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UNCTAD XI Multi-Stakeholder Partnerships

Note by the UNCTAD secretariat

Executive Summary

The preparatory committee for UNCTAD XI has agreed to consider the launching at UNCTAD XI of multi-stakeholder partnerships in the following areas: information and communication technologies for development; commodities; investment; and capacity building and training, including training and academic institutions.

The partnerships will thus reflect a set of development issues that UNCTAD is in a position to act on. All partnerships will cover a wide variety of activities and will thus constitute a package that responds to the concerns of as many developing countries as possible. Africa, least developed countries and, whenever feasible, South-South cooperation will cut across all partnerships.

This report provides information on the content of individual partnerships, namely objectives; expected results; partners involved; beneficiaries; time frame; main activities; modalities for implementation; links with related activities at the international and/or regional levels; contributions by UNCTAD and by partners; voluntary contribution requirements, as appropriate; and information on relevant websites.

Contents

Information and communication technologies for development (ICTfD).....	3
Free and open-source software training.....	3
E-tourism	4
The Global ePolicy Resource Network (ePol-NET).....	6
Trade-related e-finance for small and medium-size enterprises	8
Measuring information and communication technologies for development.....	9
Commodities	10
Investment.....	13
Capacity building and training, including training and academic institutions.....	14

Information and communication technologies for development (ICTfD)¹

1. Partnership activities have been built around the objective of *ICT applications for improving the economic competitiveness of developing countries*, especially as regards trade and development. The recently concluded first phase of the World Summit on the Information Society (WSIS) demonstrated the value of the practical applications of ICTfD. The WSIS and its related events also showed both the gaps that remain to be bridged in support of developing countries' use of ICT and the potential that could be realized. The partnership is designed to contribute, within UNCTAD's mandate, to the preparation of the second phase of the WSIS, scheduled to be held in Tunis from 16 to 18 November 2005.

2. There are a wide range of ICT applications for improving competitiveness for trade and development. The UNCTAD secretariat has used its experience² in this regard. UNCTAD has also associated itself with relevant existing initiatives so as to take full advantage of existing and potential synergies and maximize the use of available resources. The ICTfD partnership comprises the elements described in the following five sections.

Free and open-source software training

3. **Main objectives:** The use of free and open-source software (FOSS) and production processes by developing countries would enable their more rapid embrace of digital opportunities. FOSS is key to the spread of ICT opportunities in developing countries. Consequently, local ICT sustainability will be underpinned by measures that support the development of human capacities to use, service and produce FOSS. Partnership activities will be designed to encourage widespread IT training programmes in developing countries on FOSS-related issues. IT companies as well as training institutions involved in ICT applications will be essential for the building of the partnership. More specifically, the objectives will be to:

- Contribute to closing the digital divide by enabling developing countries to better use FOSS and related processes;
- Improve the quality of national and international policy formulation on issues related to FOSS;
- Develop human capacity to produce, service and use FOSS; and
- Establish new and dynamize existing conduits and structures for collaborative development and distribution of FOSS.

4. **Expected results:** An increase in the number of trained experts and policy makers aware of the technical and development possibilities of FOSS.

5. **Partners:**

- *IT corporations:* Connectiva, Hewlett Packard, IBM, Novell/Suse, Sun Microsystems, TurboLinux
- *Non-governmental organizations (NGOs):* Free Software and Open Source Foundation for Africa (FOSSFA); Free and Open Source Software Asia-Pacific Consultation (FOSSAP)
- *International organizations:* UNDP and UNESCO

¹ The overall ICTfD partnership will be built and implemented in close collaboration with the United Nations Information and Communications Technology Task Force.

² Examples include the successful launch of the Trade Efficiency Initiative, including in particular the Trade Point Programme, as well as specific applications for customs automation (ASYCUDA), management of transport operations (ACIS), and debt management (DMFAS).

6. **Beneficiaries:** IT professionals in developing countries, in particular individuals involved in training for use and development of FOSS software, and policy makers involved in ICT strategy making.
7. **Time frame:** An initial period of two years, with an extension of a further two years by mutual agreement among the partners.
8. **Main activities:** Training activities undertaken by the IT companies within the established framework agreed to by the partners.
9. **Modalities for implementation:** IT companies will provide trainers and presenters for technical and policy workshops as well as training materials including manuals and software. They will also contribute to stipends for “top-of-class” trainees. A framework for cooperation will be agreed on among the partners.
10. Beneficiaries will indicate to UNCTAD training initiatives and events that may benefit from additional resources. Indications should cover (through a dedicated website to be developed) basic information about the event, including target population, substantive profile, certification type and level, and contact and physical coordinates. UNCTAD will link or post information on the proposed website and notify partners via a “call for contributions” through a dedicated partnership focal point electronic mailing list.
11. **Links with related activities at the international or regional level:** There will be a close linkage with the UNDP International Open Source Network (IOSN), a Center of Excellence for FOSS in the Asia-Pacific Region.
12. **UNCTAD’s contribution:** Equivalent of one staff month per year.
13. **Contribution by partners:** Resource persons/trainers, training material and software amounting to an estimated \$200,000³ a year from IT companies.
14. **Internet address:** www.unctad.org/ecommerce/website

