouraged the UNCTAD secretariat to continue updating the Accounting Development Tool, based on feedback from member States on its practical implementation and responding to new challenges in the area of sustainability reporting. They also requested UNCTAD to continue raising awareness of the availability of the Tool, to continue promoting its application by member States.

Governments have found the recommendations stemming from applying the Tool to be useful and have implemented them. Such impact has been continuously noted since the thirty-first session of the Intergovernmental Working Group of Experts, most recently at the thirty-fourth session in 2017.

"[The] Accounting Development Tool has helped Kazakhstan develop an action plan and concrete recommendations for the improvement of the corporate reporting infrastructure."

Arman Bekturova,
Director, Ministry of Finance, Kazakhstan

"The Accounting Development Tool has allowed Colombia to establish a rigorous diagnostic of the state of national regulations, institutions and practices, as well as lay the foundation for national stakeholder coordination mechanisms in support of accounting reform."

Wilmar Franco,
President, Technical Council of Accounting,
Ministry of Trade and Industry, Colombia

"Between 2012 and 2017, three rounds of Accounting Development Tool implementation have provided the Russian Federation with a dynamic full-scope assessment of its progress on achieving a high-quality accounting environment."

Leonid Shneydman, Head, Regulations of
Accounting, Financial Reporting and Auditing,
Ministry of Finance, Russian Federation



DONORS/ FUNDING SOURCE

Current: Association of Chartered Certified Accountants (United Kingdom)

Past: Côte d'Ivoire, Ecuador, the Netherlands Institute of Chartered Accountants, Association of Chartered Certified Accountants (United Kingdom), Deloitte, Ernst and Young, FBK, KPMG and Pricewaterhouse Coopers



INVESTMENT AND PUBLIC HEALTH

STRENGTHENING PUBLIC HEALTH SYSTEMS BY PROMOTING INVESTMENT



GLOBAL CONTEXT



Pharmaceutical research and development requires investment. In this regard, two challenges need to be overcome. First, while the pharmaceutical industry has developed effective treatment for communicable and non-communicable diseases such as HIV/AIDS, cancer and hepatitis, the related medicines are too expensive for developing countries' public health systems. Second, current research and development incentive structures have limitations and a rethink is required to channel investment for innovative responses to public health needs. There is, for example, an acute need to respond to the steep rise in antimicrobial resistance, affecting in particular Latin America, South and South-East Asia and sub-Saharan Africa.



HOW DOES THE INVESTMENT AND PUBLIC HEALTH PROGRAMME WORK?

UNCTAD provides technical assistance to developing countries in the promotion of investment in domestic public health systems, in pursuit of Sustainable Development Goal 3, through its Investment and Public Health Programme. The Programme emphasizes coherence between related laws and policies, including investment, intellectual property and health. UNCTAD also assists countries with the formulation of intellectual property-related policy and promotes stakeholder ownership to ensure the sustainability of its activities, for instance through the training of judicial academy trainers. The mandates for the Programme are in paragraph 55 (s) of the Nairobi Maafikiano, adopted at the fourteenth session of the United Nations Conference on Trade and Development; recommendation 40 under the Development Agenda of the World Intellectual Property Organization; and elements 4 and 5 of the Global Strategy and Plan of Action on Public Health, Innovation and Intellectual Property of the World Health Organization.



RESULTS AND IMPACT AT A GLANCE

The Investment and Public Health Programme was launched in 2017, building on a wealth of experience under the long-standing Development Dimensions of Intellectual Property Rights Programme, as shown in the following examples:

- Training courses are held to equip judges with an understanding of the public health implications of their decisions. Workshop



PROGRAMME FACTS AND FIGURES

Scope: Africa, Asia and Latin America

Start date: 2002

Activities and countries assisted per year: 25 (average) and 3 regional activities

Countries assisted: 39

Website: unctad.org/ddip



Sustainable Development

Goals addressed:

Directly: 3 and 9

Indirectly: 16 and 17

evaluations attest to the courses' benefits. For example, 96 per cent of workshop participants in the Philippines said they would apply the knowledge acquired in their daily work, all participants rated the course as excellent or good and 96 per cent said they would recommend the workshop to others;

- During the World Investment Forum in 2016, Kenya, South Africa, the African Union, the Joint United Nations Programme on HIV/AIDS and UNCTAD signed the Nairobi Statement on Investment in Access to Medicines, undertaking to facilitate investment in pharmaceutical production in Africa;
- In July 2016, Indonesia enacted amendments to its national patent law, incorporating recommendations from an UNCTAD report on the development dimension of intellectual property in Indonesia;
- UNCTAD assisted Viet Nam in reviewing its patent examination guidelines and aligning the national intellectual property policy with recommendations to improve the policy environment to stimulate local pharmaceutical production and promote access to medicines. As a result, there is increased awareness of the implications of free trade agreements on the domestic pharmaceutical and health sector;
- The final report of the High-Level Panel on Access to Medicines, in its recommendations on Trade-Related Aspects of Intellectual Property Rights flexibilities, foresees a role for UNCTAD, along with other relevant agencies, in designing patentability criteria for pharmaceuticals in developing countries.

"I would like to express my appreciation for the work conducted by UNCTAD. Participants are now in a better position to understand the implication of [Trade-Related Aspects of Intellectual Property Rights] plus provisions in trade and investment agreements on public health and to design potential negotiation strategies. ... Our patent examiners [better understand] how to use public health considerations in the examination of pharmaceutical patent applications."

Ms. Josephine Santiago, Director General,
Intellectual Property Office, Philippines

"[The UNCTAD programme on access to medicines] has demonstrated its strength in policy analysis, facilitating consensus-building and stakeholder consultation and capacity-building."

