

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

# DTL

DIVISION ON TECHNOLOGY AND LOGISTICS



activity report **2009**



UNITED NATIONS

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## NOTES

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This report presents an overview of the activities undertaken by the three branches of the Division on Technology and Logistics (DTL) in 2009. It is complemented by stories from beneficiaries in developing countries, a world map in which project activities in the field are marked and a list of publications for the biennium 2008-2009.

DTL consists of three branches:

- Science, Technology and ICT Branch;
- Knowledge Sharing, Training and Capacity Development Branch; and
- Trade Logistics Branch.

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

This is done through (a) promoting access to – and enhancing the capacity to develop and use – technology and knowledge; (b) strengthening capacity in the areas of trade logistics and trade facilitation – including Customs, trade-supporting services and legal frameworks; (c) following up as a focal point for the Executive Committee of Economic and Social Affairs (ECESA) on science and technology, as well as transport; (d) coordinating and contributing to the Partnership on Measuring ICT for Development that was launched at UNCTAD XI; (e) coordinating the system-wide follow-up of the outcome of the World Summit on the Information Society (WSIS), including enhanced access to and efficient application of information and communications technology for development; (f) serving as a secretariat for the Economic and Social Council's Commission on Science and Technology for Development (CSTD) and reporting to the General Assembly; and (g) developing human and institutional capacities in the fields of trade and the interrelated areas of finance, investment, technology, enterprise development, competition and sustainable development.

In light of the United Nations Millennium Development Goals (MDGs) Summit to be held in 2010, emphasis has been put in this report on the work undertaken in the area of its international development goals 1 (poverty and hunger) and 8 (expanding and strengthening international partnerships).



- Access to new technologies and information and communication technologies, reducing the technology gap and enhancing innovative and low-cost development solutions were core elements of the work plan on science, technology and ICTs;



- Local competencies in key areas relating to trade and development were enhanced through training, research and capacity-building activities;
- Supply-side and transport constraints, as well as lack of trade facilitation were addressed through training courses, needs assessments, meetings and technical assistance programmes, including for the most vulnerable countries.

In addition, particular attention has been given to another important upcoming event, the Fourth United Nations Least Developed Countries Conference in 2011, with figures on the number of least developed countries that received support and the type of assistance provided.

Furthermore, special focus has been put on technological connectivity that has an impact not only on trade, but also on the operation of supply chains, the diffusion of knowledge and human interaction beyond borders.

DTL works closely with other divisions within UNCTAD, and with United Nations organizations and partner institutions. The three pillars of UNCTAD – research and analysis, consensus-building and technical cooperation – are fully integrated into the work programme, and also into cross-cutting issues.

**At the twelfth United Nations Conference on Trade and Development in 2008 (UNCTAD XII), the following mandates were given in relation to science, technology and ICTs:**

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

*(Accra Accord, para. 120).*

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

*(Accra Accord, para. 134).*

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

*(Accra Accord, para. 135).*

To “further strengthen its research and analysis in the area of science, technology and innovation, including ICTs, [...] “, and to “[...] promote effective international and national policies [...]”

*(Accra Accord, para. 158).*

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

*(Accra Accord, para. 159).*

To “[...] provide technical assistance to countries in the area of **ICT**, notably on ICT policy reviews, pro-poor policies, legal and regulatory frameworks, and measuring the information economy, including through the Partnership on Measuring ICT for Development-launched at UNCTAD XI”

*(Accra Accord, para. 160).*

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

*(Accra Accord, para. 161).*

**Work undertaken in the areas of STI and ICTs for the benefit of Least Developed Countries (LDCs):**

The building of a sound **science, technology and innovation (STI)** capacity in the LDCs is a prerequisite for long-term economic growth and poverty reduction. At the national level, policymakers throughout the LDCs have markedly increased their awareness of the importance of science and technology for development and are putting in place policies and strategies that would help them build up a solid science, technology and innovation capacity in order to raise productivity, combat poverty and improve the standards of living of citizens.

Improved access to **information and communication technologies (ICTs)** represents one of the most positive developments in the **least developed** countries in the past decade (UNCTAD Information and Economy Report 2009). At the same time, there is great variation both between and within countries in the extent and nature of ICT use by businesses. Despite positive trends in ICT diffusion, more needs to be done to achieve an information society for all. Important gaps remain within economies and societies that affect the demand for and the ability to use ICT. An extra and concerted effort is required to bring marginalized and disadvantaged groups into the information society.

The upgrading of the technological capabilities of developing countries was identified by UNCTAD XII as a key element of policies to strengthen the productive capacities of developing countries and to harness knowledge for development. In this context, the Science, Technology and Information and Communications Technology Branch of the Division on Technology and Logistics serves as a source of intellectual leadership and expertise on science, technology, innovation and information and communication technologies (ICTs) within the United Nations system. It comprises the Policy Review Section, the ICT Analysis Section and the Science and Technology Section. The following pages present the work undertaken in 2009.







## A.1. SCIENCE AND TECHNOLOGY

### 1. Research and analysis

A significant amount of research and analysis work was conducted in preparation of the first issue of UNCTAD's new Technology and Innovation Report, launched in 2010. The Report discusses the role that technology can play in raising agricultural productivity in developing countries, particularly that of small farmers in Africa. It describes readily available technologies that can already be applied to improve soils, manage water shortages and resist drought and explains how if supported by investments, revitalized agricultural research and development and stronger international cooperation on technology transfer, STI can contribute to better food security and to poverty reduction.

Key issues are discussed in the development of agriculture in Africa. The Report also examines the determinants of national food security, the options available to improve domestic food production and the role of agricultural trade in food security. Emphasis is put on the crucial importance of building an enabling environment to utilize technologies and inventions and the transfer and farm-level diffusion of agricultural technologies, including the international transfer of technology through South–South cooperation. Finally, a number of policy recommendations addressing the range of issues covered in the preceding chapters are set out.

### 2. Technical assistance

Technical assistance was undertaken in two main areas: (a) the Science, Technology and Innovation Policy Reviews; and (b) the work of UNCTAD's network of Centres of Excellence.

#### A. Science, Technology and Innovation Policy Reviews

The main purpose of Science, Technology and Innovation Policy Reviews (STIPs) is to enable participating countries to perform a review and analysis of their national science, technology and innovation

strategy with a view to identifying policies and practices favouring capacity-building in STI activities and integrating them in their overall development policy. STIPs typically look at the design of STI systems, the linkages between small and medium-sized enterprises (SMEs), large firms, science and technology institutions, and business associations; and the policy dialogue in the area of science, technology and innovation. STIPs will identify measures to encourage transfer of technology and will evaluate new and emerging science and technology trends and sectors that may bring economic opportunities to the country under review.

In 2009, the STIP reviews of Lesotho and Mauritania have been concluded. In the case of Ghana, which is under preparation in cooperation with the World Bank, the STIP review has been used by the Government in its efforts to update its STI policy document which is expected to be taken to Parliament in 2010 even before it is officially published. In the case of Lesotho, the conclusions of the STIP review are expected to be presented to Parliament as part of the process of reorganization of the country's STI structures.

Also in 2009, a new series of STIP reviews was started. These will concern Peru (where the first mission of the review team took place in October), El Salvador and the Dominican Republic. These STIP reviews are being implemented in close cooperation with the Economic Commission for Latin America and the Caribbean (ECLAC).

#### B. Network of Centres of Excellence

UNCTAD's Network of Centres of Excellence (NOCE) works with outstanding scientific and technological institutions in developing countries. These institutions collaborate as hubs of learning and training, and carry out advanced and basic training courses in biotechnologies and ICTs for scientists and researchers from these countries.



Efforts have been undertaken to broaden the linguistic reach of NOCE activities and to make its benefits available for more scientists and engineers from developing countries. In this regard, the NOCE organized a training session in Tunis in September–October 2009 for 15 francophone African cybersecurity experts. This meeting was organized in close collaboration with the Tunisian National Agency for Computer Security (NACS) and was the second training session to be held in French. Following this meeting, a group of francophone African information technology experts was established for the development of a security strategy model to be used in their respective countries. The group collaborates using NOCE's online platform (<http://www.unctad.org/noce>).

### 3. Consensus-building

In the area of consensus-building, the first session of the Multi-year Expert Meeting on Enterprise Development Policies and Capacity-Building in Science, Technology and Innovation took place 20–22 January 2009. It focused on the importance of an enabling environment that encourages entrepreneurship and innovation. Among other issues, the experts' deliberations explored the role of open innovation for SMEs in developing countries and the use of technology, innovation and entrepreneurship for poverty reduction. The first session advised that, in order to be relevant to development, science, technology, innovation and entrepreneurship need to support rapid and sustainable growth, and should be harnessed in poverty reduction activities.

With this in mind, the theme of the second session in 2010 was decided as "From the evaluation based on indicators to policy frameworks for entrepreneurship and small and medium-sized enterprise (SME) development and innovation – firm foundation, growth, finance and failure". Under this theme, the experts looked into key policy areas for innovation and entrepreneurship and how best

to formulate, monitor and evaluate national entrepreneurship and science, technology and innovation policies that can support and energize national sustainable development.

An ad hoc expert meeting on science, technology and innovation policies was held on 8–9 December 2009. The purpose of the meeting was to initiate an exchange of views and information between the secretariat and STI experts and academics about the main trends and changes in various fields of technology that developing countries need to monitor and consider from the perspective of their national development strategies. Another point of discussion was the nature of supporting policy environments that would enable a positive impact of established and cutting edge technologies on the development process. Finally, the participants and the network of experts discussed how UNCTAD's policy analysis and research in STI could support policy-making in developing countries.

### A.2. ICT ANALYSIS

In many respects, the diffusion of ICTs continues to be a great development success story. During the past few years we have witnessed dramatic growth in the use of various ICT applications. Improved connectivity – especially through mobile phones – is enabling increased access to critical information. For firms, for instance, increased access to knowledge, business information and finance is a key factor for enhancing competitiveness. Nevertheless, huge gaps remain in many areas, both



*Multi-year Expert Meeting on Enterprise Development Policies and Capacity-Building in Science, Technology and Innovation, 20–22 January 2009, Geneva.*



between and within countries, and the full potential of ICTs remains to be exploited. UNCTAD's work in this area seeks to help developing countries seize opportunities from ICTs.

### 1. Research and analysis

In the area of research and analysis, the main output was the Information Economy Report 2009: Trends and Outlook in Turbulent Times (IER 2009). This flagship report is one of few publications that monitor global trends in ICTs as they affect developing countries. It serves as a valuable reference for policymakers in those nations. The report was released on 22 October 2009 and presented to journalists and other interested stakeholders. Launching events took place in Geneva, Addis Ababa (with the Economic Commission for Africa (ECA)), Bangkok (with the Economic and Social Commission for Asia and the Pacific (ESCAP)), Beirut (with the United Nations Economic and Social Commission for Western Asia (ESCWA)), Cairo, Helsinki, Lima, Manchester, Montevideo (by video), New Delhi (with UNCTAD-India), New York (United Nations Headquarters), Stockholm, Tunis and Washington, D.C.