E-tourism

15. **Main objectives:** For many developing countries, particularly the least developed countries (LDCs), small economies and island States, tourism is of strategic importance and a major source of foreign exchange earnings. Tourism is an information-intensive service. Thus, the Internet is having a deep impact on tourism promotion, marketing and sales. It gives potential tourists immediate access to information on destinations worldwide and creates a demand for customized travel based on a “do-it-yourself” approach. Most information on tourism opportunities in developing countries is generated and maintained by major international service providers, who conduct most of the sales transactions and absorb a large percentage of the profits. Drawing on UNCTAD’s earlier work on e-commerce and tourism,⁴ the UNCTAD E-Tourism Initiative is designed to give developing countries the technical

³ Throughout this document, unless otherwise specified, “\$” refers to US dollars.

⁴ E.g. paragraph 148 of the UNCTAD X Plan of Action; September 2000 Expert Meeting on E-Commerce and Tourism; March 2001 Canary Islands Declaration on Tourism in LDCs; paragraphs 63–64 of the LDC III Plan of Action; and the work of the UNCTAD secretariat-wide task force on sustainable tourism.

means to promote, market and sell their tourism services online so as to effectively facilitate the development of their tourism sector using ICT-based tools.

16. ***Expected results:***

- A reproducible and customized model of a state-of-the-art Internet platform aimed at identifying and presenting tourism services in a dynamic way
- Implementation and promotion of this model at the country and/or community level

17. ***Partners:***

- *Beneficiaries:* Interested developing countries and regional organizations
- Stakeholders active in the local tourism industry such as small and medium-size enterprises (SMEs) (hotels, transport, handicrafts), National Office Boards, destination marketing organizations and other service providers (e.g. universities)
- *International organizations:* ITC, UNESCO, UNEP, World Tourism Organization
- Donors

18. ***Beneficiaries:*** Developing countries at the central and regional/local levels. Requests will be addressed to the UNCTAD secretariat.

19. ***Time frame:*** Four years.

20. ***Main activities:***

- Product improvement and promotion
- Human resources development
- Use of information technology
- Achieving better market arrangements

21. ***Modalities for implementation:*** Cooperation with the private sector and universities to develop an e-tourism model, including Internet-based software, business plan and training activities.

22. The idea is to design, develop and implement the information technology platform around which a reproducible corporate model of the tourism and craft market will be provided. This website generator is a genuine decision-making, management and promotional tool that will interface with existing IT systems and partner organizations.

23. Since the approach is business-oriented, it will include a corresponding generic business model and educational material and various guides and related road maps for building user skills. The business model will be adapted to conditions in the country to ensure the platform's durability. Then the website will be launched and advertised nationally and internationally. Ultimately, it will be managed at the local level by a body representing public and private interests who will have been stakeholders in the initiative from the outset.

24. Memoranda of understanding will be concluded among the partners indicating procedures, modalities for delivery, contributions by participants, and the time frame for the completion of each request.

25. ***Links with related activities at the international or regional level:*** ICT application as part of the follow-up to the WSIS. The work will be conducted in close cooperation with the World Tourism Organization.

26. **UNCTAD's contribution:** UNCTAD expects to contribute as project manager (by designing and developing the initiative and assisting countries in implementation) and as facilitator (by involving well-known partners from the beginning at all levels of implementation). This will involve the equivalent of two staff months a year.

27. **Contribution by partners:** Partners will provide in-kind contributions consisting of the development of the Internet model platform. This will encompass the following activities: (a) development of a website generator based on an Internet client-server architecture and built around a group of databases and multi-criterion search engines; (b) development of a corresponding generic business model; and (c) provision of educational material and various guides and related road maps for building user skills, with the aim of strengthening national capacity in this area. The cost of developing the core package has been estimated as \$1,500,000, and discussions are under way with partners about making tools and expertise available in kind and free of charge. Since the tourist industry involves many different players, both private and public, and draws on the widest possible range of cross-cutting skills, additional partnerships will be sought along the way.

