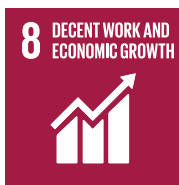


TRANSFORMING ECONOMIES, FOSTERING SUSTAINABLE DEVELOPMENT

Achieving the Sustainable Development Goals requires building productive capacity and transforming economies by shifting resources to more productive and sustainable sectors and enhancing their competitiveness. Investment, trade and technology are important channels for achieving economic diversification and structural transformation. Trade and trade-related investment, combined with technology upgrading, could enable countries to improve productivity, develop productive capacities and climb regional and global value chains. UNCTAD technical cooperation helps developing countries attract foreign direct investment (FDI) towards sectors that could lead to structural transformation and better integration into regional and global value chains, and foster the nexus between trade, productive capacity and employment, while integrating sustainable development objectives at all levels. It also supports countries in formulating services-driven development strategies, developing national green sectors and electronic commerce (e-commerce) and leveraging science, technology and innovation for productive capacity-building.



INVESTMENT POLICY REVIEWS

LEVERAGING INVESTMENT POLICIES FOR DEVELOPMENT



GLOBAL CONTEXT

FDI is a major catalyst for development and can boost growth, offer new employment opportunities and enhance trade in goods and services. FDI is also an integral part of an open and effective economy. With its potential linkages with the domestic economy – such as technology transfer, human capital formation and creation of new industries – it can also stimulate the greater integration of developing countries into the global economy.

The benefits of FDI do not automatically materialize, nor are they spread evenly across countries. To fully reap them, FDI inflows should be promoted through conducive national policies geared at transforming and diversifying a country's economy and supported by an effective international investment architecture.

To support developing countries in attracting FDI, UNCTAD conducts diagnostic studies – Investment Policy Reviews – of the legal, regulatory and institutional framework for investment. The Reviews, specific to each country, are published as advisory reports containing concrete policy advice. UNCTAD then provides technical assistance activities to support beneficiary countries in implementing the Reviews' recommendations and improving the prospects for sustainable development.



WHAT MAKES INVESTMENT POLICY REVIEWS EFFECTIVE?

Investment Policy Reviews are carried out in different phases. The approach promotes national ownership and encourages countries to learn from others. Best practices are exchanged, as well as stories of failures.

A Review begins at the request of a Government. The national counterpart, either a ministry or an agency, is involved throughout the process and takes ownership of the policy recommendations.

Each Review takes a country-specific approach to attracting and benefiting from FDI. The publication of the Investment Policy Review report is part of a process that promotes the implementation of recommendations.



RESULTS AND IMPACT AT A GLANCE

- Review countries across different regions experienced significant increases in FDI inflows and displayed less volatile FDI inflows, for example the least developed countries (LDCs) in Africa.
- Country commitment to the Reviews is evident, with endorsement of policy recommendations and their implementation as displayed by follow-up assessments. Several implementation reports among the 14 completed to date have shown a good to strong implementation record, increased interest by existing investors and strengthened capacity to market investment opportunities.
- Interest in the programme is illustrated by the many countries – of 48 with Reviews – requesting follow-up technical assistance and the 27 new countries that have requested to benefit from the Reviews.
- Over 350 policy recommendations have been implemented to date.



PROGRAMME FACTS AND FIGURES

Scope: All regions

Starting date: 1999

Reviews per year: 3 to 4

Reviews to date:
48, including 20 LDCs and
28 countries in Africa

Upcoming reviews: Angola,
Cabo Verde, Chad and Lebanon

Website: unctad.org/ipr



**Sustainable Development
Goals addressed:**

Directly: 8 and 17

Indirectly: 1, 2, 10 and 16

Brief highlights

- The *Investment Policy Review of Mauritius* recommended several reforms to upgrade and intensify the country's diversification drive. Over 95 per cent of the recommendations were implemented, with dramatic impacts on FDI levels, economic diversification and poverty reduction.
- Out of 32 countries for which a Review was published more than three years previously, 29 experienced an increase in FDI inflows in subsequent years, and for 19 of these countries, such increases were dramatic, with FDI inflows having more than doubled.

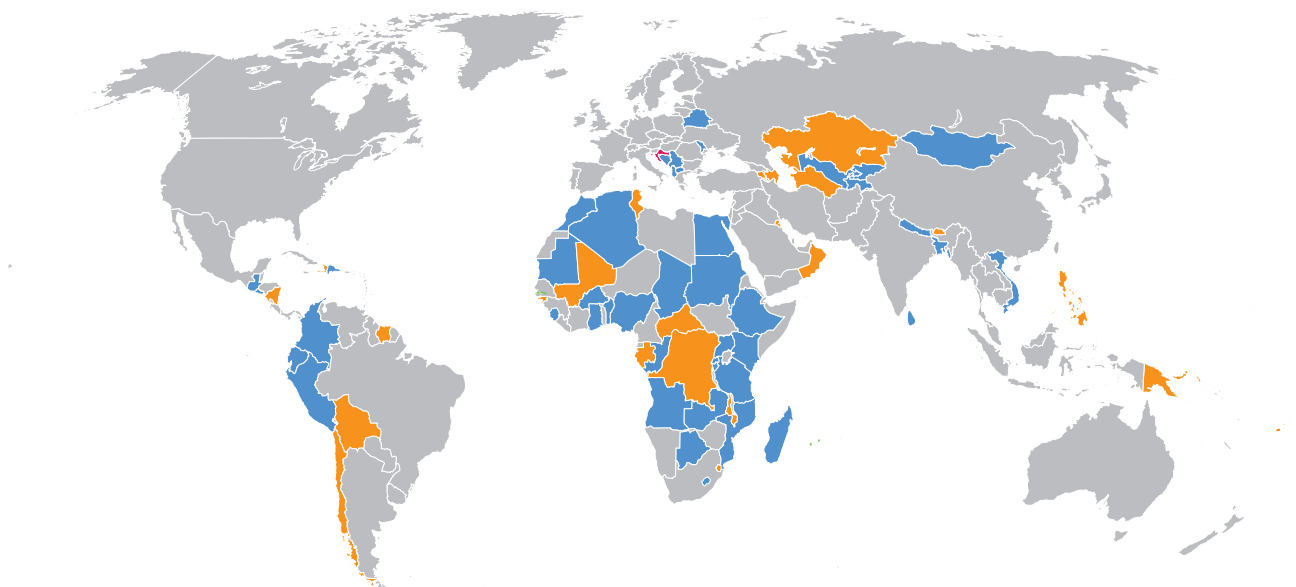


DONORS/ FUNDING SOURCE

Current: Norway, Sweden and Switzerland

Past: China, Dominican Republic, Finland, France, Germany, Ireland, Spain, United Nations Development Programme and Inter-American Development Bank

Investment Policy Reviews



SERVICES POLICY REVIEWS

REALIZING THE POTENTIAL OF SERVICES



GLOBAL CONTEXT



International trade in services expanded rapidly between 2005 and 2016 – faster than both global gross domestic product and merchandise trade – with total exports increasing from about \$2.7 trillion to \$4.9 trillion. Developing economies have achieved strong growth in their services exports since 2005, increasing their share of world exports from 23.1 per cent in 2005 to 29.4 per cent in 2016. Developing Asia recorded the sharpest growth.

Services are also essential to the efficient functioning of economies. Services, and in particular infrastructural services, improve value addition, promote employment and facilitate trade in manufacturing and agriculture. The services economy and trade have the potential to induce structural transformation in support of the 2030 Agenda for Sustainable Development. Yet many Governments face challenges in identifying and addressing the services-related needs of the domestic economy and then translating them into policy and negotiating positions, with a view to enhancing the quantity and quality of services output.