The *IER 2009* took stock of recent trends with regard to extending connectivity worldwide. While fixed telephone subscriptions are now in slight decline, mobile and Internet use continues to expand rapidly in most countries and regions. At the same time, there is a widening gap between high-income and low-income countries in broadband connectivity. Broadband penetration is on average eight times higher in developed than in developing countries. The report explores policy options for

countries seeking to improve broadband connectivity.

The report also reviewed recent developments in enhancing the use of ICTs among enterprises. It recommended that governments in developing countries give more attention to ICT uptake and use by small- and medium-sized enterprises (SMEs), as they are lagging behind larger firms. The chapter presented the results from UNCTAD's 2008 global survey of national statistical offices (NSOs) on ICT usage by businesses and on the ICT sector. The complete data are included in the *UNCTAD Information Economy Database* which is set to go online during 2010.

As the *IER 2009* was prepared in the midst of the most turbulent economic times since the Great Depression, potential implications of the economic crisis were discussed throughout the report. Its third chapter was devoted to the impact of the financial crisis on ICT trade. While a growing share of exports of ICT goods and services is accounted for by developing economies, especially in Asia, the crisis has affected goods and services quite differently. ICT goods are among the categories of trade most negatively affected by the recession, while IT and ICT-related services appear to be among the most resilient.

During the last quarter of 2009, preparations began for the *IER 2010*, the theme of which will be ICTs, enterprises and poverty alleviation. In this context, an ad hoc expert meeting was held in Geneva 12–13 November 2009, gathering representatives from academia, international organizations, government, civil society and the private sector. Discussions focused on how the production and use of ICTs by enterprises can contribute to reducing substantively negative aspects of poverty. The meeting brought new insights, experiences and viewpoints from different countries and institutions working in the area of ICT for development. It also provided an opportunity for networking between UNCTAD and the community of ICT experts.



Ad-hoc expert meeting  
on 12–13 November  
2009, Geneva.

## 2. Technical assistance

During 2009, UNCTAD saw continued demand for its ICT-related technical assistance. It reached all developing-country regions, and relied partly on regular budget funds from the United Nations Development Account, and partly on extra-budgetary support from the Governments of Finland, France and Spain, and from the United Nations Development Programme (UNDP).

ICT-related technical assistance work is focused on three main areas: (a) measuring ICT for development; (b) ICT and law reform; and (c) ICT policy reviews.

### A. Measuring ICT for development

UNCTAD is actively supporting member States' efforts to improve the availability of ICT statistics, especially with regard to ICT use by the business sector and to the ICT sector itself. In most developing countries, there is a serious lack of reliable data in these areas. During 2009, UNCTAD offered training to National Statistical Offices (NSOs) in Africa and Latin America and the Caribbean.

Drawing on the revised edition of UNCTAD's *Manual for the Production of Statistics on the Information Economy*, UNCTAD delivered three regional training courses during 2009, in collaboration with members of the *Partnership on Measuring ICT for Development*. These were held in:

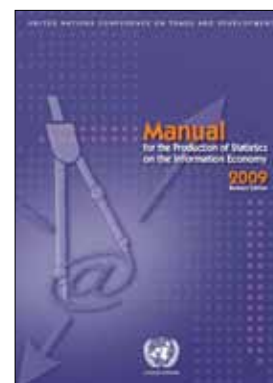
- Trinidad and Tobago, in partnership with the International Telecommunications Union (ITU) and ECLAC;
- Ethiopia, in partnership with ITU and ECA; and
- Morocco in partnership with ECA.

In addition, in June, UNCTAD and ITU jointly organized a training of trainers workshop in Geneva, targeting experts who were already experienced in delivering statistical training, but not familiar with the area of ICT statistics.

UNCTAD continued its collaboration with other parts of the United Nations system. In February, the revised version of the Manual

was presented to the fortieth session of the United Nations Statistical Commission. This revised version was also translated into French by the ECA, and is being translated into Arabic by ESCWA and into Spanish by ECLAC. UNCTAD also participated in a workshop organized by ESCWA in Dubai on measurement of e-commerce and external trade indicators, and in the fifth Regional Workshop on Information Society Measurement in Latin America and the Caribbean, held in Rio de Janeiro and organized by ECLAC.

During the past three years, UNCTAD's work in the area of measuring ICT has been financed primarily by funds from the United Nations Development Account. The work programme and related technical assistance to countries on ICT measurement will need additional funding from 2010 onwards, especially to continue to develop the areas of ICT statistics that UNCTAD is responsible for, and to build capacity regarding the collection and analysis of internationally comparable ICT statistics.



Training course in Addis Ababa, Ethiopia.



Training course in Rabat, Morocco.



## B. ICT and law reform

In order to seize the development opportunities created by ICTs, effective cyberlaws are essential. In 2009, UNCTAD's technical assistance activities in this field aimed primarily at facilitating increased regional harmonization of cyber-legislation, with projects in Africa, Asia with the financial support of Finland and Latin America through funds from Spain. This work is conducted jointly by the ICT Analysis Section and the TrainForTrade programme from within the same division.

In Africa, as part of the assistance provided to the East African Community (EAC) since 2007 for the harmonization of cyberlaws in the five Partner States, a training workshop on the "Legal Aspects of E-Commerce" was organized for officials in Burundi in September 2009. The workshop was organized in cooperation with the United Nations Commission on International Trade Law (UNCITRAL). At the regional level, the EAC Technical Committee for Information Technology recommended that the draft EAC Legal Framework

for Cyberlaws prepared by UNCTAD in 2008 be submitted to the EAC Sectoral Council for Transport, Communications and Meteorology for consideration and adoption. The Sectoral Council was scheduled to meet in February 2010.

UNCTAD furthermore supported a workshop on Legal and Regulatory Framework for the Knowledge Economy, organized by ECA during the Meeting of the Committee on Development Information, Science and Technology in April–May 2009. This workshop analysed the formulation and modalities for adoption of legal and regulatory frameworks which is one essential element towards the creation of an enabling environment for the knowledge economy.

In Asia, technical assistance was primarily offered to Cambodia and the Lao People's Democratic Republic. Further to the draft cyberlaws prepared in 2007 for the two countries, national sensitization workshops on the draft cyber legislation for key stakeholders were held in both countries in April 2009. There is still a need to strengthen national capacity to ensure that the draft e-commerce laws are understood by the different stakeholders who need to review the drafts before enacting them.

In Latin America and the Caribbean, the distance learning course on Legal Aspects of e-Commerce was delivered. The Study on Prospects for Harmonizing Cyberlaws in Latin America was published in June 2009 and will be translated in English in February 2010. A similar study for Central America and the Caribbean, based on the results of the 2009 workshop in San Salvador, is scheduled for publication in the first semester of 2010. The study provides a basis for advancing plans towards a harmonized legal framework to support the development of Internet-based commerce in countries of the Asociación Latinoamericana de Integración (ALADI). It presents a comparative review of the laws and bills of 11 ALADI member States in key policy areas and takes stock of regional ICT policy initiatives.



Training course  
in Burundi.



Training course  
in Lao People's  
Democratic Republic.

Additional requests for assistance were received in 2009, including by Albania, Botswana, Ethiopia and SELA (Sistema Económico Latinoamericano y del Caribe).

In addition, UNCTAD was invited by the Organization for Economic Cooperation and Development to provide comments in view of the revision of the Guidelines on Consumer Protection prepared in 1999.

### C. ICT policy reviews

During 2009, UNCTAD launched its first such review for Egypt thanks to the financial contribution of the UNDP Office in Egypt. A fact-finding mission to Cairo was conducted in May and a second mission is scheduled for January 2010. The first review of its kind is expected to be finalized during the first half of 2010.

### 3. Consensus-building

In the area of consensus-building related to ICT for development, UNCTAD played an active part in various contexts related to the implementation and follow up to the World Summit on the Information Society (WSIS). Special attention is paid in the following to UNCTAD's contribution to (a) the Partnership on Measuring ICT for Development; and (b) the WSIS Forum, the United Nations Group on the Information Society (UNGIS), and the CSTD, which are discussed in section A3.

#### Partnership on Measuring ICT for Development

Through its ICT Analysis Section, UNCTAD assumes a leading role within the Partnership on Measuring ICT for Development. In 2009, the United Nations Department for Economic and Social Affairs (UN-DESA) also joined

as a member. UNCTAD is part of the steering committee – together with ITU and ECLAC – and participates in three dedicated task groups. The work of the Partnership is increasingly recognized, as suggested by the Resolution adopted by the Economic and Social Council on the World Summit on the Information Society (E/2009/7).

### A.3. WSIS follow-up and CSTD

In order to further strengthen capacities in the areas of ICT, science and technology, UNCTAD is involved in WSIS and in CSTD.

#### 1. WSIS Forum 2009

The WSIS Forum 2009 was jointly organized in Geneva by ITU, the United Nations Educational, Scientific and Cultural Organization (UNESCO) and UNCTAD from 18 to 22 May 2009. Six hundred delegates from around 100 countries contributed to the many debates in a spirit of constructive multi-stakeholder partnership. Many others followed the event through live web-casts and interacted electronically. UNCTAD played an active role in the preparations and the organization of the Forum. In addition, UNCTAD staff were responsible for organizing a High-Level Panel on Better Life (together with UNESCO), the Action Line Facilitation sessions on Enabling Environment (together with ITU) and e-Business (together with the International Trade Centre), and a session on Measuring ICT for Development (in cooperation with other members of the Partnership).

The WSIS Forum 2009 ended with a meeting of the United Nations Group on the Information Society (UNGIS). UNGIS was

“Recognizes the work of the Partnership on Measuring Information and Communication Technology for Development, its institutional strengthening and the creation of the working group to measure the economic and social impact of information and communications technologies, recalls Economic and Social Council resolution 2008/3, in which the Council acknowledged the work of the Partnership to develop indicators, and recommends that the Partnership consider the creation of benchmarks and impact indicators for further consideration by the United Nations Statistical Commission”.

*The Economic and Social Council resolution 2009/7*

Over the past few decades, ICTs have proven to be a tremendous accelerator of economic and social progress. They have opened a previously unimaginable array of possibilities in both developed and developing countries. The annual multi-stakeholder gatherings in Geneva as a follow-up to WSIS serve a very important function. This Forum, as well as next week's session of the United Nations Commission on Science and Technology for Development, will allow us to monitor progress in implementing the various commitments made at the Summit. They will also allow for revisions of how the international community can contribute more effectively to leveraging ICTs for development. This latter point is especially important, as the world of ICTs is always in a state of flux. Despite many positive trends in narrowing the digital divide, much more needs to be done to create an information society for all. Bridging the gap requires more than rolling out infrastructure. Major gaps remain within economies and societies. The next steps towards an all-inclusive information society need to address universal ICT access, in both rural and urban areas, among men and women and across generations, and the availability of content in local languages. This will considerably increase the potential contribution of ICTs towards achieving the MDGs.