28. **Voluntary contribution requirements:** For the next stage, UNCTAD will require additional funding in the form of extra-budgetary resources to help interested countries/regions install and use the model platform. This amount is estimated at \$1,500,000, assuming five beneficiary countries over a four-year period.

29. **Internet address:** etourism.unctad.org

The Global ePolicy Resource Network (ePol-NET)

30. **Main objectives:** A Global ePolicy Resource Network (ePol-NET) was launched at the WSIS in December 2003 to provide ICT policy makers in developing countries with the information and expertise needed to develop effective national e-policies and e-strategies. Instead of developing a separate partnership, which would duplicate existing ones, UNCTAD is joining ePol-NET as a partner. The overall objectives of the partnership are to:

- Contribute to international efforts supporting the elaboration of national e-strategies and ICT policies in developing countries;
- Engage partners to contribute e-policy resources to the network and actively support the formation of coalitions of key stakeholders to widen the availability and distribution of e-strategy resources;
- Facilitate access to high-quality, affordable e-policy expertise on an ongoing and sustainable basis;
- Foster the development of regional network nodes so as ensure content and services tailored to the cultural and regional context; and
- Share lessons learned and best practices regarding ICT policy development.

31. **Expected results:**

- Enhancement of national capacities to implement national ICT strategies and policies by allowing individuals and organizations to access high-quality expertise in the development, implementation and maintenance of e-strategies and policies
- Easier access to e-policy resources, both off-the-shelf and custom-made solutions, by linking sources of expertise with nodes in each developing region and/or sub-region
- Provision of links between the supply and demand for e-policy products and services and thereby ensured access to high-quality, affordable e-policy expertise

32. **Partners:** The Governments of Ireland, Canada, France, Italy, Japan and the United Kingdom; the UN Information and Communications Task Force (UN ICT-TF), ECA, ITU, UNDP,

UNCTAD; OECD; Commonwealth Telecommunications Organisation (CTO); Accenture, a global management consulting, technology services and outsourcing company.

33. **Beneficiaries:** Developing countries as well as countries in transition.

34. **Time frame:** ePol-NET was launched in December 2003 and its duration is undetermined. UNCTAD's participation in the partnership will be reviewed after two years, and, if beneficial, continued for a further two years.

35. **Main activities:**

- Ireland hosts the ePol-NET secretariat and its website, which serves as a central hub for consolidating global knowledge and expertise on e-strategies.
- Canada has established and maintains the Canadian ePolicy Resource Centre for Africa (CePRC).
- France has launched a network of public community access points in French-, English- and Portuguese-speaking countries in sub-Saharan Africa, Appui au désenclavement numérique (ADEN).
- Italy has launched an "E-Government for Development" policy to contribute to the implementation of e-government in developing countries (initially in Albania, Jordan, Mozambique, Nigeria and Tunisia).
- Japan offers online support and information products on leading-edge ICT policies for ICT policy makers and regulators in the Asian region.
- The United Kingdom is implementing the Catalysing Access to ICT in Africa (CATIA) programme, designed to assist African people in using ICT.
- OECD will share research documents, benchmarking studies and best practices.
- CTO will support ePol-NET through regional centres of expertise and will make available a database of experts, training workshops, materials and studies.
- ITU will contribute expertise on ICT policy and regulatory frameworks and link two African centres of excellence in Nairobi and Dakar to ePol-NET.
- ECA has set up an African regional node of the ePol-NET to coordinate African demand for expertise in ICT for development.
- UNDP will use its expertise to access local demand and to apply acquired expertise cross-regionally.
- Accenture will provide studies, researchers and regional expertise to developing countries on a not-for-profit basis through its Accenture Development Partnership Initiative.

36. **Modalities for implementation**

- Provision of e-strategy and ICT policy expertise to developing countries through existing international development outreach programs, including CATIA, ADEN and CePRC. Clients may request expert advice from the various ePol-NET partners;
- Provision of off-the-shelf information products and services (resources) that are not readily available elsewhere and meet the needs for specialized information and knowledge about e-strategies;
- The African node will provide ICT policy expertise and resources to policy makers in Africa; the Asian node will provide a gateway for the development of ICT applications and broadband services via the Asia broadband programme.

37. **Links with related activities at the international or regional level:** Follow-up to the WSIS and collaboration with the UN ICT-TF/Working Group on National and Regional E-Strategies.

