Multi-year Expert Meeting on Trade, Services and Development

Services, development and trade
The regulatory and institutional dimension

Background note by the secretariat (TD/B/C.I/MEM.4/8)

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Outline

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  – Financial services
  – Services under trade agreements
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  – Selected sectoral issues
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Services are enablers of development

• Services, including infrastructure services (ISS - transport, energy, financial services, telecom and ICT) play a key role
  – Contribute to output, employment and trade;
  – Fundamental inputs to all economic activities, both goods and services;
  – Essential to efficient functioning of productive capabilities and a determinant of competitiveness;

• Knowledge, technology and innovation services promote diversification, structural transformation and sustained growth and development;

• Technology and global value chains (GVC) increase tradability of services and their potential for export diversification and upgrading;

• Devising policy, regulatory and institutional frameworks is important to harness benefits of services, but it remains a critical challenge.
Introduction

Services and sustainable development goals (SDGs)

- The achievement of proposed goals and targets relies on universal access to basic & essential services
  - Health (Goal 3), Education (Goal 4) and water and sanitation (Goal 6), also
  - Ending poverty (Goal 1), gender equality (Goal 5), cities and human settlements (Goal 11), climate change (Goal 13);
  - E.g., Lack of access to financial services represents a major impediment for income opportunities of individuals (the poor, women and youth) and for firms (SMEs and micro-enterprises)
  - SDGs of cross-cutting nature presume efficient, environmentally sustainable and equitable functioning of the services sector (e.g, Sustainable tourism, sustainable consumption and production)

- Infrastructure services (ISS) are essential for infrastructure development, industrialization and innovation (Goal 9)
  - Energy (Goal 7) and transport (Goal 11); the role of ICT in Goal 4 on education;
  - Access to financial services (Goal 1), hunger and food security (Goal 2);
  - Knowledge, technology and innovation services essential for Goals 1, 2, 5, 8, 9

- Trade in services is expected to play a major role under goal 17 as a "means of implementation".
Servicification, with increase share of services in GDP

- From 1980 to 2012, 61% to 75% in developed countries (decrease industrial share), 41% to 51% in developing economies (decrease share in agriculture). LDCs with the lowest but stable share (42%);
- Heterogeneity among developing regions: LAC has biggest share (62%), with prevalence of agriculture in Africa and industry in Asia.
Services are a major contributor to employment

- Primary source of employment since early 2000s, expected to employ 1.5 billions by 2015.

### Contribution of services to global employment, 2000 and 2013 (%)

<table>
<thead>
<tr>
<th>Year</th>
<th>Agriculture</th>
<th>Industry</th>
<th>Services</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>40.4</td>
<td>20.5</td>
<td>39.1</td>
</tr>
<tr>
<td>2013</td>
<td>31.8</td>
<td>23.0</td>
<td>45.1</td>
</tr>
</tbody>
</table>

*Source: ILO*
Trends in services economy and trade

Services and exports

• The importance of services in exports differs between countries:
  – Services in total exports is 25% in developed and 15% in developing economies;
  – Developing economies have expanded faster from 2000 to 2013 and their share in world services exports increased from 23% to 30%;

• Different specializations are suggested by sectoral distribution:
  – Developing countries - more pronounced relative importance of travel/transport;
  – Developed countries - other business serv. , financial/insurance contribute more.