Mr. Lionel October, Director General, Department of
Trade and Industry, South Africa



DONORS/ FUNDING SOURCE

Current: Germany (Federal Ministry for Economic Cooperation and Development) and German Agency for International Cooperation

Past: Sweden (International Development Cooperation Agency), United Kingdom (Department for International Development) and Rockefeller Foundation



INTERNATIONAL INVESTMENT AGREEMENTS

BENEFITING FROM INVESTMENT AGREEMENTS FOR DEVELOPMENT



GLOBAL CONTEXT

Countries' efforts to attract and benefit from FDI have resulted in a network of investment rules embodied in numerous bilateral investment treaties, free trade agreements with investment components, double taxation treaties and other treaties with investment provisions. This network of investment rules is multilayered and multifaceted – partly overlapping and partly complementary – and consists of first-generation treaties in need of reform. Parties to international investment agreements and current negotiators should therefore be thoroughly familiar with key issues and concepts surrounding such agreements, including their sustainable development dimension and implementation.

UNCTAD helps developing countries to engage in international investment policymaking, with a focus on treaties' development dimensions and effects. In addition to supporting the participation of Governments, and of relevant stakeholders, in international investment policymaking, UNCTAD assists countries in mainstreaming sustainability into international investment agreements using the Investment Policy Framework for Sustainable Development and the road map for international investment agreement reform. The Investment Policy Framework for Sustainable Development consists of a set of core principles for investment policymaking, guidelines for national investment policies and guidance for policymakers on the design and use of international investment agreements. Together with the road map, the Investment Policy Framework anchors all UNCTAD training and capacity-building activities on such agreements.



WHAT SERVICES HELP TO MAKE INTERNATIONAL INVESTMENT AGREEMENTS WORK FOR COUNTRIES?

UNCTAD activities pursue the common objective of assisting countries in better responding to the growing complexity of the international investment agreement regime and strengthening the sustainable development dimension of these agreements.

Demand drives the services that UNCTAD tailors to the specificities of each country and/or region. Support through the International Investment Agreement Programme covers several aspects, as follows:

- (a) Advisory services provide legal commentary and advice on international investment agreements and their implementation and modernization;
- (b) Capacity-building workshops include intensive training courses and preparatory distance-learning courses on international investment agreements, drawing on the advisory and analytical work of UNCTAD. Training activities are organized at the national, regional and interregional levels, often in cooperation with partner organizations;



PROGRAMME FACTS AND FIGURES

Scope: All regions

Start date: 1997

Activities per year: 4 regional workshops organized, 6 expert advice services provided and 10 national, regional and international capacity-building events co-organized (average)

Activities (1998–2016): 90 advisory services and 35 regional training courses

Website: unctad.org/ia

Sustainable Development Goals addressed:

Directly: 17

Indirectly: 1 and 10



- (c) Evidence-based policy research, provided through tools such as the Issues Notes on international investment agreements, as well as reports to requesting countries and regional organizations;
- (d) Information on bilateral investment treaties, other international agreements with investment components and investor–State dispute settlement cases, provided through databases. The web-based International Investment Agreements Navigator, for example, contains the texts of more than 2,250 bilateral investment treaties and 330 other international investment agreements, dating from 1959 to the present. The database covers 86 per cent of all bilateral investment treaties and 95 per cent of all other international investment agreements currently signed – a “one-stop shop” for delivering information on the latest trends to users and investment stakeholders;
- (e) An international electronic network and online discussion forum on international investment agreements is maintained and backstopped as a service for negotiators and practitioners.



RESULTS AND IMPACT AT A GLANCE

- Of 18 international investment agreements signed in 2016 for which text is available, most reflect the consolidation of a trend to increase the number of sustainable development-oriented provisions as outlined in the Investment Policy Framework for Sustainable Development and the road map for international investment agreement reform (that is, references to sustainable development and the right to regulate in the preamble and the preservation of regulatory space in the treaty text). These developments point towards the Investment Policy Framework’s effectiveness and impact. In addition, several emerging and large developing countries such as Brazil, India, Indonesia and South Africa, as well as countries with economies in transition, have begun to modernize their international investment policies to better align them with sustainable development objectives, frequently referring to UNCTAD work in this area, such as the 10 options for phase 2 of reform of the international investment agreement regime.
- Feedback from participants in capacity-building workshops is generally very positive, with an average of 90 per cent stating that the courses contributed substantially to improving their understanding of the key issues at stake. An average of over 80 per cent of respondents also indicated that they had reported on issues related to the Investment Policy Framework for Sustainable Development to colleagues in their departments and 44 per cent noted that the Investment Policy Framework had prompted their country to reconsider its investment policy strategy.

“UNCTAD has played a vital role for the success of [international investment agreement] reform on two tracks. First, you keep feeding us (the small countries) with excellent information, analysis and technical assistances and second, by organizing different events (regional and multilateral), you give us voice.”

Head, Unit on Bilateral Trade Relations,
Ministry of Foreign Trade and Economic Relations,
Bosnia and Herzegovina, 2016

“I had also the opportunity to learn more about UNCTAD’s idea of a systemic and sustainable, development-oriented reform for the [international investment agreement] regime. That whole experience provided me with some food for thought for what would later become Brazil’s [Cooperation and Facilitation Investment Agreements]. I can’t talk about Brazil’s [Cooperation and Facilitation Investment Agreements] construction process without mentioning UNCTAD.”

Secretary of Foreign Trade and Services,
Ministry of Industry, Brazil, 2016



DONORS/ FUNDING SOURCE

Current: Multi-donor/Cross-cluster Trust Fund on Capacity-building in Investment for Development

Past: Canada, China, France, Germany, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, the United Kingdom and European Commission

