

**Working Party on the Strategic Framework and the  
Programme Budget,  
sixty-eighth session (technical cooperation and evaluation)**

**Review of the technical activities of UNCTAD and their  
financing**  
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The views expressed are those of the author and do not necessarily reflect the views of UNCTAD.

Distinguished delegates,

Technical assistance activities carried out during 2013 in the area of investment and enterprise for development are detailed in the Document TD/B/WP/262 before you. These activities are articulated in an Investment for Development compact, supported in part, by a multi-year multi-donor trust fund for Capacity-building in Investment for Development, launched in 2011.

My brief presentation today will focus on the impact of our capacity-building projects. As you are aware, these activities were recently evaluated in the context of the in-depth evaluation of UNCTAD subprogramme 2, which will be discussed tomorrow. Nevertheless, I should take this opportunity to highlight that the evaluators concluded that UNCTAD's activities in the area of investment and enterprise for development are in high demand, "cutting edge", tailored to beneficiary countries' needs, and have significant impact. I also wish to draw your attention to the Division's 2014 Results and Impact Report, which provides evidence of the relevance, quality, efficiency and impact of our major programmes.

Distinguished delegates,

At the outset, allow me to give you a brief overview of the delivery under the Investment for Development compact in 2013:

- Over 30 seminars and workshops were carried out;
- More than 4,000 participants benefited from these training activities (of which an estimated 32 per cent were women);
- Some 100 ad-hoc advisory services were delivered to regional groupings and individual countries;
- 60 conferences and symposia were organised or co-organised with partners;
- 48 online gateways and 9 databases were maintained.

143 developing countries, among which 51 African countries, 45 LDCs, 31 LLDCs and 28 SIDS benefited from these activities. According to the evaluation of the subprogramme 2, 93 per cent of the surveyed beneficiaries from African and vulnerable economies considered that our technical assistance was well adapted to their particular situation and needs.

At this stage of the presentation, allow me to thank all donors that contributed to these achievements in 2013. They were: Argentina, China, Costa Rica, Ecuador, Finland, Germany, Luxembourg, Norway, Saudi Arabia, Sweden, and Switzerland. Let me also acknowledge the financial support received from other international organisations and international institutions such as the United Nations Development Programme and the United Nations Industrial Development Organisation.

Distinguished delegates,

Let me now turn to the impact of activities carried out in the framework of the four clusters of the investment and enterprise development compact.

**The cluster on FDI trends and issues:**

Our flagship publication, the World Investment Report (WIR), forms the basis of UNCTAD's value proposition on which its capacity-building projects on investment for development are built. It constitutes a launch pad for major policy initiatives and technical assistance programmes to promote development-oriented investment.

In order to enhance the impact of the relevant findings of the report, the Division has successfully incorporated its themes and issues into its investment for development compact, as noted by the External Evaluation of the Division.

The Report is recognized as a primary reference tool for international and national policymaking and capacity-building. For instance, the key findings of the *WIR 13* on the trade-investment nexus and the importance of Global Value Chains were presented to the 2013 G-20 Summit. Likewise, the *WIR13* also informed FDI and investment policy-related cabinet discussions in Ethiopia, India, Mexico, Myanmar, South Africa, Tunisia and the United Kingdom.

This year's report focuses on *Investing in the SDGs: An action plan for promoting private sector contributions*. The Report analyses how private investment can be mobilized for, and channelled to sustainable development sectors. It outlines a Strategic Framework for Private Investment in the Sustainable Development Goals (or SDGs) and proposes six packages for transformative actions to address a number of challenges facing investment in developing countries.

To enhance the practical impact of the findings of the WIR, presentations and workshops were organised in 48 countries to disseminate the main results of the *WIR14*. These were intended to assist policymakers with formulating development-oriented FDI policies in line with the SDGs, including in the areas of climate change adaptation, infrastructure development, food security, health and education.

Related to this I wish to also take the opportunity to make you aware of the Ministerial Round Table on Financing for the SDGs, which will be organised in the context of the World Investment Forum 2014. Ministers and heads of international organisations will discuss strategies for engaging private sector stakeholders on financing needs for the Sustainable Development Goals.

### **The Investment Policies Cluster:**

Following on the *WIR12*, the theme of which was: *Towards a new generation of investment policies*, the Investment Policy Framework for Sustainable Development (IPFSD) has been used as a basis to provide assistance to countries in the area of investment policy.