UNCTAD assists developing countries to seize the opportunities offered by a services-driven development strategy. UNCTAD developed Services Policy Reviews to systematically analyse the economic, regulatory and institutional frameworks that impact on the services sector of a given country. Services Policy Reviews provide recommendations to policymakers to improve policies as well as regulatory and institutional frameworks and to identify trade policy options that advance national and sectoral development objectives.



HOW ARE SERVICES POLICIES REVIEWED?

UNCTAD carries out Services Policy Reviews at the request of Governments. Each Review includes policy analysis and research, as well as multi-stakeholder meetings at the national level for fact-finding, awareness-raising and consensus-building. Once completed, the Reviews offer policy recommendations for the overall services sector of a developing country and for the specific sectors chosen by the Government.

The recommendations focus on how a country can more effectively expand its services sector, creating jobs and helping to raise living standards. UNCTAD can further assist Governments in the implementation of the policy recommendations presented in the Reviews.



PROGRAMME FACTS AND FIGURES

Scope: All regions

Start date: 2009

Reviews per year: 2–3

Reviews to date: 12
(Kyrgyzstan, Nepal, Uganda (two phases), Rwanda, Lesotho, Bangladesh, Angola, Jamaica, Paraguay, Peru, Nicaragua)

Website:

unctad.org/services/sprs



Sustainable Development Goals addressed:

Directly: 8 and 9

Indirectly: 10 and 17





RESULTS AND IMPACT AT A GLANCE

- Following the two Reviews for **Uganda**, the country developed a national policy on services trade, to ensure competitiveness in the services sector, which was approved by the Cabinet in 2017 for implementation.
- The Review for **Bangladesh** – the fifth LDC to benefit from such assistance – helped the country formulate pragmatic policies for its emerging services sectors and review opportunities it may pursue under the World Trade Organization waiver to grant preferential treatment to services and service suppliers from LDC members.
- In 2016, the Economic Community of West African States launched a regional services policy review as a tool for developing a common trade policy in services in the region and for identifying regional negotiating positions for the services negotiations under the Continental Free Trade Area and the negotiations on the Economic Partnership Agreement between the region and the European Union.

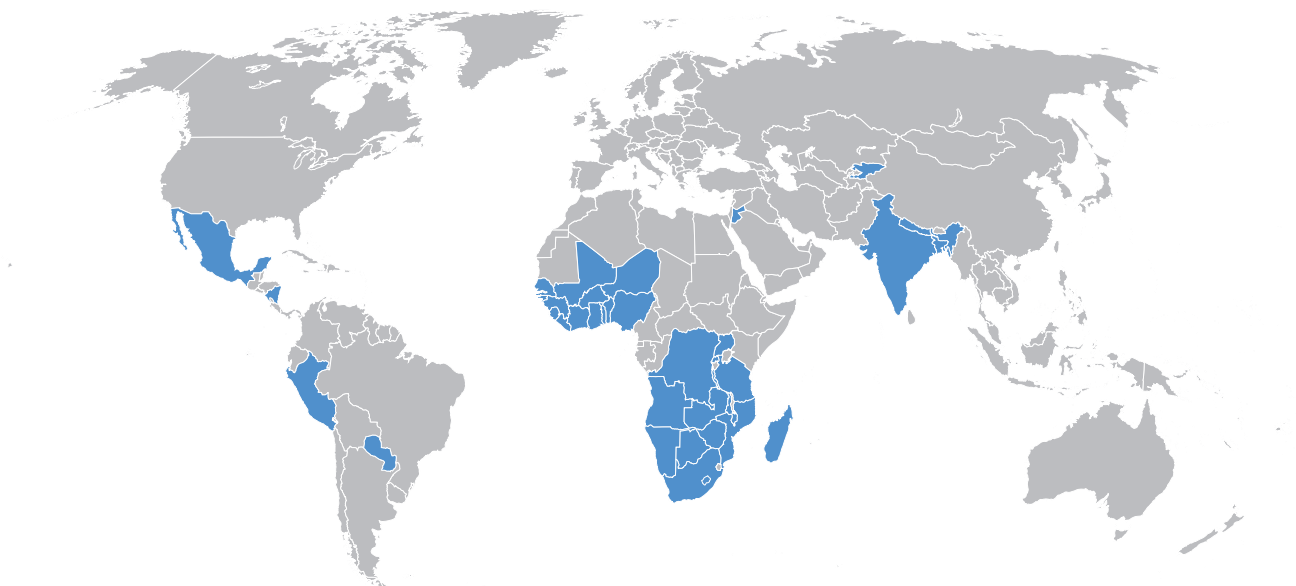


DONORS/ FUNDING SOURCE

Current: United Nations Development Account and UNCTAD General Trust Fund on Services, Development and Trade

Past: China, France, Spain, the United Kingdom of Great Britain and Northern Ireland and United Nations Development Account

Service Policy Reviews completed to date



TRADE POLICY FRAMEWORK REVIEWS

HARNESSING THE POTENTIAL OF TRADE FOR INCLUSIVE GROWTH AND SUSTAINABLE DEVELOPMENT



GLOBAL CONTEXT



International trade is an engine for economic growth that can contribute to promoting sustainable development. It can be a powerful force for creating jobs, fostering efficient use of resources, stimulating entrepreneurship and ultimately lifting people out of poverty. Many developing countries, however, have limited capacity to analyse the relationship between trade, productive capacity and employment, assess policy options and formulate and implement adequate national trade policy frameworks. This hampers their ability to make full use of the transformative power of trade for development.

The UNCTAD Trade Policy Framework Reviews help countries assess their trade policy regimes in a systematic, comprehensive and strategic manner, to identify possible areas for improvement. The Reviews focus on identifying key sectors for diversification with the potential to bring higher economic value, setting the right trade policies to back up those development priorities and establishing a trade policy framework to ensure effective implementation of such strategies. The aim is for Trade Policy Framework Reviews to contribute to the (re)formulation and implementation of national trade policy regimes according to a country's own needs. The Reviews, via analysis and workshops, provide the tools to policymakers in developing countries and countries with economies in transition that enable them to set their own priorities, make impact assessments of different policy options and devise the best actions, including at the sectoral level.



HOW ARE THE LINKS BETWEEN TRADE AND SUSTAINABLE DEVELOPMENT MADE?

A Review is initiated at the request of a Government. The counterpart ministry or agency is involved throughout the process and takes ownership of the policy recommendations.

The first level of intervention consists of analytical and advisory support to raise awareness and enhance understanding, among key trade policy stakeholders, on the link between trade and development and poverty. The next step consists of training activities to enhance the expertise of government officials involved in the formulation of national trade-related policies. Lastly, the third level of intervention focuses on concrete and hands-on support for the formulation of national trade policy – to best reflect the country's priorities and needs – and facilitating multi-stakeholder consultation towards its adoption and implementation.

In concrete terms, preparation of a Review is preceded by national multi-stakeholder consultative workshops, to engage with national stakeholders to identify key trade and development challenges faced by the country and possible remedies and policy reforms. Following the preparation of the Review by UNCTAD, the analysis and policy recommendations emanating from the Review are reviewed and validated at national multi-stakeholder validation workshops for further governmental actions, as appropriate.