<table>
<thead>
<tr>
<th>Category of commercial services</th>
<th>Developed economies</th>
<th>Developing economies</th>
<th>Developing Africa</th>
<th>Developing America</th>
<th>Developing Asia</th>
<th>LDCs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transport</td>
<td>18.2</td>
<td>21.2</td>
<td>30.3</td>
<td>18.7</td>
<td>20.8</td>
<td>23.8</td>
</tr>
<tr>
<td>Travel</td>
<td>21.7</td>
<td>34.1</td>
<td>43.4</td>
<td>39.8</td>
<td>32.5</td>
<td>44.6</td>
</tr>
<tr>
<td>Communications</td>
<td>2.9</td>
<td>2.0</td>
<td>5.2</td>
<td>2.3</td>
<td>1.7</td>
<td>7.6</td>
</tr>
<tr>
<td>Construction</td>
<td>1.8</td>
<td>3.0</td>
<td>2.0</td>
<td>0.1</td>
<td>3.5</td>
<td>4.6</td>
</tr>
<tr>
<td>Financial and insurance</td>
<td>11.4</td>
<td>5.7</td>
<td>3.9</td>
<td>6.1</td>
<td>5.8</td>
<td>3.2</td>
</tr>
<tr>
<td>Computer and information</td>
<td>6.3</td>
<td>6.0</td>
<td>1.4</td>
<td>3.5</td>
<td>6.7</td>
<td>1.2</td>
</tr>
<tr>
<td>Royalties, licence fees</td>
<td>9.5</td>
<td>1.0</td>
<td>0.3</td>
<td>2.1</td>
<td>0.8</td>
<td>0.3</td>
</tr>
<tr>
<td>Other business services</td>
<td>27.3</td>
<td>26.5</td>
<td>12.9</td>
<td>26.6</td>
<td>27.6</td>
<td>14.4</td>
</tr>
<tr>
<td>Personal, cultural and recreational</td>
<td>1.1</td>
<td>0.6</td>
<td>0.5</td>
<td>0.8</td>
<td>0.6</td>
<td>0.4</td>
</tr>
<tr>
<td>Total</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>

Source: UNCTADStat
Trends in services economy and trade

Sectoral evolution of commercial services exports

- Some fast growing categories in developed countries:
  - Computer and information services, communications and other business serv.;
- Some fast growing categories in developing economies:
  - Computer and information, other business services, financial services and travel;

Exports of commercial services from developing countries by category, 2008-2013 (2008=100)

Source: UNCTADStat
Services and exports

• Different trends according to the mode of supply:
  – Commercial presence through FDI is the major mode of supply in services;
  – FDI in services grew tenfold within 20 years to reach almost $1000 billion in
    2010-2012. FDI in services grew faster than primary and manufacturing sectors;
  – FDI to financial services amounted to $452 billion in 2010-2012 (16 fold increase
    since 1990-1992), mainly attributed to developing and transition economies;
  – FDI into transport and communication also increased sharply in this period;
  – Services exports through the temporary movement of natural persons (Mode 4)
    is substantial for developing countries, based on the growth of migrants and
    remittances. In 2013, 232 million migrants sent home $542 billion, 80% to
    developing countries;

• The importance of services in exports may be underestimated:
  – Limitations in data availability(Modes 3 and 4 not captured);
  – Statistics do not reflect full importance of services value added embedded in
    exports of goods (45% in 2009);
Telecommunication and ICT as enablers of competitiveness

- The digital divide between developing and developed has narrowed:
  - 4 developing regions have higher mobile penetration than world average (see graphic), with Sub-Saharan Africa and LDCs still behind despite steady growth;
  - Fixed broadband Internet is growing steadily in many developing regions, also with Sub-Saharan Africa and LDCs lagging behind.

Source: WDI
Financial services can mobilize resources for the real economy

- International transactions become an essential component:
  - Cross-border exports of financial services reached $445 billion in 2013. 80% was accounted by developed countries but the share of developing countries rose;

- Large variation in financial inclusion by income, region, gender, age:
  - In 2011, only 50% of people over 15 years old had a formal bank account;
  - % of adults with bank account in developed countries is more than twice of that in developing countries.

![Proportion of people with a formal bank account by income and region, 2011 (%)](image)

Source: UNCTAD computation based on World Bank's Global Findex

UNCTAD Conference on Trade and Development
**Transport services are central for merchandise trade**

- Growth in trade accompanied expansion of inter. maritime transport:
  - Container port traffic of low & middle income countries got nearly 50% (2012);
- Quality of road infrastructure can be a proxy of trade costs:
  - In most developing regions, less than half the roads are paved, despite growth of this share in several of those regions (see graphic).

![Graph of paved roads, global and by region, 2003 and 2011 (% of total roads)]

*Source: WDI*
Affordable, available and reliable energy is a key for development

- Only 30% of population in LDCs and Sub-Saharan Africa has access to electricity at a competitive price;
- The example of obtaining a permanent electricity connection for a newly constructed warehouse:
  - The highest cost (as % of per capita income) is in Sub-Saharan Africa.