The Investment Policy Review programme is the main vehicle for capacity-building in the area of investment and enterprise for development. Since the last session of this Working Party, the Division finalised and published the IPRs for Bangladesh, Mongolia and Moldova, and started the preparation of IPRs for Bosnia Herzegovina, Congo, Kyrgyzstan, and Sudan. Implementation Reports were also completed for Colombia, Kenya, Lesotho, Rwanda and Zambia.

As you witnessed during the last session of the Commission on Investment, during which the IPRs for Bangladesh, Moldova and Mongolia were presented, the reviews continue to generate commitment at the highest level. More than 250 IPR recommendations have been adopted by beneficiary countries where about 40 per cent were implemented with UNCTAD's assistance. Evidence also shows that the reviews led to a significant improvement in the business climate - as demonstrated by the performance of IPR beneficiary countries in the World Bank's Doing Business Report.

The Division continues to receive requests for IPRs and for the preparation of implementation reports on a regular basis.

I take this opportunity to draw your attention to the investment showcase sessions, which will be organised during the upcoming World Investment Forum. These sessions will allow IPR beneficiary and other countries to present investment opportunities to potential investors.

UNCTAD also helps foster the sustainable development dimension of International Investment Agreements (IIAs) and assists developing countries to participate more effectively in international investment rulemaking. Our assistance is based on ahead-of-the-curve research work carried out by the programme as well as exchange of best practice and lessons learned among member States.

Since the last session of this Working Party, regional training workshops in IIA issues were organised in Africa, Latin America, the Pacific Islands, and South Eastern Europe. As you can see from the external evaluation of the Division (TD/B/WP/264, page 13), eighty per cent of surveyed beneficiaries valued the support they received from UNCTAD in this area as it strengthened their ability to negotiate different and better IIAs.

Technical assistance also included the delivery of ad-hoc advisory services to member States on specific IIA negotiations, the development of model BITs, and input to the drafting of investment laws in more than a dozen countries and regions. In 2013, the Division provided comments and inputs on the BIT models and investment framework of Angola, Bhutan, Egypt, Nigeria, PACER countries, South Africa, Sri Lanka, Tunisia, and Zambia.

I would like to use this opportunity to inform you about the IIA Conference that will be organised in the context of the WIF 2014. A significant number of high level participants will exchange views on how to Reform the International Investment Agreements Regime, and discuss key challenges and identify ways and means for improving the IIA regime so that it contributes better to sustainable development.

#### **Impact of activities under the Investment Facilitation Cluster:**

The Division continued to meet increasing requests from developing countries for activities to strengthen their capacity to attract and retain foreign investment.

Building-up on the conclusions of the WIR 2010 devoted to *Investing in a Low Carbon Economy*, the Division developed a fully-fledged programme on the promotion of green FDI, which culminated with the launch of a new platform called “greenFDI.org”. This new web-based resource centre promotes learning and best practice exchange on the promotion of green investment. UNCTAD also carried out several regional workshops on the promotion of green FDI (including in November 2013 in South Africa, and in May 2014 in Colombia).

The upcoming UNCTAD WIF 2014 will also include a comprehensive programme for investment promotion practitioners. One of the events of the Forum – the Investment Promotion Conference – will discuss ways to attract FDI into infrastructure and green industries. WIF 2014 will also stage the UNCTAD 2014 Investment Promotion Awards, which reward the world’s best agencies for promoting investment for sustainable development. In parallel to the Forum, a number of workshops will be organised, including the best practice seminar on the Geneva Cleantech Cluster, led by the Geneva Economic Development Office, which will showcase the canton's FDI strategy and challenges ahead.

UNCTAD's e-Regulation system, which is part of our Business Facilitation programme, is now being rolled out in 26 countries and 15 cities. Beneficiaries have registered a significant reduction in costs and the time needed to set up a business (in some cases by up to 80 per cent). The reporting and simplification of business procedures have also helped to increase

transparency and promote good governance and regional integration. Since the last session of this Working Party, 11 additional requests have been received to implement the system.

UNCTAD's Investment Guides – now iGuides – are also a key element of our capacity-building programme. Since the last session of this Working Party, UNCTAD has finalized iGuides for Djibouti and Nepal. In addition, the updated *Guide to the Silk Road* will be launched during the forthcoming World Investment Forum.

To bolster the practical dimension of our work, the World Investment Forum will host the Investment Village, which will provide countries with a space to showcase their investment opportunities to potential investors.

In the area of intellectual property and development, stakeholders from a dozen countries benefited from intense training on both public health/local pharmaceutical production and IP/biodiversity issues. In this area of work, a session will be hosted at the World Investment Forum 2014 on Investing in Sustainable and Universal Access to Medicines: Local Production in Developing Countries, which will discuss investment models for the pharmaceutical industry.

### **Impact of activities under the Enterprise Development Cluster**

UNCTAD also continued to strengthen and contribute to the field of corporate governance and transparency. A major development, as you are aware, relates to the launching of UNCTAD's Accounting Development Tool (ADT) during ISAR 30<sup>th</sup> anniversary. The ADT has been reinforced by the outcomes of several national round tables, and the subsequent pilot projects carried out in 12 countries. Feedback on the tool has so far been very positive, with comments from experts acknowledging that the ADT has been instrumental in assessing their countries' regulatory, institutional and human resources capacity, identifying gaps by benchmarking against globally recognized standards and codes, and developing action plans. The ADT now also features an internet-based platform available in English, French, Spanish and Russian.

In support of entrepreneurial development, advisory services were also provided to a number of countries based on our Entrepreneurship Policy Framework (EPF), which supports developing country policy makers in the design of initiatives, measures and institutions to promote entrepreneurship. Since the last session of this working party, assistance based on the EPF was provided upon request to Ghana and Ecuador.

UNCTAD's Empretec programme, which has facilitated the training of over 310,000 entrepreneurs in 25 years of activity, is now present in 36 countries. The Empretec programme consolidated its activities in the Russian Federation, Tanzania, Zambia and India, and started the installation process of centres in Cameroon, Oman and Saudi Arabia. As evidenced by several recent evaluations, the programme had a significant impact with regard to employment generation and the competitiveness of beneficiary countries. As early as twelve months after the intervention, the SMEs showed remarkable improvements in sales (+32 per cent) and profitability (which increased on average by more than 30 per cent), with a positive effect on employment generation (which increased by 34 per cent) and the creation of new businesses.

Our assistance in the area of enterprise development is also complemented by the Business Linkages programme, a multi-stakeholder initiative that builds linkages between SMEs and TNCs in nine beneficiary countries.

The World Investment Forum will also feature a high-level round table on enterprise competitiveness, specifically on the theme Making Value Chains Work for the Poor. The event will discuss options to make global value chains more inclusive, and in particular to

benefit women and youth. This will be complemented by the Women in Business Awards, which will honour exceptional women-owned businesses, identified by UNCTAD's Empretec programme.

Distinguished delegates,

To end this presentation, I would like to refer to the *Evaluation of UNCTAD activities: Overview* (TD/B/WP/263) before you and which also confirms the relevance, quality, efficiency, impact and sustainability of our projects. In particular, the document presents an evaluation of the Investment Policy Hub and of UNCTAD's database on investment policies, which are described as significant enablers of policymaking in developing countries. The tools allow for a consistent monitoring of national investment policies worldwide and provide an electronic network for international dialogue on investment policies and best practice.

As evidenced by the evaluation, the project was finalised within the projected timeframes and budget allocations. The relevance and efficiency of the Investment Policy Hub were confirmed by the high level of satisfaction of users, who highlighted the role of the Hub as a one-stop shop for issues related to investment policy.

We also take good note of the recommendations made by the evaluators, which relate to the design, planning and implementation of capacity-building workshops and to the promotion of interactive features of the platform.

To conclude this presentation I would like to point to two conflicting trends also evidenced in the in-depth evaluation of the sub-programme 2: On the one hand, and as a result of the relevance, quality and impact of the Division's core products, there is an increasing number of requests for technical assistance from developing countries in the area of investment and enterprise development. On the other hand, and despite the consensus about its efficiency and effectiveness, we observe a continuing decrease of resources made available to the programme. The evaluators formulate a number of interesting suggestions and recommendations for the consideration of member States in this regard. I wish to call on the donor community for their continued support to enable us to strengthen our efforts in promoting investment for development.

I thank you for your attention.