PROGRAMME FACTS AND FIGURES

Scope: All regions

Start date: late 1990s (original approach); 2013 (updated methodology)

Reviews per year: 2 (average)

Reviews to date: 40+ country and/or regional assessments of overall or sectoral trade policies

Website:
unctad.org/TPF-Reviews

Sustainable Development Goals addressed:

Directly: 17
Indirectly: 8 and 9





RESULTS AND IMPACT AT A GLANCE

- Reviews have been conducted since 2013 of nine countries, namely Algeria, Angola, Botswana, the Dominican Republic, Jamaica, Namibia, Panama, Tunisia and Zambia.
- Based on the work of UNCTAD, in 2010, Rwanda adopted a new comprehensive trade policy framework.
- Following the Review prepared by UNCTAD, Jamaica is in the process of adopting a new trade policy framework.
- Several countries have embarked on the implementation of recommended policy measures by formulating draft national trade policy legislation and an implementation road map, such as Botswana, Namibia and Zambia. For example, in Botswana, an updated draft national trade policy has been prepared by the Government, and the Review helped Zambia to move towards export diversification.

"Words alone are not enough to thank UNCTAD for its financial and technical support provided for the preparation of Zambia's trade policy framework. Long live this UNCTAD–Government partnership and we will engage you again in the implementation phase very soon."

Director of Foreign Trade, Ministry of Commerce, Trade and Industry, Zambia, 2016

"UNCTAD has been very supportive in the area of trade policy formulation and in building our capacity to implement the recommendations of the review."

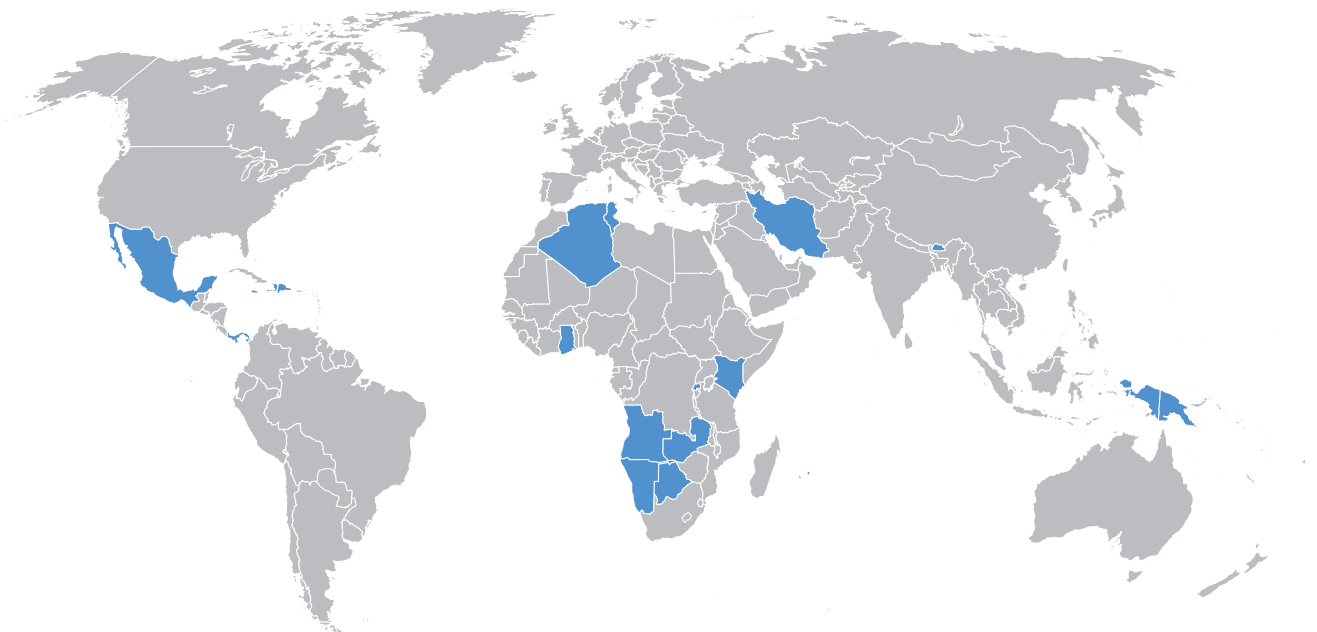
Permanent Secretary, Ministry of Trade and Industry, Rwanda, 2015



DONORS/ FUNDING SOURCE

Past: United Nations
Development Account

Trade Policy Framework Reviews completed to date



SCIENCE, TECHNOLOGY AND INNOVATION POLICY REVIEWS

FACTORIZING IN SCIENCE, TECHNOLOGY AND INNOVATION



GLOBAL CONTEXT



Building national capacities in science, technology and innovation at the firm, farm, industry and national levels is essential for local industries in developing countries to compete in today's increasingly globally integrated and knowledge-based economy. The capacity to adopt and use technologies, and to innovate, is critical to diversifying the production of goods and services into new areas with higher value added, in order to raise productivity, generate well-paid jobs, raise living standards, reduce poverty, improve social welfare and address environmental challenges. It has become increasingly clear that the attainment of all the social, economic and environmental objectives of the Sustainable Development Goals will be difficult, if not impossible, without the effective application of technology and the development of strong national innovation capacity.

UNCTAD is the United Nations focal point for the integrated treatment of trade and development and interrelated issues in the areas of finance, technology, investment and sustainable development. UNCTAD developed the Science, Technology and Innovation Policy Reviews in 1998 to assist developing countries in assessing science, technology and innovation systems and building innovation capacity at the firm, farm, industry and national levels. The starting point for the Reviews is that it is essential to harness science, technology and innovation for sustainable development. Achieving this requires mainstreaming science, technology and innovation policy into national development strategies and plans and promoting coherence among key development policy areas related to technology and innovation. The Reviews seek to achieve both of these goals in order to support a country's broader national sustainable development agenda.



HOW CAN SCIENCE, TECHNOLOGY AND INNOVATION BE FACTORED IN?

The Science, Technology and Innovation Policy Reviews are undertaken at the request of Governments. The Reviews include an assessment of the governance of science, technology and innovation; science, technology and innovation policies, rules and regulations; infrastructure; and firm, industry and national-level innovation capabilities. They usually include a mapping of innovation systems, along with in-depth studies of specific sectors or issues related to science, technology and innovation that are particularly important for development in the country. They include policy recommendations for fostering technology upgrading, strengthening innovation capacity and enhancing the systems or ecosystems that support innovation. They generally incorporate some scope for follow-up implementation, often including a capacity-building programme. UNCTAD is revising its framework for undertaking the Reviews in order to better align them with the policy agenda of sustainable development, the 2030 Agenda for Sustainable Development and the Sustainable Development Goals.



PROGRAMME FACTS AND FIGURES

Scope: All regions

Start date: : 1998–2005 (first series); 2008 (current series)

Reviews per year: 1–2

Reviews to date: 11 (current series)

Upcoming Reviews: Ethiopia, Sri Lanka and Uganda

Website: unctad.org/STIPreviews

Sustainable Development Goals addressed:

Directly: 9

Indirectly: 8, 12 and 17





RESULTS AND IMPACT AT A GLANCE

- Following the Review in Peru in 2010, the national budget dedicated to science, technology and innovation increased by 20 times in one year.
- The Review in Oman in 2014 led to the establishment of two consultative bodies in the country. One such body at a strategic level consists of five ministers and several senior advisers. The other, at an operational level, includes the executive directors of over 20 stakeholder institutions focused on science, technology and innovation. It also led to the design of the 2017 national innovation strategy of Oman.
- The Review in Thailand was completed in 2015. The diagnosis and recommendations of the report have fed into public policy design processes, including proposals on science, technology and innovation policy reform being discussed as part of the national reform process.