38. **UNCTAD's contribution:** UNCTAD is joining ePol-NET as a partner by providing its expertise in the design of e-strategies as well as in specific subjects such as e-commerce, legal and regulatory issues, e-measurement, e-finance and aspects of e-government, thereby enhancing efficiency and effectiveness. The required part-time work by regular staff members may, depending on requests, involve up to two staff months per year.

39. **Contribution by partners:** Canada is contributing US\$10 million for the establishment of a Canadian ePolicy resource centre for Africa; the United Kingdom is contributing US\$5 million to

help build the Information Society in Africa; France is contributing €6 million for the ADEN program.

40. **Voluntary contribution requirements:** Depending on requests from beneficiary countries, \$50,000 per year.

41. **Internet address of ePol-Net:** www.epol-net.org

Trade-related e-finance for small and medium-size enterprises

42. **Main objectives:** Access to finance, and particularly short-term working capital and trade finance, at competitive terms is a major factor affecting the competitiveness of enterprises and will be a central topic of discussion at UNCTAD XI. The fact that financial services providers lack adequate information about SMEs and their payment performance is a leading reason for bias against SMEs in financing. SMEs are in many cases forced to rely on self-financing or on the informal economy, often with usurious terms of financing. The partnership is designed to improve SMEs' access to finance and e-finance, mainly for short-term working capital and trade requirements.

43. **Expected results:**

- Development of private- and public-sector collaborative risk-sharing arrangements, using Internet-based e-credit information, e-credit rating and e-finance, aimed at improving enterprises' access to trade-related finance and e-finance at more competitive terms;
- Introduction of e-payment schemes to facilitate trade-related payments by SMEs.

44. **Partners:** Partnership-related discussions are at an advanced stage with the World Trade Point Federation and Coface (credit insurer), International Financial Consultants (credit insurance and information consultancy) and ITC. Discussions are ongoing with Visa International, the World Bank, IFC, IADB, ADB, Citibank, HSBC, Dun & Bradstreet, Enablis, BNDES, Costa Rica Development Bank and ICICI Bank. Other potential partners are also being contacted.

45. **Beneficiaries:** Developing countries' SMEs, SME associations, banks, credit insurers, credit information agencies, payment card associations, and local, regional and global development banks; public authorities and NGOs involved in regulation and support measures related to SME trade and finance.

46. As of mid-May 2004, discussions among all the potential partners and beneficiaries were continuing so as to be able to confirm that partnership activities could be launched at UNCTAD XI. Additional time is required to complete the preparatory work for building the partnership.

47. **Time frame:** Four years, with a review after two years.

48. **Main activities:** The partners are expected to discuss and develop model(s) of trade-related e-finance for SMEs and to agree to undertake, separately and jointly, initiation of pilot projects; training on elements necessary to develop efficient online credit information systems and databases and credit rating and scoring for SMEs; awareness raising among policy makers; preparation of guidelines based on experiences in pilot countries; and dissemination of e-finance practices for SMEs.

49. **Modalities for implementation:**

- Discussion of concepts and development of arrangements related to credit risk rating coupled with collaborative credit risk sharing;
- Creation of a pool of international and local partners in pilot countries;
- Co-organization with partners of training courses in pilot countries for SMEs, their associations, banks, local credit insurers, credit bureaus and other financial services providers as well as policy makers;
- Co-organization with partners of regional workshops to attract new countries to the scheme so as to gradually make it a truly global and standardized system of trade-related e-finance for enterprises.

50. **Links with related activities at the international or regional level:** ICT application as part of follow-up to the WSIS; e-business for development activities of the UN ICT Task Force.

51. **UNCTAD's contribution:** The equivalent of two staff months per year, as part of the ongoing analysis and capacity building related to e-business for development.

52. **Contribution by partners:** A commitment to contribute the equivalent of \$100,000 a year, mainly in kind.

53. **Internet address:** www.unctad.org/ecommerce

Measuring information and communication technologies for development

54. **Main objectives:** E-measurement is crucial for assessing developing countries' progress in the use and impact of ICT. The WSIS Plan of Action calls for the development of indicators to monitor progress in the use of ICT for development for – and after – the Tunis phase of the Summit. The Action Plan also specifically emphasizes the need to monitor progress towards achieving international development goals, including those set out in the Millennium Declaration. The development of relevant indicators and the building of capacities in developing countries in this regard require a concerted effort at the national, regional and international levels involving many stakeholders. The overall objectives of the partnership will be to:

- Achieve a common set of indicators on ICT readiness and usage, collected by all countries and harmonized internationally;
- Enhance the capacities of national statistical offices (NSOs) in developing countries and build competence to develop statistical compilation programmes on the information society; and
- Develop a global database on ICT indicators and make it available on the Internet.

55. **Expected results:**

- An internationally agreed list of indicators for submission to WSIS Tunis;
- A guide on information society indicators for dissemination among practitioners in developing countries, to be presented at WSIS Tunis;
- Regional statistical networking in the African, Asia-Pacific and Latin American–Caribbean regions to advance the discussion of the development and collection of ICT statistics;
- Beneficiary developing countries capable of implementing programmes for the collection of ICT statistics and indicators;
- A training course for information society statistics;
- An inventory of available ICT statistics in all countries; and
- A database of core ICT indicators made available to the public.

56. **Partners:** ITU, OECD, UN/DESA, the UNESCO Institute of Statistics, UN ICT-TF, the World Bank, UN Regional Commissions, Eurostat, National Statistical Offices.
57. **Beneficiaries:** Practitioners from developing-country offices responsible for producing official ICT statistics at the national level.
58. **Time frame:** The four-year partnership will be divided into two phases: Phase 1 (June 2004 to November 2005/WSIS Tunis) and Phase 2 (from December 2005 to spring 2008).
59. **Main activities:** Preparation of an inventory of information society statistics; organization of regional meetings on e-measurement activities and identification of priority areas for action in the area of ICT indicators; development of a specialized training course on information society statistics; onsite training in the development of ICT statistical data collection in developing countries; preparation of a guidebook on information society indicators for developing countries; development of an international database of ICT indicators and an Internet platform for information society statistics.
60. **Modalities for implementation:** Each partner will contribute within its area of expertise. Contributions include substantive inputs to the development of core indicators, training material and guidebooks, and content for the Web platform; facilitation of regional and international seminars and events; and contributions to capacity building and statistical training in developing countries through training seminars and site visits.
61. **Links with related activities at the international or regional level:** The partnership is of direct relevance for WSIS Phase 2 and for the work of the UN ICT-TF/Working Group on ICT indicators and the Millennium Development Goals.
62. **UNCTAD's contribution:** Several of the proposed activities are related to UNCTAD's ongoing work on e-commerce and on ICT development indices: core e-business indicators; training material in the area of e-business indicators; collection of e-business indicators in developing countries and data analysis. This will require the equivalent of three staff work months per year.
63. **Contribution by partners:** Contributions to methodological work and data collection, collection of ICT indicators and data analysis, provision of substantive contributions to the preparation of training materials, and in-kind assistance to national statistics offices in developing countries. Regional partners will contribute to organizing regional meetings and events.
64. **Voluntary contribution requirements:** \$800,000 for the four-year period.
65. **Internet address:** measuring-ict.unctad.org

Commodities

66. **Main objectives:** UNCTAD has a broad and comprehensive mandate on commodities, focusing principally on the trade and development aspects of the issues surrounding commodities. A number of other stakeholders are also involved in addressing commodity issues. They include, in addition to member States (both commodity-dependent developing countries and interested development partners, especially donors): international organizations (such as FAO, IMF, ITC, UNDP, CFC and the World Bank); commodity-specific bodies (international commodity organizations and study groups); the private sector, in particular the major corporations engaged in the

production, marketing and distribution of commodities; NGOs that promote action on commodity issues; and members of the academic community researching commodity problems and related solutions. However, the task at hand is well beyond the capacities of a single entity.

67. There is currently no comprehensive and systematic consultative framework that enables the sharing of information and the use of complementary expertise among representatives of all key actors involved in the review of the commodity situation and the operation of commodity markets. For this reason, the combined efforts of all interested stakeholders should be directed towards a pragmatic approach aimed at bringing both focus and priority to breaking the cycle of poverty in which many commodity producers and commodity-dependent countries are now locked.⁵

68. More specifically, the objectives of the partnership are to:

- Establish a comprehensive and systematic consultative framework that enables the sharing of information and promotes the utilization of complementary expertise among the key actors involved in commodity production and trade and interested in the sustainable development of the commodity sector;
- Unite the efforts of all interested stakeholders and direct them towards a pragmatic approach that will bring both focus and emphasis to this area; and
- Facilitate the development, through a multi-stakeholder approach, of innovative strategies and modalities for the sustainable development of commodity sectors in developing countries and enhance the contribution of commodities to development.

69. ***Expected results:***

- Networking and synergies between the activities of different bodies and actors concerned with commodity sector development, *inter alia* to avoid duplication and ensure coherence;
- Setting up of a forum for exchanging information and ideas on issues related to commodities, including problems, solutions, investment opportunities, best practices and successful initiatives;
- Identification of priority areas of commodity-related research, and development and promotion of a research agenda on commodity issues;
- Establishment of “action groups” on specific issues or on individual commodities according to the problems identified, and development of ideas for realistic approaches/solutions;
- Generation of technical cooperation ideas and redirection of existing technical cooperation projects so that their impact is enhanced; identification of multi-stakeholder projects that fall outside the purview of existing organizations;
- Initiation of pilot projects to test and further develop possible new approaches in dealing with commodity problems; and
- Awareness-raising activities on commodity issues through website activities, high-level meetings and press releases.

70. ***Partners:*** Governments of developed and developing countries; international organizations active in the commodities field, including commodity-specific organizations; private-sector enterprises engaged in the production, processing, exporting and importing, marketing and distribution of commodities; NGOs; representatives of the academic and scientific community conducting research to find solutions to problems faced by the developing countries in their commodity sectors.

71. ***Beneficiaries:*** Developing countries, in particular commodity-dependent ones, and commodity-dependent regions within countries.

72. ***Time frame:*** Four years.

⁵ See also the proposal for a European Union “Action Plan: Agricultural Commodity Chains, Dependence and Poverty” (COM(2004)89 of 12 April 2004).

73. **Main activities:** The partnership activities will be at various levels. The Task Force itself will provide guidance for building on existing and emerging cooperative initiatives and activities and helping to generate new ones in order to find practical solutions and produce results that have a real impact on the situation of commodity-dependent poor people in developing countries. It will focus on identifying action areas that will add value to current work on commodities by helping to consolidate and scale up existing efforts and promote innovative approaches, particularly market-based ones, by facilitating collaboration among all stakeholders. This will include achieving greater coherence in the integration of commodity issues into development portfolios, collecting and sharing best practices and lessons learned, and maximizing the mobilization of resource flows, thus bringing additional vigor and coherence to dealing with commodity problems. The actual implementation of the activities envisaged by the Task Force, including capacity building and technology transfer arrangements, will depend on the work programmes of the “action groups” that will be established, as is explained in paragraph 77 below.

74. **Modalities for implementation:** An independent international task force on commodities (ITFC) will be established in consultation with interested stakeholders. Its structure and composition will be such that a direct link is made between high-level international debate and action in the field.

75. The ITFC will normally meet a maximum of two times a year to review commodity issues that require action. It will be headed by a chairperson (or chairpersons) of international stature who will be assisted by a small number of dedicated staff in the UNCTAD secretariat. The chairperson(s) will guide the work of the ITFC and the implementation of its recommendations.

76. The ITFC will be flexible in its working methods and will operate with a minimum of bureaucracy in a spirit of voluntary endeavor. The number of members could be up to 50, including personalities from governments, international organizations, business organizations, farmers’ organizations, commodity-sector enterprises, NGOs and the academic community.

77. The ITFC will set up action groups, which are collaborative arrangements between entities – international organizations, governments, private companies, research institutions and NGOs – interested in working on specific themes. Initiatives to set up action groups may come from within the ITFC or from outside entities. Each action group will have its own mission statement, and stakeholders will choose in which group(s) they wish to participate. The action groups will provide the vector for translating international debate into concrete action. They will discuss current actions and activities, as well as those to be undertaken, including commissioning of research and initiation of pilot projects in their respective areas. Every participating entity will benefit from the opportunity to exploit potential synergies as well as to obtain constructive advice and new ideas that could improve the quality and effectiveness of its programmes.

78. **Links with related activities at the international or regional level:** The International Task Force on Commodity Risk Management, led by the World Bank; the Sustainable Commodity Initiative (SCI) launched by UNCTAD in cooperation with the International Institute for Sustainable Development (IISD). These could be envisaged as constituting, or forming the basis of, action groups that the ITFC may find it useful to establish.

79. **UNCTAD’s contribution:** The equivalent of six staff work months per year.

80. **Contribution by partners:** \$100,000 per year for core activities (participation in ITFC meetings)

81. **Voluntary contribution requirements:** \$2,000,000 for core activities (i.e. excluding activities of the “action groups”) for the whole period.

82. **Internet address:** r0.unctad.org/commodities

Investment

83. **Main objectives:** UNCTAD seeks to enter into partnerships with institutions and organizations to leverage the outreach and impact of its investment work. More specifically, the partnership will allow UNCTAD and its partners, on a wider and sustainable basis, to increase the understanding of issues related to foreign direct investment (FDI) and to strengthen the capacity of developing countries to attract such investment and benefit from it. This would contribute to the expansion of a vibrant domestic enterprise sector, thus enhancing supply capacity. The partnership is also designed to strengthen engagement, advocacy and dialogue in the interest of fostering appropriate policies and coherence at the national and international levels. The partnership will also promote human resources, institutional capacity building and South-South cooperation.

84. **Expected results:** The partnership seeks to bring about an integrated set of activities to amplify UNCTAD's current work in the area of investment and, by leveraging its own resources through joint activities with other organizations, to extend its outreach and the developmental impact on a wider and sustainable basis. It also aims to create a framework that allows the mobilization of know-how and advice at the global and national levels, thus ensuring that UNCTAD's work remains close to the needs of developing countries and provides additional channels for reaching its clients.

85. **Partners:** WAIPA will be a principal partner. Other partners will include the World Bank Group/MIGA; OECD; ITC; the UNCTAD Virtual Institute on Trade and Development; UNIDO; ICC; NGOs (CUTS; IISD; ICTSD); Earth Institute; national institutions (Ethos, SORBET); sub-regional organizations; institutions of higher learning (universities in developed and developing countries).

86. **Beneficiaries:** Developing countries, in particular LDCs.

87. **Time frame:** Four years.

88. **Main activities:** This partnership seeks to assist developing countries, particularly LDCs, (a) to define their objectives concerning FDI, in the framework of their overall development strategy; (b) to attract FDI and benefit from it; (c) to enhance the understanding of issues related to FDI, especially with a view to helping host countries identify appropriate policies; and (d) to facilitate the exchange of experiences among host countries and their principal stakeholders in the area of FDI.

89. More specifically, activities will be undertaken in the following areas, involving one or more partners: strategic investment advice (Earth Institute); investment knowledge for development (institutions of higher learning, SORBEET, UNCTAD Virtual Institute on Trade and Development, ITC); improving the investment climate, in particular follow-up to Investment Policy Reviews (ICC); good governance in investment promotion (WAIPA); information for investors (ICC and local chambers of commerce); On-Line Investment Promotion Centre (MIGA); international investment policy issues (CUTS, IISD); capacity-building in technology transfer and intellectual property rights (ICTSD); linkages for development (Ethos, national institutions); Investment Stakeholder Network (WAIPA, OECD and other national institutions)

90. **Modalities for implementation:** The UNCTAD secretariat will implement this partnership in association with other parties, in the context of concrete activities with specific partners, joining forces in their respective areas of expertise and tapping into existing networks and virtual platforms. At the national level, an Investment Stakeholder Network comprising public- and private-sector institutions, academia and NGOs and technology institutions will be established in as many countries and subregions as possible. WAIPA, through its constituency of over 164 national investment promotion agencies, should take the lead in creating the national networks. The network will be a vehicle for increasing South-South cooperation. UNCTAD will also call on a group of international advisors to allow the mobilization of know-how and advice.

91. **Links with related activities at the international or regional level:** The Partnership is designed to build on ongoing related activities (e.g. WAIPA; MIGA; ICC; Institutions of Higher Learning; CUTS; IISD).

92. **UNCTAD's contribution:** The equivalent of six work months of staff time per year.

93. **Contribution by partners:** It is estimated that the partners will provide the equivalent of \$500,000 in in-kind contributions (experts, local costs and other support).

94. **Voluntary contribution requirements:** An estimated \$3 million.

95. **Internet address:** To be developed.

Capacity building and training, including training and academic institutions

96. **Main objectives:** The ability to access, use, disseminate and produce relevant information is crucial for the development of knowledge-based economies. Training and research institutions, particularly universities, play a key role in building the home-grown knowledge required for formulating and implementing trade, investment and development strategies adapted to local and regional development needs. To help the academic institutions of developing countries enhance their own capacity to design and deliver high-quality courses in the areas of trade and development, and to expand in a cost-effective manner the audience to be reached, UNCTAD has developed the Virtual Institute for Trade and Development. The main objective of the partnership is to support the building of national capacities in member countries so that they can analyse international and national trade and economic issues and formulate and implement appropriate home-grown economic policies.

97. **Expected results:** The academic institutions can benefit from enhanced teaching and research capacity and from additional courses on trade-, investment- and development-related issues. They will gain access to the knowledge, expertise and teaching resources of other members and of UNCTAD and will therefore increase the efficiency and effectiveness of their course development. They should also be able to cooperate more closely with other partners and UNCTAD on issues of mutual interest.

98. In keeping with UNCTAD's focus as a knowledge-based institution, the partnership should provide a means of strengthening UNCTAD's role in the production and circulation of knowledge through systematic cooperation with academic institutions. By assisting these institutions in building trade-, investment- and development-related topics into their regular curricula, the partnership should increase UNCTAD's long-term impact on capacity development in member countries. The website of the Virtual Institute should also synthesize and organize the presentation of UNCTAD's capacity-

building and research activities, and should appeal to a wider audience interested in UNCTAD's substantive issues, including educational institutions, NGOs and other civil society actors.

99. Member States should benefit through enhanced national capacity to analyse and formulate appropriate economic policies.

100. **Partners:** During the preparatory phase, at least one university from each region, from the group of LDCs and from a developed country was approached to ascertain its interest in joining the proposed network and helping to build the proposed partnership. To date, the University of Campinas (Brazil), the University of Réduit (Mauritius), Jawaharlal Nehru University (India) and the University of Jordan (Amman) have agreed to join the network; a mission will visit the University of Dar-es-Salaam, Tanzania, shortly; an official answer is expected before the end of May from the University Pierre Mendès France, Grenoble, France; and there has been an initial round of discussions with the Economic University of Prague, Czech Republic.

101. This partnership represents a strengthened capacity development approach by UNCTAD that is fully complementary with such ongoing training activities as the paragraph 166 courses initiated by UNCTAD X and TrainForTrade, as well as continued cooperation with the Institute on Trade and Development in Bangkok and with several government training institutions such as the Institute for Diplomatic Studies of the Ministry of Foreign Affairs of Egypt.

102. **Beneficiaries:** The partnership is designed to benefit higher education institutions in all regions. In the first stage (before UNCTAD XI), the objective is to involve one institution per region, plus one from an LDC. In the second stage (which is expected to last about three years after UNCTAD XI), it is envisaged that there will be 15–20 partner institutions.

103. **Time frame:** Since the focus of the partnership is capacity development that takes place over a long time, the development of the partnership will be an ongoing activity.

104. **Main activities:** All partnership activities are focused on building the capacity of partner institutions. They include:

- Development of a website that will make available a selection of relevant UNCTAD resources and teaching tools in an accessible manner, enable the exchange of resources among partners, and facilitate the sharing of knowledge and experience with other members and UNCTAD;
- Development of teaching and research resources for exchange among partners;
- Facilitation of meetings/workshops to build a network of exchange and to develop curricula on UNCTAD issues;
- Cooperation in curriculum development among partners and with UNCTAD;
- Subject to interest and availability of resources, closer cooperation between the partners and UNCTAD (course development and delivery, collaborative research, fellowships, etc.).

105. **Modalities for implementation:** Qualified partners interested in enhancing their teaching and research through exchange and collaboration with other partners and UNCTAD will be invited to consider a partnership agreement with UNCTAD regarding their participation in the Virtual Institute. Partners will be invited to commit to sharing teaching and research resources, participating actively in exchanges of experience and discussion forums, and respecting the copyrights of other partners, among other things. The partnership agreements will also specify the support to be provided by UNCTAD. All these aspects will be developed on an ongoing basis and adjusted, enriched and fine-tuned according to feedback from partners.

106. **Links with related activities at the international or regional level:** The Virtual Institute partnership is currently being developed in consultation with the WTO (Partnerships for Training and Research), the South-South Centre (South-South Portal for Information, Knowledge and Empowerment – SPIKE) and the DiploFoundation. It is expected that other organizations will join this initiative in the future.

107. **UNCTAD's contribution:** The principal functions of regular staff members involved in the partnership will be to identify and select suitable partners/members; manage and administer membership of the Virtual Institute through regular communication with higher education institutions in developing countries; work with partner institutions on curriculum development; moderate the Virtual Institute website with regard to substantive, pedagogical and technical issues; technically update, maintain and enhance the Virtual Institute website environment; systematically include and update UNCTAD research and analysis resources as part of the site; liaise with partner institutions on areas of mutual research interest; promote the Virtual Institute to potential partners, users and donors; and raise funds for further development of the Institute and assistance to its member universities.

108. **Contribution by partners:** Partners will provide, free of charge, in-kind contributions consisting of sharing of teaching and research resources and expertise with the other members. This may at times include translation of the material/information into other languages. It would be welcomed if partners were to offer facilities and support to host meetings of Network members. Partners also commit to contributing time to keeping their information and resources on the website up-to-date.

109. **Voluntary contribution requirements:** Existing extra-budgetary resources available from Canada will meet some of these needs; it may also be possible to fund a United Nations Fulbright fellow for the period June–November 2004. The additional funding needed for the next stage is \$750,000.

110. **Internet address:** vi.unctad.org