*Statement by Dr. Supachai Panitchpakdi at the opening of WSIS Forum in 2009*

originally created by the Chief Executives Board (CEB) after the Tunis phase of the WSIS to coordinate implementation of WSIS outcomes within the United Nations system. Pursuant to a decision by the High-Level Committee on Programmes in February 2009, the meeting amended the terms of reference of UNGIS to also contribute to the strengthening of the United Nations' role in facilitating access of developing countries to new and emerging technologies. In this context, it was decided that UNCTAD for the first time should join UNESCO, ITU and the UNDP to serve as chair or vice-chair on a rotating basis.

During 2009, UNCTAD took an active part in the organization of the first-ever Open Consultations on Meeting the Challenges of Financing ICT for Development. The meeting was organized around the main areas in which financing was needed, i.e. (a) backbone infrastructure and universal access to ICTs; (b) applications and content; (c) capacity-building; and (d) other issues at stake. A report from the meeting is available at <http://www.ungis.org>. The financing challenge was also addressed in the Intersessional Panel of the CSTD in November (see below).



## 2. Commission on Science and Technology for Development

As the secretariat for the CSTD, UNCTAD provided substantive and technical serving to the following two meetings:

### Twelfth session of the CSTD

The twelfth session of the CSTD took place in Geneva from 25 to 29 May 2009. The Commission reviewed the progress made in the implementation of the outcomes of WSIS and considered two priority themes: (a) "Development-oriented policies for a socio-economically inclusive information society, including policies relating to access, infrastructure and an enabling environment"; and (b) "Science, technology and engineering for innovation and capacity-building in education and research".

Also, as a contribution to the Economic and Social Council's Annual Ministerial Review theme for 2009 on "Implementing the internationally-agreed goals and commitments in regard to global public health", a special panel discussion was devoted to "Delivering innovation in global public health". The session included a ministerial segment, in which more than 15 Member States were represented at the ministerial level. Participants also included (a) heads of international organizations

of the United Nations system or their representatives; (b) representatives of the African Union, the Organization for Economic Cooperation and Development, the Islamic Development Bank and the World Bank; and (c) representatives of civil society and of business entities. UNCTAD prepared reports of the Secretary-General on the priority themes (E/CN.16/2009/2, E/CN.16/2009/3 and E/CN.16/2009/10).

The CSTD recommended to the Economic and Social Council the adoption of two draft resolutions: "Science and technology for development" (E/2009/8); and (b) "Assessment of the progress made in the implementation of and follow-up to the outcomes of the World Summit on the Information Society" (E/2009/7), which contain several calls for action to national governments and the international community.

Participants urged the CSTD to play the role of "torch-bearer" for innovation and innovation-oriented planning, and to support efforts by national governments to integrate STI into national development strategies. They also called on all stakeholders to assist developing countries in their efforts towards narrowing the digital divide, particularly with regard to access, affordability, speed in broadband, local content and data privacy. Furthermore, they encouraged all stakeholders to continue to cooperate on and to develop ICT partnerships towards capacity-building, technology and knowledge transfer, and research and development (R&D).

The CSTD was also requested to organize, during its thirteenth session, a substantive discussion on the five-year progress made in the implementation of the WSIS outcomes. For further information, please see <http://www.unctad.org/Templates/meeting.asp?intItemID=1942&lang=1&m=16980>.

#### **CSTD inter-sessional panel**

The inter-sessional panel of the Commission on Science and Technology for Development (CSTD) took place from 9 to 11 November in Geneva. Organized by UNCTAD in collaboration with the Government of Switzerland, the panel provided an opportunity for the Commission members to

study in depth the various issues related to the following themes which will be considered at its 13th annual session, scheduled to take place in May 2010:

- Improvements and innovations in existing financial mechanisms for ICT;
- New and emerging technologies; with a special emphasis on green and renewable energy technologies (GRETs), and
- Progress made in the implementation of and follow-up to the outcomes of WSIS at the international and regional levels.

On the theme of financing mechanisms, panellists reviewed key developments since WSIS, including new challenges and opportunities. Discussion centred around five areas:

- Policy frameworks and implementation strategies;
- Backbone infrastructure and universal access;
- Applications and content;
- Strengthening capacity, and
- Promoting opportunity.

With regard to GRETs, panellists highlighted the need for North–South and South–South transfer of technology and corresponding know-how, as well as the central importance of building local innovative capabilities.

More than 70 participants, representing national governments, international organizations, non-governmental organizations (NGOs) and the private sector, were present.

The documentation for the meeting included issues papers, presentations and policy papers by the participants. All documents are available online at the CSTD site: <http://www.unctad.org/cstd>. A summary report on the panel will be submitted to the thirteenth session of the CSTD, scheduled to take place from 17 to 21 May 2010.

Furthermore, UNCTAD presented two reports (A/64/168, and A/64/64) of the Secretary-General to the sixty-fourth session of the General Assembly, one under the agenda item on Science and Technology for Development, one on ICT for Development.



**At UNCTAD XII in Accra in 2008, the following mandate was given on cross-divisional capacity-building:**

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

*(Accra Accord, para. 162).*

**Work undertaken in cross-divisional capacity-building for the benefit of least developed countries (LDCs):**

Strengthening the capacities of trade-related education, research and training institutions in developing countries, particularly the LDCs, plays a pivotal role in the generation of local knowledge. Currently, the Branch addresses in an integrated manner through its three main programmes (TrainForTrade, Vi and Courses on Key Issues on the International Economic Agenda) the vast complex of trade, investment and development issues required for coherent policy-making through its three programmes.

Some figures for 2009:

**TrainForTrade:** 17 LDCs benefited from training;

**Vi:** 87 academics participated in national workshops and fellowships;

**Courses on Key Issues on the International Economic Agenda:**

20 policymakers participated in three-week regional courses and 54 delegates from 16 LDCs attended its short courses in Geneva.

Building capacities of developing countries in trade and development has been reaffirmed by the Accra Accord at UNCTAD XII as one of the key elements of UNCTAD's mandate. The three capacity-building programmes of the Knowledge Sharing, Training and Capacity Development Branch address the needs of developing-country training and research institutions through different but complementary activities, tailored to the needs of their specific target audiences. The TrainForTrade programme works with trade practitioners, trade officials and private enterprises, the UNCTAD Virtual Institute on Trade and Development works mainly with academia and to some extent with research institutes in developing countries; and the Course on Key Issues on the International Economic Agenda (the so-called "Paragraph 166 course") is UNCTAD's flagship training course for policymakers on trade and development.

The activities of these three programmes expanded in 2009 thanks to the commitment and support of donor countries and partners, and the wide recognition of their quality by beneficiaries. The three programmes have pursued the integration of innovative methods and tools in their activities in order to provide sustainable added value at the local level.

**TRAINFORTRADE**



**COURSE ON KEY ISSUES  
ON THE INTERNATIONAL  
ECONOMIC AGENDA**



## B.1 HUMAN RESOURCES DEVELOPMENT/ TRAINFORTRADE

The UNCTAD TrainForTrade programme has developed expertise in promoting local ownership of training in the field of trade-related and development issues, by involving multiple stakeholders from relevant ministries, private institutions and from academia and NGOs. Its strategy is based on three elements: (a) a sound methodology for the development and continuous updating of pedagogical material; (b) a flexible learning method that includes both face-to-face deliveries and the use of distance-learning tools adapted to the technological conditions of all developing countries, including least developed countries; (c) and an institutional approach which promotes local ownership through the setting-up of national/regional steering groups and train-the-trainer activities.

In the field of technical cooperation, TrainForTrade has continued delivering face-to-face and distance-learning courses, in cooperation with other UNCTAD programmes. A total of 44 face-to-face and distance-learning workshops benefited 1,070 trade operators (of whom 299 were women) from 39 developing countries, including 17 least developed countries. About 164 of these trainees followed distance-learning courses all over the world. Nine train-the-trainer courses, including six for distance-learning tutors, were organized for 166 African, Asian and Latin American trade operators. At present, they can actively participate in local seminars and initiate training schemes in their countries.

TrainForTrade's training strategy was implemented in three areas of work in 2009: (a) International Trade and Investment; (b) Sustainable Tourism for Development and (c) Port Management.

### 1. Training Programme on International Trade and Investment

Its purpose is to strengthen local capacities of both trade and investment opera-

tors and of training institutions, and foster developing countries' ownership of knowledge in the field of trade and investment. The following activities were undertaken:

- In **Angola**, the four-year TrainForTrade project funded by the European Commission successfully continued its activities. The first national workshop to train Angolan distance-learning tutors was delivered in March 2009 for 23 participants, including 10 women, who are now able to supervise distance learning deliveries of TrainForTrade courses. It was followed by a workshop on "Productive Capacities, Economic Growth and Poverty Reduction in LDCs with the example of Angola" in November 2009. In addition, meetings between the Director of the Division on Technology and Logistics and the Ministers of Commerce and of Environment of Angola were organized respectively in Geneva and in Copenhagen to discuss and prepare the project plan of action for 2010;
- The first activities of the pilot joint UNCTAD–International Trade Centre UNCTAD/WTO (ITC) project in **Guinea** funded by the French Agency for Development (AFD) were implemented. They included a technical mission on trade facilitation, a training of technical tutors in Conakry for distance-learning experts and a hybrid training (combining distance learning and traditional face-to-face delivery) on international investment agreements, which could not be fully completed due to the September events in Conakry. In view of such events, a number of planned activities in Guinea have been rescheduled;
- Under the TrainForTrade project for **Cambodia** and the **Lao People's Democratic Republic**, a seminar on Investment Promotion and Investor Targeting was organized in the Borkeo province of Lao People's Democratic Republic in July 2009;

**Success stories:**

**Local appropriation of distance-learning tools and techniques in Africa**

**Online delivery of the International Investment Agreements Course in Guinea:** Following their participation in a TrainForTrade train-the-tutors workshop organized in Conakry in August 2009, local tutors were able to manage a distance-learning session to train 20 participants (in a classroom equipped with a generator and direct internet connection through an individual satellite dish) from various Guinean ministries and entities on international investment agreements in 2009. DVDs were also made available to all participants for the multimedia presentation.

**In Angola, e-learning sessions complete face-to-face deliveries:** During the course on Sustainable Tourism for Development in November 2009, participants were able to follow multimedia presentations. The e-learning platform proved to be an efficient tool to maintain contacts with participants after the training, as well as to facilitate future local and regional deliveries by Angolan trainers.

In addition to the “in-site” training activities, the Angolan participants benefited from distance-learning training (involving multimedia tools, chat and forum sessions among participants). The flexibility of this e-learning approach added value to the course for the participants from the six Angolan main ports.