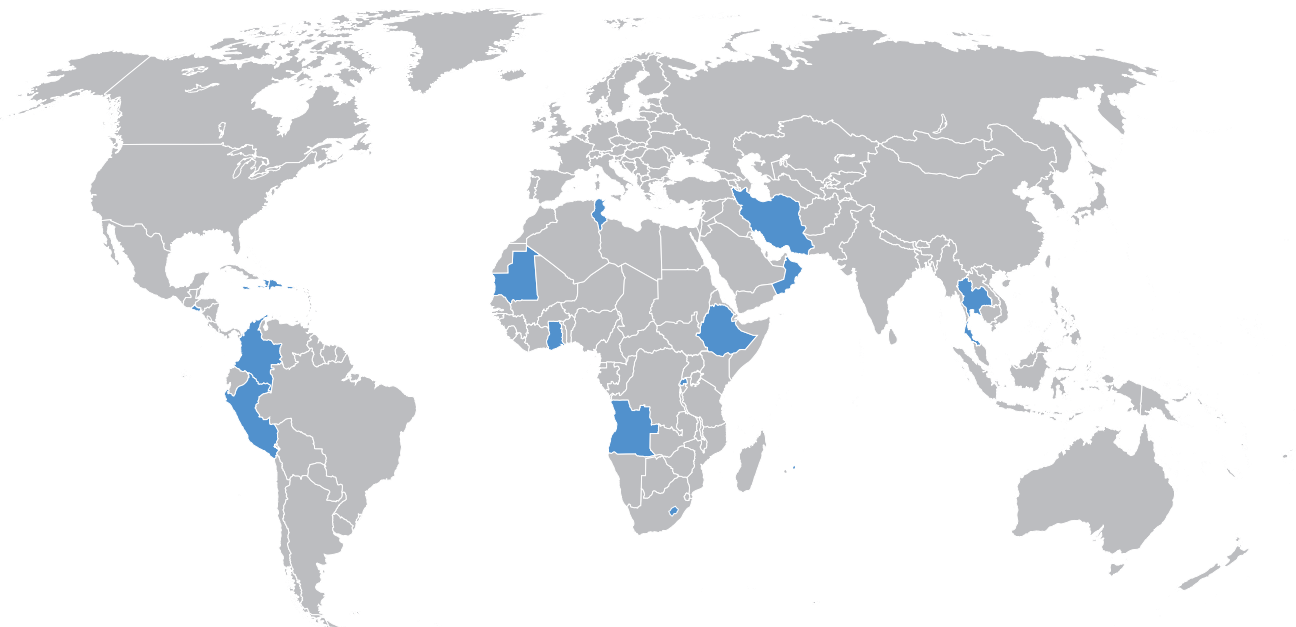


DONORS/ FUNDING SOURCE

Current: United Nations
Development Account

Past: Germany and United Nations
Development Programme

Science, Technology and Innovation Policy Reviews completed by end-November 2017



E-COMMERCE AND THE DIGITAL ECONOMY

LEVERAGING E-COMMERCE AND THE DIGITAL ECONOMY FOR SUSTAINABLE DEVELOPMENT



GLOBAL CONTEXT



E-commerce – and more generally the rise of the digital economy – is rapidly transforming the way in which enterprises are interacting among each other, as well as with consumers and Governments. E-commerce is creating new opportunities for technological leaps, productivity gains across the economy, the rise of new sectors and boosting trade. At the same time, the transformation is raising new challenges and costs for countries. Some of the greatest dynamism in e-commerce and information and communications technologies (ICTs) can be found in developing countries, but the potential is far from fully realized.

Making ICTs work for development means adapting to the benefits and the legal challenges that go along with their use. Conducting domestic and international trade online has to be simplified, and there is a need for legal protection for users and providers in order to ensure that citizens, consumers and enterprises can trust online transactions. Developing countries should establish legal, institutional and policy frameworks, as well as effective national strategies, to leverage the dynamism of e-commerce, whether via the Internet, mobile telephones or cloud computing. Developing countries, including LDCs, require better access to reliable statistics on the digital economy. It is also important for policymakers to receive evidence-based guidance on the design of sound policies and to learn from best practices in securing development gains from e-commerce and the digital economy. Seizing development gains from this evolving landscape requires a holistic, cross-sectoral and cross-institutional approach.



HOW CAN THE BENEFITS OF E-COMMERCE AND THE DIGITAL ECONOMY BE HARNESS?

UNCTAD offers several technical assistance programmes to assist Governments in developing countries and countries with economies in transition in harnessing the benefits of e-commerce and the digital economy, as follows:

- (a) The E-Commerce and Law Reform Programme helps to build the capacity of law and policymakers at the national and regional levels to understand the legal issues underpinning e-commerce. Concrete actions include the following:
- Assistance in establishing domestic and regional legal regimes to enhance trust in online transactions and offer legal protection for users and providers of e-commerce and electronic government services;
 - Organization of national and regional capacity-building workshops for law and policymakers;
 - Mapping of e-commerce legislation in the areas of electronic transactions, data protection, cybercrime and consumer protection online, available at unctad.org/cyberlawtracker.
- (b) UNCTAD work on measuring the information economy includes statistical data collection (focusing on ICT use in enterprises, the ICT sector and ICT trade), technical assistance (for example, capacity-building to produce official statistics on the information economy), the development of methodologies and research



PROGRAMME FACTS AND FIGURES

Scope: Developing countries and LDCs

Start date: 1999 (new components added in 2007, 2009 and 2016)

Projects per year: 10 (average)

Projects to date: 53 (e-commerce and law reform: 27; measuring the information economy: 18; ICT Policy Reviews: 3; rapid eTrade readiness assessments: 5)

Partners: 26 (public sector and civil society); 30+ (private sector)

Summary of success: 2,650 persons trained and 7 national reviews completed

Website: unctad.org/ict4d; unctad.org/ictpr; etradeforall.org

UNCTADstat database: unctadstat.unctad.org

Sustainable Development

Goals addressed:

Directly: 8, 9 and 17

Indirectly: 5



and analysis presented and published in the annual *Information Economy Report* and the statistics portal UNCTADstat.

- (c) The ICT Policy Review Programme provides technical assistance, advisory services, diagnostics and strategy development on e-commerce and national ICT planning at the request of Governments. Through analysis of the infrastructural, policy, regulatory, institutional, operational and socioeconomic landscape, the Reviews help Governments to overcome weaknesses and bureaucratic barriers, leverage strengths and opportunities and put in place strategies to maximize the benefits of ICTs and e-commerce.
- (d) The eTrade for all initiative was launched as a collaborative effort to scale up cooperation, transparency and aid efficiency towards more inclusive e-commerce. At the core of the initiative, the eTrade for all online platform, at etradeforall.org, helps countries navigate the technical and financial services available to drive development through e-commerce. Through the platform, beneficiaries can connect with potential partners, learn about trends and best practices, access up-to-date e-commerce data and be informed about upcoming e-commerce events. eTrade for all works in close cooperation with more than 30 contributors to Business for eTrade Development (business4etrade.org/), the premier private sector voice for optimizing public policies and leveraging cross-border e-commerce worldwide.
- (e) The Rapid eTrade Readiness Assessments Programme assists LDCs in assessing their e-commerce readiness, in order that they can better engage in and benefit from e-commerce. The aim is to help LDCs take stock of their ICT and e-commerce capabilities and formulate a strategy to overcome barriers and bottlenecks to the growth of digital trade.



RESULTS AND IMPACT AT A GLANCE

- The E-commerce and Law Reform Programme pioneered the introduction of the legal dimension of ICTs in more than 20 LDCs and 63 developing countries in Africa, Asia and Latin America and the Caribbean. The East African Community became the first African region to adopt a harmonized framework for cyberlaws
- UNCTAD has trained over 250 national statistical officers from 117 countries and contributed to the definition of the core ICT-related indicators of the Partnership on Measuring ICT for Development, endorsed by the United Nations Statistical Commission.
- As part of the ICT Policy Review Programme, the Government of Egypt developed and launched its first official national e-commerce survey of its microenterprises, covering all governorates in the country. Inter-agency collaboration between UNCTAD and the World Bank for the national e-commerce strategy for Egypt for 2015–2017 led to the development of a comprehensive strategy on electronic payments for e-commerce in a developing country.
- As at November 2017, the eTrade for all website, offering a platform for cooperation opportunities and knowledge exchange

between donors, beneficiary countries and development partners, had on average about 2,600 monthly visitors.

“The strategy is a solid foundation for stimulating e-commerce growth in Egypt throughout the coming years. I wish to express my appreciation for all the efforts and dedication by UNCTAD on this strategy. Egypt is heading steadily towards achieving better economic performance, inclusive growth and sustainable development. This strategy is a concrete step towards bringing this aspiration into reality.”

Mr. Yasser El-Kady, Minister of Communications and Information Technology, Egypt, March 2017

“Leveraging e-commerce is a challenge that requires a joint multi-stakeholder effort and the [eTrade for all] initiative provides the perfect framework for collaboration.”

Mr. Jovan Kurbalija, Director, DiploFoundation, and Head, Geneva Internet Platform (eTrade for all partner)



DONORS/ FUNDING SOURCE

Current: Germany, Finland, the Republic of Korea, Sweden, the United Kingdom, Enhanced Integrated Framework and MasterCard

Past: United Nations Development Account



INVESTMENT GUIDES

STRENGTHENING LOCAL INSTITUTIONS BY PROMOTING INVESTMENT



GLOBAL CONTEXT



FDI has the potential to contribute to economic growth and social development. It can bring capital, technology, management know-how and access to new markets. Compared with other forms of capital flows, FDI is also more stable, with a longer-term commitment to the host economy.

Attracting FDI and facilitating decision-making on investments, however, is not a given. Host countries need to be able to provide potential investors with up-to-date information, ranging from business costs and investment opportunities to investment-related legal and regulatory frameworks, in areas such as company registration, land acquisition, labour laws and tax regimes.

UNCTAD investment guides are a joint product of UNCTAD and the International Chamber of Commerce. They aim to raise awareness among the global investment community of the opportunities and conditions for investment in beneficiary countries. Since 2013, all investment guides – “iGuides” – are web-based. This means that investment guides can be easily updated to reflect changes in legislation, infrastructure, costs or taxes. It also means investment guides can include full texts of laws, legal instruments and hard, time-sensitive data that would be difficult for investors to find without visiting a country. Developing an investment guide helps to build the capacity of local institutions in investment promotion, as Governments of beneficiary countries are responsible for researching, inputting and updating data with the training support of UNCTAD and the International Chamber of Commerce.



WHAT ADVANTAGES DO INVESTMENT GUIDES OFFER?

Investment guides are developed jointly with the Governments of beneficiary countries, at their request. Once an investment guide is ready, it typically allows potential investors to get three types of investment information: (a) locally-available data, costs and prices – including wages, taxes, rent values, utility prices and transport costs; (b) relevant rules and licensing requirements, timelines and useful contacts; and (c) experiences of established investors and investment case studies.

Usually, developing an investment guide requires the steps outlined below:

- Following a request from a Government, a team from UNCTAD visits the country together with an onsite team of staff nominated by implementing partners. The UNCTAD team conducts preliminary research on the laws and institutions regulating investors.
- During the UNCTAD visit, the onsite team can ask questions and begins to input information directly into the investment guide website, based on information standards and training provided by UNCTAD and the International Chamber of Commerce. The training provided can include anything from identifying investment-specific issues and information gathering, to how to present information on the web and maintenance techniques.
- After the country visit, UNCTAD staff guide and monitor the work

of the implementing partner staff, as they conduct research, input information into and update the investment guide website, and provide feedback on the type and quality of information entered to further enhance capacity.

- The investment guide is launched at a stakeholder workshop where comments and recommendations of participants are taken into account to further improve the product.



PROGRAMME FACTS AND FIGURES

Start date: 2000

Investment guides produced per year: 3 (average)

Investment guides to date: 29

Website: theiguides.org



Sustainable Development Goals addressed:

Directly: 9 and 17





RESULTS AND IMPACT AT A GLANCE

- 29 online or printed investment guides have been produced to date, covering individual countries, regions and groupings, including guides for LDCs, the East African Community and the Silk Road region.
- Among 17 selected beneficiary countries or regions for which investment guides have been produced, 13 countries or regions have seen their average FDI inflows in the four years following the publication of their guides increase by at least twofold, compared to average FDI inflows in the four years preceding the publication. Such a contribution of investment guides to increased FDI inflows can be seen in Rwanda, for example, which registered a tenfold increase in FDI inflows.
- Following the launch of the Bhutan investment guide, Druk PNB Bank, one of the country's largest, circulated the guide to its clients, investors and partners for their use, calling it innovative and user friendly.

"This investment guide will improve transparency, reduce bureaucracy, improve the business environment and strengthen relations with investors."

Mr. Chimediiin Saikhanbileg,
Prime Minister of Mongolia, 2014–2016

"The investment guide is a reliable and credible online tool that will help both orient and provide information to foreign and local investors, and improve Benin's business climate."

Mr. Is-Deen Bouraima,
Director, Investment and Exports
Promotion Agency, Benin

"The iGuide is a one-stop place for investment information about Rwanda... It is because of the iGuide that Rwanda is pushing ahead of other countries in Africa in attracting investments."