<table>
<thead>
<tr>
<th>Region</th>
<th>Distance to Frontier</th>
<th>Procedures (number)</th>
<th>Time (days)</th>
<th>Cost (% of income per capita)</th>
</tr>
</thead>
<tbody>
<tr>
<td>East Asia &amp; Pacific</td>
<td>78.76</td>
<td>4.6</td>
<td>77.4</td>
<td>887.6</td>
</tr>
<tr>
<td>Europe &amp; Central Asia</td>
<td>64.71</td>
<td>5.9</td>
<td>138</td>
<td>471.1</td>
</tr>
<tr>
<td>Latin America &amp; Caribbean</td>
<td>77.32</td>
<td>5.5</td>
<td>67.4</td>
<td>444.5</td>
</tr>
<tr>
<td>Middle East &amp; North Africa</td>
<td>76.03</td>
<td>4.8</td>
<td>84.9</td>
<td>972.5</td>
</tr>
<tr>
<td>OECD high income</td>
<td>81.83</td>
<td>4.7</td>
<td>76.8</td>
<td>73.2</td>
</tr>
<tr>
<td>South Asia</td>
<td>62.47</td>
<td>5.9</td>
<td>145.7</td>
<td>1536.2</td>
</tr>
<tr>
<td>Sub-Saharan Africa</td>
<td>56.96</td>
<td>5.5</td>
<td>138.3</td>
<td>4348.5</td>
</tr>
</tbody>
</table>

Policy and regulatory trends

• Effective policies, regulations & institutions are central to efficient provision of services

Telecommunication and ICT

• 4th generation regulation is important to respond to exponential technological advancements, new business models and services:
  – Emergence of broadband with active mobile broadband subscriptions exceeding 2 billion in 2013;
  – Networks become integrated or converged and new innovative services have emerged such as voice-over-IP and mobile money services;

• Fixed-line experienced slow cumulative effects of market regulation:
  – Ex-ante regulations led to network expansion and new services;
  – Regulatory measures include requiring local loop unbundling, publishing a reference interconnection offer, and setting technological neutrality;

• Mobile market regulation tends to adopt a lighter-touch approach:
  – E.g. China moved from regulated tariffs to market-based prices;

• Market entry become easier with ex-post & competition regulation:
  – Many countries introduced global authorization regimes for some ICT services, including unified or multi-service licences allowing the provision of new services;
  – Spectrum management become critical with increased demand and regulation is focusing on alternative uses of spectrum, re-use, and re-farming.
**Telecommunication and ICT**

- **Competition nurtures ICT connectivity and affordability:**
  - Mobile, Internet, DSL, cable modem, fixed wireless and mobile broadband supported competition in 80-95% of countries by the end of 2013;
  - Basic telephony remains a monopoly in 30% of countries;
  - Concerns include: many markets are consolidating; global and regional operators may cross-subsidize from one country to another using their cost and strategic advantages; ensuring net neutrality (providers may discriminate against services or content, in particular when it competes with the carriers' own offer);

- **Consumer protection is more important with increased Internet use:**
  - Internet may be a medium for e.g. fraud, privacy breach, inappropriate content;
  - Regulations may come from sector regulator or consumer protection agency;

- **Universal access:**
  - Broadband uncovered population of 4.4 billion is a major regulatory challenge;
  - Regulatory measures include funding mechanisms to foster public and private investment, provision of grants, subsidies and incentives for innovation, extending digital literacy, and licence-based obligations;
  - Example of South Africa's new Electronic Communication Amendment Act 2014: improves governance, enhances licensing procedures and frequency allocation.
Policy and regulatory trends

Financial stability and financial inclusion

• Regulatory focus on macroprudential objectives:
  – Recurrent regulatory failures had strong impact on growth, jobs and welfare and it is central to reduce the probability / severity of future financial crisis;
  – Basel III aims to strengthening bank capital, liquidity and other standards;
  – National efforts aim to bring these requirements into national/regional regulations (e.g. MIFID 2 in the European Union, Volcker Rule in the United States to prohibit deposit-taking banks of engaging in short-term proprietary trading;
  – Basel IV may emerge as several countries are moving to more stringent rules;

• Universal access and financial inclusion strategies:
  – New technology (e.g. mobile money), innovative business models (e.g. development banks, correspondent banking for the combined use of bank, telecom, postal and agent networks);
  – Direct measures (e.g. subsidies and mandatory requirements, including universal services obligations), and demand side measures (e.g. increased Gov. use, availability of information, financial literacy, consumer empowerment);
  – For more, see UNCTAD's meeting on Access to Financial Services, Nov 2014;