- TrainForTrade also assisted Cambodia in the work of local authorities on consumer protection. The draft law is now ready to be translated into Khmer and widely distributed to relevant stakeholders for the national legislative process. Train-the-trainer workshops were also organized in the Lao People’s Democratic Republic, respectively in June and October 2009. The Lao People’s Democratic Republic and Cambodia also signed the Terms and Conditions of the TrainForTrade Network setting the framework for cooperation after the end of the project in December 2009;
- TrainForTrade also continued its activities in **Latin America and the Caribbean**, consolidating its presence with course deliveries with the support of the Government of Spain. Such courses focused in particular on Legal Aspects of e-Commerce, through a four-week distance learning course delivered to 90 participants from Costa Rica, El Salvador, Guatemala, Honduras, Nicaragua, Panama and Dominican Republic in January and February 2009, and a

Regional Workshop on Cyberlaws organized in San Salvador jointly with the Ministry of Foreign Affairs of El Salvador for seven Latin American countries. Two studies were published on the results of the San Salvador workshop;

- A distance-learning regional course on International Investment Agreements in Spanish was delivered via the UNCTAD distance-learning platform to policymakers and local experts from 17 SELA member States in October–November 2009.

**2. Training Programme on Sustainable Tourism for Development**

Focus has been put on the development of capacities on sustainable tourism through collaboration mechanisms with national authorities, civil society and private sector stakeholders.

- In the framework of the TrainForTrade project for **Angola**, a five-day validation seminar gathered 29 representatives from the Angolan public and private sector as well as NGOs;

- In addition, the implementation of the joint UNCTAD/ITC TrainForTrade project on “Promotion of Sustainable and Community-based Tourism in **Benin**”, financed under Window II of the Integrated Framework (IF) continued. The project has seen the rolling out of activities at the local level, particularly for the communities of Abomey, Ganvié and Ouidah. As a result, a rehabilitation plan of historical houses in the city of Abomey to be converted into small lodgings for international tourists has been drafted by the Abomey authorities with the technical support of the French town of Albi and the technical expertise of ECO-Benin, a local NGO;
- Furthermore, participants from **Latin America and the Caribbean** (Costa Rica, El Salvador, Guatemala, Nicaragua, Panama and the Dominican Republic) participated in the first TrainForTrade course on sustainable tourism in Spanish in Antigua in November 2009.

### 3. Port Training Programme

This programme is instrumental to train middle managers of developing countries port authorities and port communities on all the aspects of modern port management, and promotes networking among developed and developing countries' ports.

Jointly with partners in Ireland and Spain, two courses were undertaken:

- In cooperation with Dublin Port Company and Irish Aid, TrainForTrade organized the second Train-the-Trainers Workshop

for **English-speaking Port Communities** in Dublin, Ireland, in June–July 2009. Senior managers from Djibouti, Ghana, Indonesia, Malaysia, the Maldives and the United Republic of Tanzania were trained on methods and tools of management in ports. As a result, a total of 118 middle managers were trained in Asia and Africa under the pilot phase of the UNCTAD Port Training Programme. The first four modules of the Modern Port Management course have been delivered in each of the countries of the network. Participants also received training through the TrainForTrade e-learning platform;

- Also, in cooperation with the Port Authorities of Valencia and Gijon, and with the support of the Spanish Government, TrainForTrade organized in Valencia, Spain the second Train-the-Trainer workshop for Guatemala, Mexico and Peru in September and October 2009.

Additional courses were given for several port communities throughout the year:

- **French-speaking African Ports** members of the TrainForTrade Port Training Programme organized new training cycles of the Modern Port Management course for the port communities of Cotonou (Benin), Douala (Cameroon), Conakry (Guinea) and Dakar (Senegal). The port of Djibouti joined the network in October. In addition, a train-the-trainer was delivered in Dakar for the ports member of the network with the financial support of the Government of Greece. Training of technical tutors was also delivered in Conakry in August and in Djibouti in October 2009;
- Two seminars were organized by TrainForTrade in September on modern management of ports in cooperation with the Port of Luanda, Angola, for 35 participants from **the Portuguese-speaking Network** (for the ports of Luanda, Cabinda, Soyo, Namibe, Lobito and Amboim as well as national officers);



Participants in the course on sustainable tourism in Guatemala.

“The role of ports is crucial for the development of countries and one of the main drivers to cope with recession and economic gloom.” *Mr. Brendan Howlin T.D., Deputy Speaker of the Irish Parliament at the TrainForTrade Training of Port Trainers for English-speaking developing countries, Dublin, Ireland, July 2009.*

- The official launch of the Port Training Programme for **the Spanish-speaking Network** took place in Guatemala in June. Middle managers from the National Port Commission and the ports of Quetzal and Santo Tomás de Castilla were trained on Modules 1-4 of the Modern Port Management course from June to October 2009. A train-the-tutors also took place in Guatemala City in June 2009;
- A train-the-tutor session was organized in Kuantan, Malaysia, hosted by Kuantan Port Consortium in November. Representatives from the port communities of Ghana, Indonesia, Malaysia, the Maldives and the United Republic of Tanzania participated in this workshop.
- The Port Training Programme for **Peru** was officially launched in Lima in July 2009. Middle managers from the National Port Authority and the port community of Callao were trained on the first four modules of the Modern Port Management course in various sessions.

## B.2. POLICY CAPACITY-BUILDING/VIRTUAL INSTITUTE (VI)

The UNCTAD Virtual Institute (Vi) works with academia in developing and transition countries to strengthen their teaching and research capacities on trade and development, and facilitates cooperation and knowledge sharing between the members of its global university network. The year 2009 was particularly important for the Vi as it marked the fifth anniversary of its creation in 2004.

The Vi undertook technical assistance related activities in the following areas:

### 1. Access to expertise: curricular support, teaching materials and study tours

The Vi continued to provide advisory and curriculum support to members of the network through the provision of access to trade and development related knowledge and expertise at UNCTAD and partner organizations:

- For instance, support was provided to the Makerere University Business School in Uganda and the Haute Ecole Régionale de Commerce International of the Université d'Abomey-Calavi in Benin on the development of trade-related Masters programmes;
- Also, in order to adapt generic Vi teaching materials to the context of countries in which they are used, the Vi provided grants and expertise for 11 “localizations” of its teaching materials (on Regional

In 2009, the network grew from 28 to 31 countries, including 7 new members from Brazil, Colombia, Ethiopia, Mexico, Switzerland and Viet Nam. At the end of the year, the Vi university network consisted of 51 universities. A map is presented in annex II showing all countries member of the Vi. See also: <http://vi.unctad.org>.



Participants of the course in Malaysia.

**“One year on... impact of the Investment workshop, Uganda, 2008**

“I also took advantage of the knowledge derived from the workshop’s international investment provisions to enhance my contributions during national discussions/meetings on EAC–EU EPAs – which also have provisions on investments. This was geared towards enabling the United Republic of Tanzania to adopt better positions while negotiating the EPAs”.

*Charles Domician, University of Dar-es-Salaam, United Republic of Tanzania*

Trade Agreements, Trade Data Analysis, Competitiveness and Development, and Transfer of Technology) to member universities from Chile, Egypt, Jordan, Kenya, the Russian Federation, Uganda and the West Indies. The generic material on Transfer of Technology was also updated in 2009;

- Finally, three study tours were organized for universities in the Caribbean, Colombia and the Russian Federation, and a shorter session for a university in Switzerland.

**2. Professional development: workshops and fellowship**

The Vi devoted particular attention to professional development of university staff. The following workshops were organized to enhance the knowledge and research capacities of academics on specific topics, namely:

- Trade data analysis: three national workshops were held for member universities in Senegal, Uganda and the United Republic of Tanzania, sponsored by the

Government of Finland;

- The World Integrated Trade Solution (WITS): two workshops took place for Vi members in Latin America, co-funded by the Government of Spain;
- International trade logistics and trade policy negotiations: two workshops were organized for the University of Mauritius;
- Facilitation of the delivery of workshops by partners on market analysis tools for Uganda, and on trade negotiations and policies for Senegal.

Moreover, for the fourth consecutive year, 10 academics (7 from Latin America and 3 from LDCs) participated in the Vi fellowship programme, with the financial support from the Governments of Finland and Spain.

**3. Virtual services: website, multimedia teaching resources, videoconferences**

The Vi website forms an integral part of the Vi services as it provides members with easy access to relevant documents and information, and serves as a commu-

**Fellowship programme**

“The fellowship programme is important to encourage interaction between an institution like UNCTAD, dedicated to generating knowledge on development, and the academia. Both can contribute and complement each other as sites where new development and policy thinking is formulated and disseminated. Moreover, it is important to facilitate exposure of young academics/researchers in universities from developing countries to the issues, challenges and debates that are addressed by UNCTAD activities and publications. Likewise, it is also important to bring to UNCTAD some of the emerging debates that emanate from developing country universities related to development and policy. Both can benefit from this collaboration.”

*Marcelo Saguier, Latin American school of Social Sciences (FLASCO), Argentina*

nication tool. The site contains, among others, a Vi online library, with more than 600 resources – articles, papers, reports and briefs related to trade and development – from both UNCTAD and its partner organizations. The site contains a discussion forum on which the Vi hosted forums on trade facilitation, migration, and technology and innovation for UNCTAD expert meetings. Quarterly Vi electronic newsletters were distributed to nearly 3,500 recipients. In 2009, the Vi website surpassed its first million hits, an increase of more than 60 per cent from the previous year. There are 1,607 registered users from 138 countries who access the resources available on the site. In a recent survey, over 70 per cent of website users rated the relevance of the site's content as "high".

In 2009, the Vi developed 10 new multimedia teaching resources for its members, in addition to presentations from short courses for Geneva-based diplomats organized by an associated UNCTAD programme. A new promotional documentary film about the Vi's work was produced featuring, inter alia, representatives of beneficiary universities and their governments, Vi donors and partners.

The Vi continued its videoconference services by offering presentations of UNCTAD's flagship reports (the *Trade and Development Report*, *World Investment Report* and *Information Economy Report*) by experts from UNCTAD divisions to its members in Brazil, Chile, Jordan, the Russian Federation and Uruguay.

#### 4. Activities of the Vi University Network

UNCTAD also continued facilitating the collaboration between Vi members in 2009. In May 2009, a fourth meeting of the network, attended by 32 university representatives, was held in Geneva. The meeting focused on research, in particular joint Vi research projects on the coffee sector in Colombia and Viet Nam, Qualified Industrial Zones in Egypt and Jordan, and regional integration in Latin America.



Regional integration workshop in Peru.

In the second half of the year, focus was put on the finalization of two joint research projects funded by the Government of Spain:

- The first concerned regional integration and cooperation in Latin America and consisted of papers drafted by academics from Vi universities in Argentina, Brazil, Chile, Peru, Spain and Uruguay. Their findings were discussed at regional workshops;
- The second project covered Corporate Social Responsibility in Latin America. It encompassed papers produced by Vi university members from Argentina, Chile, Colombia, Spain and Uruguay. The papers were subsequently discussed at two regional workshops.