United Nations Resident Coordinator,
Rwanda, 2013

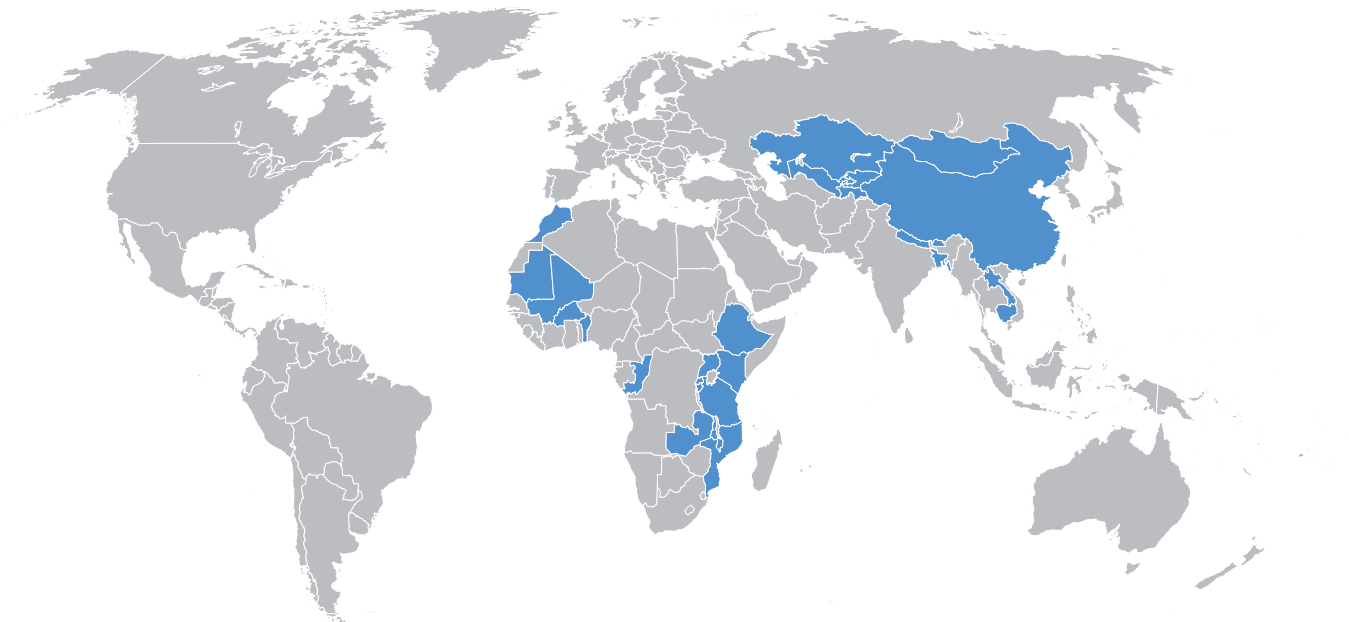


**DONORS/
FUNDING SOURCE**

Current: Multi-donor/Cross-Cluster Trust Fund on Capacity-building in Investment for Development, China, Finland, Germany, Norway, Sweden and Switzerland

Past: France, Luxembourg, the Netherlands and United Nations Development Account

Investment guides produced to date



NON-TARIFF MEASURES

STRENGTHENING TRANSPARENCY AND CONVERGENCE OF REGULATIONS FOR SUSTAINABLE DEVELOPMENT



GLOBAL CONTEXT



Non-tariff measures affect lives every day. Packaging requirements and limits on the use of pesticides ensure safe food in supermarkets; restrictions on toxins in toys protect children; mandatory safety standards on electrical household appliances prevent electric shocks; and emissions standards for vehicles influence climate change. Currently, 90 per cent of global trade is affected by such regulatory non-tariff measures; traditional trade barriers such as quotas are less common. Regulatory measures are indispensable and crucial for sustainable development. Their elimination is not an option.

However, non-tariff measures also raise consumer prices and create barriers to trade and economic development. UNCTAD estimates show that the aggregate impact of non-tariff measures is three times higher than that of tariffs. Non-tariff measures affect trade through compliance and procedural costs, which often disproportionately burden small enterprises and poorer countries.

Striking a balance between trade costs and regulatory benefits requires transparency, policy coherence and international-level regulatory convergence. For developing countries, understanding the uses and implications of such measures is essential for the formulation and implementation of effective development strategies.

The UNCTAD Non-Tariff Measures Programme focuses on the means of reducing trade costs while enabling policymakers to fully achieve public policy objectives, such as protecting health and the environment.



HOW CAN COUNTRIES BETTER ADDRESS NON-TARIFF MEASURES?

UNCTAD has been working on research and capacity-building related to non-tariff measures since the early 1980s. It assists policymakers along the entire “value chain” of non-tariff measures, ranging from definition and classification to data collection and dissemination, to research and policy support. Specifically, UNCTAD assists developing countries through the following three tools:

- (a) Increasing transparency through data collection and dissemination. UNCTAD assists Governments in establishing greater transparency on non-tariff measures within regional trade agreements, to facilitate trade and stimulate economic growth. In collaboration with many partners, UNCTAD has developed a proven and widely accepted methodology to systematically collect and disseminate information on non-tariff measures. At a national level, increased transparency helps various domestic regulatory agencies to achieve interministerial policy coherence.
- (b) Capacity-building through online courses. Two online training courses are available and may be complemented by face-to-face training workshops, as follows:
 - Non-tariff measures transparency and data collection. This online training course enables participants to review national policy



PROGRAMME FACTS AND FIGURES

Start date: 2008

Activities: Non-tariff measures data collected in 80 countries; 400+ persons trained in online courses; 3 Regional Non-Tariff Measures Integration Reviews conducted; 50+ training workshops and advisory missions conducted

Activities per year: Non-tariff measures data collected in 20+ countries; 100 participants trained online; 1 Regional Non-Tariff Measures Integration Review and 10–15 workshops and/or advisory missions conducted

Website: unctad.org/ntm; trains.unctad.org

Sustainable Development Goals addressed:

Directly: 8 and 17

Indirectly: 2, 9 and 12



frameworks and collect comprehensive information on non-tariff measures. The course consists of the following five modules: introduction to non-tariff measures; classification of non-tariff measures; classification of products; guidelines on collecting data on non-tariff measures; and hands-on exercises. Successful participants are awarded certification by UNCTAD as a non-tariff measures data collector;

- Trade policy analysis. This online training course enhances capacity in developing countries to analyse and implement trade policy. *A Practical Guide to Trade Policy Analysis* – a co-publication of UNCTAD and the World Trade Organization – serves as the main reference for the course, and the World Bank's World Integrated Trade Solution software (developed in collaboration with UNCTAD) is another core component. Training is tailored to the needs of each audience, with a more technical focus for analysts and a more discursive and descriptive approach for policy-oriented audiences.
- (c) Regional Non-Tariff Measures Integration Reviews and tailored advisory services. The Reviews provide analytical support for regional integration processes by systematically addressing non-tariff measures in regional trade agreements. A Review consists of an economic impact assessment, an institutional analysis to identify strengths and weaknesses in the regional integration of non-tariff measures and a validation workshop to develop strategies for deeper regional integration. Further tailored advisory services and support for trade negotiations are available upon request.



RESULTS AND IMPACT AT A GLANCE

- *Enhanced transparency*

The UNCTAD Trade Analysis and Information System is the most comprehensive database on non-tariff measures. In recent years, significant improvements in data quality and coverage have been achieved. The database now covers over 85 per cent of world trade. The Trade Analysis and Information System is accessible through the UNCTAD portal, at trains.unctad.org, and the World Bank World Integrated Trade Solution portal, at wits.worldbank.org.
- *Online training in non-tariff measures transparency and analysis*

More than 400 participants have been trained through the online courses. Over 90 per cent of participants in the transparency and data collection course found the knowledge acquired during the training extremely or very useful. For example, the course helped one participant in shaping the methodology used for a proposal on assessing the impact of non-tariff measures on exports from the United Republic of Tanzania in the East African Community. Another participant noted that the course would help in regular reporting to the World Trade Organization on trade policy measures.
- *Regional Non-Tariff Measures Integration Reviews*

The Review in the Southern African Development Community (SADC) was highly appreciated by stakeholders and workshop participants. SADC officials used the study to respond to a request from the SADC Committee of Ministers Responsible for Trade for a strategic plan to eliminate non-tariff barriers in the region.