• Increased attention to the regulation of foreign banks:
  – Regulate subsidiaries, rather than branches, not to accept home-country rules.
Policy and regulatory trends

Services under trade agreements

- Progressive services liberalization has been pursued at the multilateral level under the Doha Round of the WTO:
  - Negotiating efforts for a post-Bali programme by July 2015 address market access issues in agriculture, non-agricultural products and services;
  - The LDC Services Waiver operationalization is still under way, after the LDCs collective request, with several members indicating preferences;

- Plurilateral negotiations of the Trade in Services Agreement (TISA):
  - Negotiations are under way among 24 members (70% of global services trade);
  - TISA is said to aim for comprehensiveness, subsequent multilateralization, and capturing existing autonomous and preferential liberalization;

- Services become a major feature of 21st century RTAs:
  - These RTAs are oriented for deeper and comprehensive integration, with a strong regulatory focus that addresses behind-the-border services measures;
  - 2 mega-regional (Trans-Pacific Partnership Agreement - TPP, and Transatlantic Trade and Investment Partnership - TTIP) place a strong emphasis on regulatory coherence, generating concern that upward harmonisation of standards may adversely impact the complying capacity of developing countries exporters.
UNCTAD's toolkits to enhance regulations & institutions

- Policy, regulatory and institutional frameworks are important but remain a critical challenge as services are complex and multifaceted in nature;

(1) Multi-year Expert Meeting on Trade, Services and Development:
- Platform for expert deliberation through an exchange of country experiences and lessons learned to identify best-fit practices on services, trade and development;
- They have identified recommendations and areas for deeper research
- Publication "Services, development and trade: The regulatory & institutional dimension of infrastructure services" (2012)

(2) Services Policy Reviews serve as a toolkit for policymakers and regulators:
- Identify constrains and offer practical recommendations on a best-fit policy mix (Methodology);
- Ensure policy coherence and build institutional capacities;
- Aim to enhance productive and trade capacity in services, enhance economy-wide competitiveness and meet development objectives;

(3) Country survey & case studies
- Selected country experiences with regulatory & institutional aspects of ISS (2010) compiling 53 case studies
- UNCTAD surveys of infrastructure regulators and competition authorities (2014)
Overview

- SPRs were developed as a toolkit for formulating a best-fit policy mix for services
- Reviews were conducted for Bangladesh, Kyrgyzstan, Lesotho, Nepal, Nicaragua, Paraguay, Peru, Rwanda and Uganda (I and II);
- 20 years of experience in supporting national assessment of services (e.g. India, Jordan, Mexico, African countries and SADC), and trade policy frameworks with a services component;
- SPRs have provided a methodology to review and assess services economy and trade and to devise best-fit policies and regulations, and build sound institutional frameworks to harness the development potential of services;
Methodology of SPRs (1)

1 - Launch of the review process:
   - Official request, identification of the main focal point, terms of reference and identification of sectoral coverage;
   - Designation of a national expert team, who will conduct field-based research. This team is multi-disciplinary, combining economic, legal and policy skills, for instance from researchers, academics, and government representatives;

• 2 - Desk-based assessment:
   - UNCTAD develops a desk-based research to report a comprehensive overview of the services economy and an in-depth analysis of the existing policy, regulatory and institutional frameworks;
   - Provides the basis for the field research;

• SPRs are an opportunity to review and improve services data:
   - Assessments on step 2 and 3 require available, timely, specific, detailed data;
   - The methodology relies in the use of various national (diverse set of institutions - e.g. Ministries, Central Banks, Chambers of Commerce, Trade and Industry Associations) and international sources (e.g. UNCTADStat - UNCTAD; WDI - World Bank, Balance of payment statistics - IMF; TiVA - OECD/WTO);
   - It is important to identify early a possible need for surveys, visits and interviews.
Methodology of SPRs (2)

3 - Field research and multi-stakeholder consultation:

- A first round of national workshops is organised as a basis for a national multi-stakeholder consultation to seek inputs and guidance from key stakeholders, based on findings from the desk study and surveys, to feed field research;
- SPRs should provide a detailed picture of policy, regulatory and institutional frameworks applicable, identifying possible gaps and areas of reform;
- Attention should be given to whether foreign firms and services are allowed to enter the market and compete with domestic ones. This requires reviews and reforms of both horizontal and sector-specific legislation, including on investment, commercial enterprises, international transfer of funds, asset ownership, mobility of natural persons, competition, government procurement, access to justice;
- Institutional framework analysis should focus on main government bodies involved in regulating the sector, and assess their mandate, institutional settings, effectiveness and capacity to formulate, monitor and implement regulations;
- It is important to assess how government, regulators and other relevant authorities (e.g. competition authority) interact and coordinate to establish policy coherence and identifying their national services interest in trade negotiations. Assessment of regional and international interactions may also be relevant;
- Surveys and interviews will also inform on how laws are applied and on institutional effectiveness.
Methodology of SPRs (3)

• 4 - Follow-up investigations:
  – Building on the desk study and field research, UNCTAD works together with the national expert team to conduct follow-up investigations and draft the report;
  – Analysis is deepened with updated quantitative and qualitative information;
  – Quality control by inputs from continuous interactions for review and comments with national stakeholders and peer review team (internal and external experts);

• 5 - Multi-stakeholder consultations for validation:
  – The report is reviewed by national stakeholders in another round of multi-stakeholder consultative workshops, aiming policy relevance and adoption;
  – Findings, recommendations and proposed action plan are critically examined towards a validated outcome to submit to the government for consideration;

• 6 - In-country and cross-country dissemination:
  – SPRs are published for wider dissemination, to enrich the knowledge base, promote exchange of experiences and lessons learned, and to stimulate further participatory policymaking processes regarding services;
  – Promotion through dedicated interregional consultative processes, as well as ministerial and technical intergovernmental deliberative processes, such as the UNCTAD Global Services Forum, the Trade and Development Commission and the Multi-year Expert Expert Meetings.
Towards the services master plan/strategy

- SPRs are expected to catalyse and institutionalise an endogenous process of services policy formulation, implementation and review:
  - An action plan provides for clear steps and timelines for a reform process that is expected to lead to a services master plan;
  - The sponsoring ministry can ensure regular monitoring of the implementation and impact assessment of implemented measures. The related conclusions can be presented to stakeholders providing the basis for the master plan revision.

Services master plan: from implementation to development

Source: UNCTAD
Lessons learned on best-fit practices

• Commonalities and divergence across country experiences. The exchange of experiences and lessons learned will be useful for understanding the underlying factors of success.

Cross-cutting lesson (1)

• Policy coherence and coordination:
  - Refers to horizontal and vertical coordination, not only between sectoral policies but also with trade, investment, competition, industrial, social and other policies;
  - The overall services strategy should factor in several attributes of each category: value added, sophistication of skills, knowledge and technology intensiveness;
  - A national agenda formulated in a single policy document may optimise impact;
  - Example in ICT infrastructure: in the Republic of Korea, cooperation with the private sector for investment was aligned with proactive public policy intervention to build infrastructure and create demand;
  - Coordination between regulators and the competition authority: In Uganda, the later issues non-binding preliminary opinions for consideration and action by sectoral regulators
Lessons learned on best-fit practices

Cross-cutting lesson (2)

• Evidence-based policymaking:
  – Builds on improved collection, treatment and analysis of services data;
  – Example of Brazil's Integrated System of Foreign Trade in Services and Intangibles (SISCOSERV):
    • Ensures adequate classification of services activities according to the UN Central Product Classification and data collection on the 4 modes of trade in services;
    • Fed by mandatory reporting from economic agents for all services transactions between residents and non-residents;
    • Facilitated by a strong institutional setting derived from a Presidential decree and the country's experience in e-government and e-platforms.
Lessons learned on best-fit practices

Cross-cutting lesson (3)

- Effective institutions and governance:
  - Includes national, regional and international levels of multi-stakeholder coordination, strategy definition, and resource allocation;
  - An inter-institutional coordination mechanism benefits from endorsement at a high political level, a formalised legal mandate, resources and capabilities;
  - Independent regulators are essential in ensuring neutral, effective and procompetitive regulation. Cooperation between regulatory bodies is important:
  - Example of mobile banking, e.g. in Uganda: required more coordination among telecommunication, financial and competition regulators;
  - Cooperation at regional and international level is also important given the importance of standard recognition and harmonization:
  - Example of the Regional Technical Commission on Telecommunications in Central America that coordinates telecom development and regulatory harmonisation.
Lessons learned on best-fit practices

Cross-cutting lesson (4)