The Vi also used its networking capacity to facilitate North–South cooperation projects among members, for instance:

- On “Foreign Trade University as a National Training Hub and Research Institution of Trade Policy in Viet Nam” (financed by the European Union) between the University of Barcelona, Spain, and the Foreign Trade University (FTU), Viet Nam; and
- On “Economic Studies on Money, Finance, Trade and Development” encompassing Vi members from Belarus, Brazil, Chile, India, Jordan, Mauritius, South Africa, the United Republic of Tanzania and Uganda, and developed by the University of Applied Sciences Berlin, Germany (funded by the German Academic Exchange Service (DAAD));



**Hearing from Vi members...**

“We at the Centre for International Trade and Development have participated in joint research projects with other developing country universities. This creates a link which so far has been missing in traditional networks.”

*Manoj Pant, Jawaharlal Nehru University, India*

“Strong points of the Vi: (a) Focused on what makes the institute unique, and systematically, given resources, made itself stronger than its individual activities by leveraging its partners and complementary activities; (b) Strong and effective management, strong communications plan, and targeted activities that make sense.”

*Phil Rourke, Center for Trade Policy and Law, Carleton University, Canada*

- Finally, Vi universities (Spain, Switzerland, the Russian Federation and Chile) offered preferential access to other members of the network to some of their training programmes and courses.

An independent evaluation of Vi activities was undertaken in 2009 by an expert affiliated with the United Kingdom-based Overseas Development Institute. The evaluation concluded, inter alia, that customized Vi services, sustainable long-term support, responsiveness to members' needs and a proactive approach, as well as the global scope of the Vi network, make the Vi very relevant and highly valued by member universities – a statement supported by 79 per cent of them. It also serves UNCTAD as a tool for a two-way exchange with universities and a means to contribute to developmental thinking and education of future decision-makers in developing countries. According to the evaluator, the Vi has had a clear measur-

able impact on beneficiary universities in terms of (a) enhancement of their trade-related teaching, with more than 15,000 students using the Vi teaching materials; (b) strengthening of policy-relevant local research capacity through localizations and joint research projects; (c) establishment of international research collaborations between universities from different continents; (d) increased access to trade-related teaching resources through the website of the Virtual Institute; and (e) laying the grounds for long-term sustainability of Vi's activities by focusing on the development of local capacity – as opposed to relying on outside expertise – and supporting departments and institutionalized academic programmes – as opposed to individuals.

### **B.3. COURSE ON KEY ISSUES ON THE INTERNATIONAL ECONOMIC AGENDA**

The Training Course on Key Issues on the International Economic Agenda, or Paragraph 166 course as it is also known, primarily targets policymakers – both in government ministries and agencies, and in permanent missions to the United Nations in Geneva. It has been delivered in two forms: (a) three-week regional courses for policymakers working in the government and academics; and (b) short (half-day) courses for Geneva-based diplomats.



*Participants at the Medellin course, 2009.*

“The most important lessons that I learnt is that a good economic policy can affect all aspects of the country’s economy. These aspects are numerous and we have to be more aware of the internal and external economic factors that influence these”.

*Kemal Perbangsa, Directorate of ASEAN Economic Cooperation,  
Department of Foreign Affairs, Indonesia*

### 1. Delivery of three regional courses

The objective of these courses is to provide a comprehensive overview of how economic factors such as international trade, finance, investment and technology are related to one another, how they can impact positively on the economic and social development of countries and how appropriate policies in these areas can bring gains from the globalized economy. In 2009, three three-week regional courses were organized for 66 participants from 46 countries, namely:

- Cairo, Egypt, for the African region (January–February 2009);
- Medellín, Colombia, for Latin America and the Caribbean (August–September 2009); and
- Jakarta, Indonesia, for Asia and the Pacific (November 2009).

### 2. Short courses for Geneva-based diplomats entered their third year

The objective of short courses is to update Geneva-based policymakers on the most recent issues and developments on the international economic agenda.

In 2009, a series of six short courses for Geneva-based delegations was delivered: (a) Financial crisis: causes, consequences and possible ways out; (b) Bridging the technology gap; (c) Investment promotion; (d) Energy in the twenty-first century: the emerging biofuels market and its development implications;

(e) Non-tariff barriers: UNCTAD’s new initiative, and (f) Investor–State dispute settlement. An average of 43 diplomats from developing, transition and developed countries participated in each short course, with a peak attendance of 72 participants.

Discussion session at the short course in Geneva on “Energy in the twenty-first century: the emerging biofuels market and its development implications”,



*Participants at the Jakarta course, 2009.*



*Discussion session at the short course in Geneva on “Energy in the twenty-first century: the emerging biofuels market and its development implications”, September 2009.*

“The intensive courses enhanced my understanding on international trade issues; they have been very useful since I come from the Ministry of Planning and I had to ‘jump on the train’ with regard to WTO matters.”

*Djimasbeye Ndade Mandagua, Permanent Mission of Chad*

**At UNCTAD XII, mandates were given related to trade logistics:**

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

*(Accra Accord, para. 121).*

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

*(Accra Accord, para. 164).*

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

*(Accra Accord, para. 165).*

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

*(Accra Accord, para. 166).*

“UNCTAD should continue to provide assistance to developing countries to design and implement policies and actions aimed at improving the efficiency of trade transactions as well as the management of transport operations. It should also continue to cooperate with member States in implementing ASYCUDA, the automated system for customs data”

*(Accra Accord, para. 167).*

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

*(Accra Accord, para. 168).*

Successful integration into the world economy and the capacity to trade competitively at the international level depend heavily on cost-effective, efficient and reliable transport infrastructure and trade logistics. In view of their capacity-related constraints, developing countries, including in particular least developed and landlocked countries, are faced with numerous obstacles that hinder their effective integration into the global trading system. Many developing countries require, among others, (a) better transport services and infrastructure; (b) facilitated trade and transit operations; (c) appropriate institutional and technological capacities; and (d) adequate regulatory frameworks. In this context and against a background of an increasingly integrated global economy and trade-based globalization, UNCTAD's mandate in the field of transport and trade facilitation is of great relevance.

### Least Developed Countries received support in the trade logistics area:

Transport and Trade Facilitation (TTF) as well as transport infrastructure are central to trade and development. Least developed countries record worse indicators than middle-income developing countries in areas such as waiting times at borders, logistics service quality, shipping connectivity, the use of electronic documents, and other TTF-related issues. In most LDCs, transport infrastructure such as seaports and roads is also weak. These shortcomings are both a cause and an effect of their lower level of development.

In many LDCs, the combination of low trade volumes and low levels of institutional, human and technological capacities makes it more difficult for TTF measures and infrastructure investments to be commercially attractive. They need to be part of a broader development strategy to improve physical, operational, institutional and regulatory capacities, make extensive use of new technologies, and instill good governance.

UNCTAD's Trade Logistics Branch comprises three units: the Transport Section, the Trade Facilitation Section and the Policy and Legislation Section. Particular attention is paid to the Automated System for Customs Data Programme (ASYCUDA) which because of its size is covered in the next chapter. The overall objective of the Branch is to help developing countries address the challenges and capitalize on the opportunities that arise in the areas of transport infrastructure, trade logistics and related administrative, procedural and legal frameworks.





## 1. Research and analysis

In 2009, research and analysis focused on a wide range of issues, including (a) transport costs and the question of how they are affected by rising and volatile oil prices; (b) liner shipping connectivity; (c) developments in seaborne trade; (d) ports and world fleet; (e) inland transport and transit and the special needs of landlocked developing countries (LLDCs); (f) maritime transport and the climate change challenge; (g) maritime and supply chain security; (h) international rules and standards and legal issues affecting transport and trade, especially of developing countries; and (i) the role of private sector participation and public-private partnerships in transport and trade facilitation.

### A. Review of Maritime Transport

UNCTAD's well-established annual *Review of Maritime Transport (RMT)* reports on the evolution of global merchandise trade and maritime transport activities. The *RMT* provides concise coverage of key issues and developments in the field, especially as they relate to developing countries, and provides access to highly specialized data not usually freely available. Issues covered in the *Review of Maritime Transport 2009* included (a) international seaborne trade; (b) developments in the world fleet, including registration and ownership; (c) ports and cargo throughput; and (d) regulatory and legal developments in the field of transport and trade. In addition to relevant 2008 and 2009 statistical data, a special regional chapter focused on developments in Africa's economic and maritime transport. The *RMT 2009* reveals that, despite the global financial crisis, the region still experienced strong growth last year (5.1 per cent). The top performers in Africa, which account for a very small share of world trade, 2.7 per cent, were the resource-rich countries.

Some other key developments covered in the 2009 edition include the following:

- International seaborne trade grew by 3.6 per cent in 2008 to its highest level ever, but this growth is lower than the previous year;

- The Baltic Dry Index (BDI), which is a composite of shipping prices for various dry bulk products, experienced a record high in May 2008 followed closely by a severe decline of more than 90 per cent by the end of the year as the crisis set in;
- Recently declining trade volumes are occurring at the same time as the world merchant fleet has expanded, exacerbating the situation in the shipping industry, the RMT notes.

### B. Transport law

The *RMT 2009* also covered an analytical overview of key features of the United Nations Convention on Contracts for the International Carriage of Goods Wholly or Partly by Sea, also known as "The Rotterdam Rules" (adopted by the United Nations General Assembly in December 2008). UNCTAD has significant expertise in matters covered by the new Convention and has been extensively involved in the preparatory work carried out by an UNCITRAL Working Group since 2002, providing detailed analytical commentary as well as extensive advisory services relating to the Convention. The aim is to assist governments, in particular in developing countries, to consider the merits of the new Convention and decide whether it complies with their expectations, both in terms of its substantive provisions and in terms of its potential to provide international uniformity of laws in the field.

To improve the understanding and provide guidance to developing countries in respect of the adoption of relevant international conventions, UNCTAD continued to monitor and report on developments at the International Maritime Organization (IMO), including in relation to piracy and armed robbery against ships as well as safety and environmental protection. Work also continued to examine aspects of the international regulatory framework dealing with liability for ship-source oil pollution. The main findings of this research will be published in 2010.

### C. Liner Shipping Connectivity Index

Furthermore, UNCTAD continued its research and analysis in the area of the UNCTAD *Liner Shipping Connectivity Index – LSCI 2009*. Access to world markets depends strongly on access to regular and efficient maritime transport connections, especially liner shipping services. The LSCI aims at capturing a country's level of integration into global liner shipping networks. First introduced in 2004, it is based on five components: (a) number of ships; (b) the container-carrying capacity of those ships; (c) the number of companies; (d) the number of services; and (e) the maximum ship size deployed to provide services to a given country. The underlying data is derived by UNCTAD from *Containerization International* online. The *LSCI 2009* can be found in the *RMT 2009*. Appendix IV is a relevant indicator for countries' competitiveness as well as in numerous studies and compilations, including the World Economic Forum, World Bank, African Development Bank and the specialized press.

### D. Oil prices, transport costs and trade

With most international trade being carried by sea and in view of the record level of oil prices witnessed in the course of 2008, UNCTAD conducted an empirical study to improve the understanding of the relationship between rising and volatile oil prices and maritime freight rates. The results of the study are set out in the 2009 publication *Oil Prices and Maritime Freight Rates: an Empirical Investigation*. The findings confirm that oil prices do have an effect on maritime freight rates in the container trade as well as in the bulk trade, and suggest that beyond a given threshold of oil prices, container freight rates become more sensitive to rises in oil prices. This entails implications for transport and trade, if oil prices resume growth and reach sustained high (and possibly unprecedented) levels due to oil supply and demand imbalances expected over the coming decades.

In 2009, the Transport Newsletters looked at:

- National trade facilitation coordinating mechanisms;
- Liner shipping connectivity, with a special focus on Africa and South America;
- Dry ports;
- The TIR Convention;
- Maritime transport and the climate change challenge;
- Linkages between the global economic crisis and shipping;
- Updates on ASYCUDA;
- The Global Facilitation Partnership for Transportation and Trade (GFP);
- Saint Lucia's National Trade Facilitation Task Force;
- The WTO Trade Facilitation Self-Assessment in Afghanistan;
- Public and private partnerships for the development of infrastructure to facilitate trade and transport, transit ports servicing landlocked developing countries;
- A train-the-trainer course of the International Federation of Freight Forwarder Associations;
- Designing and implementing trade facilitation in Asia and the Pacific;
- The Third Meeting of Trade Ministers of Landlocked Developing Countries; and
- An update on UNCTAD's Port-Training-Programme (PTP).



In the area of transit, the project activities focused on support to the negotiations between Afghanistan and Pakistan on the Afghan-Pakistan Transit Trade Agreement and its protocols. In 2009, the Memorandum on the Foreign Trade Regime was formally submitted to WTO – an important step towards Afghanistan's WTO membership negotiations and a significant success for the UNCTAD project. Finally, UNCTAD supported Afghanistan's national freight-forwarders association in the undertaking of a national survey of freight-forwarding companies.

A number of missions took place, including one to Ezulwini in Swaziland, to attend the third meeting of trade ministers of LLDCs in October 2009 on the issue of "Strengthening trade competitiveness in times of global economic crisis – Challenges faced by LLDCs". UNCTAD's contribution to the panel on policies and measures to improve trade efficiency of LLDCs focused on core elements of the trade facilitation policy at national and regional levels.

Moreover, UNCTAD's activities in support of the ongoing trade facilitation negotiations within the framework of WTO's Doha Development Agenda entered their fifth year. The negotiations over implementation-related questions intensified, amidst progress made on the content and language of the legal rules that might be included in the emerging WTO agreement on trade facilitation. UNCTAD's work was targeted at strengthening institutional and human capacities to plan, implement and monitor trade facilitation reforms, mainly through the following activities: (a) setting up inter-agency working groups; (b) reinforcing regional collaboration; and (c) assisting with trade facilitation needs assessments.

As an Annex D organization, UNCTAD participated as lead facilitator in national trade facilitation needs assessment meetings in the following developing countries: Afghanistan, Cape Verde, Comoros, Nicaragua, Senegal and Togo. Furthermore, UNCTAD conducted advisory missions and national

### E. UNCTAD's Transport Newsletter

The quarterly *Transport Newsletter* updated subscribers about UNCTAD's research and other activities in the area of trade logistics. The newsletter, which includes original substantive articles and informs readers about recent or upcoming events and publications, has established itself as a forum for the analysis of trade logistics and development.

## 2. Technical assistance

In 2009, UNCTAD continued to be actively involved in technical assistance, often in cooperation with other organizations in managing seminars, workshops, training courses and national projects including (a) capacity-building in World Trade Organization (WTO) negotiations and trade facilitation; (b) advisory services on a variety of issues; and (c) training.

### A. Capacity-building in WTO negotiations and trade facilitation

The Trade Facilitation Component of the Emergency Customs Modernization and Trade Facilitation Project in **Afghanistan**, funded by the World Bank, at the Ministry of Commerce and Industry (MoCI) with the support to the Ministry's Transit and Trade Facilitation Department was further implemented. A one-week WTO self-assessment workshop was held in March, where a task force of stakeholders from the public and the private sector undertook an analysis of Afghanistan's situation with regard to the trade facilitation measures that are currently being negotiated at WTO.

workshops on the WTO negotiations on trade facilitation in Cape Verde, Guinea, Indonesia, Mongolia and Nicaragua. In collaboration with the Agency for International Trade Information and Cooperation (AITIC), UNCTAD also organized two regional workshops on the WTO negotiations on trade facilitation – one for the Asian region (in Cambodia) and one for selected African countries (in Zambia).

Recognizing the role of regional economic communities and their secretariats to increase coordination in countries during the WTO negotiations, UNCTAD further strengthened its collaboration with the Organization of East Caribbean States (OECS) and the West African Economic and Monetary Union (UEMOA). Support was provided to these organizations in the area of trade facilitation, for instance through national working groups on trade facilitation; and through workshops on such issues.

Further to these national-level activities, UNCTAD organized three brainstorming meetings for Geneva-based delegations. These meetings encouraged an open discussion over the proposals for special and differential treatment provisions and the implementation questions, both of which are critical to developing countries. As part of UNCTAD's series of Technical Notes on Trade Facilitation, UNCTAD produced a technical note on multi-agency working groups on trade facilitation. This technical note summarizes UNCTAD's longstanding experience with creating and supporting collaborative trade facilitation and was submitted as a working document in the respective WTO negotiations. UNCTAD and the United Nations Economic Commission for Europe (UNECE) created and have been maintaining a repository of country experiences in collaborative trade facilitation platforms and committees.

### B. Advisory services

UNCTAD continued to provide advisory services on substantive legal and regulatory issues, as well as information and documentation in response to



requests from various governmental and intergovernmental entities, and NGOs. These included, among others, topics related to the United Nations Convention on a Code of Conduct for Liner Conferences 1974, important sources of law on marine insurance and multimodal transport contracts, aspects of UNCTAD Model Cargo Insurance Clauses, the regime of mineral resources exploitation under UNCLOS 1982, the status of ratification of international conventions adopted under the auspices of UNCTAD, maritime transport and the climate change challenge, and environmental damage in ports and shipping. In addition, legal advice was provided on new draft port legislation of the Republic of Serbia.

### C. Training

UNCTAD has established cooperative arrangements with various schools, universities and institutes, in Belgium, the Netherlands, Sweden, Switzerland, the United Kingdom and with the International Association of Maritime Economists. In 2009, UNCTAD's experts regularly contributed to international conferences and seminars on key issues in trade logistics, shipping, ports and trade facilitation, for instance in Hong Kong (China), Morocco, Peru, the Russian Federation, Sweden and Switzerland.

Training also took place in the context of the TrainForTrade Programme (Malaysia, Maldives and the United Republic of Tanzania), the Courses on Key Issues on the International Economic Agenda (Egypt and Indonesia) and the Virtual Institute.





### 3. Consensus-building

In the area of consensus building, (a) a number of meetings took place in 2009 among which two multi-year expert meetings and an ad hoc meeting and (b) a continuation was made with inter-institutional cooperation.

#### A. Meetings

The first session of the UNCTAD Multi-year Expert Meeting on Transport and Trade Facilitation: Maritime Transport and the Climate Change Challenge was held in February 2009 with the participation of about 180 delegates from 60 countries, 20 organizations (United Nations agencies, intergovernmental and non-governmental) and representatives from the international shipping and port industries. The event had been the first of its kind to deal with climate change and maritime transport in an integrated manner, focusing both on mitigation and adaptation, as well as on related issues such as energy, technology and finance. Discussions helped gain a better understanding of issues at stake, including the potential impacts on maritime infrastructure, in particular in coastal zones and low-lying areas.

Experts highlighted the urgent need to adopt a regulatory regime for greenhouse emissions from international shipping and noted with concern the limited attention paid so far to the potential impacts and implications of climate change for transportation systems, and in particular for ports – key nodes in the supply chain and vital for global trade. The key role of technology and finance was highlighted, as well as the need for international cooperation between all stakeholders. Following the meeting, the International Association of Ports

and Harbours (IAPH) expanded its work under the World Ports Climate Initiative to also cover the study of climate change impacts and related adaptation requirements/options. A summary of proceedings of the expert meeting was published and submitted to the United Nations Framework Convention on Climate Change (UNFCCC) Conference in Copenhagen, as part of UNCTAD's contribution to the important debate about appropriate action to address the formidable challenge of climate change.

The second session of the Multi-year Expert Meeting on Transport and Trade Facilitation: Public and Private Partnerships for the Development of Infrastructure to Facilitate Trade and Transport, which took place in Geneva 8–10 December 2009 covered different models of public–private partnerships (PPPs) to enhance transport and trade facilitation. The meeting highlighted various issues and measures to enhance transit transport and trade facilitation, which are critical for landlocked countries to access overseas markets.

The Ad Hoc Expert Meeting on Transit Ports Servicing Landlocked Developing Countries (LLDCs) was held on 11 December 2009 in Geneva with the participation of experts from LLDCs and transit countries from Africa, Asia and Latin America. It followed up on a previous meeting held almost two years ago entitled “Globalization of Port Logistics: Opportunities and Challenges for Developing Countries”, and provided an opportunity for experts and different stakeholders to exchange views on the current challenges and opportunities faced by LLDCs when making use of transit port facilities in coastal neighbouring countries.

A contribution was also made to the organization of the Multi-year Expert Meeting on the Role of South–South and Triangular Cooperation for Sustainable Agriculture Development and Food Security in Developing Countries, which took place in December 2009 through a co-authored document entitled “South–South trade, trade finance and trade logistics in support of sustainable agriculture development”.



### B. Almaty Programme of Action

Experts stressed that UNCTAD should continue its active support to the Almaty Programme of Action, which addresses the special needs of landlocked and transit developing countries. To this end, UNCTAD should continue (a) promoting transport corridor clusters between landlocked and transit developing countries; (b) identifying specific transport and trade facilitation measures that result in win-win solutions for all stakeholders in the supply chain; and (c) advocating specific PPP approaches and models to transport and trade facilitation, especially where transfer of knowledge and technology is involved. The meeting also touched upon the inclusion of trade facilitation in multilateral, regional or bilateral trade negotiations. With regards to the Doha Development Agenda under WTO, UNCTAD has complemented the work of WTO by providing support to developing countries and regional organizations in the process of establishing PPPs, and their role and institutional setting in this context was one of the main topics of this meeting. UNCTAD was encouraged to continue its successful work in this regard.

### C. Inter-institutional cooperation

In 2009, UNCTAD continued to cooperate and consult with a range of entities sharing a common interest in transportation and related issues within the context of sustainable development. Partners include, among others, the International Federation of Freight Forwarders (FIATA), UNCITRAL, the International Maritime Organization (IMO), the International Transport Forum (ITF) and the Organization on Security and Cooperation in Europe (OSCE).

Furthermore, UNCTAD participated in a number of forums and meetings, for instance on Supply Chain Security organized by OSCE in December 2009, and on Supply Chain Challenges organized by UNECE, UNESCAP and the Special Programme for the Economies of Central Asia (SPECA).

UNCTAD also continued its work on transport and trade facilitation as a key vehicle for inter-agency cooperation within the Global Facilitation Partnership for Transportation and Trade (GFP). Main partners include the World Bank, the United Nations regional commissions, World Customs Organization, the United Nations Industrial Development Organization, the International Monetary Fund, the International Chamber of Commerce and other public and private sector institutions. The annual meeting of the Partnership – held in Tunis, Tunisia in November under the theme of “Regional approaches to Trade and Transport Facilitation” – was an important opportunity to look at recent progress and future prospects for a closer cooperation between African regional development partners and core members of the GFP international organizations such as UNCTAD and the World Bank. UNCTAD made substantive contributions on transit corridors and on shipping connectivity.

In March 2009, UNCTAD and UNECE jointly organized one of the bi-annual GFP meetings in Geneva on “Implementation of Trade Facilitation measures – Tools, Approaches and Concerns”. The meeting helped to evaluate the scope of preparation that would be needed presently for the implementation of trade facilitation commitments in the post-Doha phase.





**A mandate was given at the twelfth United Nations Conference on Trade and Development on an automated system for customs data:**

“UNCTAD should continue to provide assistance to developing countries to design and implement policies and actions aimed at improving the efficiency of trade transactions as well as the management of transport operations. It should also continue to cooperate with member States in implementing ASYCUDA, the automated system for customs data”

*(Accra Accord, para. 167).*

The Automated System for Customs Data, better known under the name ASYCUDA, is a customs management system covering most foreign trade procedures, ranging from manifests and customs declarations to accounting, transit and suspense procedures.

The main objective of the ASYCUDA Programme is the modernization of customs operations, using information technology to speed up and simplify the goods clearance process. The ASYCUDA system is designed to manage the whole customs clearance process, from – and prior to – the arrival of the goods up to their ultimate release for home consumption after payment of duties and taxes. The system includes advanced risk-management/selectivity capabilities and very strong anti-corruption features.

The implementation of an ASYCUDA project in a beneficiary country is based on the delivery of a comprehensive training programme, ensuring the full transfer of the ASYCUDA know-how to the national staff, in order to allow the national team to administrate, maintain and further develop its ASYCUDA system independently, without external technical assistance and support. An important factor for success of the projects is the willingness to change and the commitment and full support of the Government.

**The ASYCUDA Programme is the largest technical cooperation programme within UNCTAD, present in over 90 countries, among which 37 LDCs.**

In 2009, there were more than 61 operational ASYCUDA technical assistance projects, including 11 regional and interregional projects.

The ASYCUDA Central Team continued to provide remote technical assistance and support (online, mail, telephone and system maintenance) and in the field (for implementation of new releases, adaptation to new hardware or software platforms, improvement of functionalities, etc.). Approximately 240 missions were undertaken by staff and consultants (training excluded), to the beneficiary countries. More than 60 per cent of these missions were carried out by experts from ASYCUDA-user countries, contributing to enhanced South–South cooperation in this area.

Regarding know-how transfer and capacity-building, 74 ASYCUDA training sessions were held worldwide at national and regional level on customs and ICT matters. The functional courses covered mainly selectivity and risk-management, customs valuation and implementation of transit, while the ICT courses focused on database structure and administration, information exchange and telecommunications, web technology and ASYCUDA maintenance and development.

A short project overview in 2009 is provided below, followed by some project highlights.





## 1. Activities in countries and regions in 2009

In the framework of a regional project being implemented in cooperation with the Common Market for Eastern and Southern Africa (COMESA) secretariat, the number of operational sites using the ASYCUDA++ system was extended in Comoros, the Democratic Republic of the Congo, Eritrea, Seychelles and Swaziland.

Activities for the implementation of ASYCUDA++ or for the migration to ASYCUDA++ continued in Afghanistan, Botswana, Cameroon, Congo, Guinea, Malawi and Nigeria. New projects for the implementation of the ASYCUDA++ system started in Guinea-Bissau, Equatorial Guinea and Sierra Leone.

A three-year project financed by the European Commission continued to support cooperation activities with the Economic and Monetary Community of Central Africa (CEMAC) through the improvement of current national systems and developing and implementing a regional transit system, based on ASYCUDA's latest Internet-based system.

Left to right: Mr. Supachai Panitchpakdi, Secretary-General of UNCTAD; Mr. Mohamed Rachid Kechiche, Finance Minister of Tunisia; and Mr. Slimane Ouarak, Director-General of the Tunisian Customs Department during a presentation of the new system SINDA2010 based on ASYCUDA's latest version, which provides a fully automated environment for customs operations.



It covers Cameroon, the Central African Republic, Congo, Equatorial Guinea, Gabon and Chad.

ASYCUDA's latest Internet-based system is operational in Albania, Côte d'Ivoire, Georgia, Haiti, Jordan (for both the National Customs Administration and the Aqaba Economic Free Zone Authority), Lebanon, Moldova, Palestine and the Syrian Arab Republic, covering the full customs clearance process. In 2009, it went live in Cambodia and implementation activities started or continued in Gibraltar, the Islamic Republic of Iran, Liberia, the Libyan Arab Jamahiriya, the Maldives, Sao Tome and Principe, Sri Lanka, Tunisia, the Bolivarian Republic Venezuela and Zimbabwe.

## 2. Some project highlights

At the launch of the nationwide operation of the **Albanian** ASYCUDA system on 18 June 2009, the Albanian Deputy Minister of Finance, Mr. Florion Mima, stressed the importance of the ASYCUDA project, extended his high appreciation to the technical assistance and support by UNCTAD, and reiterated the strong commitment of the Government to continue the implementation of all ASYCUDA functions, capitalizing on its state-of-the-art information technologies for e-government and e-business.

In **Afghanistan**, tax collection on international trade has increased in real terms over the last five years, from \$50 million in 2003–2004 to over \$399 million in 2008. Since the implementation of ASYCUDA, more than 735,000 transit forms have been issued and over \$14 million collected as transit fees as of

“The new system allows for a strong reduction on the clearance time of goods and offers risk-management, anti-corruption measures, strong audit and monitoring functions for Customs Headquarters, timely and accurate statistics. The system was effectively implemented in just 14 months and covers all customs regimes. During the first five months of its operation, 130,000 declarations were processed by 5,700 companies. The numbers of steps, documents and customs officers involved in Customs clearance process were reduced significantly.”

*Mr. Florion Mima, Deputy Minister of Finance of Albania at the Ceremony of official launching of the ASYCUDA nationwide operation, 18 June 2009)*

25 March 2009. The Afghan Customs Department (ACD) has been making progress on reforms and modernization, and the computerization of customs is gradually establishing tighter control over border and inland transit with the aim of bringing in more customs revenues. Yet, domestic revenue collection at \$714 million in 2006/2007 (3.7 per cent of GDP) in Afghanistan remains one of the lowest in the world. In 2006/2007 this revenue financed only 62.5 per cent of the Government's operating expenditures. Fifty-five per cent of this domestic revenue came from tax collected on international trade by the ACD. (*World Bank press release, 26 May 2009*).

The official launch of the ASYCUDA system at Palestine Customs took place in Ramallah on 10 August 2009 with a special ceremony under the patronage of Dr. Salam Fayyad, the Prime Minister and Minister of Finance of the **Palestinian Authority** with the participation of the Representative of the European Commission, and the representatives of UNCTAD, the main partners for the Palestinian customs modernization programme.

### 3. Developments in technology

Research and analysis activities have been undertaken throughout 2009 for the extension of the ASYCUDA functionality in order to embrace in full the concept of "Single Window (SW) for International Trade". The SW will allow:

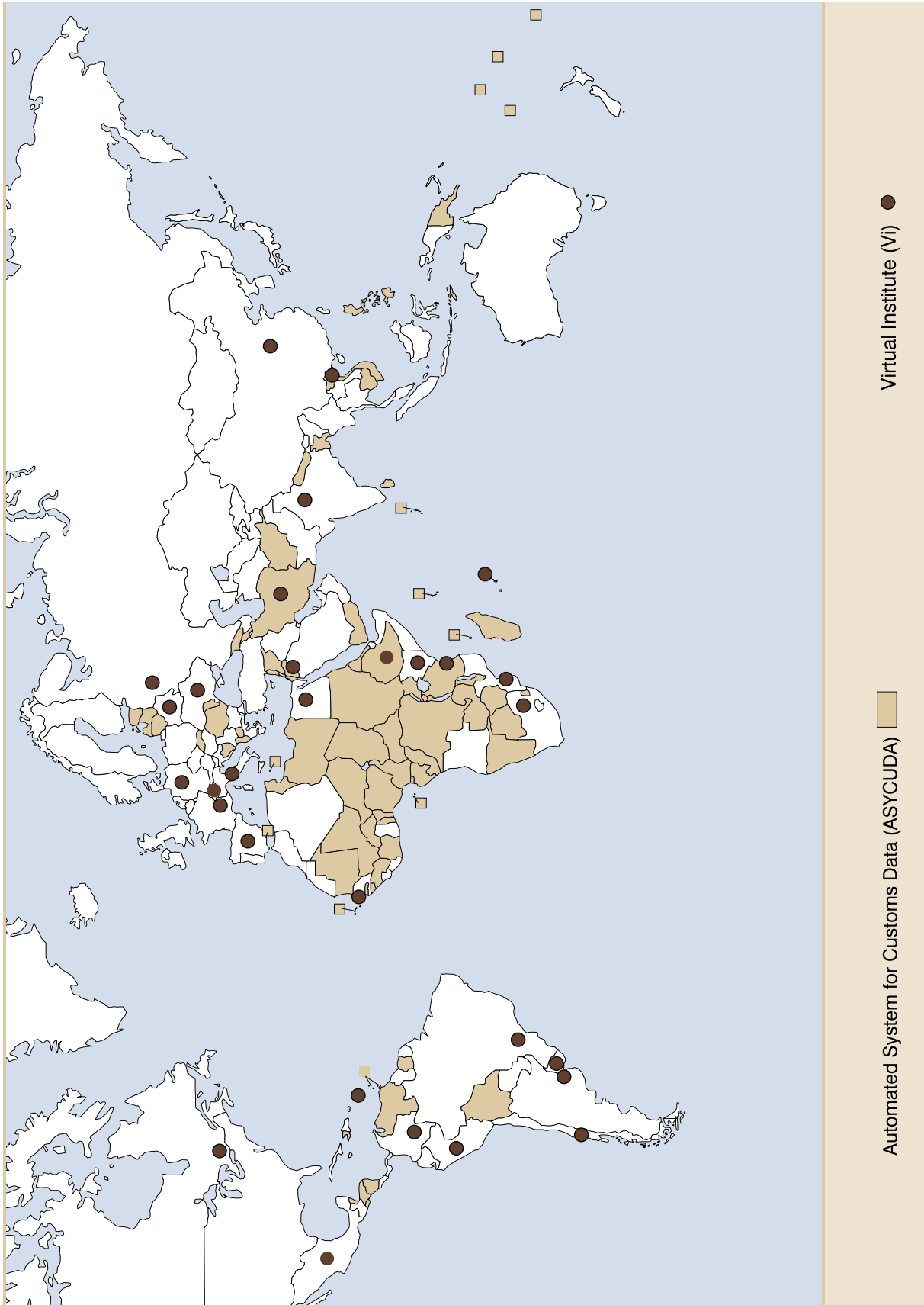
- Connecting the Other Government Agencies (OGAs) to the Customs system for the electronic exchange of data and documents;
- Setting the basis for the implementation of e-customs and e-government; and
- Opening the access for the trade community to a paperless environment.

In this context, a project was signed in December 2009 with the Ministry of Agriculture of the Kingdom of the Netherlands for the integration of their CLIENT Export System into the ASYCUDA System and the piloting of the ASYCUDA/CLIENT Export System for the full computerization of export operations, including the issuing of Export Control Certificates. The activities of the project are scheduled to start in January 2010.

**Sri Lanka** Customs has gradually upgraded the ICT-based clearing system with the introduction of the ASYCUDA automated cargo clearance system. This will lead to a paperless clearing system. It will automate manifest and payment systems to facilitate all imports and exports from 1 January 2010, Customs Director-General, Sarath Jayathilake told Daily News Business. The process will initiate a new beginning in automation of customs functions with plans to become 100 per cent electronic next year. All other documentation will be automated during this period, he said. The process will enable exporters and importers to operate from their offices and to track down the entry process to ascertain the stage – held up or being processed. The system will ensure efficiency and it will be time-saving for the benefit of the end-user, he said. The most important features of these developments were based on the priorities of the cargo clearance and accounting system. "We have now come to a stage that the total package of Customs imports and exports clearance including the various controls and facilitation action could be performed through one system effectively and timely manner", Jayathilake said. He emphasized that the implementation of ASYCUDA's latest version provides door-to-door facility through information technologies and could be used for accurate cargo accounting with high level of revenue collection and also be a solution for maintaining high level of integrity.

*Article in Sri Lanka's Newspaper the Daily News on 28 December 2009*  
(<http://www.dailynews.lk/2009/12/28/bus04.asp>)

**ANNEX I ASYCUDA programme and Virtual Institute Network technical assistance**



**ANNEX II List of DTL publications in the biennium 2008–2009****A. Flagship reports****On science, technology and information and communication technologies:**

- Information Economy Report 2009: Trends and Outlook in Turbulent Times (Symbol UNCTAD/IER/2009)
- Technology and Innovation Report 2010: Enhancing food security in Africa through science, technology and innovation (Symbol UNCTAD/TIR/2009)
- Information Economy Report 2007-2008 – Science and technology for development: the new paradigm of ICT (Symbol UNCTAD/SDTE/ECB/2007/1)
- Information Economy Report 2007-2008 – Overview (Symbol UNCTAD/SDTE/ECB/2007/(Overview))

**On trade logistics:**

- Review of Maritime Transport 2009 (Symbol UNCTAD/RMT/2009)
- Review of Maritime Transport 2008 (Symbol UNCTAD/RMT/2008)

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

- Financing ICT for development (Symbol UNCTAD/DTL/STICT/2009/5)
- Green and renewable energy technologies for rural development (Symbol UNCTAD/DTL/STICT/2009/4)
- Estudio sobre las perspectivas de la armonización de la ciberlegislación en Centroamérica y el Caribe (Symbol UNCTAD/DTL/STICT/2009/3)
- Estudio sobre las perspectivas de la armonización de la ciberlegislación en América Latina (Symbol UNCTAD/DTL/STICT/2009/1)
- Science, Technology and Innovation Policy Review Mauritania (Symbol UNCTAD/DTL/STICT/2009/6) - Forthcoming
- Science, Technology and Innovation Policy Review Lesotho (Symbol UNCTAD/DTL/STICT/2009/7) - Forthcoming
- Science, Technology and Innovation Policy Review of Angola (Symbol UNCTAD/SDTE/STICT/2008/1)
- WSIS follow-up Report 2008 (Symbol UNCTAD/DTL/STICT/2008/1)

**On cross-divisional capacity-building:**

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

**On trade logistics:**

- Oil prices and Maritime Freight Rates: An empirical investigation (Symbol UNCTAD/DTL/TLB/2009/2)
- Maritime Transport and the Climate Change Challenge (Symbol UNCTAD/DTL/TLB/2009/1)
- Trade facilitation opportunities for land-locked and transit developing countries (Symbol UNCTAD/DTL/TLB/MISC/2008/2)

**C. Technical and Information material**

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

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

- Flyer: Information Economy Report 2009
- Flyer: Science, Technology and innovation review series (Symbol UNCTAD/DTL/STICT/2009/Misc/2009/9)
- Flyer: Building a legal framework for the information economy (Symbol UNCTAD/SDTE/STICT/MISC/2008/2)
- Flyer: Partnership on Measuring ICT for Development (Symbol UNCTAD/SDTE/STICT/MISC/2008/1)
- Manual for the Production of Statistics on the Information Economy - 2009 Revised Edition (Symbol UNCTAD/SDTE/ECB/2007/2/Rev.1)

**On cross-divisional capacity-building:**

- Vi localized teaching materials on (a) regional trade agreements, (b) trade data analysis; (c) competitiveness and development, (d) transfer of technology; issued throughout the year 2009
- Capacity-building for Trade and Development Flyer (Symbol UNCTAD/DTL/KTCD/Misc/2009/8)
- Building Knowledge and Skills on Trade-Related Policies through Training Courses for Developing Country Officials, Report of the 7th Advisory Group on the Strengthening of Training Capacities and Human Resources Development (Symbol UNCTAD/DTL/KTCD/Misc/2009/7)
- UNCTAD and e-Learning Initiatives, Report of the 6th Advisory Group on the Strengthening of Training Capacities and Human Resources Development (Symbol UNCTAD/DTL/KTCD/Misc/2009/5)
- Vi teaching materials on Transfer of Technology (Symbol UNCTAD/DTL/KTCD/2009/4)



- Vi teaching materials on Trade Policy Analysis (Symbol UNCTAD/DTL/KTCD/2009/2)
- Promotional material including TrainForTrade presentation CD-Roms and UNCTAD Virtual Institute Presentation Film available at: <http://vi.unctad.org>
- Virtual Institute Newsletters (Nos. 16-17-18-19-20-21-22-23); issued quarterly, available at: <http://vi.unctad.org>
- Training material for the Regional Courses on Key Issues on the International Economic Agenda (Asia and the Pacific, Latin America and the Caribbean, Africa, Western Asia, Eastern Europe and CIS states), available at: <http://p166.unctad.org> and on CD-ROMs
- UNCTAD Virtual Institute Brochure (Symbol UNCTAD/DTL/KTCD/2008/4)
- Brochure for Course on Key issues on the International Economic Agenda (Symbol UNCTAD/DTL/KTCD/2008/4/Add.1)
- Vi teaching materials on Regional Trade Agreements (Symbol UNCTAD/DTL/KTCD/2008/4)
- Capacity building through human resource development (Symbol UNCTAD/DTL/KTCD/2008/1)
- HRD/TrainForTrade Brochure (Symbol UNCTAD/DTL/NTTC/2008/1)
- Port Training Programme DVDs for Participants and Instructors in English and French
- Productive capacities, Economic Growth and Poverty Reduction in LDC, November 2009, available at: <http://learn.unctad.org>
- TrainForTrade course material on Sustainable Tourism for Development, November 2008, in Spanish, available at: <http://learn.unctad.org>
- TrainForTrade course material on Investment Targeting for Economic and Social Development, November 2008, available at: <http://learn.unctad.org>
- Distance learning material on International Investments Agreements August 2008 in Spanish available at: <http://learn.unctad.org>
- Distance learning material on the Legal Aspects of e-Commerce July 2008 in Spanish, available at: <http://learn.unctad.org>

#### **On trade logistics:**

- Transport Newsletter No. 44 (second quarter 2009), Web-based (Symbol UNCTAD/WEB/DTL/TLB/2009/3)
- Transport Newsletter No. 43 (first & second quarter 2009), Web-based (Symbol UNCTAD/WEB/DTL/TLB/2009/2)
- Transport Newsletter No. 42 (first quarter 2009), Web-based (Symbol UNCTAD/WEB/DTL/2009/1)
- Transport Newsletter No. 41 (fourth quarter 2008), Web-based (Symbol UNCTAD/WEB/DTL/2008/2)
- Transport Newsletter No. 40 (third quarter 2008), Web-based (Symbol UNCTAD/WEB/DTL/TLB/2008/1)
- Transport Newsletter No. 39 (second quarter 2008), Web-based (Symbol UNCTAD/DTL/TLB/MISC/2008/1)
- Transport Newsletter No. 38 (first quarter 2008), Web-based (Symbol UNCTAD/SDTE/TLB/MISC/2008/1)

#### **D. Websites**

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

- Multi-year expert meeting on enterprise development policies and capacity-building in science, technology and innovation (STI) in 2008 and 2009 at <http://www.unctad.org/Templates/Meeting.asp?intItemID=1942&lang=1&m=17876&year=2010&month=1>
- Network of centres of excellence at <http://www.unctad.org/noce>
- Network of centres of excellence platform at <http://noce.unctad.org>
- ICT for development at <http://r0.unctad.org/ecommerce/>
- Measuring ICT at <http://measuring-ict.unctad.org/>
- Commission on Science and Technology for Development at <http://unctad.org/cstd>
- Science and technology for development at <http://stdev.unctad.org>

##### **On cross-divisional capacity-building:**

- TrainForTrade at <http://learn.unctad.org>
- Virtual Institute at <http://vi.unctad.org>
- UNCTAD courses on Key issues on the International Economic Agenda at <http://www.p166.unctad.org> and its short courses at <http://p166.unctad.org/shortcourses>

##### **On trade logistics:**

- Multi-year expert meeting on transport and trade facilitation in 2009 at <http://www.unctad.org/Templates/Page.asp?intItemID=4714&lang=1>
- Transport and trade logistics at <http://www.unctad.org/ttl>
- ASYCUDA Customs Modernization and Automation at <http://www.asycuda.org>

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