DONORS/ FUNDING SOURCE

Current: Japan, Russian Federation, United States of America and United Nations Development Account

Past: Canada, Germany, European Commission and World Bank



TRADE NEGOTIATIONS

SUPPORTING BENEFICIAL INTEGRATION INTO THE INTERNATIONAL TRADING SYSTEM



GLOBAL CONTEXT



Trade remains an important instrument for economic growth and development. However, what countries liberalize and how and in what sequence they liberalize their economies matters, as do the complementary policies and national development strategies that they choose to implement. The engagement of countries in the international trading system and trade negotiations therefore remains important, and needs to be consistent with the overall development imperatives as enunciated in the Sustainable Development Goals and national development objectives and priorities.

In this light, reaping effective development benefits from participation in the multilateral trading system, as well as parallel and proliferating plurilateral, regional and subregional trade integration processes, remains an important challenge for national policymakers and trade negotiators. The multilateral trade architecture continues to be a central element of the global partnership for sustainable development as provided under target 17.10. It should therefore be continuously supported and strengthened, and countries' efforts aimed at their integration therein need to be facilitated, for it to serve as an essential enabler of the 2030 Agenda for Sustainable Development.

Within this global context, UNCTAD provides capacity-building support to developing countries, in particular LDCs, and countries with economies in transition, in their engagement in multilateral and regional trade negotiations, including accession to the World Trade Organization, South–South trade cooperation and preferences and the Continental Free Trade Area negotiations, addressing such specific substantive policy areas as agriculture, market access, services, rules, special and differential treatment, dispute settlement and other trade-related rules, disciplines and procedures.



HOW DOES UNCTAD DELIVER SUPPORT ON TRADE NEGOTIATIONS?

UNCTAD support on trade negotiations aims to help beneficiary countries enhance their human, analytical, regulatory and institutional capacities in trade negotiations and agreements. The ultimate objective is to allow them to better draw benefits from international trade and the international trading system. Greater emphasis is placed on building national capacities to establish negotiating priorities and identify practical policy options in multilateral and regional trade negotiations, through research supporting evidence-based policymaking, along with advisory and capacity-building support to regional coordinators, national negotiating teams and regional institutions through various intervention methods.

At the multilateral level, UNCTAD works closely with the regional coordinators of developing country groupings, such as Africa, LDCs and the African, Caribbean and Pacific Group of States, as well as individual countries, to provide analytical and advisory support for their consideration of negotiating issues, implications and options, upon request. For countries acceding to the World Trade Organization, UNCTAD provides



PROGRAMME FACTS AND FIGURES

Scope: All developing countries, including LDCs and countries with economies in transition

Start date: 1990

Countries assisted: 70+

Website: unctad.org/tncd



Sustainable Development Goals addressed:

Directly: 10

Indirectly: 8, 9 and 17

hands-on support to national negotiating teams to build national capacities and institutions to effectively conduct policy reform and manage all stages of accession, that is, before, during and after. At the regional level, UNCTAD partners with regional entities such as the African Union, the African, Caribbean and Pacific Group of States and regional economic communities, such as the Common Market for Eastern and Southern Africa, the Economic Community of West African States and SADC, to support their constituencies' effective engagement in regional trade negotiations, such as the negotiations on the Economic Partnership Agreement between the European Union and the African, Caribbean and Pacific Group of States, as well as Continental Free Trade Area processes.



RESULTS AND IMPACT AT A GLANCE

- A 2015 external evaluation, in assessing subprogramme 3 (international trade), pointed to recognition of the comparative advantages of UNCTAD: “Stakeholders note that UNCTAD provides valuable support to LDCs and developing countries in pre-accession and accession stages in ways that others cannot... Unlike [the World Trade Organization], which can only address technical aspects related to rules and must refrain from any policy advice, UNCTAD’s mandate tasks it with providing advice on policy options and alternatives for acceding States and backstopping the accession process. UNCTAD has flexibility to advise on bilateral and regional trade agreements, which are beyond the mandate of [the World Trade Organization].”
- UNCTAD has assisted the following countries that have acceded to the World Trade Organization: Afghanistan, Algeria, Azerbaijan, Belarus, Bhutan, Bosnia and Herzegovina, Cabo Verde, Cambodia, China, the Comoros, Equatorial Guinea, Ethiopia, the Islamic Republic of Iran, Iraq, Jordan, Kazakhstan, the Lao People’s Democratic Republic, Lebanon, Liberia, Nepal, the Russian Federation, Samoa, Sao Tome and Principe, Saudi Arabia, Serbia, Seychelles, the Sudan, Syrian Arab Republic, Tajikistan, Timor-Leste, Turkmenistan, Uzbekistan, Vanuatu, Viet Nam and Yemen. Afghanistan, Kazakhstan, Liberia and Seychelles became full members of the World Trade Organization in 2014–2016.
- UNCTAD support on Continental Free Trade Area negotiations has been appreciated by its partners. In a letter to the Secretary-General dated 10 March 2017, Ms. Fatima Haram Acyl, Commissioner of Trade and Industry, African Union, stated that the contribution of UNCTAD to the Continental Free Trade Area Negotiating Forum was critical and noted her “sincere hope that you will continue to make your teams available to support the [Continental Free Trade Area] in its various institutions – including but not limited to the [Negotiating Forum]”.

“My colleagues were very impressed with [UNCTAD] knowledge and experience in trade matters. The [draft] trade development act has come out very well...”

Joint Secretary,
Ministry of Economic Affairs, Bhutan, following
an UNCTAD consultative mission, 2015

“I am also very happy to have had the opportunity to see UNCTAD deliver and perform so well at the country level...”

UNCTAD does make a difference, a message I have conveyed to my capital in capital letters.”

Ambassador of Norway, Member of team of
independent evaluators, at a session of the
Working Party on the Strategic Framework and the
Programme Budget



DONORS/ FUNDING SOURCE

Past: China, Finland, France, Germany, Norway, Spain, Sweden (through the United Nations Industrial Development Organization), the United Kingdom and United Nations Development Account



SUSTAINABLE TRADE AND THE ENVIRONMENT

TOWARDS GREEN ECONOMIES



GLOBAL CONTEXT



Programmes and initiatives on sustainable trade and the environment aim to strengthen the capacity of developing countries in designing and implementing mutually supportive trade, environment, climate change and sustainable development strategies while integrating sustainable development objectives at all levels. UNCTAD work explores the trade opportunities arising from multilateral environmental agreements, as well as trade and environment-related negotiations. It promotes sustainable trade in sectors that contribute to further economic growth, job creation and opportunities for social inclusion.

UNCTAD work is based on requests from developing countries to examine the development impact and economic repercussions of existing and potential multilateral environmental agreements, as well as trade and environment negotiations and how best to address the challenges and seize the opportunities related to trade. Guided by the Sustainable Development Goals and the principles under the Paris Agreement under the United Nations Framework Convention on Climate Change, UNCTAD facilitates multilateral and expert processes in areas in which the environmental aspect is central to trade. Making economic growth compatible with sustainable development requires adequate policies and mechanisms, and UNCTAD programmes and initiatives on sustainable trade and the environment work towards stimulating economic diversification, creating jobs, raising income levels and fostering environmental protection, thereby improving living standards.



PROGRAMMES AT A GLANCE

- The Climate Change Programme brings Governments, industry and civil society together to address the economic aspects of climate change and its trade and sustainable development implications in several sectors of the economy, such as transportation, energy use, electricity generation and agriculture.
- The BioTrade Initiative works at the national, regional and global levels with partners along the following three strategic lines: enabling a policy framework for biotrade; value chain enhancement; and market creation and development for biodiversity products and services. As one means of enhancing the value chain, UNCTAD has developed a biotrade value chain methodology to support the growth of biodiversity-based sectors. The aim is to enhance the production of value added products and services derived from biodiversity, for both domestic and international markets.
- National Green Export Reviews assist developing countries and countries with economies in transition to implement green economy policies and establish regulatory and institutional frameworks and cooperative mechanisms to strengthen the capacity, efficiency and competitiveness of their green export sectors. The Reviews respond to an emerging demand from developing countries to assess national potential to advance the development of national green sectors, generate new employment and increased export opportunities and advance sustainable development.



PROGRAMME FACTS AND FIGURES

Scope: All regions

Start date: 1997

Collaborative arrangements:
25+ programme partners

**National Green Export Reviews
completed:** 8

Website: unctad.org/environment

**Sustainable Development
Goals addressed:**

Directly: 8 and 17

Indirectly: 12 and 13



- The Oceans Economy Programme supports developing countries in seizing economic benefits from the sustainable use of marine resources. It promotes the sustainable trade of products and services in ocean-based economic sectors through analysing, developing and adopting evidence-based and policy-coherent oceans economy and trade strategies and enhancing national implementation capacities. With the support of the United Nations Development Account, in 2018, UNCTAD will launch an evidence-based and policy-coherent oceans economy and trade strategies programme, initially involving Barbados, Belize and Costa Rica.
- The Circular Economy Programme contributes to protecting the environment while providing an opportunity to save resources, develop new sectors, create jobs, generate income, decrease waste disposal costs and develop new capabilities. UNCTAD is working in this new area to assist developing countries in changing their trade patterns and improving the utilization of idle resources by developing and testing the application of technology-based solutions and cleaner production methods that will reduce the levels of environmental pollution generated by manufacturing activities. Underlying research activities target specific manufacturing sectors that are prevalent in developing countries and involve several types of commodities, such as textiles, clothing and leather, light manufacturing, household products, chemicals and petrochemicals, rubber and plastics.



RESULTS AND IMPACT AT A GLANCE

- UNCTAD is currently working closely with the United Nations Framework Convention on Climate Change to address countries' concerns about the negative effects of climate change response measures, as well as to explore ways to enable trade to be part of the global solution to address climate change.
- In the last two decades, BioTrade Initiative activities have benefited approximately 5 million farmers, producers and workers, creating jobs and generating additional income opportunities for rural and marginal communities, as well as other actors in the value chain. Sales revenues of BioTrade Initiative beneficiary organizations, working with small and medium-sized enterprises (SMEs), community-based associations and multinational companies, amounted to €4.3 billion in 2015, compared with €35.3 million (\$40 million) in 2003.
- The National Green Export Reviews, through which national Governments and stakeholders prioritize sectors for deeper analysis, have assisted in the identification of dozens of new export products in 10 countries, namely Armenia, Ecuador, Ethiopia, Lebanon, Madagascar, Morocco, Oman, the Republic of Moldova, Senegal and Vanuatu.



DONORS/ FUNDING SOURCE

Current: Sweden, Switzerland (State Secretariat for Economic Affairs) and United Nations Development Account

Past: Denmark, the Netherlands, Norway, Spain and United Nations Foundation/United Nations Fund for International Partnerships



INVESTMENT PROMOTION AND FACILITATION

SUPPORTING GOVERNMENTS IN ATTRACTING FOREIGN DIRECT INVESTMENT FOR SUSTAINABLE DEVELOPMENT



GLOBAL CONTEXT



In the past 20 years, FDI has become an important factor in bringing capital, as well as jobs, technology and management skills, to many developing countries. Some developing countries have seen major benefits from these investments in terms of economic development and rising standards of living. FDI can also play a significant role in financing the achievement of the Sustainable Development Goals by 2030 in basic infrastructure, food security, climate change mitigation and adaptation, health and education. In order to do so, Governments need to mobilize private investment more efficiently, channel it into sustainable development sectors and maximize its positive economic, social and environmental impacts. As direct intermediaries between Governments and investors, investment promotion agencies have a crucial role to play.

Countries with great needs for investment in projects contributing to sustainable development often lack institutional capacity to catalyse foreign investment and maximize benefits generated by FDI inflows. UNCTAD strengthens the capacities of these countries to promote investment and gives them tools to identify, target and facilitate strategic investment projects. The Investment Promotion and Facilitation Programme includes advisory services, training, capacity-building for the development of online investment guides and high-level international meetings to share new developments, trends and best practices, as well as publications providing guidance on the institutional, policy and strategic aspects of investment promotion and facilitation. Through these activities, the Programme can help Governments promote economic growth and investments in Goals-related projects.



HOW CAN GOVERNMENTS BUILD INVESTMENT PROMOTION CAPACITIES?

The investment promotion advisory services of UNCTAD help create a policy and institutional framework for attracting and retaining FDI for sustainable development. Assistance is provided in areas such as policies, regulations, institutional arrangements, strategies and techniques. Investment promotion training builds capacities among professionals and diplomats in investor targeting, aftercare and policy advocacy, as well as in the promotion and facilitation of new business opportunities. Training is often carried out with partner organizations, including the World Association of Investment Promotion Agencies.

Investment guides provide investors with strategic information online on the business environment of a country or region, including regulations, taxes, operating costs, prices and business opportunities, along with the experiences of established investors and investment case studies. Created jointly by UNCTAD, Governments and the International Chamber of Commerce, the guides help build the capacity of investment promotion agencies, as they are responsible for researching, inputting and updating the information. For more information, see the respective fact sheet in the *UNCTAD Toolbox*.



PROGRAMME FACTS AND FIGURES

Start date: 1994

Conferences and workshops
per year: 8

Website: greenfdi.org

Sustainable Development
Goals addressed:

Directly: 9 and 17

Indirectly: 7 and 10



Investment promotion publications and newsflashes help investment promotion professionals learn about investment promotion strategies, best practices and trends. Special emphasis is put on green and sustainable sectors, such as in the *Promoting Low-Carbon Investment* guide, the Investment Promotion Agency Observer series and the monthly Smart Promotion Network newsflashes. Moreover, the greenFDI.org platform provides an extensive library of recent publications on attracting low-carbon investment, as well as information on upcoming events.

Investment promotion awards are presented annually to recognize the achievements of best-practice investment promotion agencies in a variety of areas, and contribute to the dissemination of these practices among the investment promotion community.



RESULTS AND IMPACT AT A GLANCE

- Every year, 200 investment promotion professionals benefit from UNCTAD training and 700 investment stakeholders take part in high-level investment promotion meetings and conferences. In 2014–2017, UNCTAD trained investment promotion experts from more than 100 countries.
- 9 out of 10 participants in UNCTAD investment promotion training sessions rate the workshops as beneficial for their work.
- Through the UNCTAD programme on the promotion of green FDI, many developing countries have introduced or reinforced their activities in attracting low-carbon FDI.
- Since 2002, 46 investment promotion agencies have received investment promotion awards from UNCTAD for their achievements.

"I would like to take this opportunity for expressing our gratitude to UNCTAD for drafting a report on promoting FDI in solar energy with a special focus on India. This will be most useful for both the policymakers and the private stakeholders as we work towards our target of achieving 100GW in solar power by 2022."

Director and Chief Executive Officer,
Invest India, 2016



DONORS/ FUNDING SOURCE

Current: The Netherlands, Multi-donor Trust Fund on Capacity-building in Investment Promotion and United Nations Development Programme

Past: Antigua and Barbuda, Egypt, Finland, Ireland, Jordan, Luxembourg, Morocco, Norway, Switzerland and United Nations Development Account