• Enabling productive, technology and business environment:
  – The development of productive clusters can promote intensive cooperation and coordination among firms and create economies of scale to reduce operational costs and enhance competitiveness. It may facilitate better integration of higher value added segments of regional and global value chains;
  – Enhancing a national innovation system is also important to integrate firms in higher value added segments and to promote structural transformation;
  – Example of Peru: UNCTAD SPR recommended establishing a technological innovation centre for software, for the development of computer-related services;
  – Formalizing the economy can create an enabling environment, as informality affects many SMEs and their capacity to establish linkages with the economy;
  – In Nicaragua, the simplification of administrative procedures to grant licences and authorizations facilitates the entry of new operators. This simplification may include the creation of a single licence for telecommunication services providers.
Cross-cutting lesson (5)

• Labour skills development:
  – A qualified workforce promotes knowledge and technology intensive services;
  – This requires a sound education strategy, both at technical and higher levels, that matches labour demand and provided skills. Strong links and interaction between private sector, academia and policymaking bodies facilitates the identification of skills gaps and academic solutions;
  – Agreements with foreign universities could facilitate academic exchanges and international accreditations.
Examples - Telecommunications

- ICT industrial policy from the Republic of Korea:
  - Several master plans for the information society;
  - Informatization Promotion Fund enabled focused investments in ICT and let profits from ICT fields to be reallocated to the ICT sector;
  - New financing methods ("invest first, settle later" and matching deposits) and government seed money attracted private investments;
  - Broadband Internet market was opened without regulation on licensing and pricing. This led to competition, downward pressure on tariffs and more demand;
  - Government offered Internet and computer literacy programmes to 21% of the population. Inexpensive computers were distributed and over 4000 free information facilities were set up. All schools were connected to the Internet for free or at a discount. All of this created demand and human infrastructure;
Lessons learned on best-fit practices

Examples - Telecommunications

• Paraguay's SPR on telecommunication services:
  – Access limitations are compounded by its landlocked position. It depends on neighbouring countries to interconnect with submarine cable networks;
  – The National Telecommunications Plan set investment targets and promoted public-private partnerships for long-distance fibre optic cables for broadband access. This involves subsidies from the Universal Service Fund;
  – Demand can be stimulated by providing free Wi-Fi networks and subsidized connections, promoting training and education, and increased government use;
  – The competition law requires coordination with the National Telecommunications Commission;

• Rwanda's SPR on telecom infrastructure development:
  – Government followed the SPR recommendation and set up the National Backbone project for increased broadband connectivity and infrastructure;
  – Since 2011, the national fibre optic backbone network has links to all 30 districts and 9 border posts. Considering limitations of being landlocked, the government also negotiated the extension of fibre optic cables to increase bandwidth capacity to public institutions.
Examples - Financial services

• Paraguay's SPR on Central Bank's initiatives:
  – Setting up a credit bureau to balance information asymmetry and reduce financial spread, and drafting a guarantee fund act;
  – Cooperating with Secretariat of the Consumer Protection Office for fin.education;
  – Creating basic savings accounts that can be opened without physical presence, do not require minimum amounts or minimum average balances;

• Nicaragua's SPR - Recommendations:
  – Transform the current public bank Produzcamos into a fully fledged development bank, with increased resources, to increase financial depth supporting investments and productive activities;

• Lesotho's SPR:
  – Financial Institutions Act, 2012, aims to revamp fragmented regulation, institutes a new version of reporting system to improve data collection and analysis;
  – Credit Reporting Regulations, 2013, aims for a central credit repository to promote credit access. A national identification system and financial statements for firms is necessary to demonstrate credit histories;
  – In collaboration with commercial banks, gov. established a partial guarantee fund to extend credit to SMMEs by assuming and sharing risks associated with non-performing loans.
Devising adequate policy, regulatory and institutional frameworks that are best fit to national circumstances and priorities in an increasingly open trading environment remains as a critical challenge.

UNCTAD's toolkits, including SPRs, have allowed policymakers and regulators to assess the potential of services productive capacities and trade, as well as the robustness of regulations and institutions, in order to identify constraints impeding services sector development and ascertain practical solutions and policy mix for strengthening services sectors & trade.

There is need for targeted & tailored-made best-fit policies & regulations.
Thank You

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Link to presentations in this Multi-year Expert Meeting:

More information on services, trade and development:

More information on remittances and financial inclusion: