



**UNCTAD
ANNUAL REPORT**

2012





UNITED NATIONS
UNCTAD

الرخاء للجميع

PROSPÉRITÉ POUR TOUS

ПРОЦВЕТАНИЕ ДЛЯ ВСЕХ

UNCTAD

PROSPERITY FOR ALL

PROSPERIDAD PARA TODOS

共同富裕

UNCTAD FACTS

3 Pillars of work: consensus-building, research and analysis, technical cooperation

5 Main programmes of work: globalization and development strategies; investment and enterprise development; international trade in goods and services, and commodities; technology and logistics; Africa, the least developed countries and special programmes

49 Years of promoting the development-friendly integration of developing countries into the world economy

194 Member States

464 Staff members from 112 countries

Secretary-General:

Mr. Supachai Panitchpakdi (Thailand), since September 2005

Deputy Secretary-General:

Mr. Petko Draganov (Bulgaria), since May 2009

Headquarters: Geneva, Switzerland

\$70m Total regular budget for 2012

\$33m Extra-budgetary funds for technical cooperation with contributions from developing countries accounting for 26 per cent of total contributions to trust funds (see also Annex C for further information)

To find out more about UNCTAD, please visit <http://www.unctad.org>.

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Foreword by
Mr. Supachai Panitchpakdi,
Secretary-General of UNCTAD

The recovery of the world economy remains fragile and uneven. Global growth was 2.3 per cent in 2012, down from 2.8 per cent in 2011. Developed economies as a whole barely grew. Even if recovery in the United States of America picks up pace, a growing number of European economies have slipped into a double-dip recession. Emerging economies continue to act as the engine of the global economic recovery, but their growth has significantly slowed down. Furthermore, globalization is in retreat. As a result, the growth of trade and foreign direct investment (FDI) has lost momentum.

At UNCTAD, we continue to be concerned with issues central to sustainable development. A weak global economy, together with risks related to the ongoing sovereign debt crisis, the unconventional practices of monetary policy, and the competitive depreciation of currencies in the developed world, pose unprecedented challenges to developing countries. In addition, fiscal austerity measures adopted by a number of developed economies are likely to prompt wage reductions, raise unemployment and reinforce inequality, all of which may have considerable negative spillover effects on low-income countries. Growing inequality worldwide and the threat of climate change, as well as many other social and environmental challenges, continue to call into question the predominant development pathways and aspirations.

It was against the backdrop of these daunting challenges that we held UNCTAD XIII. Indeed, negotiations in Qatar were more difficult and divisive than at previous conferences. Several times the Conference was on the verge of coming to an abrupt end without an agreement being met. Nevertheless, consensus was successfully reached with the Doha Mandate, which spells out the imperative to both pursue inclusive and sustainable development outcomes and foster development-centred globalization. The Doha Mandate reaffirms and builds upon UNCTAD's work programme as set out in the Accra Accord and defines the role of UNCTAD for the next four years. It sets a positive signal for the process of multilateral cooperation in our increasingly interdependent world. We owe the success of the Conference to our host, Qatar, our member States, development partners, and, in no small part, to the hard work and creativity of UNCTAD staff.

FOREWORD

The year 2012 also marked the thirtieth anniversary of the *Trade and Development Report*, the embodiment of the independent and heterodox thinking and research that UNCTAD is known for. It has been a persistent and sometime lone voice in warning about the downside risks of global economic imbalances for development. Throughout the past three decades, UNCTAD economists have advocated for, among others, an appropriate balance between multilateral rules and the national policy space, for development strategies making allowances for the special circumstances and aspirations of individual countries. Most recently, we have warned against the perils of what I call “finance-driven globalization”, and a range of imbalances in international economic relations, which pose a threat to inclusive and sustainable development.

The UNCTAD *Annual Report 2012* contains information on our main achievements across the three pillars of our work. This year has heavily focused on how to further improve the management of UNCTAD. We have already made progress in implementing a number of measures in this area, for example by launching the Delegates’ Portal, and formulating an integrated results-based management framework.

Looking ahead, we will continue to strengthen our efforts in implementing the outcomes of UNCTAD XII and XIII while contributing to the global dialogue on the post-2015 development framework.

Next year we will mark UNCTAD’s fiftieth anniversary. We have much to celebrate: yet much needs still to be done. I am proud to have led this great organization over the past eight years, and I am happy to see that it is as strong today as ever. I thank you all for your support and extend my good wishes that UNCTAD will continue to play a prominent role in the international arena in the years to come.





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ABOUT UNCTAD

ONE GOAL: PROSPERITY FOR ALL

WORKING WITH OUR MEMBER STATES

Fifty-ninth annual session
of the Trade and Development Board
The Trade and Development Commission,
and the Investment, Enterprise and
Development Commission

WORKING AS ONE UNITED NATIONS AND WITH THE DEVELOPMENT COMMUNITY

The United Nations Inter-Agency Cluster
on Trade and Productive Capacity
Working with the Group of Twenty
Working with civil society
Working with the private sector
Working with academia

ONE GOAL: PROSPERITY FOR ALL

The United Nations Conference on Trade and Development (UNCTAD) is the United Nations body responsible for dealing with development issues, particularly international trade – the main driver of development. UNCTAD is governed by 194 member States.

Its work can be summed up in three words: reflection, dialogue and action.

Reflecting on development is at the heart of the work of UNCTAD. It produces often-innovative analyses that form the basis for recommendations to economic policymakers. The aim is to help them make informed decisions and promote the macroeconomic policies best suited to ending global economic inequalities and generating people-centred sustainable development.

UNCTAD is also a forum where representatives of all countries can freely engage in dialogue and discuss ways to establish a better balance in the global economy.

In addition, UNCTAD offers direct technical assistance to developing countries and countries with economies in transition, helping them build the capacities they need to become equitably integrated in the global economy and improve the well-being of their population.

UNCTAD holds a ministerial-level meeting every four years to discuss major global economic issues and decide on its programme of work.

It also holds discussions with civil society, including at an annual symposium where members of the general public can express their views and interact with country representatives.

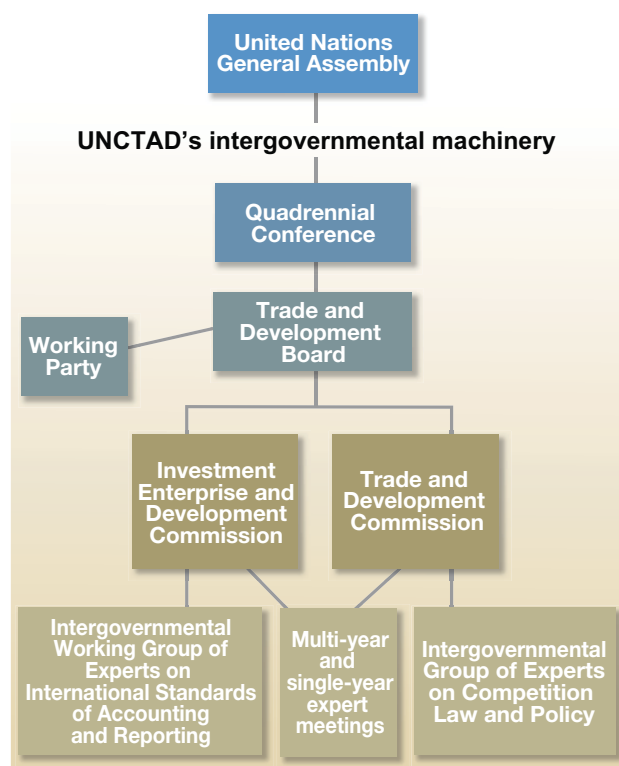
Every two years, UNCTAD organizes the World Investment Forum, which brings together the major players from the international investment community to discuss challenges and opportunities and to promote investment policies and partnerships for sustainable development and equitable growth.

WORKING WITH OUR MEMBER STATES

The governing body of UNCTAD, the Trade and Development Board, oversees the organizations' activities, and discusses emerging issues in between the quadrennial Conferences. The Board meets in Geneva once a year in regular session, and up to three times a year in executive sessions, to deal with urgent policy issues, as well as management and institutional matters. Delegates from UNCTAD's member States participate in the annual meetings.

The Trade and Development Board is assisted by two commissions – the Trade and Development Commission, and the Investment, Enterprise and Development Commission – both established at UNCTAD XII in 2008. Both Commissions convene meetings of leading experts to examine and offer technical advice on a range of key and emerging policy issues.

UNCTAD's intergovernmental framework





Participants at the opening of the fifty-ninth session of the Trade and Development Board, 17 September 2012, Geneva, Switzerland.

Fifty-ninth annual session of the Trade and Development Board

At its fifty-ninth annual session, from 17–28 September 2012, the Trade and Development Board addressed a range of issues, and held a high-level segment on the relationship between economic growth, jobs and poverty in Africa. Panellists examined the challenges faced, and lessons Africa could learn from the experiences of other developing countries and regions regarding the optimal balance of trade, finance, investment and macroeconomic policies to ensure sustainable growth and development. Discussions explored the challenges and potential policy responses facing growth in Africa, inter alia, the high rates of population growth that have outpaced economic growth and job creation; investment flows in sectors not accessible to the poor; and limited technological advancements and inadequate pro-poor financial sector policies. Panellists included Mr. Supachai Panitchpakdi, Secretary-General of UNCTAD, H.E. Mr. Mothetjoa Metsing, Deputy Prime Minister, Kingdom of Lesotho and H.E. Mr. Robert Sichinga, Minister of Commerce, Trade and Industry, Zambia.

Member States also considered the first progress report of UNCTAD's contribution to the Istanbul Programme of Action (IPoA). During this session, delegations exchanged views on ways and means of enhancing the role of commodities and improving agricultural productivity as part of wider efforts to achieve structural socioeconomic progress in least developed countries (LDCs), including, for as many of them as possible, progress towards graduation from LDC status.

In the course of the session, the Board held 12 plenary meetings, and reached consensus on several matters, such as: the importance of structural economic transformation and economic diversification in Africa for the creation of new jobs and decent work; the need to further mitigate the impact of commodity price volatility on LDC economies; the challenges faced by LDCs in relation to poverty reduction and in achieving the targets set by the IPoA; and encouragement for UNCTAD to continue its work in this regard, as renewed by the Doha Mandate.



Panelists at the Trade and Development Board's high level segment on the relationship between economic growth, jobs and poverty in Africa, 17 September 2012, Geneva, Switzerland.

The Trade and Development Commission, and the Investment, Enterprise and Development Commission

The two Commissions held meetings in November 2012 and each undertook a stocktaking exercise on the basis of the reports of expert meetings held in 2012 with regard to: commodities and development; services, development and trade: the regulatory and institutional dimension; international cooperation: South–South cooperation and regional integration; transport and trade facilitation; investment for development; enterprise development policies and capacity-building in science, technology and innovation; and reports from intergovernmental groups of experts on competition law and policy, and international standards of accounting and reporting.

In the agreed conclusions of both Commissions, among other things, member States underlined the importance of promoting and strengthening synergies among the three pillars of UNCTAD's work, and emphasized that, consistent with the Accra Accord and the Doha Mandate and their terms of reference as established by the Trade and Development Board, the various expert meetings convened by each Commission continue to facilitate a rich and constructive sharing of experiences and best practices, and networking among experts, with a view to enhancing substantive knowledge and providing valuable inputs to the Commissions for their consideration.

WORKING AS ONE UNITED NATIONS AND WITH THE DEVELOPMENT COMMUNITY

The United Nations Inter-agency Cluster on Trade and Productive Capacity

The United Nations Inter-agency Cluster on Trade and Productive Capacity aims to ensure that issues related to the trade and productive sectors and the United Nations Development Assistance Frameworks (UNDAFs) are adequately taken into account in the Delivering as One (DaO) and United Nations system-wide coherence processes. Since its official launch

by the Secretary-General of the United Nations in April 2008, the Cluster has continued to participate in countries that adopted the DaO approach and has increased its participation in many UNDAFs. In 2012, the Cluster was involved in more than thirty inter-agency joint programmes worldwide, in addition to regional initiatives in Africa, the Arab States, Asia, and Europe and the Commonwealth of Independent States.

The role of the Cluster was praised by United Nations Resident Coordinators, governments and donors during an information session on its work chaired by the Secretary-General of UNCTAD in February 2012. It was further emphasized that the best practices which emerged from an empirical approach have been instrumental in providing impact at the country level through better alignment with the national priorities, harmonized assistance through inter-agency cooperation, inclusive partnerships and mutual accountability. In addition, the Cluster was mentioned as an example of best practice in the report of the United Nations Secretary-General on the 2012 Quadrennial Comprehensive Policy Review (QCPR). In October 2012, the message was reiterated during the General Assembly debate regarding system-wide coherence of the United Nations. It was recognized that the Cluster provided new opportunities for cooperation on economic development with a wide range of development expertise, and that by acting together when formulating, delivering, and monitoring the impact of their assistance, the United Nations entities are more effective and better aligned with the national development strategies.

Working with the Group of Twenty

Since 2009, UNCTAD has been requested to play a more active role among international organizations in providing advisory services to the Group of Twenty (G-20) in a number of issues related to macroeconomic and development policies, including employment, global economic governance, commodity price volatility, and investment. Many G-20 member States feel that UNCTAD's specific trade and development perspective provides a useful second opinion alongside

the mainstream views presented by other international organizations. UNCTAD is the only United Nations body highlighting not only the interdependence of, but also the need for systemic coherence in international monetary, financial and trade affairs that are of vital interest to every member of the United Nations. Over the course of the Mexican Presidency in 2012, UNCTAD continued to actively participate in the meetings of the G-20 Framework Working Group on Strong, Sustainable and Balanced Growth and the Commodity Markets Working Group, under the Finance Track's discussions of the macroeconomic growth impacts of commodity price volatility; and as the coordinator of the Inter-Agency Working Group (IAWG) of the G-20 Development Working Group, under the Sherpa Track's discussions on employment creation and investment.

Working with civil society

UNCTAD recognizes the important role civil society organizations can play in all aspects of its work. They represent the views of diverse sectors of society, and offer unique expertise and experience at global and grassroots levels. They are particularly effective in raising awareness and sharing information among their extensive networks. In this regard, UNCTAD reaches out to non-governmental stakeholders through active dissemination of its work and through forums for dialogue, such as the annual public symposium. In addition, regular formal and informal consultations are undertaken with the United Nations Non-Governmental Liaison Service to give further voice to civil society in UNCTAD's work.

Working with the private sector

UNCTAD engages with the private sector in all aspects of its work as illustrated in the following chapters of this report. Companies and business associations contribute to surveys for data collection and policy analysis, business representatives participate in UNCTAD meetings and advisory bodies, and in some cases the private sector contributes expert advice and funding for technical assistance projects. UNCTAD believes that enhanced cooperation between the private and the public sector is essential to the effective

integration of developing countries into the global economy.

The World Investment Forum, Global Services Forum and Global Commodities Forum are examples of such engagements and have yielded positive results. A bilateral meeting at the World Investment Forum between H.E. Mr. Ikililou Dhoinine, President of the Union of Comoros with Mr. Peter Brabeck, Chairman of Nestlé, for example, resulted in Nestlé's concrete commitment to evaluate investment opportunities in the production of vanilla bourbon which is grown organically in the Comoros.

Working with academia

Prominent academic and research institutions are often invited to participate in UNCTAD meetings and research to ensure the relevance and quality of its outputs. Furthermore, UNCTAD organizes lectures, seminars and study tours for students from developed and developing countries. The Virtual Institute and its network of 79 universities and 41 research institutions, plays a key role by supporting the dissemination and application of UNCTAD's work.



Fifth annual study tour for Virtual Institute Russian university members for a week-long training on international trade, investment and development issues, 26–30 March 2012, Geneva, Switzerland.



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UNCTAD XIII

HIGHLIGHTS
FROM THE CONFERENCE



UNCTAD's quadrennial conference, UNCTAD XIII, was a milestone event convened for the first time in an Arab country. It took place from 21–26 April 2012 at the Qatar National Convention Centre in Doha (Qatar). UNCTAD XIII was the first major United Nations ministerial conference on trade and development since the fallout from the economic crisis, and provided an opportunity to reflect on the issues faced by developing countries and LDCs and UNCTAD's role in this regard.

The Conference brought together heads of government, ministers and other participants from UNCTAD's member States, around the theme: "Development-centred globalization: Towards inclusive and sustainable growth and development". UNCTAD took this as an opportunity to organize a series of parallel events, including thematic round tables, panel discussions, forums, and report and publication launches.

At its conclusion, and after several months of negotiations initiated as early as October 2011 with the first meeting of the preparatory committee in Geneva, the Conference adopted two outcome documents: the *Doha Manar* and the *Doha Mandate*. The *Doha Manar*, referring to the Arabic term for beacon, is a political declaration by UNCTAD's member States which lends strong support to the efforts of UNCTAD in promoting inclusive development through commerce and structural change over the next four years, while

acknowledging the need to strengthen UNCTAD and the impact of its work. The *Doha Mandate* reaffirmed work priorities agreed at UNCTAD XII (2008), and sets out directions on policy analysis and the role of UNCTAD in the overall theme of the Conference. These mandates form the basis of the organization's activities for the next four years. The Doha Mandate highlights the need not only to generate economic growth, but also to ensure it is more inclusive and sustainable.

Since the Conference, UNCTAD has been conducting its work on the basis of this ethos and translating it into more concrete policy recommendations. Results already yielded in this area include the Investment Policy Framework for Sustainable Development and recommendations in the *Trade and Development Report 2012*, both of which have been commended for their relevance and utility.

UNCTAD XIII IN NUMBERS

15

HIGH-LEVEL EVENTS INCLUDING

4 high-level round tables

30 Special events

12 Panel discussions

3 Forums

2,642

PARTICIPANTS FROM 144 MEMBER STATES COMPRISED OF:

8 Heads of State

89 Ministers

200 Private sector participants

55 Non-governmental organizations

26 International organizations

19 Intergovernmental organizations



HIGHLIGHTS FROM THE CONFERENCE



GLOBAL SERVICES FORUM

The Forum brought together a large number of ministers, high-level policymakers and business leaders, as well as representatives of coalitions and associations of services industries and civil society, across the world. Forum

participants discussed trends, prospects of vital economic sector services and made calls for the Forum to meet regularly. The Arab Coalition of Services Industries was also launched to promote partnerships and cooperation among Arab countries to support the development of their services sector.



WORLD INVESTMENT FORUM

The third edition of the World Investment Forum took place from 20-23 April 2012. Participants attended 15 main events and meetings, and a host of side events over the four days. The Forum addressed current investment challenges and opportunities arising from the emerging global economic governance structures and, through high-level dialogues and numerous networking opportunities, contributed to developing policy options and partnerships for promoting sustainable investment and inclusive growth. The World Investment Leaders' Summit was one of the highlights of the Forum. It attracted eight Heads and former Heads of State and Government including Mr. Moncef Marzouki, President of Tunisia, and Mr. Ikiilou Dhoinine, President of Comoros, as well as the Chief Executive Officers of six global companies including Mr. Dominic Barton, Managing Director of McKinsey & Company and Mr. Peter Brabeck-Letmathe, Chairman of Nestlé, who set out priorities for investment in key development sectors and called for a predictable investment policy climate at a time of global economic governance uncertainty.

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APRIL

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CIVIL SOCIETY FORUM

Attracting over 160 participants from 55 organizations worldwide, the eight-day Civil Society Forum held a comprehensive debate on the challenges and opportunities of the current global economic and develop-

ment situation. As a result of some of these deliberations, the Forum adopted the *Civil Society Declaration* on 19 April 2012, drawing attention to current development challenges and urging that UNCTAD be strengthened in order to address them.

PANEL DISCUSSION: SUSTAINING THE PALESTINIAN ECONOMY UNDER OCCUPATION - THE ROLE OF ARAB COOPERATION

Through an interactive dialogue, policy-makers and economic experts discussed the present challenges faced by the Palestinian economy under occupation and explored the range of policies needed to revitalize economic growth in the short-run, giving emphasis to the role of Arab-Palestinian economic cooperation as the foundations for sustainable development capable of supporting a future sovereign Palestinian State.



THIRTEENTH MINISTERIAL MEETING OF THE GROUP OF 77 AND CHINA

This meeting provided an occasion for the Group of 77 and China to assess the achievements of common

efforts to advance the cause of development through UNCTAD, and to identify key trade and development issues in the light of new challenges to be addressed in the years ahead. Ministers adopted a declaration urging a “development-oriented” conclusion to the Doha trade round, and steps to build productive capacities of poor nations.

OPENING CEREMONY



The Conference opening ceremony featured a spectacular light and sound, video and dance presentation by renowned Middle Eastern dance troupe, Enana Dance Theatre. Inaugural statements welcoming participants were given by the Emir of Qatar, Sheik Hamad bin Khalifa Al Thani and the United Nations Deputy Secretary-General Asha-Rose Migiro. Statements were also heard from Mr. Moncef Marzouki, President of Tunisia, Mr. Ikililou Dhoinine, President of the Comoros, Mr. Mahamadou Issoufou, President of Niger, Mr. Recep Tayyip Erdoğan, Prime Minister of Turkey and Sheikh Hasina Wajed, Prime Minister of Bangladesh.



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HIGH-LEVEL SEGMENT OF HEADS OF STATE AND GOVERNMENT: IN THE WAKE OF THE GLOBAL ECONOMIC CRISIS: NEW OPPORTUNITIES FOR ECONOMIC GROWTH WITH SOCIAL EQUITY

Based on the discussions, the session noted the need for States to be proactive with policies supporting the creation of employment and small and middle-sized enterprises. Speakers identified a number of measures to accelerate job creation including: targeted incomes policies; scholarship programmes for the unemployed; publicly funded retraining programmes; enterprise development programmes targeting small and medium-sized enterprises; sectorally focused industrial policies; and measures to expand regional trade. The need for a new culture of multilateral economic relations which puts ethics at the center of international economic decision-making was noted. Chaired by Mr. Nassir Abdulaziz al-Nasser, President of the United Nations General Assembly, speakers at the high-level segment included H.E. Dr. Hamad Bin Abdulaziz Al-Kuwari, Minister for Culture, Arts and Heritage, Qatar, Mr. Supachai Panitchpakdi, Secretary-General of UNCTAD and Ms. Hannah Tetteh, Minister for Trade and Industry of Ghana.



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ROUND TABLE 1: ENHANCING THE ENABLING ECONOMIC ENVIRONMENT AT ALL LEVELS IN SUPPORT OF INCLUSIVE AND SUSTAINABLE DEVELOPMENT

Policymakers and economic analysts gathered to discuss the challenges posed by the renewed risks of global recession. Panellists, including Mr. Robert Sichinga, Minister for Commerce, Trade and Industry, Zambia; Ms. Paula Español, Under-Secretary for Foreign Trade, Ministry of Economy and Public Finance, Argentina; Mr. Yu Yongding, Senior Fellow, Chinese Academy of Social Sciences; and Ms. Heidemarie Wieczorek-Zeul, member of Parliament and former Minister for Economic Cooperation, Germany, highlighted how a continued global financial crisis could affect both developing and developed countries for a long time unless market-based orthodoxies were questioned and resources better directed towards sustainable growth and development. They also pointed to the paradox of high or rising unemployment, singled out as the most urgent problem facing developing countries, despite high rates of overall gross domestic product (GDP) growth witnessed in many countries.



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ROUND TABLE 2: PROMOTING INVESTMENT, TRADE, ENTREPRENEURSHIP AND RELATED DEVELOPMENT POLICIES TO FOSTER SUSTAINED ECONOMIC GROWTH FOR SUSTAINABLE AND INCLUSIVE DEVELOPMENT

The Round Table — also part of the World Investment Forum 2012 — gathered nearly 40 high-level government and agency officials to discuss how investment and enterprise development policies can foster sustainable and inclusive development. Ministers highlighted the relevance of, and expressed appreciation for, two new products presented: the Investment Policy Framework for Sustainable Development (IPFSD) and Entrepreneurship Policy Framework (EPF). UNCTAD was encouraged to apply these frameworks to technical assistance and participants expressed interest in the development of a set of core principles for national and international investment policies.





HIGH-LEVEL MEETING OF THE GLOBAL SYSTEM OF TRADE PREFERENCES (GSTP) AMONG DEVELOPING COUNTRIES

Participants took stock of GSTP operations and reflected on its future direction. It was noted that trade among developing countries had come to represent genuine economic opportunities and that significant commercial gains could be obtained through the GSTP. Furthermore, it was highlighted that many participants' economies exhibit strong complementarities creating conducive conditions for trade expansion. The 20 participating countries subsequently adopted a Joint Communiqué reaffirming their strong commitment and engagement to the GSTP as a common platform for South-South trade cooperation and partnership, and renewed their determination to redouble efforts to operationalize the results of the São Paulo Round into effective application as soon as possible by expediting national ratification procedures.

PANEL DISCUSSION: RISE OF THE SOUTH: THE WORLD TURNED UPSIDE DOWN

Organized in partnership with the South Centre, discussions were held between diplomats and policymakers from developing countries on ways forward in South-South collaboration, in light of the increasing role of the South in the world economy. Speakers identified regional integration as an opportunity for countries in some regions of the South, in particular Africa. They concluded that, coupled with an industrial policy that taps into the talents of the poor to deliver more balanced growth, regional initiatives could lead to more sustainable development, diversification, and lower exposure to boom and bust cycles.



INNOVATION AND TECHNOLOGY DAY

The first Innovation and Technology Day, coorganized with the Qatar Foundation, brought together policymakers and industry experts to share their experiences on the transformative power of technology and innovation on social and economic development. Speakers explored different policy options to support scientific and technological institutions promote innovation in developing countries and entrepreneurial innovation, and discuss how innovative thinking can be promoted through education.

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HIGH-LEVEL EVENT ON WOMEN IN DEVELOPMENT

During this one day event, 22 panellists comprised of political leaders, academics and private sector representatives discussed key policy issues relating to women in development. Opening remarks were given by H.E. Dr. Hamad Bin Abdulaziz Al-Kuwari, Minister of Culture, Arts and Heritage of Qatar and President of UNCTAD XIII, H.H. Sheikha Al Mayyasa bint Hamad bin Khalifa Al-Thani and Mr. Supachai Panitchpakdi, Secretary-General of UNCTAD. Among the proposals that emerged from the discussions was the establishment of a Centre of Excellence for Women's Social and Economic Studies in Qatar to serve the international community. The high-level event culminated with the UNCTAD Empretec Women in Business Award ceremony, which honours each year businesswomen from developing countries who have founded successful firms, created jobs and become role models in their communities. This year the award was given to Ms. Melissa De León, founder of Panama Gourmet, a company which specializes in producing gluten-free foods.



ROUND TABLE 3: STRENGTHENING ALL FORMS OF COOPERATION AND PARTNERSHIPS FOR TRADE AND DEVELOPMENT, INCLUDING NORTH-SOUTH, SOUTH-SOUTH AND TRIANGULAR COOPERATION

Panellists offered unique perspectives on how to strengthen trade partnerships. Some emphasized the need for greater focus on regional and continental trade, while others focused on the need to elevate the position of developing countries in the new reality of global value chains. The need for developing countries and LDCs to diversify their trade partnerships and the importance of ending the perpetuation of "low-ambition aims" in the area of development were also stressed. It was agreed that bilateral and multilateral trade should be viewed as a means not an end in themselves, and that trade policies should be modified to include development, sustainability and human rights objectives.



PANEL DISCUSSION: PAVING THE WAY FOR SUSTAINABLE FREIGHT TRANSPORT

Jointly organized with the Asian Development Bank (ADB), the panel provided a platform for discussions among high-level expert panellists from governments, ADB, academia and industry, on how to break the current unsustainable and fossil-fuel dependent freight transport patterns threatening to undermine transport as a trade enabler and engine of growth. Among the proposals emerging from the panel discussion was the suggestion that UNCTAD, with like-minded partners, examine how new sources, such as climate finance, could be channeled to support sustainable freight transport. Also, a concrete proposal was made for UNCTAD to act as a key partner in setting up a new Global Green Freight Forum.



CLOSING CEREMONY



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ROUND TABLE 4: ADDRESSING PERSISTENT AND EMERGING DEVELOPMENT CHALLENGES AS RELATED TO THEIR IMPLICATIONS FOR TRADE AND DEVELOPMENT AND INTERRELATED ISSUES IN THE AREAS OF FINANCE, TECHNOLOGY, INVESTMENT AND SUSTAINABLE DEVELOPMENT

Government ministers and senior officials, and other stakeholders discussed the persistent and emerging development challenges faced by developing countries and identified policy options to tackle these challenges. Discussions focused on factors critical to structural transformation, including agriculture and food security, technology, domestic resource mobilization, transition to a green economy and infrastructure development. Participants highlighted the need for changes in both national structures and the international environment for progress to take place.



“ The fruits of your labour – the *Doha Accord* and the *Doha Manar* – capture the aspirations of humanity for a brighter future, and harness the capacities of UNCTAD to achieve these noble goals. ... I believe that what we have accomplished gives hope to those who are marginalized, stricken by poverty and unemployment, and suffer as victims of vicious economic meltdown, environmental degradation and social exclusion. ”

*H.E. Dr. Hamad Bin Abdulaziz Al-Kuwari
Minister of Culture, Arts and Heritage of Qatar
at the closing ceremony of UNCTAD XIII*



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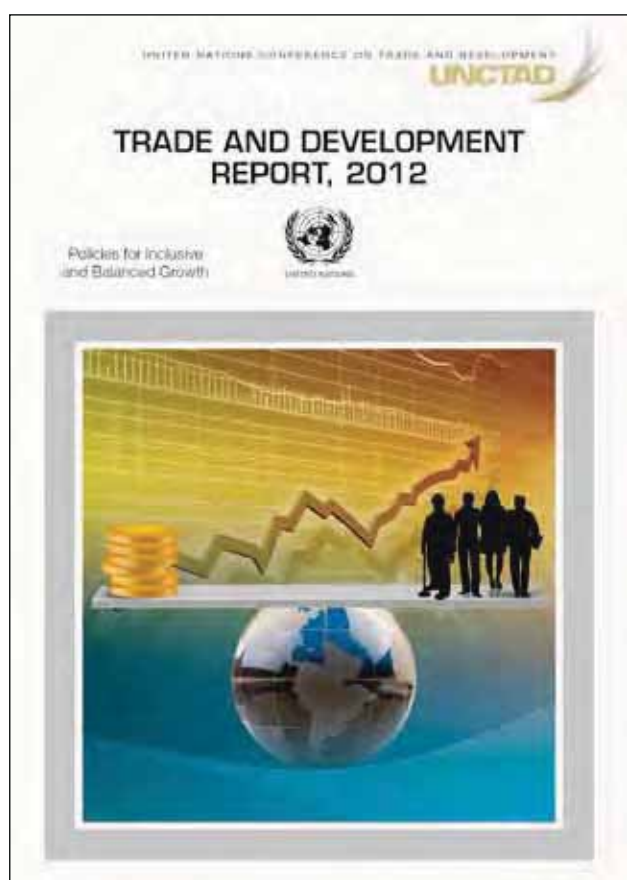
ADVANCING CUTTING-EDGE ANALYSIS AND ADVICE

UNCTAD'S FLAGSHIP REPORTS

- Trade and Development Report 2012
- Trade and Development Report, 1981–2011: Three Decades of Thinking Development
- Least Developed Countries Report 2012
- Economic Development in Africa Report 2012
- World Investment Report 2012
- Review of Maritime Transport 2012
- Information Economy Report 2012
- Technology and Innovation Report 2012

A SELECTION OF OTHER UNCTAD PUBLICATIONS IN 2012

TRADE AND DEVELOPMENT REPORT 2012: Policies for Inclusive and Balanced Growth



The *Trade and Development Report 2012: Policies for Inclusive and Balanced Growth* reviews recent global economic trends and explores the links between income distribution, growth and development. In its contribution to the ongoing debate about the relationship between income inequality and growth, UNCTAD argues that rising inequality is neither a necessary condition for sound economic growth, nor its natural result. By contrast, full participation of all citizens in the proceeds of the economy as a whole is indispensable

for successful and sustained development. Evidence suggests that the relationship between growth and inequality is complex and can be altered by proactive economic and social policies. The Report also briefly addresses other aspects of inequality, such as gender disparities, wealth distribution and differences in access to education which are relevant for income distribution and require specific policy actions.

The Report suggests that policymakers need to apply policies to reduce income gaps, which in turn will influence overall economic and social outcomes. It shows how income distribution has been and may be, modified by proactive policies, including the use of fiscal instruments aimed at redistribution. Reductions in inequality are more likely to accelerate growth and employment creation than the past trend towards less progressive taxation and lower social transfers, which have aimed at eliminating distortions in market outcomes. Finally, the Report examines how labour-market institutions and policies, together with an appropriate macroeconomic framework, can respond to current challenges and lead to sustained growth and more inclusive development.

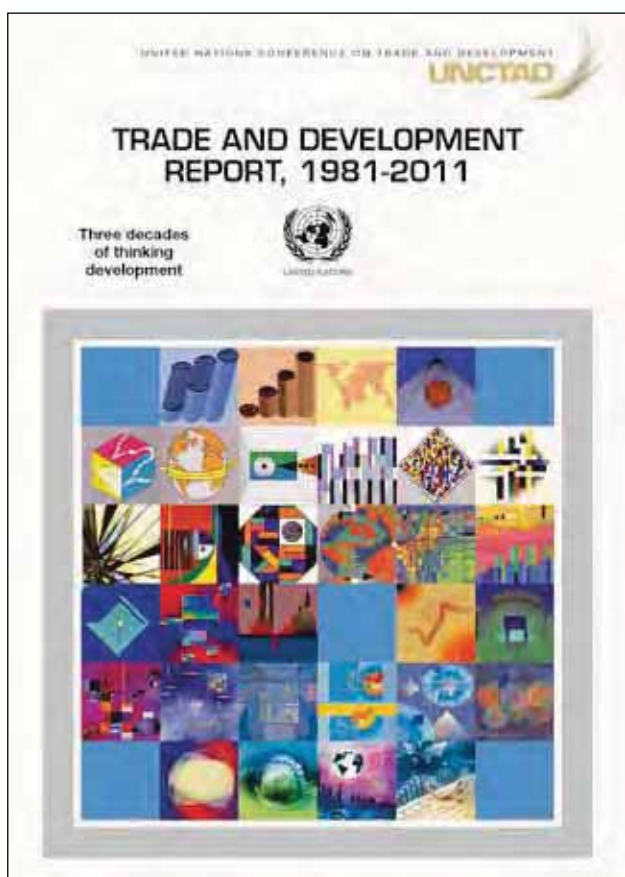
“UNCTAD is living up to its name and mandate given 48 years ago. Its latest Trade and Development Report concludes that austerity measures have not led to economic growth, and recommends supportive government policies to get over the crisis. ... This perception of the state of the world economy and its impact on developing and emerging economies, prompted civil society organizations to express appreciation for the research and analysis work presented in the report at a meeting in Geneva on September 27, 2012. In particular, they commended the report for explaining well what is happening on the ground”. (IDN-InDepth News, *Kudos for UNCTAD’s pro-people approach*, 13 October 2012, <http://www.indepthnews.info/index.php/global-issues/1200-kudos-for-unctads-pro-people-approach>).

“ Never has it been more important than now to count on UNCTAD’s analysis to establish where measures to address the global economic and financial crisis, especially at the source, have failed, and provide an alternative voice on what is needed to correct them... ”

Representative from the International Working Group and Trade-Finance Linkages-Steering Committee, speaking at the 59th annual session of the Trade and Development Board, 18 September 2012

TRADE AND DEVELOPMENT REPORT, 1981-2011: THREE DECADES OF THINKING DEVELOPMENT

The thirtieth anniversary of the *Trade and Development Report (TDR)*, UNCTAD’s flagship publication, was commemorated in 2012.



First published by UNCTAD in 1981 - when it explored “world development in historical perspective” and “the world economy in transition” - experts have noted the publication’s continued relevance to modern day issues, including the questionable wisdom of unbridled free markets. Other prominent themes include: persistent trade imbalances; risks of overdependence on commodities exports; risks of premature liberalization of capital flows; need for new mechanisms to deal with sovereign debt; and problems posed by income inequality.

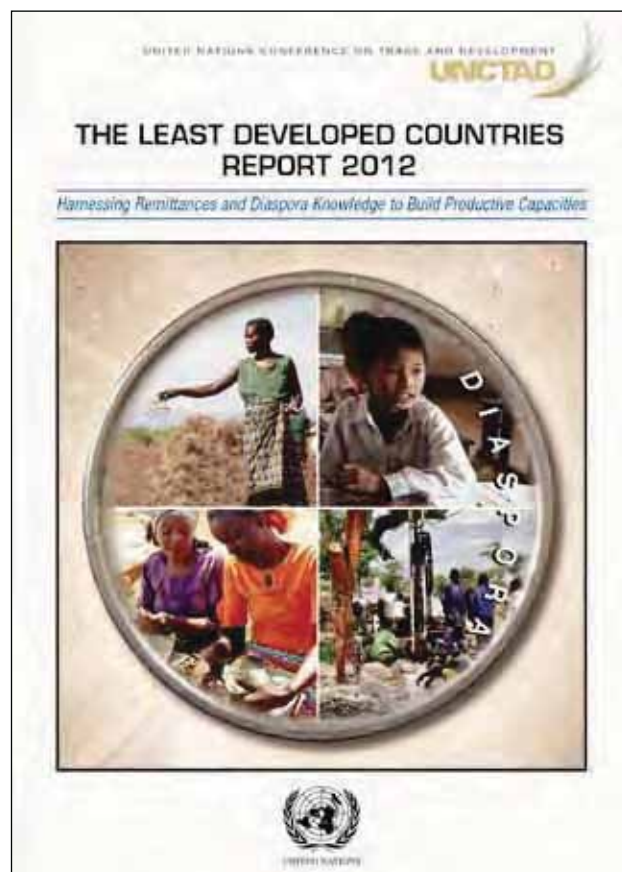
To commemorate the event, UNCTAD published *Three Decades of Thinking Development*, an in-depth study which reviews and references the key issues addressed by the TDR since its inception. A panel discussion — “Thinking Development: Three Decades of the *Trade and Development Report*” — was held in Geneva on 20 February 2012, as a pre-Conference event to UNCTAD XIII. Panellists and participants highlighted the intellectual contribution of the Report and provoked a very lively debate. The full webcast of this panel discussion can be viewed at: <http://www.unmultimedia.org/tv/webcast/2012/02/am-session-unctad-panel-discussion-on-thinkingdevelopment.html>.

The complete *TDR* series is now available on the UNCTAD website: www.unctad.org/tdr

LEAST DEVELOPED COUNTRIES REPORT 2012: Harnessing Remittances and Diaspora Knowledge to Build Productive Capacities

The *Least Developed Countries Report 2012* addresses the issues of remittance flows to LDCs and the potential role of diasporas in their development. It also reviews recent economic performance of LDCs and shows that the uncertain global economic recovery continues to undermine factors that enabled them to attain higher growth rates between 2002 and 2008. Unless the global downturn, which is also affecting large and dynamic developing economies, is reversed, LDCs will need to prepare for a possible lengthy period of stagnation. External shocks from reversals of commodity prices and drying up of financing options are of particular concern since, as major commodity exporters, LDCs are likely to be hard hit.

Given the increasing magnitude of remittances in LDCs in recent years, the Report suggests a significant source of external financing be constituted which, if managed through appropriate policies, could prove particularly valuable for capital-scarce LDCs. Harnessing remittances for increasing productive capacities requires that these resources be considered pragmatically, with the recognition that ultimately these are private sector resources, and that due account be taken of each country's specificities. The Report urges governments to act in favour of reducing the transfer costs associated with sending remittances home, as they are about a third higher in the case of the LDCs than the global average. The effective mobilization of remittances for productive purposes may entail a range of policies and institutional improvements aimed at inducing private investment.

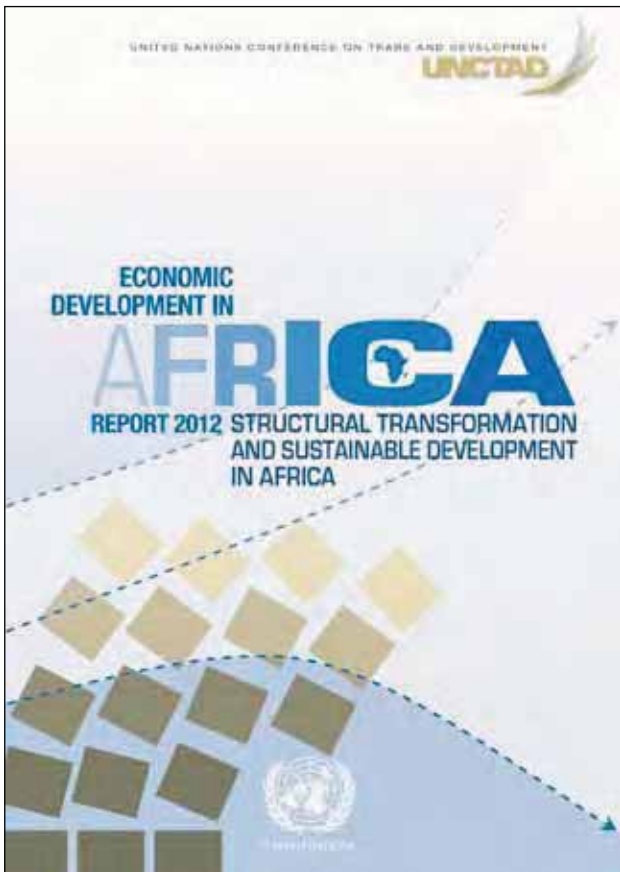


The Report identifies policies and policy lessons from other countries which LDCs may wish to consider when designing policy frameworks for harnessing remittances and diaspora knowledge to build productive capacities. In particular, it proposes a new international support mechanism to be called “Investing in Diaspora Knowledge Transfer”, aimed at offsetting the adverse impact of brain drain. The proposed knowledge-transfer scheme consists of a financial instrument to target nationals of LDCs who are living and working abroad and who are willing to invest in knowledge creation and learning in their home country.

Launched in 28 countries, the Report was discussed throughout the media of developed countries and LDCs, as well as that of other developing countries. In view of the interest it generated, UNCTAD has received several requests for follow-up activities at the national level, such as national seminars and technical cooperation activities to support the application of the policy messages to the individual country contexts.

“ UNCTAD's LDC Report 2012 will make an important contribution in our efforts to create a more conducive environment for engagement of our diaspora in the development of the country. ”

From a statement by Mr. Leulseged Tadesse Abebe, representative of the permanent mission of the Federal Democratic Republic of Ethiopia to the United Nations Office and other international organizations in Geneva, at the fifty-sixth executive session of the Trade and Development Board, 3 December 2012, Geneva, Switzerland



ECONOMIC DEVELOPMENT IN AFRICA REPORT 2012: Structural Transformation and Sustainable Development in Africa

The *Economic Development in Africa Report 2012* examines the challenge of sustainable development in Africa and recognizes that African governments face a major dilemma. On one hand, structural transformation is necessary for achieving substantial and broad-based improvements in human well-being. On the other, structural transformation, together with rising affluence and a growing population in Africa, will necessarily intensify environmental pressures because of the increasing demand for natural resources, including both material and energy inputs used in production, the expanding magnitude of waste and pollution, and the growing relative reliance on non-renewable resources. The Report suggests that this dilemma can be resolved by employing a sustainable structural transformation development strategy in Africa.

This sustainable structural transformation adopts deliberate, concerted and proactive measures to promote structural transformation with the relative decoupling of natural resource use and environmental impacts from the growth process. The Report discusses why such a strategy is important and how strategic priorities for decoupling can be identified. It also explores strategic issues related to investment and technological development, the two key drivers of decoupling. The Report offers a set of tangible and relevant policy recommendations to African policymakers and their development partners for implementing sustainable structural transformation in Africa. It is argued that green industrial development must lie at the heart of sustainable structural transformation in Africa. This needs to be complemented by policies designed to increase access to energy, in particular sustainable energy, and by policies fostering a truly green agricultural revolution in Africa based on the sustainable intensification of agricultural production.

A set of stylized facts on resource use and productivity in Africa is also included in the Report. These facts are based on the first comprehensive, comparative and quantitative study on the levels, trends and composition of resource use in Africa using the *Material Flow Accounting and Analysis Framework*, as well as new data on the human appropriation of net primary production, an indicator measuring patterns of land use conversion as a key aspect of resource use.

The 2012 Report was launched in five major cities in June 2012. It was featured in editorials in *Jeune Afrique* and *Le Monde*, and relayed by television and radio media such as Telesud and Radio France International. It was presented and discussed at the fifty-ninth annual session of the Trade and Development Board. Several African member States expressed appreciation for the Report and its timeliness, in the wake of the United Nations Rio+20 Meeting. Several of its findings and policy recommendations were endorsed by member States.

“*The Africa Group believes that the concept of sustainable structural transformation, as outlined in this year’s Report, can provide a useful and relevant operational framework for African countries which need to reconcile economic transformation with sustainable development.*”

From a statement by Ms. Dilshaad Uteem, representative of the permanent mission of the Republic of Mauritius to the United Nations Office and other international organizations in Geneva, speaking on behalf of the African Group, at the fifty-ninth session of the Trade and Development Board, 20 September 2012, Geneva, Switzerland



WORLD INVESTMENT REPORT 2012: Towards a New Generation of Investment Policies

The *World Investment Report (WIR) 2012* focuses on a new generation of investment policies and, in particular, introduces the *Investment Policy Framework for Sustainable Development* IPFSD. The IPFSD consists of a set of core principles for investment policymaking,

guidelines for national investment policies, and guidance for policymakers in the form of options for the design and use of international investment agreements (IIAs). It is a product of the Multi-Year Expert Meetings on Investment for Development and has evolved through the UNCTAD consensus building pillar and discussions among member States over the past four years.

The IPFSD takes a fresh look at investment policymaking through the lens of today's key investment policy challenges, examines the universe of national and international investment policies and focuses on the sustainable development dimension. Designed as a "living document", UNCTAD will continuously update its contents based on feedback from its numerous policy forums, work in the field and through an "open sourcing" process. To facilitate this process, the interactive IPFSD tool was launched online, through the Investment Policy Hub. Since its launch in June 2012, the IPFSD has been downloaded 35,000 times.

Other highlights of the *WIR 2012* include the presentation of the FDI potential and performance matrix, and the introduction of the FDI contribution index, which constitutes the first attempt at a systematic quantitative comparative analysis of FDI's contribution for development.

Launched in July 2012 in over 50 different locations, the Report's findings were widely reported in different media. By the end of 2012, it had generated more than 1,400 press clippings and had been downloaded almost 120,000 times in 146 countries. The *WIR* remains one of the United Nation's most widely read products and constitutes a major reference point for policymakers. Indeed, responding to a considerable number of requests for presentations to policymakers from both developed and developing countries, seminars on *WIR 2012* were organized in 12 countries.

For the first time, UNCTAD introduces a matrix ranking countries on how well their FDI inflows contribute to development... something to be celebrated as recognition that FDI per se does not reduce poverty, but specific types of FDI may do so. UNCTAD's ranking of foreign investment is a cause for celebration

The Guardian, 20 July 2012

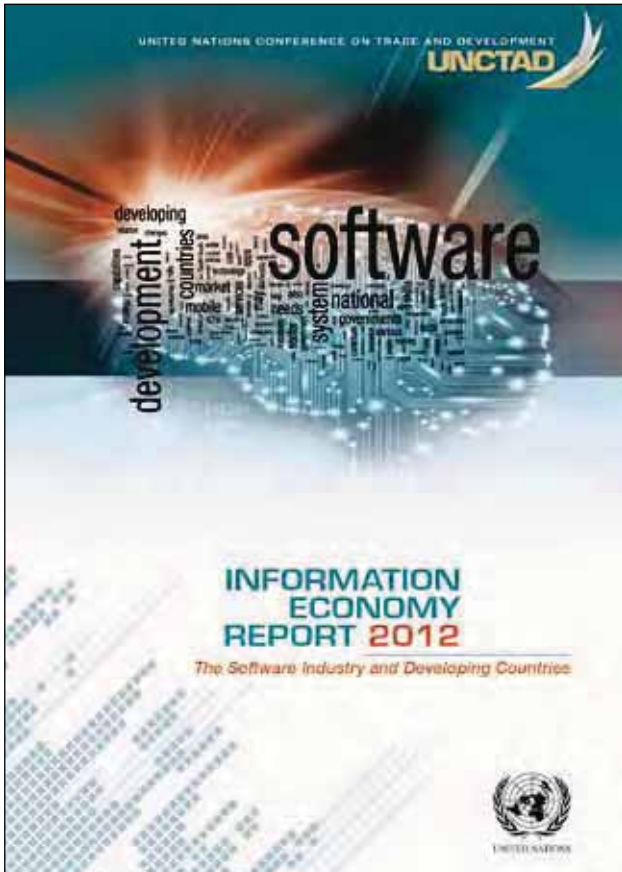
REVIEW OF MARITIME TRANSPORT 2012

UNCTAD's *Review of Maritime Transport* is one of the organization's major reports and was first published in 1968. It is a respected source of maritime information for users worldwide, providing essential statistics and analysis of the latest developments in maritime transport.

The Review 2012 focuses on the worldwide evolution of shipping, ports and multimodal transport related to the major traffics of liquid bulk, dry bulk and containers. It covers the demand side of international shipping services; shipping capacity; links between supply and demand - a brief discussion on the determinants of freight costs as well as their incidence on the prices of delivered goods; the connection between shipping markets through the seaports to each other and inland destinations; information on important legal and regulatory developments in the fields of transport and trade facilitation, together with information on the status of ratification of some of the main maritime conventions.

A special chapter examines measures and initiatives undertaken by countries, industry and the international community to promote sustainable freight transport, in view of the growing international momentum on sustainable transport, and especially the added political momentum provided by the 2012 United Nations Conference on Sustainable Development (Rio+ 20). The chapter also underlines selected issues relating to the financial considerations including through public-private partnerships and climate finance to enable an effective shift to sustainability.





INFORMATION ECONOMY REPORT 2012: The Software Industry and Developing Countries

Over the past few years, UNCTAD has highlighted how improved access to information and communication

technologies (ICTs) is creating new opportunities for more inclusive development. However, to ensure this improved access brings about the desired benefits, devices and services have to respond effectively to the needs and capabilities of users. This in turn necessitates access to certain technological capabilities within the domestic economy, especially in the area of software.

The *Information Economy Report 2012* calls upon governments in developing countries to give more attention to domestic software production. It notes that software is today embedded in an expanding range of goods and services. At the same time, new developments in the ICT landscape – such as the spread of mobile phones, improved broadband connectivity and greater reliance on free and open source software – are making it easier for programmers in low-income countries to generate an income from software projects.

The Report finds that there is room for developing countries to make better use of their software potential. It argues that governments should take an active part in fostering software capabilities and in strengthening their national software systems. In developing their software strategies, governments need to be informed via consultations with other actors, including the software industry, universities, software developer communities and with various users. Key policy areas include the development of affordable ICT infrastructure, skills development, the adoption of business and legal frameworks, and streamlining of the interactions between domestic software producers, software users and international networks.

“The Information Economy Report 2012 is spot on in terms of policy prescriptions. While India has long been the dominant role model, it is very helpful to have a broad set of other patterns that countries can now look at. We are probably right at the start of understanding how mobile, Free and Open Source Software and the cloud change things and the implications of what the Report identifies in growth of the ‘software developer community’.”

**Richard Heeks, Professor of Development Informatics,
School of Environment and Development, University of Manchester**

“ I find UNCTAD’s Technology and Innovation Report 2012 very reflective of the work and concerns that we are facing. The *Technology and Innovation Report 2012* extends our thinking as to how the cooperation framework and alliances can be promoted. In such a challenging time that no single policy formulation or technological discipline can complete the job well, the Report provides insights and recommendations that add value to the many strategies we are innovating. ”

Mr. Pichet Durongkaveroj, Secretary-General of the National Science, Technology and Innovation Policy Office, Thailand.

TECHNOLOGY AND INNOVATION REPORT 2012: Innovation, Technology and South-South Collaboration

The *Technology and Innovation Report 2012* focuses on promoting South-South collaboration in technology and innovation. It argues that the rise of many emerging countries has led to a surge in trade and investment in the South, but that the time is ripe to consider how and to what extent South-South cooperation could help developing countries overcome certain obstacles to economic expansion and growth in order to achieve specific development goals. One such goal, which continues to elude the global community, is to bridge the technological divide so as to promote industrialization and inclusive growth across the developing world. The Report therefore focuses on how the South can complement the North in promoting technological learning and innovation capacity across the developing world as a whole.

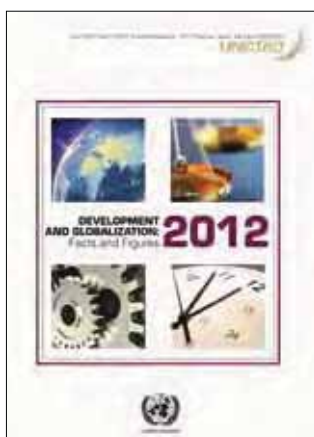
The Report outlines a set of principles that could form the basis of a framework for South-South collaboration for technology and innovation, and also proposes a series of policy measures that could be implemented in all countries. Finally, it proposes a South-South Technology and Innovation Pact (SITEP) to promote South-South collaboration at three levels by: creating a platform for South-South policy learning on innovation issues; promoting opportunities for financing of enterprise development; and promoting technological learning at the firm level.



A SELECTION OF OTHER UNCTAD PUBLICATIONS IN 2012:

Commodities and Development Report (UCDR): Perennial problems, new challenges and evolving perspectives

This new biannual report brings to a wider audience a balanced economic analysis of important issues in the field of commodity trade as they pertain to energy, mining, minerals and metals, food and agriculture. This first issue provides insights on how different commodities or commodity groups have been affected over the last decade by the commodity price boom, the ensuing crisis and the emerging recovery; and the implications for commodity-based development. The *UCDR 2012*, in rejuvenating the debate on commodities should help to identify new policy options and facilitate dialogue amongst development partners about how to generate and sustain economic development in commodity dependent developing countries.

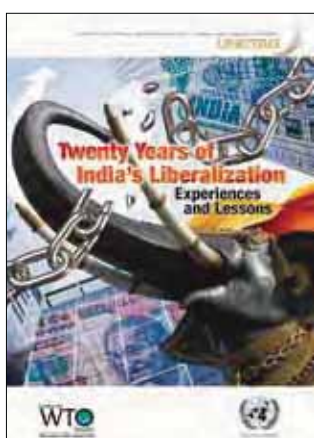


Development and Globalization: Facts and Figures 2012

The 2012 edition of *Development and Globalization: Facts and Figures* highlights the latest available statistics depicting the current state of the world economy, including crisis-focused analysis describing some of the crucial long-standing challenges the world is facing. Presented in an interactive format online, with a comprehensive educational section that explains some fundamental economic and statistical concepts, this publication is intended for both specialists and the general public.

Trade policy and gender inequalities: A country-based analysis

This analysis paper provides a synthesis of three country case studies undertaken to “map” the gendered effects of trade in each, while testing three different research methodologies. Drawing commonalities between the three case studies, the paper reinforces how trade policy impacts different segments of the population - men and women, rural and urban dwellers, the well-off and the poor - in different ways. The study contributes to “Addressing Inequalities”, the global thematic consultation process launched by the United Nations to set a post-2015 development framework and agenda.

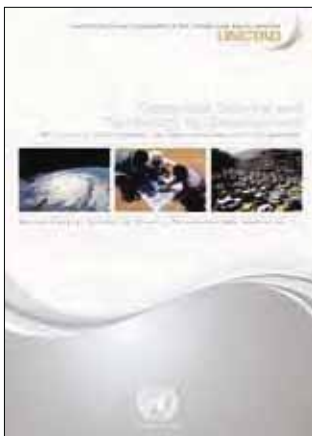
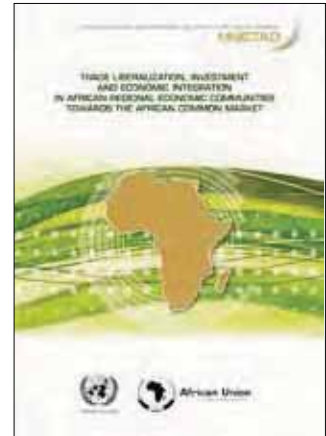


Twenty years of India's liberalization experiences and lessons

India's growth miracle over the last two decades has attracted worldwide attention, particularly because this growth has been the result of the wide-ranging economic reforms introduced by India in the early 1990s. This joint publication by UNCTAD and the Centre for World Trade Organization (WTO) Studies, shares India's experiences and lessons in the implementation of its successful reforms, and the implications of some specific reforms with respect to trade and investment liberalization, such as the importance of calibrated financial liberalization, trade liberalization in agriculture and food security, and the role of domestic demand in the growth process.

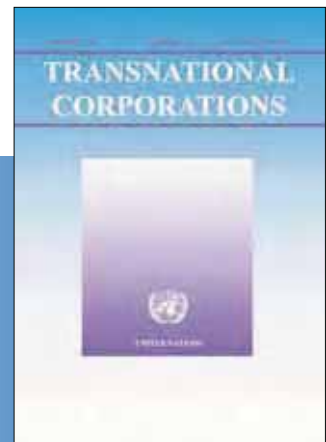
Trade Liberalization, Investment and Economic Integration in African Regional Economic Communities towards the African Common Market

This report assesses the challenges confronting African integration, review mechanisms put in place by African countries to increase the pace of continental integration, and provides some suggestions for consolidating, deepening and accelerating the pace of economic integration as underscored by the Sirte Declaration (1999).



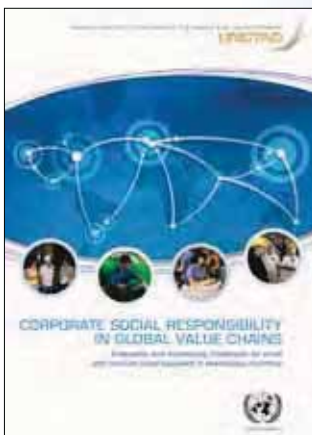
Geospatial Science and Technology for Development

This study is part of the UNCTAD series which explores current issues in science, technology and innovation (STI), with particular emphasis on their impact on developing countries. This year's study explores the ways in which geospatial science and technology can support development, particularly sustainable urban-regional development, land administration and disaster risk management. It describes challenges to successfully implementing geospatial science and technology and makes a number of recommendations for steps to overcome them.



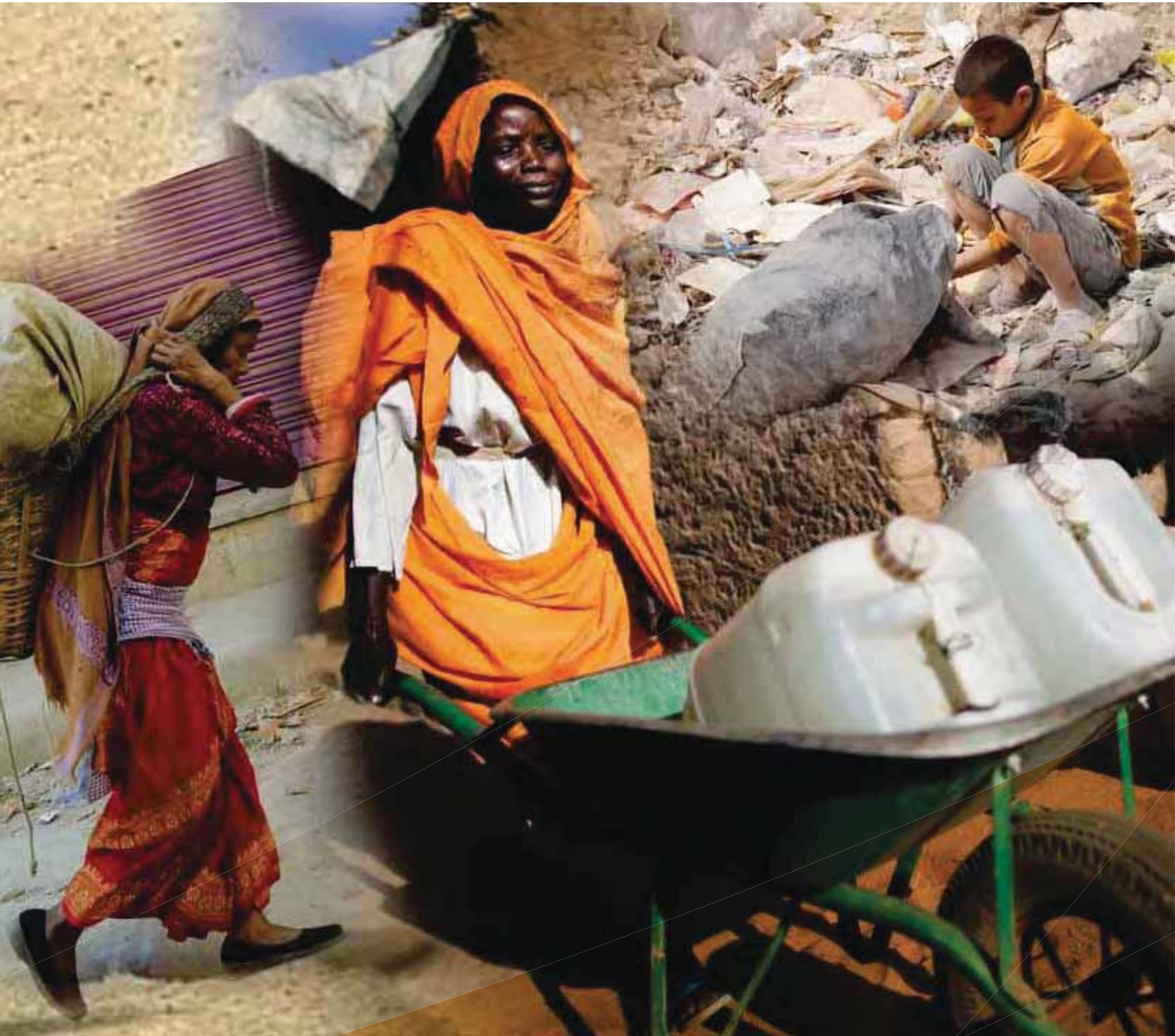
Transnational Corporation Journal series: Volume 20, No. 3

Transnational Corporations is a double-blind refereed journal that publishes policy-oriented articles and research notes from the academic community, policymakers and research institutions and international organizations that provide insights into the economic, legal, social and cultural impacts of transnational corporations (TNC) and FDIs. This edition features articles on the social and moral role of TNCs, articles on the determinants of FDI through the perspective of the Japanese manufacturing sector, and an article on FDI attraction in research and development through the experience of the Brazilian oil and gas industry.



Corporate Social Responsibility in Global Value Chains: Evaluation and monitoring challenges for small and medium-sized suppliers in developing countries

In the past two decades, corporate social responsibility (CSR) has emerged from a small handful of industries to a mainstream practice of international business today. Building on its inter-agency collaboration with the Organization for Economic Cooperation and Development (OECD) and the International Labour Organisation (ILO) in the area of CSR, UNCTAD's report presents the results of a study which examined how small and medium-sized enterprise suppliers in developing countries are affected by the CSR policies of TNCs. It discusses the topics covered, for which members of the supply chain, and how private CSR policies are implemented and overseen.



4

TACKLING PERSISTENT AND EMERGING DEVELOPMENT CHALLENGES

SUPPORT TO LDCs THROUGH:

- (i) Supporting implementation of the Istanbul Programme of Action for LDCs for the Decade 2011-2020:
- (ii) Supporting efforts to achieve structural progress
- (iii) Supporting LDCs to develop trade
- (iv) Supporting efforts to attract investments

PROVIDING SOLUTIONS TO SOVEREIGN DEBT CHALLENGES

PROMOTING A MULTI-STAKEHOLDER APPROACH TO ADDRESSING COMMODITY PROBLEMS

ASSISTANCE TO THE PALESTINIAN PEOPLE

UNLOCKING THE TRADE POTENTIAL OF LANDLOCKED DEVELOPING COUNTRIES

SUPPORT TO LDCs THROUGH:

(i) Supporting implementation of the Istanbul Programme of Action (IPoA) for LDCs for the Decade 2011-2020

The IPoA, adopted by the UNLDC-IV (Istanbul) in May 2011, reflects the long-standing partnership between LDCs and their development partners. As with the previous programmes of action, its ultimate objectives are to accelerate economic growth and development in LDCs, substantially improve the well-being of their populations, end their marginalization and beneficially integrate them into the global economy. UNCTAD, within its mandates and in collaboration with United Nations agencies and other international organizations, has made substantive and technical contributions toward supporting the implementation of the IPoA.

For instance, UNCTAD developed and implemented a project entitled Economic crises and commodity dependent LDCs: Mapping the exposure to market volatility and building resilience to future crises. The project produced case studies on selected countries in Africa and Asia to: (a) examine the role of commodities and agricultural productivity in contributing to the graduation objective of the IPoA for the decade 2011–2020; (b) assess the structural weakness, excessive fragility and vulnerability to shocks of the economies of LDCs; and (c) review and document challenges arising from volatility of the commodities markets and

the recent global economic, financial and food crises on the effect they will have on the prospect of LDCs to meet internationally agreed goals, including those contained in the IPoA.

Building on the findings and conclusions of the case studies, and with the aim of sharing successful and less successful experiences as well as best practices among LDCs and their development partners, UNCTAD organized a meeting of LDC experts and trade negotiators in Addis Ababa, from 27 February to 1 March 2012. Participants deliberated key issues of strategic interest to LDCs with emphasis on the challenges, opportunities and prospects for graduation. Approximately 100 experts from LDCs, development partners, United Nations organizations, and other international and regional organizations, as well as representatives from the private sector and civil society, including academic institutions, participated in the meeting.

Synthesis from the several case studies undertaken in the context of this project, along with policy analysis and recommendations were published over the course of the year in the study *Enabling the Graduation of LDCs: Enhancing the Role of Commodities and Improving Agricultural Productivity*. This study served as background documentation to the review of UNCTAD's contribution to the IPoA at the fifty-ninth session of the Trade and Development

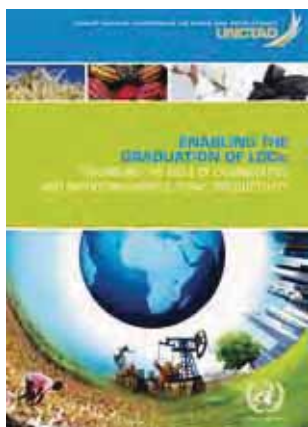


Panelists during the first review of UNCTAD's contribution to the implementation of the Istanbul Programme of Action for LDCs at the fifty-eighth session of the Trade and Development Board, 21 September 2012, Geneva, Switzerland.

“ We appreciate the work being done by UNCTAD to contribute to the implementation of the IPoA and call upon UNCTAD to continue these efforts based on its three pillars. ”

H.E. Ambassador Abbas Bagherpour, Deputy Permanent Representative of the Islamic Republic of Iran, speaking on behalf of the Asian Group, at the Fifty-sixth executive session of the Trade and Development Board, Geneva, Switzerland, 3 December 2012

Board, on 17-28 September 2012. The Board noted with interest the evidence-based analysis of the multiple impact of the crises on LDCs provided by the report and encouraged UNCTAD to continue monitoring progress towards the agreed goals and targets set by the IPoA.



(ii) Supporting efforts to achieve structural progress

A long-standing objective of UNCTAD has been to support LDCs in their efforts to achieve structural progress and accompany the most successful among these countries on the road to graduation from LDC status. UNCTAD closely monitors and offers advisory assistance to LDCs that: (i) have come close to graduation thresholds and will soon be faced with the challenge of losing LDC treatment; or (ii) look forward to graduation although they stand below graduation thresholds, and need UNCTAD's support to identify the areas of action conducive to further progress under the thresholds.

UNCTAD's role in this area is well recognized as it is formally involved in the graduation review process through the preparation of vulnerability profiles. Vulnerability profiles assess the extent of external economic and natural shocks on the economic

performance and economic structure of the country under review. They may also include additional information, such as ecological fragility or structural handicaps, not necessarily captured by the criteria used to designate LDCs by the United Nations Committee for Development Policy (CDP), the subsidiary body of the Economic and Social Council responsible for reviewing the status of LDCs and monitoring their progress after graduation from the category. Three countries received special attention and advisory support from UNCTAD in 2012: Tuvalu, Vanuatu and the Lao People's Democratic Republic.

The case of Tuvalu

Tuvalu has been considered a potential graduation case since 2006, when the CDP found that the country met two of the three graduation criteria, namely, increased per capita income and improved human assets. In accordance with the graduation rule, the CDP waited until the review of the list of LDCs in 2009, to ascertain Tuvalu's qualification for graduation. UNCTAD's work on the graduation case of Tuvalu therefore focused on the country's extreme vulnerability to economic and natural shocks. This vulnerability, and the nation's heavy dependence on non-productive income sources, were described, measured and explained in a *Vulnerability Profile of Tuvalu* which was presented to the CDP in January 2009. It highlighted the absence of structural progress despite the apparent prosperity in terms of per capita income and human welfare. On the basis of this information, the CDP refrained from recommending Tuvalu's graduation in 2009 and deferred the case to the 2012 review.

In 2012, UNCTAD's further input to the triennial review process reinforced the 2009 findings that Tuvalu's apparent wealth should not be regarded as synonymous with structural progress, as the rental revenue accruing to the nation essentially serves to cover the exorbitant costs of "islandness", without allowing significant developments on the productive side. UNCTAD subsequently advised against Tuvalu's reclassification. In July 2012, the Prime Minister of Tuvalu presented the exceptional circumstances of Tuvalu's graduation case to the Economic and Social Council who decided to defer consideration over its reclassification.

(iii) Supporting LDCs to develop trade

The *Doha Mandate* recognizes the *Enhanced Integrated Framework* (EIF) to be a key mechanism for providing trade related technical assistance to LDCs, and calls on UNCTAD to intensify and strengthen its contribution to it. In this context, UNCTAD continued and continues to actively participate in the EIF interim board and contribute to its LDC-friendly operationalization. In addition, UNCTAD assists LDCs by building capacity for the ownership of the EIF through its pre- and post-Diagnostic Trade Integration Studies (DTIS) support activities, and providing trade policy and strategy advisory services. In addition, UNCTAD continues to offer and implement a variety of trade-related Technical Assistance projects at national and regional levels.

In 2012, Benin, Cape Verde, the Central African Republic, Chad, the Comoros, the Democratic Republic of Congo, the Gambia, Guinea Bissau, Mozambique and Senegal directly benefited from activities relating to the operationalization and implementation of the EIF through technical field missions and in-country workshops. Support was provided in the updating of the DTIS, with a view to integrating the most recent developments in trade and trade policies into the analysis, and with drafting technical cooperation projects for the implementation of the action matrix of the DTIS, particularly with regard to the formulation of Tier 2 projects to be funded by the EIF trust fund. The update of the Gambia DTIS has been finalized while the updating process for the DTIS of Senegal is underway.

The update of the DTIS of Mozambique, already approved by EIF trust funds, will be carried out in 2013.

(iv) Supporting efforts to attract investments

The Investment Facilitation Compact assists countries to increase administrative transparency, simplify rules and procedures, and benefit from them, as well as attract international investment, through business facilitation and capacity-building. The Compact is comprised of four programmes: (a) the eRegulations systems; (b) investment guides (a joint programme between the International Chamber of Commerce and UNCTAD); (c) investment promotion, including through the Investment Advisory Council; and (d) intellectual property for development. Investment guides have been instrumental in creating stronger and more transparent communications about investment opportunities to the global business community. Moreover, they have promoted greater awareness and better visibility of the regulatory environment for investment – an important first step in improving the investment climate, and have increased the capacity of local institutions to promote and facilitate investment. There are a total of 15 investment guides, including those for Burkina Faso and Bhutan which were developed in 2012.

In terms of promoting transparency, the eRegulations systems for establishing a business are accessible online and offer detailed, practical and up-to-date descriptions of the required steps. Installed eRegulations systems receive over fifty thousand visits per month. The system also has a significant impact on simplifying procedures and speeding up administration. On average, the cost and time of procedures can be lowered by 70 per cent. In 2013, among the many eRegulations projects to be undertaken, UNCTAD will install an eRegulations programme in Haiti as part of the Government's governance programme, which was announced in the presence of President Michel Martelly. The system will aim to reduce the registration of limited companies in the country from 105 to 10 days.

PROVIDING SOLUTIONS TO SOVEREIGN DEBT CHALLENGES

In 2012, UNCTAD continued to deliver quality research and analytical work in the area of debt and development finance. In addition to the discussions in the Second Committee of the General Assembly on debt issues based on the report on external debt sustainability of developing countries prepared by UNCTAD, the UNCTAD secretariat took the lead in organizing the special event “Sovereign Debt Crises and Restructurings: Lessons Learnt and Proposals for Debt Resolution Mechanisms”. The event was opened by the President of the General Assembly, H.E. Mr. Vuk Jeremic, who welcomed the initiative and the opportunity for the General Assembly to discuss the need for creating a sovereign debt restructuring mechanism. He also recognized UNCTAD’s long-standing work on this subject. In his introduction, the Secretary-General of UNCTAD, Mr. Supachai Panitchpakdi, highlighted the problems of the current non-system and the reason why UNCTAD is committed to working with the alternatives. Professor Kenneth Rogoff, Harvard University, delivered the keynote speech.

The interactive debate, which included presentations of lessons learned from past debt crises and whether there were missing links in the international financial

architecture for debt restructuring, was led by eminent experts including H.E. Mr. Arvinn Eikeland Gadgil, State Secretary for International Development, Norway, H.E. Ms. Maria Kiwanuka, Minister of Finance, Planning and Economic Development, Uganda and Mr. Otaviano Canuto, Vice-President and Head of the Poverty Reduction and Economic Management Network, World Bank. The special event was well received and attended by 300 participants from over 150 countries.

Throughout 2012, UNCTAD’s Responsible Sovereign Lending and Borrowing Initiative focused on reaching out to high-level government officials through regional consultative meetings and events at relevant fora. Since April 2012, the Principles on Responsible Sovereign Lending and Borrowing (PRSLB) — which aim to reduce the frequency and severity of debt crises through a set of voluntary guidelines that promote and reinforce responsible sovereign lending and borrowing practices — have been endorsed by 13 countries including Argentina, Brazil, Gabon, Germany, Italy, Morocco, Nepal and Norway. Other countries have manifested their strong interest and should join the list of supporting countries soon. More than 68 countries have actively participated in the drafting of the PRSLB, through regional and bilateral consultative meetings. The implementation of the Principles will be



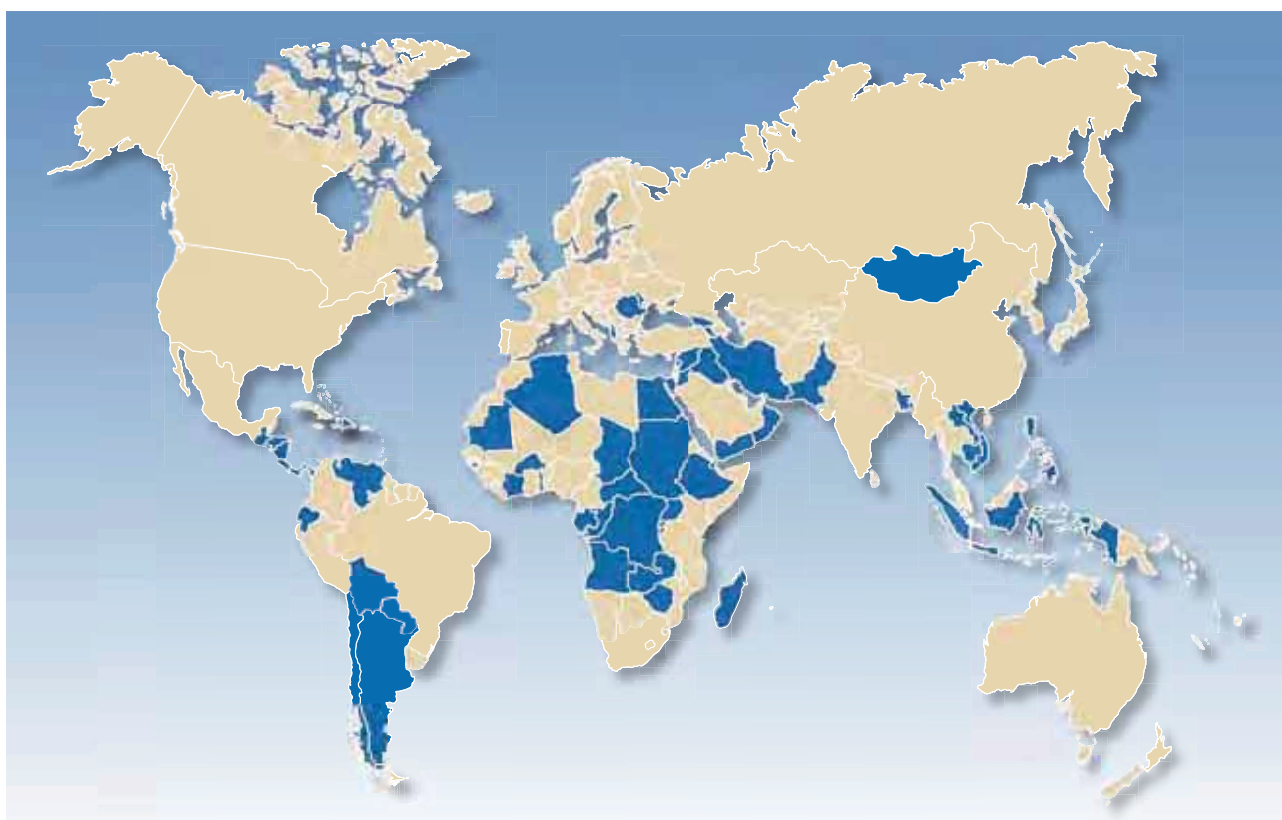
Panelists and participants at the General Assembly’s special event on Sovereign Debt Crises and Restructurings: Lessons Learnt and Proposals for Debt Resolution Mechanisms, 25 October 2012, New York, United States of America.

an important means to obtain the views of countries, and forge consensus on specific elements and a possible framework for a future debt crisis resolution mechanism. The Government of Norway announced continued political and financial support to the UNCTAD initiative at the International Monetary Fund (IMF)/World Bank Annual Meeting in Tokyo (Japan) in October 2012, not only to continue expanding the endorsement of the PRSLB but also to initiate ground work on the design of a debt restructuring mechanism.

The Debt Management and Financial Analysis System (DMFAS), one of UNCTAD's flagship technical cooperation programmes, continued to widen the scope of its services in debt management in 2012, to encompass all domestic and external public debt, as well as private external debt. For example, the web-based and modular DMFAS version 6, the latest

version of the DMFAS system available to countries, incorporates the latest features and functionalities requested by countries. The programme continues to upgrade its functionalities in line with the evolving needs of debt management offices (DMOs) in developing countries.

Almost 60 countries have benefitted from the provision of systems and related support for managing complete, up-to-date and reliable debt databases. In addition, the programme's capacity-building activities during the year resulted in improved capacity for the operations of DMOs, for effective reporting on debt, and for conducting debt analysis, as evidenced by the increased production of data validation calendars, statistical bulletins and debt portfolio reviews. The programme also continued to support countries' capacity to meet external reporting requirements.



Countries using UNCTAD's Debt Management and Financial Analysis System (DMFAS).



Participants at a basic functional training on DMFAS, February 2012, Bissau.

PROMOTING A MULTI-STAKEHOLDER APPROACH TO ADDRESSING COMMODITY PROBLEMS

UNCTAD held its third Global Commodities Forum on 23–24 January 2012, gathering participants around the theme “Globalization and Commodity Trade: Harnessing Development Gains from Commodity Production”. Participants heard presentations and discussed a variety of topics related to perennial problems in the commodity sector, such as how to expand markets to small producers in developing countries and the effects of the sovereign debt crisis on the commodities sector and commodity-dependent developing countries.

During the Forum, discussions on the financing of commodities markets and the sovereign debt crisis converged on the need for a balanced regulatory framework. Such a framework would continue to offer opportunities and liquidity to entrepreneurs, while increasing transparency in the system and limiting the adverse effects of speculative capital on price movements, echoing the regulatory measures proposed by the G-20 Study Group on Commodities in November 2011. Further discussions on services and supply chain development projects that can help bridge the gap between small producers and the international market facilitated an important, multi-stakeholder exchange of innovative ideas on how to convert gains from the ongoing commodities boom into durable growth and development in developing countries.

The Forum was followed by the fourth session of the Multi-year Expert Meeting on Commodities and Development, held in Geneva from 25–26 January 2013, which provided a high degree of synergy between the two events. Participants stressed the need for actions to ensure long-term sustainability of the production, distribution and use of commodity revenues, and the need to seek new ways of overcoming market volatility. It was emphasized that timely and accurate collection and management of commodity data was key to achieving these objectives.

UNCTAD also coorganized the fifteenth African Oil, Gas and Minerals, Trade and Finance Conference in Brazzaville from 4–6 April 2012. This event attracted more than 500 delegates from 26 African countries and other regions, including key sector stakeholders. Discussions focused on topics relating to value creation and retention in national economies, including improved access to energy. The Conference called for the establishment of more production linkages in the extractive industries to capture in host countries some of the value created by the industries. Such linkages would contribute to building domestic productive capacities.



Participants at the fifteenth African Oil, Gas and Minerals, Trade and Finance Conference, 4–6 April 2012, Brazzaville.

ASSISTANCE TO THE PALESTINIAN PEOPLE

Despite the complexity and volatility of the political environment and its implications on the field in the State of Palestine, in 2012 UNCTAD continued to provide tangible assistance to support the efforts of the Palestinian people to build the capacities for a well-functioning Palestinian economy. Drawing on its thorough knowledge of the Palestinian economy, UNCTAD's research, policy analysis and technical cooperation activities aimed at strengthening Palestinian public-sector institutional capacities and to support the Palestinian private sector. For instance, UNCTAD's findings on Palestinian fiscal leakage to Israel in the past two years have been echoed by reports by the IMF and World Bank to the Ad Hoc Liaison Committee on 23 September 2012. UNCTAD also continues to make contributions to other United Nations reports, such as the *Report of the United Nations Secretary-General on the economic and social repercussions of the Israeli occupation on the living conditions of the*

Palestinian people in the OPT, and the regular reports of the Office of the United Nations Special Coordinator for the Middle East Peace Process to the Ad Hoc Liaison Committee meetings.

UNCTAD also continued its work in developing Palestinian trade facilitation capacity, which focuses on building the knowledge base of Palestinian shippers (exporters and importers) by strengthening the institutional capacity of the Palestinian Shippers Council, increasing shippers' awareness of internationally recognized best practices on trade facilitation, and providing training and advisory services to shippers and policymakers.

During deliberations at the fifty-ninth annual session of the Trade and Development Board, member States expressed appreciation for UNCTAD's technical cooperation and research activities, and requested that support be stepped up to the Palestinian people and to the UNCTAD programme of assistance to the Palestinian people.



Training workshop on UNCTAD's third-generation macro econometric model of the Palestinian economy at the Palestine Public Finance Institute, 25–29 November 2012, Ramallah, State of Palestine.



UNCTAD/Palestinian Central Bureau of Statistics project workshop, 18 October 2012, Hebron, the West Bank, State of Palestine.

UNLOCKING THE TRADE POTENTIAL OF LANDLOCKED DEVELOPING COUNTRIES

The fourth Ministerial Meeting of Trade Ministers of the Group of Landlocked Developing Countries (LLDCs) was held in September 2012. The objectives of the meeting were to develop a common position reflecting the needs of the LLDC Group for trade negotiations and to articulate a common position in general on strategies and actions to further improve the trade potential of the LLDCs in view of the substantive preparation of the Ten-Year Review Conference of the Almaty Programme to be held in 2014. The meeting was attended by over 100 officials including 13 ministers and deputy ministers responsible for trade, senior officials from LLDCs and experts from relevant international organizations, including UNCTAD.

While the impressive progress achieved in trade participation and performance by LLDC since 2003 was noted, participants stressed that LLDCs have not yet reached their full trade potential and that much more remains to be done. Ministers and senior officials expressed appreciation for the valuable support UNCTAD has provided through its unbiased advisory work and technical cooperation, notably in supporting the accession of LLDCs to the WTO.

These views were reflected in the Almaty Ministerial Declaration adopted at the end of the meeting, which called on LLDCs to strengthen their substantive cooperation with UNCTAD on matters of trade, development and interrelated issues in the areas of finance, technology, transport, trade facilitation, investment, and sustainable and inclusive development. The Declaration also called on UNCTAD to continue strengthening its efforts to help mitigate the constraints of landlockedness on economic development and to provide more and better targeted technical assistance for the structural transformation of LLDC economies. It also emphasized areas of work which have long been on UNCTAD's agenda thus further highlighting the relevance of its work, such as the need to develop productive capacities, adopt more ambitious and development-friendly text in the trade negotiations and simplify WTO accession procedures for LLDCs.



Press conference at the fourth Meeting of Trade Ministers of Landlocked Developing Countries, 12 September 2012, Almaty, Kazakhstan.



5

PROMOTING INCLUSIVE AND SUSTAINABLE DEVELOPMENT THROUGH TRADE

PROVIDING SUPPORT FOR GENDER-SENSITIVE TRADE POLICYMAKING

UNCTAD AT THE UNITED NATIONS CONFERENCE ON SUSTAINABLE DEVELOPMENT RIO+20

SUPPORTING COUNTRIES IN THEIR WTO ACCESSION

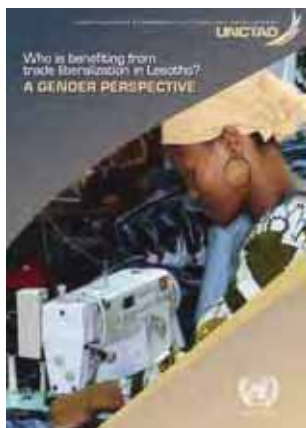
OPTIMIZING THE POTENTIAL OF INTRA-AFRICAN TRADE

ADDRESSING THE IMPLEMENTATION CHALLENGES OF THE TRADE FACILITATION REFORMS

IMPROVING CUSTOMS MANAGEMENT

BIOTRADE AND SUSTAINABLE DEVELOPMENT

PROVIDING SUPPORT FOR GENDER-SENSITIVE TRADE POLICYMAKING



Through a unique portfolio of country case studies and national workshops, UNCTAD is “mapping” the role of women in the economy and testing methodologies to determine how to gauge the impact of trade policy on women in productive sectors, as well as the impact on women as consumers and in other dimensions of their lives. Case studies

have been published on Bhutan, Cape Verde and Lesotho. Upcoming studies include Angola, Rwanda and Uruguay.

The Lesotho case study examines women working in the clothing industry and confirms, with some qualifications, that trade policy (in this case, privileged access to US markets) can play a determining role in creating jobs for women. The Cape Verde case study illustrates how reciprocal trade and lowering of tariffs on imports between the European Union and developing

countries can have important effects on the well-being of women. On one hand, simulations of changes in food prices arising from tariff reductions on agricultural imports show a concomitant decrease in those below the poverty line (particularly for female-headed households). On the other, tariff reductions lower revenues available for public services provision, thus increasing women’s care work burden. At national workshops held in Cape Verde (September 2012) and Lesotho (December 2012), findings and recommendations were presented to inform local policymaking and familiarize relevant national stakeholders with methodologies to enable local replication of the studies.

ADDRESSING THE IMPLEMENTATION CHALLENGES OF THE TRADE FACILITATION REFORMS

Between January 2012 and April 2013 over 20 countries, including LDCs, middle income developing countries, landlocked countries and small island economies, are taking part in an exercise to assess current trade facilitation measures, which will lead towards elaboration of national implementation plans to reach full compliance with a future trade facilitation agreement at the WTO.

Key stakeholders in participating countries are actively engaged in the process through the mechanism



Trade Facilitation Stakeholders’ meeting at an UNCTAD validation conference, 11–12 December 2012, Thimphu.

of the national trade facilitation committees – a particular subset of the trade facilitation best practices – promoted by UNCTAD and the United Nations Regional Commissions. The project also benefits from the active participation of experts from the OECD, World Bank and World Customs Organization. The project is already showing results in terms of raising stakeholders' awareness to the state and implications of the WTO trade facilitation negotiations, as well as enhancing their understanding of the individual trade facilitation measures. It has also significantly contributed to strengthening national trade facilitation committees, both in terms of increasing the capacity of their individual members and by helping set up national implementation plans, which can be used as a basis for designing a national trade facilitation programme.

Furthermore, synergies between activities undertaken in the context of trade facilitation reforms and UNCTAD's Business Facilitation Programme, via its eRegulations project, are currently being explored. In particular, support will be provided to Benin and Burkina Faso, who have requested UNCTAD's assistance to help them comply with the WTO agreement trade facilitation reforms. Article 1 of the WTO draft consolidated negotiating text on trade facilitation aims to ensure transparent import and export procedures, including over the internet, as an obligation for signatory countries. All countries taking part in the eRegulations project commit to administrative transparency and work has begun on documenting cross-border trade procedures. Clear descriptions of these procedures in the Comoros, Mali and Rwanda are available online, with more to follow shortly.

UNCTAD AT THE UNITED NATIONS CONFERENCE ON SUSTAINABLE DEVELOPMENT RIO+20

The Rio+20 Conference was organized to secure renewed political commitment for sustainable development, and assess progress to date and remaining gaps in the implementation of the outcomes of the 1992 Rio and 2002 Johannesburg Conferences on sustainable development. The Conference also



Panelists at the first BioTrade congress, 18 June 2012, Rio de Janeiro, Brazil.

addressed new and emerging challenges, especially the green economy in the context of sustainable development and poverty eradication. UNCTAD, serving as the sustainable trade focal point, assisted with the preparations of the Conference, specifically in the analysis of the trade and development dimensions of the transition toward greener and more equitable economies. Over the last two years, UNCTAD has convened several expert meetings and produced quality research to promote a better understanding of, and unveil critical policy issues on, the role of trade in a green economy in the context of sustainable development and poverty eradication.

UNCTAD improved the understanding and awareness of trade and sustainable development and green economy issues of Geneva and New York-based delegates, allowing them to form negotiating positions and formulate and defend text in negotiations.

UNCTAD also organized a series of side events in Rio de Janeiro, Brazil on the margin of the Rio+20 Conference, such as the first Biotrade Congress which was a platform for sharing experiences and lessons learned and to enhance cooperation among all BioTrade and biodiversity stakeholders. As the current Chair of the United Nations Group on the Information Society, UNCTAD coorganized with the International Telecommunications Union (ITU) a side-event on "ICTs:

“ Environmental, social and governance issues are critical for creating a world economy that is more stable, inclusive and sustainable. ”

**Mr. Supachai Panitchpakdi, Secretary-General of UNCTAD
at the Rio+20 Earth Summit, June 2012**



Representatives from the Brazil stock exchange (BM&FBOVESPA), Egyptian Exchange (EGX), Istanbul Stock Exchange (ISE), Johannesburg Stock Exchange (JSE), and NASDAQ OMX signing up to the SSE initiative, 18 June 2012, Rio de Janeiro, Brazil.

The foundation of our sustainable future” (17 June) to focus attention on the key role of ICTs in meeting development goals.

UNCTAD also coorganized the Third Sustainable Stock Exchange (SSE) Global Dialogue on 18 June 2012. Named by Forbes magazine as one of the “world’s best sustainability ideas”, the SSE is an initiative aimed at exploring how exchanges between investors, regulators and companies can work together to enhance corporate transparency, and ultimately performance, on environmental, social and corporate governance issues, and encourage responsible long-term approaches to investment. During the forum, five stock exchanges, including the NASDAQ, signed up

UNCTAD'S ANALYTICAL CONTRIBUTIONS TO RIO+20 IN 2012

The Road to Rio+20 series: For a development-led green economy

A three volume collection of essays by leading experts and researchers which discusses conceptual foundations of a green economy, and highlights critical issues in managing the transition towards a green economy and the different perspectives that constitute today's green debate.

Green Economy: Why a Green Economy Matters for the Least Developed Countries

A joint report by the United Nations Environment Programme (UNEP), UNCTAD and the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States showcasing examples of innovative policies and practices, identifying emerging opportunities and challenges for a green economy transition in LDCs and stimulating further discussion amongst interested stakeholders.

Maritime Transport and the Climate Change Challenge

Edited by UNCTAD and co-published by the United Nations with Earthscan (Routledge/Taylor & Francis), this book adopts a multidisciplinary approach and provides detailed insight on the potential implications of climate change based on contributions 25 experts from academia and international organizations.

Liability and Compensation for Ship-Source Oil Pollution: An Overview of the International Legal Framework for Oil Pollution Damage from Tankers

An analytical overview of the complex legal framework and highlighting considerations for national policymaking, this report assists policymakers, particularly in developing countries, to assess the merits of adoption and implementation of relevant international legal instruments.

to the SSE initiative pledging their support to integrate sustainability standards as a requirement for companies listed on their exchanges. Almost 10,000 companies have since signed up to take part in this initiative.

The Rio+20 Conference concluded with member States adopting the outcome document entitled *The Future We Want*. UNCTAD convened a workshop on 28 June 2012 entitled “Missed opportunity or new beginning? Sustainable development after Rio”, in order to resume discussions started in Rio on how the green economy commitments that emerged from Rio+20 can be put into practice. Also, as a follow up to the Biofuels Initiative workshop organized at the Rio+20 Conference, the Initiative engaged in consultations with multiple stakeholders, including a mission to Brazil, to gauge strategies and synergies to strengthen biofuel work in Africa. This resulted in a project for an African Bioenergy Platform which will be implemented in 2013.

SUPPORTING COUNTRIES IN THEIR WTO ACCESSION

The Lao People’s Democratic Republic, a landlocked LDC, officially became the WTO’s 158th member on 2 February 2013. UNCTAD has been supporting the Lao People’s Democratic Republic in its accession process since 1999 assisting in the preparation of its Memorandum on the Foreign Trade Regime, a key document in the accession process. At the country’s request, UNCTAD’s support in the accession process included trade policy formulation and implementation, review and drafting of domestic trade related legislation, and recommendations on negotiating options and strategies. UNCTAD also assisted with the preparations of sectoral impact studies by national experts. These studies concerned the development implications of the WTO accession negotiations on the Lao People’s Democratic Republic’s industrial and agricultural sectors, as well as services, including distribution services.

UNCTAD’s technical assistance has made the Government of the Lao People’s Democratic Republic more aware of the developmental implications and the special and differential treatment provisions in the General Agreement on Tariffs and Trade (GATT) and

WTO agreements. These provisions, along with other key areas of agreement, will define the parameters of the country’s new trade policy framework, and will serve it in its ongoing pursuit to develop through expanding and broadening its productive base, and inter alia through the reform of its policy, institutional and regulatory frameworks. UNCTAD will continue to provide technical assistance, as already requested by the Government, in its post accession phase.

UNCTAD’s demand-driven support for WTO accession assists acceding countries to integrate more fully into the world economy and the international trading system through WTO membership. The long-term objective is to enable newly acceded WTO members to benefit from and contribute to the international trading system through expansion of trade, economic growth and development following WTO accession. From 2010 to 2012, UNCTAD provided support to 22 of the 30 countries in the process of accession, including all the acceding LDCs, such as Afghanistan, Bhutan, the Comoros, Vanuatu and Yemen.

OPTIMIZING THE POTENTIAL OF INTRA-AFRICAN TRADE

Since its establishment, UNCTAD has worked closely with African countries to find solutions to persistent and emerging trade and development challenges facing the continent. As a focal point for trade and development within the United Nations system, UNCTAD conducts policy analysis and promotes cooperation initiatives – at national, regional and global levels – towards sustainable growth and development in the developing



Panelists at the meeting of African Trade Ministers organized in collaboration with the African Union, 20 April 2012, Doha.

world. As part of its mandate, significant efforts have been devoted to providing technical assistance and policy advice to Africa. Research and policy work have addressed current and priority issues ranging from, inter alia, the management of commodity markets and high concentration of production and trade, to the role of FDI, the effectiveness of official development assistance (ODA), the debt challenge, trade negotiations at the regional and multilateral level, and the increasing importance of South–South cooperation.

In this context, a key meeting of African trade ministers was held in Doha on 20 April 2012 where it was explored how UNCTAD could further support African countries on the implementation of the African Union Plan for boosting intra-African trade. The Plan was agreed by the eighteenth Ordinary Session of the Assembly of the African Union in Addis Ababa in January 2012. Its implementation is a key stepping stone for fast tracking the formation of the Continental Free Trade Area in Africa, also endorsed by the African Union Summit.

There was general consensus at the meeting that regional integration in Africa should not only focus on market access, but also on the establishment of a development-oriented integration with due consideration for infrastructure and productive capacity development. Also, effective implementation of the Plan would require the establishment of an institutional architecture that would allow for an effective monitoring system, a dispute-settlement mechanism and the harmonization of domestic regulation.

The session identified the areas in which UNCTAD could assist the African Union in implementing the Action Plan, with a focus on the clusters it identifies, namely (a) trade policy, (b) trade facilitation and (c) trade productive capacity. UNCTAD's support would be demand driven, and take a practical and pragmatic approach. The contribution would follow the African Union's own work programme for implementing the Action Plan and would be coordinated with other partners and stakeholders.

IMPROVING CUSTOMS MANAGEMENT

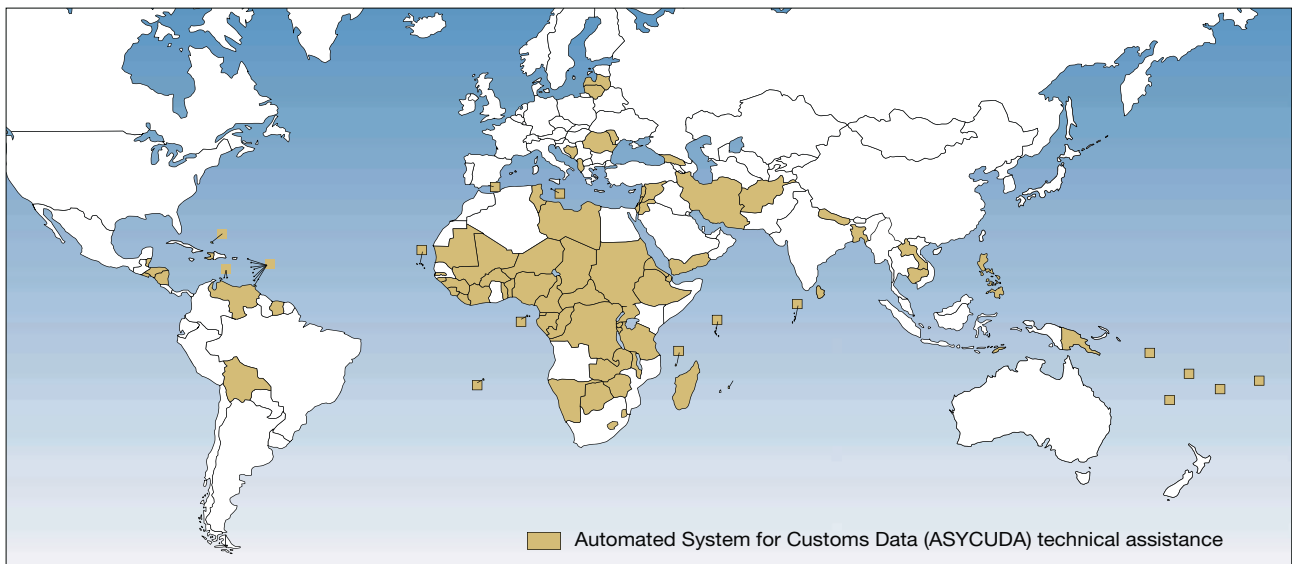
An efficient customs administration is an essential element to a country's good governance policy and tool

for TF. Customs departments help governments deal with national and international policies associated with revenue collection and combating fraud. To address this, UNCTAD launched the Automated System for Customs Data (ASYCUDA), a customs management system designed for international trade and transport operations in a modern automated environment. ASYCUDA helps developing countries and economies in transition improve their customs services by equipping them with a computerized customs management system which covers most custom procedures related to foreign trade. It also generates detailed information about foreign trade transactions which can be used for economic analysis and planning. Today, ASYCUDA is UNCTAD's largest technical cooperation programme and is present in over 90 countries, including 38 LDCs.

To adapt the features of its customs management system to today's needs, 2012 saw the realization of consultations between UNCTAD and the United Nations Environment Programme (UNEP) as part of the Green Customs Initiative. As such, a feasibility study to develop an interface between ASYCUDA and UNEP's information exchange system on trade in ozone depleting substances (ODS) will be conducted. The application will be available to customs and other national controlling agencies to issue, control and monitor the use of ODS e-licenses, as well as to produce trade statistics relevant to the Montreal Protocol implementation.

Thanks to the involvement of the authorities of Gibraltar in this area, a pilot project to develop and test a special e-ODS licensing module for import/export of the ODS has been initiated. A joint action plan was presented and approved by Gibraltar's authorities covering a broad range of activities from bringing national legislation and procedures in line with applicable international standards, up to developing and rolling out the practical e-ODS application, tentatively by June 2013.

This joint initiative was welcomed during presentations at the Regional Customs Cooperation Meeting on ODS in Istanbul and the Green Customs Workshop in the Maldives, raising further interest in the replication of this initiative.



Countries using UNCTAD's Automated System for Customs Data (ASYCUDA) technical assistance.

BIOTRADE AND SUSTAINABLE DEVELOPMENT

In 1997, UNCTAD launched the BioTrade Initiative to promote trade and investment in biodiversity as a means of furthering sustainable development. Since then a number of countries, regions, and national and international stakeholders have embraced BioTrade concepts and principles as integral parts of their strategies.

In 2012, UNCTAD continued to assist developing countries in strengthening the institutional capacity of the national BioTrade partners. In Indonesia, the Initiative supported the project of the United Nations Development Programme (UNDP) in Aceh Selatan, by providing technical advice to the nutmeg value chain and the development of the BioTrade Impact Assessment. In Colombia, UNCTAD continued to support the Ministry of Environment and Sustainable Development in implementing BioTrade activities, and participated in several events related to green economy and the cosmetic sector. From 15 to 16 May 2012, UNCTAD participated in the launch of Viet Nam's BioTrade

programme which aims to support the development of value chains based on native medicinal plant species which can be used in the pharmaceutical, cosmetic and food sectors. In Burundi, UNCTAD conducted a capacity-building videoconference on BioTrade and value chain development with UNDP Burundi and the UNDP Bureau for Crisis Prevention and Recovery (BCPR) in New York and Geneva.

UNCTAD also continued implementing activities under biodiversity-related multilateral environmental agreements (MEAs) such as the *Convention on Biological Diversity* (CBD). The Initiative contributed to the *Strategic Plan for Biodiversity 2011–2020* and its Aichi Targets. Members also participated in discussions on economic incentives and discussed BioTrade activities at CBD meetings. The Initiative also supported the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) in promoting the sustainable use of CITES-listed species and engaging the private sector, particularly in the cosmetic and fashion sectors.

“ It is time to go from policy discussion to implementation of CBD commitments and targets as shown by the BioTrade UNCTAD, one of the earlier implementing partners of the CBD. ”

Mr. Braulio Diaz of the CBD Secretariat at the Bio Trade Congress 18 June 2012, Rio de Janeiro, Brazil



6

FOSTERING SUSTAINED ECONOMIC GROWTH THROUGH ENHANCING PRODUCTIVE CAPACITIES

STRENGTHENING HUMAN AND INSTITUTIONAL CAPACITIES FOR TRADE, TECHNOLOGY AND INVESTMENT

STRENGTHENING RESEARCH AND TEACHING ON TRADE AND DEVELOPMENT

FOSTERING ENTREPRENEURSHIP AND SUPPORTING SMALL AND MEDIUM-SIZED ENTERPRISES

COURSES FOR POLICYMAKERS ON KEY ISSUES ON THE INTERNATIONAL AGENDA

PROMOTING STRATEGIES FOR RESPONSIBLE GLOBAL BUSINESSES

DEVELOPMENT STATISTICS FOR ECONOMIC DEVELOPMENT

STRENGTHENING HUMAN AND INSTITUTIONAL CAPACITIES FOR TRADE, TECHNOLOGY AND INVESTMENT

TrainForTrade (TFT) focuses on developing skills, knowledge and capacities through innovative approaches based on a recognized pedagogical method and state-of-the-art technological solutions. The programme hosts a distance-learning platform using a free and open source learning management system to facilitate the sharing of information and technology in an efficient and cost-effective manner. The programme offers a range of courses on trade, port management and sustainable tourism, with new topics constantly being introduced, based on the needs of the beneficiary countries.

TrainForTrade has had concrete results and impact on the ground since its inception. For instance, in 2012 Angola decided to further collaboration through its new Growing Sustainable Business project which aims to develop value chains in the agriculture and tourism sectors. These goals are in line with those of an earlier TFT project in Angola. To assist the Growing Sustainable Business project achieve its objectives, TFT will focus on designing and implementing training and capacity-development activities for local project stakeholders, particularly local entrepreneurs, government institutions, and non-governmental organizations.

The TFT Port Training Programme has also played a vital role in supporting port communities in developing countries in their quest for efficient and competitive port management. By sharing knowledge and expertise between port operators, talent management and human resources development are strengthened



Training of Trainers Workshop for Senior Managers of the English-speaking Network of the Port Training Programme, 22 May –1 June 2012, Cork, Ireland.



Participants of the French-speaking Network of the Port Training Programme visiting the Port of Cotonou, March 2012, Benin.

in port communities. The programme is offered in English, French, Portuguese and Spanish, and since its inception in 1996, has certified over 850 middle managers in port communities in Africa, Asia and Latin America. In addition, over 500 senior port managers have been trained as local instructors.

“ UNCTAD’s Port Training Programme has not only enhanced participants’ knowledge, but their motivation too. I strongly believe that the Programme is effective in promoting interregional cooperation and has worked for the betterment of the global port sector. ”

Mr. Abdul Matheen Ahmed, Chairman of Maldives Ports Limited

UNCTAD TRAINFORTRADE 2012 IN NUMBERS

67 FACE-TO-FACE AND E-LEARNING COURSES, INCLUDING
5 training of trainers courses, with
526 participants in total
from **36** developing countries,
of which **30%** are LDCs
24% female participants

UNCTAD PORT TRAINING PROGRAMME 2012 IN NUMBERS

59
face-to-face courses with
361 participants

VIRTUAL INSTITUTE 2012 IN NUMBERS

Membership comprises

79 universities and research centers from
41 countries, including ten LDCs
3,204 registered online users from
10 video-conferences presenting UNCTAD's research findings to
438 participants
164 countries
9 study tours and visits for students, of which
243 **65%** were women
4 research fellowships enabling academics to work at UNCTAD on research and teaching projects
7 new generic teaching materials and modules were published online and in hardcopy
8 new multimedia teaching resources were made available to members

4
training of trainers courses with
82 participants

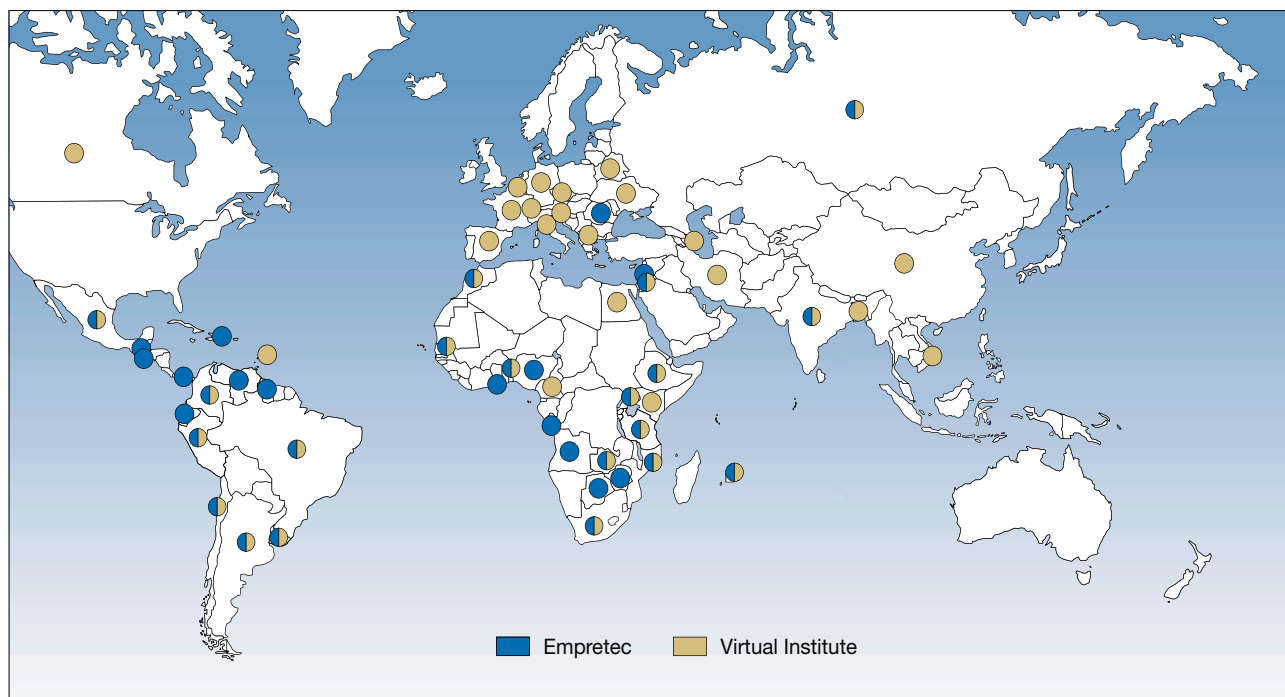
18
national training cycles active or completed

STRENGTHENING RESEARCH AND TEACHING ON TRADE AND DEVELOPMENT

The UNCTAD Virtual Institute continues to work with universities and research institutes in developing and transition countries to strengthen their teaching and research capacities on trade and development and increase the policy relevance of their work. Building on its work on trade and poverty, in January 2012, the Virtual Institute launched a major capacity-building project to support governments design pro-poor trade policies conducive to attaining the Millennium Development Goals (MDGs). Co-funded by the United Nations Development Account and the Government of Finland, the first phase of the project trained 77 researchers, including 29 women, from 45 countries (11 LDCs) through an online course on the use of empirical tools to assess the impact of trade and trade-related policies on poverty and income distribution.



Group of graduate students from the University of Applied Sciences of Berlin learned about UNCTAD's work and development perspective during their second annual Virtual Institute study, 8 November 2012, Geneva, Switzerland.



Map illustrating the reach of: (i) UNCTAD's Empretec centres; (ii) UNCTAD's Virtual Institute.

“ My first contact with the Virtual Institute dates back to 2008 when I took a course on ‘Teaching and Research of Economic and Legal Aspects of International Investment Agreements’. Since then I am an active attendant of their website and have access to the materials. I strongly believe that the Institute has a fair share in my professional development in the area. ”

Kassahun Aberra, Ethiopian Economic Association

Following several years of cooperation with the Virtual Institute, in November 2012, the Belarus State Economic University (BSEU) launched its first English language Master’s in International Economics and Trade Policy. The Institute advised BSEU on the content of the programme, provided publications for its library, and offered capacity-building opportunities for BSEU staff. The Virtual Institute teaching materials and UNCTAD research reports are now used as readings by BSEU students, together with country-relevant material on FDI, undertaken by one of the Belarusian lecturers.

In June 2012, the joint UNCTAD–WTO guide - *A Practical Guide to Trade Policy Analysis* - was published. This was the culmination of a long-term project of cooperation on trade data analysis between the Virtual Institute, WTO and the UNCTAD Division on International Trade in Goods and Services, and Commodities. Based on the Virtual Institute teaching materials on trade and trade policy analysis developed in 2008, the guide provides academics with analytical inputs for national policies. All datasets and command files for hands-on exercises and applications have been included in a DVD available on a website hosted by the Virtual Institute.

FOSTERING ENTREPRENEURSHIP AND SUPPORTING SMALL AND MEDIUM-SIZED ENTERPRISES

Enterprise and entrepreneurship are key drivers of development, but require coherent policies to support their growth. In 2012, UNCTAD launched the Entrepreneurship Policy Framework (EPF), a toolkit for policymakers in developing countries to formulate, monitor and evaluate national policies for entrepreneurship. The EPF



Empretec Training Workshop, 5–10 November 2012, Lusaka.

methodology will be used as a basis for future capacity-building work in the area of enterprise development and has already been applied at the request of several beneficiary countries. The EPF is a product of the Multi-year Expert Meetings on Enterprise Development and Capacity-Building in Science Technology and Innovation held over the past four years. In May 2012, and as a result of a National Forum on Entrepreneurship during which the tools and recommendations of the EPF were used, 11 policy recommendations on entrepreneurship development were presented to the Government of Panama, covering key areas such as technology exchange and innovation, entrepreneurship education and skills, and access to finance. In 2012, the Government of Nigeria also revised its national policy on micro, small and medium-sized enterprises using the EPF

recommendations. Further, a multi-stakeholder panel based on the EPF was co-organized with the Ghanaian Panel on Economic Development in September 2012, as well as a stakeholder forum in Zimbabwe to develop guidance for their entrepreneurship policy.

UNCTAD's entrepreneurship capacity-building programme, EMPRETEC, has trained 276,000 entrepreneurs in 34 countries up to 2012, and continues to install new country projects – there are currently 20 requests for new country installations. In 2012, the programme provided training for beneficiaries in India, Russia, Panama, Tanzania, Uganda, Viet Nam and Zambia, enabling these countries to better address capacity and skill problems in the private sector. An external evaluation conducted revealed that UNCTAD's assistance in Tanzania resulted in a 14 per cent increase in employment in ten micro and small enterprises, while the enterprises of six Business Linkage programme participants in Tanzania showed a median of 100 per cent increase in turnover. In Zambia employment increased by 38 per cent in 11 micro and small enterprises, and seven Business Linkage Programme participants reported a 27.5 per cent increase in turnover. Following a workshop in Jordan,

68 per cent of participants established businesses, creating 3.1 jobs per participant.

COURSES FOR POLICYMAKERS ON KEY ISSUES ON THE INTERNATIONAL AGENDA

The regional courses on Key Issues on the International Economic Agenda (Paragraph 166 course P166) – UNCTAD's flagship programme for policymakers – received another renewal of its mandate at UNCTAD XIII held in April 2012 in Doha. The courses are primarily aimed at junior- to mid-level government officials responsible for the formulation and implementation of trade, finance, investment and technology policies. The main objectives of the courses include: building understanding of key challenges and opportunities related to globalization, as well as of policy options that could maximize the benefits from the globalized economy for participants' countries; and stimulating critical thinking and empowering participants to design policies and develop negotiating positions that support their countries' interests.

In 2012, for the first time in the 12-year history of the regional courses, a multi-year venue for the course was



Participants at the P166 course for African policymakers and academics at University Mohamed V-Souissi, 27 August–14 September 2012, Rabat.

endorsed by the UNCTAD P166 Advisory Body. Oman was the first to organize a course in this capacity, holding the 25th edition of the P166 course for Western Asia this year, with another two editions planned for 2014 and 2016. Two other regional courses were also delivered in 2012. The 24th regional course for transition economies was held at the University of Belgrade, from 9–27 July 2012. The course was delivered to 22 policymakers from 12 countries, and provided participants with a special focus on the challenges of economies in transition in the context of regional integration, with an emphasis on European Union accessions. A second regional course was organized for African policymakers and academics at the University Mohamed V-Souissi, Rabat on 27 August 2012. The course was delivered to 21 participants from 18 African countries, and emphasized the design and implementation of trade and development policies, as well as trade negotiations in the context of regional integration and multilateral agreements.

The programme also provided a total of six short courses on selected topics to approximately 148 Geneva-based delegates in 2012. The P166 course continues to attract increasing demands for its delivery, and it provides effective and relevant knowledge and skills to

policymakers in their attempt to design and implement economic policies that benefit development objectives.

PROMOTING STRATEGIES FOR RESPONSIBLE GLOBAL BUSINESSES

In 2012, UNCTAD brought together the main agencies and actors involved in environmental reporting and Corporate Social Responsibility (CSR). UNCTAD, in cooperation with the OECD, the Climate Disclosure Standards Board and the Global Reporting Initiative, organized a workshop on climate change reporting to take stock of current corporate climate change reporting frameworks and assess the benefits of greater consistency of approach to the demand for and supply of corporate climate change-related information.

UNCTAD also hosted the second annual Inter-Agency Round table on CSR on 12 November 2012, in cooperation with the ILO and OECD. The event gathered 12 international organizations and three national governments, four civil society participants and representatives from industry and labour to explore how to best address key outcomes of the Rio+20 Conference. Common themes included the need to



Participants at the inter-agency round table on Corporate Social Responsibility, 6 November 2012, Geneva, Switzerland.



Panelists at the UNCTAD, OECD, CDSB, and GRI workshop on climate-change reporting, 16 March 2012, Geneva, Switzerland.

ensure the complementarity of projects and policies, strengthen collaboration including through multi-stakeholder initiatives, and promote best practices in both developed and developing countries. Participating agencies will continue to partner on this issue to foster new projects and strengthen collaboration between international organizations and their development partners.

UNCTAD is launching a new training programme on responsible business for transnational corporations. The programme will create a global focal point for capacity-building in the area of corporate responsibility in emerging markets at UNCTAD. The training, which targets managers with day-to-day responsibility for environmental, social and governance issues, will be based on new concepts and strategies for responsible business globally and will make use of peer learning, expert guidance and executive coaching for global CSR professionals. In addition, it will build on research undertaken in the context of the *WIR* and on CSR reporting within the International Standards of Accounting and Reporting (ISAR) programme. In anticipation of the first pilot training course to be

delivered in 2013, UNCTAD conducted a market and needs analysis of executive management courses within CSR. This research will be used to tailor the course to participant needs and develop the groundbreaking programme.

DEVELOPMENT STATISTICS FOR ECONOMIC DEVELOPMENT

To better inform policy decision-making at national and international levels, as well as economic analysis, UNCTAD produces more than 150 indicators and statistical time series essential for the analysis of: international trade; economic trends; FDI; external financial resources; population and labour force; commodities; the information economy; and maritime transport.

UNCTADstat is UNCTAD's public platform giving free access to a growing number of unique statistical indicators covering long periods for almost all economies of the world. In addition, the global databases on FDI and TNC activities comprise information on more than 200 economies over a period of 40 years – making

them the largest in the world. The utility of UNCTAD statistical products such as the monthly *Statistics at a Glance* articles and UNCTADstat is demonstrated by the increased number of visits to the website with over six million page views per year. Moreover, the Global Investment Trends Monitor and the Investment Policy Monitor are cited extensively by international news media and policymakers.

Regularly updated market information data is also provided through INFOSHARE, which provides commodity producers with updated pricings for a broad range of commodities, and INFOCOMM which compiles commodity profiles, covering all aspects of the agricultural, metals and mineral market sectors. In 2012, 24 commodity profiles (in agricultural, metals and minerals sectors) containing information on all aspects of these commodity markets in three languages (English, French and Spanish) were published on INFOCOMM. With more than 90,000 visits in 2012, INFOCOMM became one of UNCTAD's most visited websites. Furthermore, UNCTAD received two requests to implement INFOSHARE at country and regional levels. Negotiations over the adaptation to the system for the real needs of the requesting developing countries are ongoing.

In addition to providing up-to-date statistics, UNCTAD supports developing countries collect and compile statistics, and harmonise data in regional cooperation,

to further strengthen capacity for formulating better policies on the basis of accurate and up-to-date information. For example, to improve the quality and sustainability of statistical systems of countries, UNCTAD and the West African Economic and Monetary Union Commission (WAEMU) are finalizing a three-year agreement to implement a project in international trade in services statistics. Continuing support is also being provided to the African Union Commission for international trade statistics capacity-building and assistance to improve staff competence in data compilation and publication.

Also in 2012, in collaboration with WTO, UNCTAD statisticians made progress in enhancing the accuracy of international trade in services and merchandise trade statistics. Users now have access to harmonized trade in services data released every quarter since April 2012. Next steps include the synchronization of international merchandise trade data in value and volume that can lead to the creation of detailed trade statistics for the use of economists, analysts and delegates engaged in negotiations. The establishment of national FDI teams to facilitate data collection, dissemination and analysis has also supported capacity-building in developing countries. As a result, a number of beneficiary countries and regions, including Albania and the Common Market for Eastern and Southern Africa (COMESA) are now able to prepare annual FDI reports, using internationally recognized methods.





7

STRENGTHENING ECONOMIC DEVELOPMENT AND COMPETITIVENESS IN DEVELOPING COUNTRIES

IMPROVING THE INVESTMENT CLIMATE

PROMOTING DEVELOPMENT THROUGH
THE INTERNATIONAL INVESTMENT REGIME

FIFTEENTH SESSION OF THE COMMISSION ON SCIENCE
AND TECHNOLOGY FOR DEVELOPMENT

ASSISTING THE DEVELOPMENT
OF E-COMMERCE LEGISLATION

PROMOTING SOUND SCIENCE, TECHNOLOGY AND
INNOVATION POLICIES FOR DEVELOPMENT

MEASURING THE INFORMATION ECONOMY

DEVELOPMENT-ORIENTED INTEGRATION IN SOUTH ASIA

PROMOTING BETTER CORPORATE GOVERNANCE
AND TRANSPARENCY

ADAPTING COMPETITION AND CONSUMER POLICIES
TO MEET DEVELOPMENT AND CONSUMER
WELFARE OBJECTIVES

IMPROVING THE INVESTMENT CLIMATE

The UNCTAD *Investment Policy Reviews (IPRs)* analyse FDI trends and impact, as well as provide an assessment of a country's investment framework and recommendations for strengthening and improvement. Each *IPR* focuses on a country-specific FDI attraction and benefit strategy. In 2012, UNCTAD continued the preparation of the *IPRs* of Bangladesh, Djibouti, the Republic of Moldova and Mongolia, and published the *IPRs* of the former Yugoslav Republic of Macedonia and Mozambique.

UNCTAD also provides technical assistance to beneficiary countries to support implementation of the *IPR* recommendations, such as help in redrafting investment codes, restructuring investment policies, and strengthening investment promotion institutions and tools. Seven countries (Belarus, Botswana, Burkina Faso, Egypt, Kenya, Lesotho and Rwanda) benefitted from such assistance in 2012. Five or six years after completion of an *IPR*, UNCTAD prepares an implementation report, assessing the extent to which recommendations have been endorsed and implemented. In 2012, UNCTAD completed implementation reports for Rwanda which showed that the Government of Rwanda took full ownership of the strategic thrust proposed in the *IPR*, resulting in major improvements in the investment environment throughout the period following the completion of the

IPR. Indeed, annual FDI inflows into Rwanda between 2006 and 2010 were almost eight times higher than in the pre-*IPR* period of 2001 to 2005. Despite a sharp fall in 2010 due to the global economic crisis, performances registered were still twice those of the 1990s and early 2000s, highlighting the sustainability of the work undertaken by the national authorities, and at the same time the relevance of UNCTAD's support. An implementation report for Kenya was also prepared.

Research shows that more than 200 *IPR* recommendations have now been implemented by beneficiary countries resulting, in most cases, in a significant improvement in the business climate, increase in FDI inflows and decreasing volatility of flows. While these increases partly reflect the ongoing internationalization of production, they were also driven by greater openness towards foreign investment and, more importantly, by an improved investment framework due to effective reforms. In particular, findings reveal that all 21 countries for which an *IPR* was published more than three years ago have experienced an increase in FDI inflows. For 13 of these countries, the increase has been dramatic, with FDI inflows having more than doubled in the following years. The number of requests for follow-up technical assistance and the number of countries that have requested to benefit from the programme demonstrate the interest in the *IPRs*.



Participants at the presentation of the Investment Policy Review of the Republic of Moldova, 21 June 2012, Chisinau.

PROMOTING DEVELOPMENT THROUGH THE INTERNATIONAL INVESTMENT REGIME

UNCTAD continued its efforts to promote a better understanding of international investment agreements (IIA) and their impact on sustainable development. As part of its IIA-related research and analysis, UNCTAD produced four sequels to the Pink Paper Series (on fair and equitable treatment, expropriation, investor-State dispute settlement and transparency [ISDS]), which offer legal and policy analysis, as well as sustainable development friendly drafting suggestions for key IIA clauses. In addition, UNCTAD continued its annual publication of IIA Issues Notes. The 2012 publication *Investor-State Dispute Settlement*, offered up-to-date information on ISDS statistics and an overview of key arbitral decisions issued in 2011. UNCTAD's IIAs and ISDS databases recorded on average 19,000 page views per month, with 4,220 visitors from 183 countries or territories throughout the year. These databases offer a unique, one-stop shop for countries' IIAs, texts of the agreements and treaty-based ISDS cases.



Regional Training for Latin America and the Caribbean on the new generation of investment policies for sustainable development and investor-state dispute resolution, 3-9 December 2012, Quito.

Based on its analytical work, UNCTAD provided technical assistance through the delivery of training courses and materials, such as the *Asia-Pacific Economic Cooperation (APEC) IIA Negotiators' Handbook*, which offers treaty language and policy considerations for more than 25 typical IIA elements in a ready-to-use and practical format, and also advisory services to strengthen countries' capacity to negotiate more sustainable development-friendly IIAs and better handling of investor-State disputes. Feedback from participants of the capacity-building workshops results were overwhelmingly positive, with an average of 97 per cent of the participants finding the workshops useful to their work, and an average of 93 per cent of the participants considering that the training courses fully reached or exceeded their expectations.

FIFTEENTH SESSION OF THE COMMISSION ON SCIENCE AND TECHNOLOGY FOR DEVELOPMENT

In 2012, UNCTAD continued to facilitate the work of the Commission on Science and Technology for Development (CSTD), a subsidiary body of the United Nations Economic and Social Council providing high-level advice on relevant science and technology for development issues and assisting in the United Nations system-wide follow-up to the World Summit on the Information Society. In 2012, CSTD focused on two priority themes: "Innovation, research, technology transfer for mutual advantage, entrepreneurship and collaborative development in the Information Society" and "Open access, virtual science libraries, geospatial analysis and other complementary information and communications technology and science, technology, engineering and mathematics assets to address development issues, with particular attention to education".

At the request of the United Nations General Assembly, on 18 May 2012, the Chair of the CSTD convened a one-day meeting for all member States and other stakeholders, to identify a shared understanding of enhanced cooperation on public policy issues pertaining to the internet. At its fifteenth session, the

CSTD recommended to the Economic and Social Council the adoption of two draft resolutions - one on “Science and technology for development”, and one on “Assessment of the progress made in the implementation of and follow-up to the outcomes of the World Summit on the Information Society”. Both resolutions contained calls for action to national governments and the international community, and were adopted by the Economic and Social Council on 24 July 2012. The Economic and Social Council also called on UNCTAD to raise policymaker awareness of the innovation process, identify particular opportunities for developing countries to benefit from innovation, and share and analyze evidence on the development of innovative capacities. UNCTAD was also encouraged to develop metrics to assess progress made by countries in implementing recommendations from science, technology and innovation policy (STIP) reviews and to conduct periodic reviews to monitor progress upon request.



Panelists at the fifteenth session of the Commission on Science and Technology for Development, 21–25 May 2012, Geneva, Switzerland.

ASSISTING THE DEVELOPMENT OF E-COMMERCE LEGISLATION

The creation of an enabling legal and regulatory environment is critical for ensuring an effective implementation of e-government strategies, and to facilitate electronic and mobile commerce. UNCTAD has been assisting developing countries in this area for more than a decade, and continued in 2012, notably through its support to the East African Community (EAC) and to the Association of Southeast Asian Nations (ASEAN).

Assistance to EAC was initiated as early as 2007 in response to calls by its Council of Ministers to support the e-government and e-commerce regional integration process. Since then UNCTAD has been assisting the EAC task force on cyberlaws build a harmonized framework across the five partner states. As a result, EAC Legal Framework for Cyber Laws Phase I – covering electronic transactions, electronic signatures and authentication, cybercrime as well as data protection and privacy – was adopted in 2010 by the EAC’s Council of Ministers and is currently under implementation at the national-level.

UNCTAD continued to support EAC’s efforts to adapt the regional cyber legislation framework to its evolving needs, such as the integration of mobile money in its legal framework. Indeed, the EAC is a world leader in offering mobile money services and hosts more than one quarter of all such known systems in Africa. UNCTAD published *Mobile Money for Business Development in the East African Community: A Comparative Study of Existing Platforms and Regulations*, which provides an overview of the current mobile money landscape in EAC. It also describes the status of the regulatory framework in each of the five EAC countries and makes

“ The development of cyber laws in the region is critical to underpinning the realization of full potentials in regional e-commerce, electronic financial transactions and business processes outsourcing. ”

Honorable Musa Sirma, Chairperson of the EAC Council of Ministers and Minister for the East African Community, Kenya



Participants ASEAN/UNCTAD workshop on the review of e-commerce laws harmonization in ASEAN, 10-11 November 2012, Cebu, the Philippines.

broad recommendations for easing access to mobile money services, making the tools offered more useful and protecting those who use them.

Together with the ASEAN secretariat, UNCTAD launched a comprehensive review of harmonization of e-commerce legislation achieved in the region, in support of the implementation of the ASEAN ICT Master Plan 2015. The first ASEAN/UNCTAD workshop was subsequently organized in Cebu (the Philippines) in November 2012. Attended by more than twenty senior officials from the ten ASEAN member States and United Nations agencies such as the United Nations Commission on International Trade Law (UNCITRAL), participants discussed advances and challenges in adopting and enforcing e-commerce legislation, as

well as new legal and regulatory issues arising from evolving technologies and applications, and produced a set of tentative conclusions and recommendations identifying and highlighting crucial cyber issues in the region. The outcome of the discussions were reported to the ASEAN Telecommunications Senior Officials Meeting (TELSOM), which welcomed the review by UNCTAD and its presentation at the Joint Working Group TELSOM Meeting in March 2013.

PROMOTING SOUND SCIENCE, TECHNOLOGY AND INNOVATION POLICIES FOR DEVELOPMENT

Science, technology and innovation (STI) are powerful tools that can be harnessed for development under the right conditions. Policymakers in many developing countries are trying to create these conditions through policy action, and UNCTAD continues to assist them in building capacity to achieve this goal. UNCTAD's STIP reviews assess national STI policies and capacity in developing countries, and suggest policy action to build STI capabilities in order to promote development. In 2012, the STIP review for the Dominican Republic was issued, raising the total number of these reviews prepared to date to eleven. In line with a new implementation framework published by UNCTAD in 2011, efforts have been undertaken to support follow-up activities to implement the outcome of *STIP Reviews*. Thus, in 2012 support was provided to both Peru and El Salvador as follow-up to the reviews of these countries that were issued in 2011, through training workshops on intellectual property rights management, and the design and management of innovation funds. These workshops were attended by almost one hundred local experts and policymakers. Efforts were also made during 2012 to broaden the geographical coverage of future reviews, as well as on designing a programme for capacity-building STI policies for sustainable development, which will be launched in 2013.

“ We trust that this workshop will have a multiplier effect and will provide a basis for the continued diffusion of intellectual property as an instrument for the promotion of innovation and the productive development of our country. ”

Mr. Mauricio González del Rosario,
Chief, Technical Cooperation and International Relations, INDECOPI (Peru)



Panelists at the review of the national science, technology and innovation policy reviews of Peru and El Salvador held during the fifteenth session of the Commission on Science and Technology for Development, 21–25 May 2012, Geneva, Switzerland.

UNCTAD continued to facilitate intergovernmental discussions on STI policy through the finalization of the first series of Multi-year Expert Meetings (MYEMs) on Enterprise Development and STI. The final in a series of four expert meetings culminated with the release of UNCTAD’s methodology for the implementation of STIP reviews, based in part on the discussions of the expert meetings. The second series of MYEMs to begin in 2013 will also address STI policy issues along with discussions on FDI and enterprise development.

MEASURING THE INFORMATION ECONOMY

Developing better data to measure the information economy remains a key priority for UNCTAD’s work on ICT for development. Thanks to financial support from the Government of Sweden, this work will be accentuated in the next three years. The Swedish International Development Cooperation Agency (Sida) decided to support capacity-building for national

statistical offices, as well as the development of better indicators to measure the gender dimension of ICT for development and the trade in ICT services. In this context, UNCTAD will work closely with the Partnership on Measuring ICT for Development and other relevant international organizations. The Partnership on Measuring ICT for Development is an international, multi-stakeholder initiative to improve the availability and quality of ICT data and indicators, particularly in developing countries. There are twelve current partners including UNCTAD, the International Telecommunication Union (ITU), OECD and the United Nations Regional Commissions.

Sida’s contribution will also support a joint UNCTAD–ILO project to integrate the ICT dimension in assessments of policies to promote women entrepreneurship development. This project emerged out of the analysis in the *Information Economy Report 2011*, which analyzed the link between ICTs and private sector development.



Panelists at the tenth world telecommunications/ ICT indicators meeting, 25–27 September 2012, Bangkok.



Regional consultation on strengthening competitiveness in South Asia in leather and leather products, 3–4 September, Chennai, India.

DEVELOPMENT-ORIENTED INTEGRATION IN SOUTH ASIA

With the support of ADB and the Commonwealth Secretariat, UNCTAD organized with the Council of Leather Exports of India and the Federation of Indian Small and Medium-sized Enterprises (FISME), a regional industry consultation meeting in Chennai (India), from 3 to 4 September 2012, which considered regional supply chains in the leather industry in South Asia. The meeting, which was attended by leading policymakers, association heads, exporters and other stakeholders from the region's leather sector, considered a study which proposed, among other things, the establishment of a regional industry association and a regional investment agreement to promote much needed intra-regional investments in the leather industry.

As a result, the Leather Industry Association of South Asia — the first-ever regional industry association — was established during the meeting to pursue regional supply chains and other collaborations. The idea of a regional investment agreement was also welcomed during consultations and is expected to be pursued in due course. Building on this successful outcome, and in continued collaboration with the Commonwealth Secretariat, UNCTAD was asked to replicate this project for sub-Saharan Africa. The project will identify and promote potential supply chains in the textiles and clothing sector, agro-processing industry and leather industry. Consultations for the studies undertaken under the project will provide a common platform for the industry, policymakers, academia and other stakeholders in the region.

PROMOTING BETTER CORPORATE GOVERNANCE AND TRANSPARENCY

In the aftermath of the financial crisis, UNCTAD's role, through its International Standards of Accounting and Reporting (ISAR) programme, has significantly increased as successive G20 meetings have highlighted the need for convergence towards a single set of high quality global accounting standards as one of the key factors in strengthening the international financial regulatory system and global financial stability.

In 2012, UNCTAD continued work on the development of an Accountancy Development Tool (ADT), initiated in 2009. The aim of this tool is to assist policymakers strengthen accounting infrastructures to achieve high-quality corporate reporting. The tool is composed of the Accounting Development Framework for high-quality corporate reporting and a related measurement tool, the Accounting Development Indicators (ADI). The ADI provides guidance to countries on the current level of development of their accounting infrastructure in order to identify gaps and determine priority areas for further development.

Throughout 2012 the tool was tested in nine pilot countries namely: Brazil, China, Côte d'Ivoire, Croatia, Mexico, the Russian Federation, the Netherlands, South Africa and Viet Nam. Several country level roundtables were conducted with the participation of



Participants at the twenty-ninth session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting, 31 October–2 November 2012, Geneva, Switzerland.

“ We now operate in a world economy that transcends national borders, where FDI accounts for a huge proportion of overall investment. In this respect, the benefit of a universal accounting language is clear: investors need high-quality information to make informed decisions. ”

**Mr. Michel Prada, Chairman, Board of Trustees,
International Financial Reporting Standards Foundation**



Mr. Michel Prada, Chairman, Board of Trustees, International Financial Reporting Standards Foundation, addressing the twenty-ninth Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting, 31 October–2 November 2012, Geneva, Switzerland.

ADAPTING COMPETITION AND CONSUMER POLICIES TO MEET DEVELOPMENT AND CONSUMER WELFARE OBJECTIVES

The Intergovernmental Group of Experts on Competition Law and Policy (IGE) is an UNCTAD standing body which brings together competition policy officials and experts to discuss and foster international cooperation and collaboration on competition policy issues facing the international community.

The twelfth session of the IGE (9–11 July 2012) addressed: (a) competition policy and public procurement; (b) knowledge and human resource management for effective competition law enforcement; and (c) challenges for developing countries and countries with economies in transition in cross-border anti-competitive practices. Over 300 delegates from 80 countries, and international and regional organizations attended the three-day meeting. The peer review exercise continued with landmark work focusing upon LDCs, with presentations of the first tripartite peer review of the United Republic of Tanzania, Zambia and Zimbabwe competition regimes, as well as the peer review of Mongolia's competition regime. In 2012, Ukraine, Nicaragua and Pakistan expressed their interest in volunteering for the upcoming peer reviews, to be undertaken during the next IGE in July 2013, further demonstrating the benefits and relevance of this approach. UNCTAD has already begun providing assistance with the preparation of the necessary background reports and related work with the relevant stakeholders.

The IGE session also held discussions on the revised versions of chapters III (restrictive agreements and arrangements) and VIII (possible aspects of consumer protection) of the UNCTAD Model Law on Competition

key stakeholders which facilitated coordination and cooperation between main agencies in the area of corporate reporting. Feedback and lessons learned from these pilot tests have enabled further fine tuning of ADT. Several countries have already used the results of the assessment exercise to develop national action plans to strengthen the accounting infrastructure. The results of this work was presented and discussed during the ISAR 29th Annual Meeting (31 October–2 November 2012) which was attended by over 270 participants from close to 80 member States. Participants confirmed ADT was a very useful tool for assisting them to assess their respective regulatory, institutional and human-capacity arrangements and capabilities; facilitate stakeholder dialogue; identify gaps by benchmarking against globally recognized standards and codes; and improve a country's investment climate. Fourteen countries expressed their interest in the implementation of ADT, including its online version, before the 30th ISAR session in 2013.



Participants at the Intergovernmental Group of Experts on Competition Law and Policy, 9–11 July 2012, Geneva, Switzerland.

Legislation. The secretariat also published a *Handbook on Competition Legislation Consolidated Report 2011-2012*, which includes national competition policy of 40 countries and commentaries made by member States during IGE sessions. The report will be updated each year and helps countries prepare and/or further revise and update national competition legislation, in particular as a complementary material to the UNCTAD Model Law on Competition.

The IGE was followed by the Ad Hoc Expert Meeting on Consumer Protection (12–13 July 2012), in response to the invitation formulated at the sixth United Nations Review Conference held in Geneva in November 2010. UNCTAD addressed: (a) the interface between competition and consumer protection policies; (b) emerging issues in consumer protection; and (c) the possibility of updating the *United Nations Guidelines on Consumer Protection*. The agreements adopted at the meeting reaffirmed the fundamental role of consumer protection policy for inclusive economic development, the importance of the empowerment of consumers

and emphasized the need to revise the *United Nations Guidelines for Consumer Protection* in order to assess how relevant the guidelines are in today's market place. The UNCTAD secretariat was requested to prepare a draft report containing proposals for revised guidelines for consideration by the next session of the IGE, and has already engaged in advisory and technical missions to raise awareness, gather support and build consensus towards the follow-up to the recommendations made of the ad hoc expert meeting.

UNCTAD supports developing countries raise awareness of the role of competition and consumer protection policies, and strengthen capacities in various competition institutions through the technical assistance programme on competition and consumer protection policies, and the regional technical assistance programmes COMPAL and AFRICOMP. In addition, UNCTAD continued to promote the development of a competition culture and support for development of competition law and policy in other countries.



Tripartite peer review dissemination event, 19–20 November 2012, Harare.



Participants at the closing ceremony of the third annual Compal Conference, 20–22 June 2012, Lima.



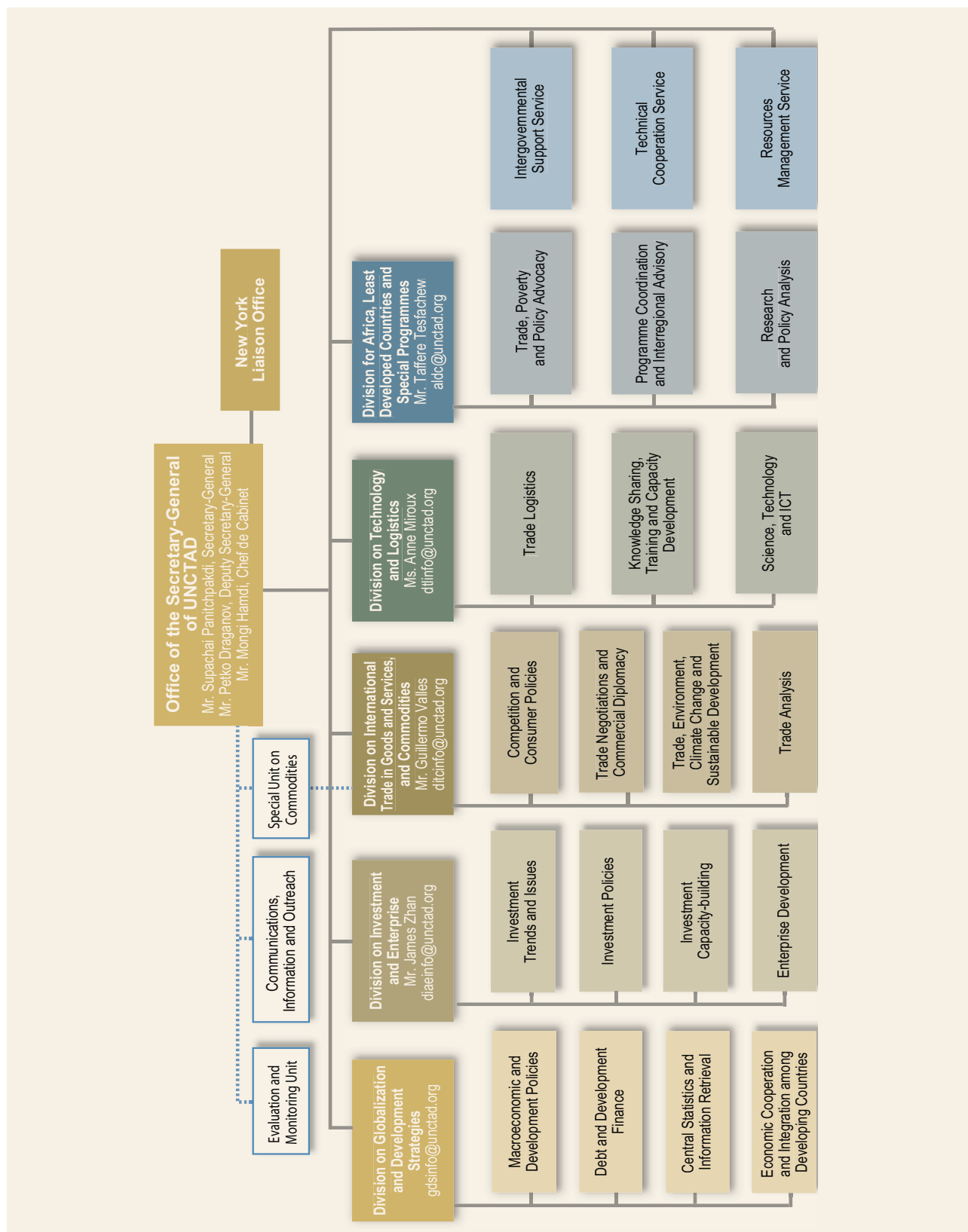
ANNEX A. UNCTAD ORGANIZATIONAL CHART

ANNEX B. OBJECTIVES, EXPECTED
ACCOMPLISHMENTS AND INDICATORS OF
ACHIEVEMENT FOR THE 2012–2013 BIENNIUM

ANNEX C. SUPPORTING CAPACITY-BUILDING
IN 2012

ANNEX D. UNCTAD CALENDAR OF MEETINGS
FOR 2013

ANNEX A. UNCTAD ORGANIZATIONAL CHART



ANNEX B. OBJECTIVES, EXPECTED ACCOMPLISHMENTS AND INDICATORS OF ACHIEVEMENT FOR THE 2012–2013 BIENNIUM

Within the existing results-based framework, the UNCTAD secretariat conducts its work against a logical framework established in its Biennial Programme Plan. While the performance targets are established for a two-year period, assessments are conducted regularly, and formally reported at the end of the first year of the biennium to compare progress against what was planned in order to consider any required management action to support the achievement of the desired results. The following tables present the interim results at the close of 2012.

Executive direction and management				
Objective: To enable UNCTAD to be of further service to its member States and to ensure full implementation of the legislative mandates and compliance with United Nations policies and procedures with respect to the management of the programme of work and of staff and financial resources.				
Expected accomplishments (EA)				
	Indicators of achievement	Performance targets for 2012–2013	Actual performance in 2012	Description of results
EA (a)	Programme of work is effectively managed			
	Timely delivery of outputs and services (percentage of outputs and services delivered on time)	92 per cent	41 per cent	In 2012, UNCTAD delivered 41 per cent of its planned outputs for the 2012-2013 biennium
EA (b)	Enhanced policy coherence in the management of the economic and social activities of the United Nations			
	Increase in the number of activities carried out in collaboration with other entities	52 activities	20 activities	UNCTAD collaborated with United Nations system organizations, NGOs, and governments in 20 activities, in areas of research and policy analysis, consensus-building, technical cooperation, and seminars and workshops
EA (c)	Improved dissemination and increased visibility of the work of UNCTAD			
	Increase in the number of citations in the media of the work of UNCTAD	14,500 media citations	6,500 media citations	Some 6,500 UNCTAD-related press clippings were collected by search engines relating to various aspects of UNCTAD's work
EA (d)	Improvement in the mainstreaming of a gender perspective in the work of UNCTAD			
	(i) Increased number of initiatives mainstreaming a gender perspective in the work of UNCTAD	12 initiatives	17 initiatives	In 2012, UNCTAD implemented 17 gender initiatives such as the High-Level Event on Women in Development, the publication of a country case study on Lesotho; and a study on the role of women in the fisheries sector in the Gambia
	(ii) Increased percentage of women benefiting from UNCTAD activities (percentage of participants in UNCTAD training sessions, courses, seminars and workshops are female)	39 per cent	37 per cent	In 2012, 37 per cent of participants in UNCTAD training sessions, courses, seminars and workshops were female
EA (e)	Increased timeliness of submission of documentation			
	Increased percentage of pre-session documents submitted in accordance with the required deadline	92 per cent submitted on time	95 per cent submitted on time	78 out of 82 documents received for UNCTAD conferences were submitted on time, achieving a 95 per cent submission compliance rate

Subprogramme 1 - Globalization and development strategies

Objective: To promote economic policies and strategies at the national, regional and international levels that are supportive of sustained growth, inclusive and sustainable development, full employment and decent work for all, and hunger and poverty eradication in developing countries, especially least developed countries

Expected accomplishments (EA) and performance for indicators of achievement

	Indicators of achievement	Performance targets for 2012–2013	Actual performance in 2012	Description of results
EA (a)	Increased understanding of the global economic environment and of policy choices at the national, regional and international levels			
	(i) Increased number of policymakers and beneficiaries indicating the usefulness of UNCTAD recommendations for the national policymaking process	45 policymakers and beneficiaries	91 policymakers and beneficiaries	91 of the 110 respondents to the UNCTAD's publication survey gave the highest ratings to the TDR on the question regarding its usefulness in enhancing understanding of the issues
	(ii) Increased number of statements at intergovernmental meetings and in the media on policy choices based on UNCTAD research	45 member States who made statements	34 member States who made statements	34 statements were made by member States or groups at the Trade and Development Board
	(iii) Increased number of developing countries realizing positive per capita growth rates and pursuing growth-oriented macroeconomic and financial policies advocated and monitored by UNCTAD	30 developing countries	88 developing countries	88 countries recorded increases in per capita GDP over 2011–2012, all of which pursued at least three macroeconomic and financial policy recommendations advocated by UNCTAD
	(iv) Increased number of UNCTAD activities to promote South–South cooperation	30 activities	22 activities (estimate)	At least 22 studies, meetings, presentations, advisory services and training workshops were delivered in 2012 on the subject of South–South cooperation
EA (b)	Progress towards a durable solution to the debt problems of developing countries by fostering better understanding at all levels of the interplay between successful development finance strategies, debt sustainability and effective debt management			
	(i) Increased number of institutions/countries using the capacity-building services of the Debt Management and Financial Analysis System programme	104 institutions and 67 countries	106 institutions and 69 countries	Debt management offices of 69 countries and 106 institutions have benefited from the DMFAS programme, and have strengthened their capacities in debt management and financial analysis
	(ii) Increased number of international and national policy positions and initiatives in the area of debt and development finance incorporating contributions from UNCTAD (number of international and national policy positions and initiatives)	26 international and national policy positions and initiatives in the area of debt and development finance incorporating contributions from UNCTAD	24 international and national policy positions and initiatives in the area of debt and development finance incorporating contributions from UNCTAD (estimate)	Approximately 24 endorsements of UNCTAD's policy analysis and recommendations in the area of debt and development finance by member States at the TDB and at the Second Committee of the General Assembly
	(iii) Increased number of developing countries, assisted by UNCTAD through the Debt Management and Financial Analysis System, that have improved external debt positions	7 developing countries	34 developing countries	34 developing countries using DMFAS have seen their ratio external debt stock over gross national income decreased between 2011 and 2007, based on World Bank external debt statistics, 2012

EA (c)	Improvement of decision-making, at the national and international levels, on economic policies and development strategies, on the basis of empirical, reliable and timely statistics and indicators highlighting the interlinkages between globalization, trade and development			
	(i) Increased number of countries using statistical variables and derived indicators developed and maintained by UNCTAD Central Statistical Service	160 countries	195 countries	A total of 195 countries use the statistical variables and derived indicators developed and maintained by UNCTAD Central Statistical Service
	(ii) Increased number of institutions and member States using UNCTAD statistical data regarding trade, financial and economic policies	1,800 institutions and member States	2,091 institutions and member States	A total of 2,091 institutions and member States use UNCTAD statistical data regarding trade, financial and economic policies via its UNCTADstat portal
EA (d)	Improved policy and institutional capacities, and enhanced international cooperation for the recovery and sustained development of the Palestinian economy			
	Increased number of Palestinian development initiatives and institutions benefiting from UNCTAD research findings, recommendations and technical cooperation activities	11 initiatives/institutions	6 initiatives/institutions	6 initiatives/documents in the form of draft laws, policy papers, technical cooperation project documents, bylaws, business plans were directly linked to UNCTAD research findings, recommendations and technical cooperation activities

Subprogramme 2 – Investment and enterprise development

Objective: To ensure developmental gains from increased investment flows, designing policies, enhancing international competitiveness and boosting productive capacities of all developing countries, in particular those in Africa and least developed countries, as well as landlocked developing countries, small island developing States and other structurally weak, vulnerable and small economies

Expected accomplishments (EA) and performance for indicators of achievement

	Indicators of achievement	Performance targets for 2012–2013	Actual performance in 2012	Description of results
EA (a)	Increased understanding of various key public and private investment issues and of the impact of foreign direct investment on development, as well as of related policies that could promote development gains from such investment			
	(i) Increased number of countries and other stakeholders responding to evaluation surveys and reporting a better understanding of public and private investment issues	170 countries and other stakeholders	129 countries and other stakeholders	For 2012, a total of 129 countries and other investment stakeholders indicated a better understanding of public and private investment issues when responding to questionnaires surveys related to UNCTAD's flagship activities in the area
	(ii) Increased number of statements by member States indicating that they have implemented policy recommendations and utilized methodology provided by UNCTAD in the area of international investment	30 statements by member States	27 statements by member States	27 member States stated that they had implemented policy recommendations and used methodology provided by UNCTAD in the area of international investment, such as the recommendations stemming from the Investment Policy Reviews of their country
EA (b)	Increased ability of developing countries to create an environment conducive to attracting and benefiting from investment for development			
	(i) Increased number of countries benefiting from UNCTAD assistance, including investment policy reviews and e-tools, and implementation of national policies towards incentivizing foreign direct investment	30 countries	29 countries	A total of 29 countries benefited in 2012 from UNCTAD assistance, including investment policy reviews and e-tools, and implementation of national policies towards incentivizing FDI

	(ii) Increased number of developing countries benefiting from UNCTAD assistance, demonstrating improved performance on the basis of various benchmark indicators, monitored by UNCTAD	25 developing countries	13 developing countries (estimate)	13 countries for which an Investment Policy Review was published more than three years ago, for instance, Rwanda, Viet Nam and Zambia, have experienced significant increases in FDI inflows
EA (c)	Increased understanding of key and emerging issues related to international investment agreements and their development dimension and enhanced capacity in negotiating and implementing investment treaties and managing investor-State disputes			
	(i) Increased number of statements by policymakers/negotiators reporting on the effects of international investment agreements	120 statements	61 statements	In 2012, 61 policy makers and negotiators reported on the effects of IIAs and indicated that UNCTAD's intervention facilitated their work
	(ii) Increased number of member States participating in negotiating and implementing investment treaties, and managing investor-State disputes, as reflected in various types of feedback from policymakers and negotiators	7 member States	8 member States	In 2012, an additional 8 member States participated more effectively in negotiation and implementation of investment treaties as a result of UNCTAD's advisory services in IIAs
EA (d)	Enhanced understanding and capacity to develop international competitiveness through the development of policies aimed at: (i) stimulating enterprise development and business facilitation; (ii) promoting best practices in corporate social responsibility and accounting; and (iii) establishing competitive and well-regulated insurance markets			
	(i) Increased number of countries using UNCTAD policy measures and tools in the design of policies aimed at strengthening entrepreneurship and the competitiveness of their firms	27 countries	17 countries	17 additional countries used in 2012 UNCTAD policy measures and tools such as the Entrepreneurship Policy Framework, the Empretec programme and the Business Linkages programme
	(ii) Increased number of countries using guidance and tools developed by UNCTAD in the areas of accounting, entrepreneurship, insurance, business facilitation, e-tourism and corporate reporting	20 countries	18 countries	An additional 18 countries used tools developed by UNCTAD such as the Accounting Development Tool and the sustainable stock exchange initiative

Subprogramme 3 – Component 1: International trade in goods and services

Objective: To ensure the effective, qualitative and beneficial participation of all countries, in particular developing countries, with enhanced work on the special problems of Africa, least developed countries, landlocked developing countries, small island developing States, and other structurally weak, vulnerable and small economies, in international trade and the trading system in order to make trade a positive force for all

Expected accomplishments (EA) and performance for indicators of achievement

	Indicators of achievement	Performance targets for 2012–2013	Actual performance in 2012	Description of results
EA (a)	Strengthened capacity of developing countries and countries with economies in transition to integrate beneficially into the global economy and the international trading system, including services development and trade, by designing and implementing trade policies and participating effectively and coherently in bilateral, regional (including South-South) and multilateral trade negotiations as well as to address the situations arising from the increasing cost of trade finance			
	(i) Increased number of countries increasing their participation in trade negotiations through the submission of trade negotiating proposals in bilateral, regional and multilateral trade negotiations, including South-South trade negotiations and WTO accession processes	41 countries	40 countries (estimate)	In 2012, 40 countries (estimate) increased their participation in trade negotiations through the submission of trade negotiating proposals in bilateral, regional and multilateral trade negotiations, including South-South trade negotiations and WTO accession processes

	(ii) Increased number of developing countries benefiting from UNCTAD assistance in integrating trade and development concerns into their national development plans and poverty reduction strategies	16 developing countries	15 developing countries (estimate)	15 developing countries (estimate) benefited from UNCTAD assistance in integrating trade and development concerns into their national development plans and poverty reduction strategies
EA (b)	Further improvement in trade and trade-related decision-making and addressing the trade and development impact of non-tariff barriers through use of analytical tools, databases and software, such as the Trade Analysis and Information System or the World Integrated Trade Solution			
	(i) Increased number of active users of the Trade Analysis and Information System, through either the Internet or the World Integrated Trade Solution, and of the Agriculture Trade Policy Simulation Model	43,000 users	41,000 users (estimate)	An estimated 41,000 users of the Trade Analysis and Information System and the Agriculture Trade Policy Simulation Model were recorded in 2012
	(ii) Increased number of specific actions taken by member States to reduce or eliminate arbitrary or unjustified non-tariff barriers in international trade	6 actions	6 actions (estimate)	At least six actions aimed at reducing or eliminating NTBs were achieved in bilateral/regional negotiations on preferential trade agreements
EA (c)	Enhanced capacities of developing countries and countries with economies in transition to prepare and implement national and regional competition laws, address the challenges arising from global economic crises in implementing competition and consumer protection legislation			
	(i) Increased number of developing countries establishing or revising and implementing national and/or regional (including South–South) competition and consumer protection legislation and institutional frameworks	15 developing countries	14 developing countries	In 2012, officials from 14 developing countries participated in training by UNCTAD that facilitated the establishment, revisions, and/ or implementation of national and/or regional (including South–South) competition and consumer protection legislation and institutional frameworks of their respective countries
	(ii) Increased number of voluntary consultations, as envisaged in section F of the Set of Multilaterally Agreed Equitable Principles and Rules for the Control of Restrictive Business Practices	4 voluntary consultations	13 voluntary consultations	A total of 13 voluntary consultations have been undertaken, in accordance with section F of the United Nations Set on Competition at the regional level with the Forum of Presidents of Legislative Branches in Central America and the Caribbean (FOPREL), Andean Community, Latin American and Caribbean Economic System (SELA), the Common Market for Eastern and Southern Africa (COMESA), European Community of West African States (ECOWAS)
EA (d)	Strengthened capacity of developing countries to design and implement mutually supportive trade, environment, climate change and sustainable development objectives in development strategies at all levels			
	(i) Increased number of developing countries designing and implementing policies, plans, programmes, normative initiatives and institutional arrangements with a view to taking advantage of trade and investment opportunities and promoting their sustainable development objectives	34 developing countries	33 developing countries (estimate)	In 2012, an estimated 33 developing countries designed and implemented policies, plans, programmes, normative initiatives and institutional arrangements, such as in the area of organic agriculture, to take advantage of trade and investment opportunities and promote sustainable development objectives
	(ii) Increased number of developing countries participating in the Biotrade and Biofuels initiatives	17 developing countries	16 developing countries	A total of 16 developing countries participated in the Biotrade and Biofuels initiatives through various seminars, training and workshops such as «The Trade Dimension of Rio+20: Unpacking the Issues», and side events on the occasion of the Rio+20 Summit in Rio de Janeiro, such as the Biotrade Congress

Subprogramme 3 – Component 2: Commodities

Objective: To harness development gains from the commodity economy for commodity-dependent developing countries, as well as to deal with trade and development problems related to commodity dependence

Expected accomplishments (EA) and performance for indicators of achievement

	Indicators of achievement	Performance targets for 2012–2013	Actual performance in 2012	Description of results
EA	Improved capacity of commodity-dependent developing countries to address trade and development problems associated with the commodity economy and to seize opportunities emerging from commodity trade and enhanced international and regional cooperation			
	(i) Increased amount of research for alternative agriculture production in economies dependent on commodities with the aim of diversifying their production and manufacture by increasing the added-value of their commodities	12 research outputs	6 research outputs	Five research papers and one activity were carried out in 2012 in research and analysis on commodities and trade-related issues of importance to the commodity-dependent developing countries, such as the <i>UNCTAD Commodities and Development Report</i> and the <i>Commodity Policy Review</i> , etc
	(ii) Increased number of commodity-dependent developing countries adopting policy measures and tools recommended by UNCTAD in designing policies aimed at the diversification of export earnings	17 commodity-dependent developing countries	5 commodity-dependent developing countries	In 2012, five commodity-dependent developing countries adopted policy measures and tools recommended by UNCTAD, including: Guinea Bissau, Cameroon and the Niger

Subprogramme 4 – Technology and logistics

Objective: To strengthen science, technology and innovation, including information and communication technologies; efficient trade logistics services and transit transport systems; and training and capacity-building programmes for local institutions with a view to enhancing the economic development and competitiveness of developing countries

Expected accomplishments (EA) and performance for indicators of achievement

	Indicators of achievement	Performance targets for 2012–2013	Actual performance in 2012	Description of results
EA (a)	Improved efficiency of trade logistics of developing countries			
	(i) Increased number of specific, identifiable actions taken by developing countries to improve trade logistics, such as actions to cut transport and transaction costs; improve effective transit systems, transport efficiency and connectivity; and establish a supportive legal framework, with the assistance of UNCTAD	22 actions	14 actions	The 14 actions include the development of a regional strategy for trade logistics systems improvement; and the adoption of implementation plans to develop capacity to comply with a future WTO Trade Facilitation agreement
	(ii) Increased number of measures adopted by developing countries using the Automated System for Customs Data to further improve the efficient management of their customs administration, with the assistance of UNCTAD	22 measures	13 measures	Six countries migrated to the latest version of the system while four countries are developing single window systems based on ASYCUDA. Three other countries developed a common transit system
	(iii) Increased number of developing countries demonstrating improved performance on the basis of benchmark indicators related to customs processes, with the assistance of UNCTAD	22 developing countries	12 developing countries	Twelve developing countries demonstrated improved performance against benchmark indicators such as the World Bank's Logistics Performance Index and other relevant indicators

EA (b)	Improved awareness and adoption of national and international policies in the area of science, technology and innovation, as well as information and communication technologies			
	(i) Increased number of specific actions or policy measures taken by developing countries to implement programmes aimed at enhancing the contributions of science, technology and innovation and information and communications technology to development, with the assistance of UNCTAD	30 actions or measures	11 actions or measures	A total of 11 actions or measures were taken by developing countries to implement programmes aimed at enhancing the contributions of STI and information and communications technology to development. For example, Uganda adopted four new regulations following UNCTAD assistance
	(ii) Increased number of cooperation initiatives at the subregional, regional and international levels in the areas of science and technology and information and communications technology, with the assistance of UNCTAD	22 initiatives	9 initiatives	Nine cooperation initiatives were carried out in 2012. For example: the Association of Southeast Asian Nations (ASEAN) secretariat requested the review of cyberlaw harmonization in the ASEAN, guided by UNCTAD survey results and workshop; the Working Group of the Statistical Conference of the Americas decided to produce a module on ICT use for business surveys, guided by UNCTAD experts
EA (c)	Better understanding, at the national level, of policy options and best practices on science and technology for development, and information and communication technologies for development, including the follow-up to the outcomes of the World Summit on the Information Society			
	Increased number of countries adopting national and international measures on science and technology arising from resolutions of the Commission on Science and Technology for Development and the Economic and Social Council	12 countries	6 countries	Six countries adopted science and technology measures arising from STI policy review or the resolutions of the Commission on Science and Technology for Development and the Economic and Social Council
EA (d)	Enhanced capacities in developing countries in the areas of trade and investment and interrelated issues, through cross-divisional capacity-building programmes providing research, teaching and training to local institutions in developing countries			
	Increased number of specific actions taken by developing countries to strengthen the capacities of human resources and local institutions in the areas of trade and investment and related issues, as a result of UNCTAD assistance	16 actions	9 actions	Nine actions were taken by developing countries to strengthen the capacities of human resources and local institutions in the trade and investment related areas. For example, a Namibian participant to UNCTAD's Port Training Programme credits the programme with helping her become the first woman to manage a terminal at the country's Walvis Bay Port

Subprogramme 5 – Africa, least developed countries, and special programmes

Objective: To promote development of national policies and international support measures, which build productive capacities for economic development and poverty reduction in Africa, least developed countries and other groups of countries in special situations (landlocked developing countries, small island developing States, and other structurally weak, vulnerable and small economies), and their progressive and beneficial integration into the global economy

Expected accomplishments (EA) and performance for indicators of achievement

	Indicators of achievement	Performance targets for 2012–2013	Actual performance in 2012	Description of results
EA (a)	Increased adoption of UNCTAD's practical policy recommendations to promote African development in the areas of trade and development			
	Increased number of member States reporting that they have adopted policy recommendations, research findings and conclusions provided by UNCTAD in the area of African development	9 member States	15 member States	Fifteen member States or groups of member States endorsed policy recommendations, research findings and conclusions provided by UNCTAD such as through the <i>2012 Economic Development in Africa Report</i>

EA (b)	Increased consensus on and adoption of policies to address development problems of the least developed countries in the global economy			
	Increased number of member States reporting that they have adopted policy recommendations, research findings and conclusions provided by UNCTAD in the area of the development of least developed countries	9 member States	9 member States	Nine member States or groups of member States endorsed UNCTAD's policy recommendations in the area of the development of LDCs, such as those in the <i>2012 Least Developed Countries Report</i>
EA (c)	Enhanced integration of trade policies and priorities in the national development plans through the Enhanced Integrated Framework for Trade-related Technical Assistance to Least Developed Countries			
	Increased number of least developed countries that have made progress in mainstreaming trade policies and priorities into their national development plans and have implemented the action matrices of the Enhanced Integrated Framework	13 countries	7 countries	UNCTAD provided support to seven LDCs in the context of the Enhanced Integrated Framework, such as updating of Mozambique's DTIS, and contributions to formulate the EIF project tier 2 on trade and investment policy and strategies for Benin
EA (d)	Increased awareness of issues and policy options to alleviate the challenges faced by landlocked developing countries			
	Increased number of landlocked developing countries benefiting from UNCTAD services in various areas of economic policy, with a particular focus on investment, productive capacities and competitiveness	5 countries	4 countries	Rwanda, Burkina Faso and Bhutan benefitted from UNCTAD's services in the area of investment through capacity-building workshops. Paraguay benefitted from UNCTAD's services in the context of the launch of the preparation of the ten-year review programme of the Almaty Programme of Action
EA (e)	Increased awareness of small island developing State policymakers of issues and policy options to build development partnerships conducive to the adoption of relevant international support measures			
	Increased number of small island developing States directly benefiting from UNCTAD services in various areas of economic policymaking with implications for resilience-building and structural transformation	5 small island developing States	5 small island developing States	UNCTAD assisted Cape Verde and Maldives through their graduation from LDC status and assisted Samoa and Vanuatu to prepare for the smooth transition to post-LDC status
EA (f)	Increased awareness of the problems faced by other structurally weak, vulnerable and small economies on the way of their integration into multilateral trading systems			
	Increased number of other structurally weak, vulnerable and small economies using UNCTAD recommendations and services to address their exposure to internal and external economic shocks	6 other structurally weak, vulnerable and small economies	5 other structurally weak, vulnerable and small economies (estimate)	UNCTAD provided assistance to El Salvador, Cameroon, Guatemala, Cote d'Ivoire and Nicaragua in 2012

ANNEX C. SUPPORTING CAPACITY-BUILDING IN 2012

In 2012, UNCTAD implemented 187 projects in 68 countries, with an annual expenditure of just over US \$36 million, a slight decrease from 2011. These included interregional, regional and country-specific projects. Least developed countries accounted for 42 per cent of these expenditures. Contributions by developing countries accounted for 26 per cent of total contribution to trust funds. The Automated System for Customs Data (ASYCUDA) continued to be UNCTAD's largest technical assistance activity, followed by the Debt Management and Financial Analysis System (DMFAS). These two programmes account for 60 per cent of UNCTAD's total technical cooperation delivery in 2012.

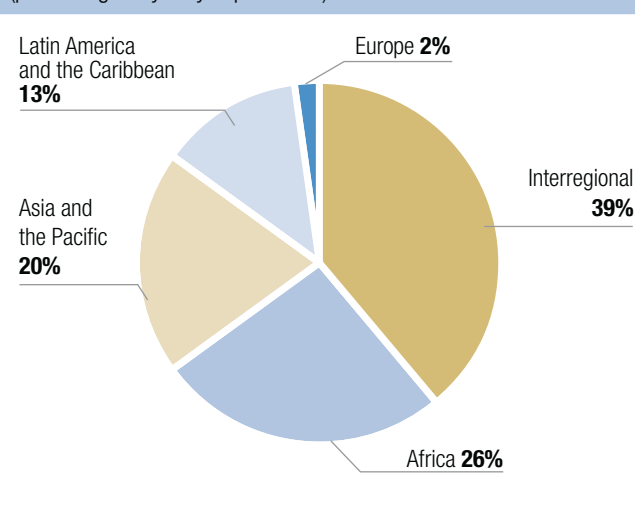
Actions in support of implementation of the Doha Mandate and the decisions of the Trade and Development Board continued with a view to enhancing the impact of UNCTAD's operational activities. This included the process of consolidation and rationalization of its project-based trust funds, in consultations with major donors, within the 17 established thematic clusters, corresponding to UNCTAD's main areas of work. Also, activities in support of system-wide coherence continued to increase. In 2012, UNCTAD received US \$618,691 from allocations to support its participation in joint programmes of the United Nations Inter-agency Cluster on Trade and Productive Capacity, through Specific Partner Contributions and Multi-Partner Trust Funds.

Voluntary contributions to UNCTAD technical cooperation trust funds (member States, public donations and financing from United Nations organizations), **2012** (thousands of United States dollars)

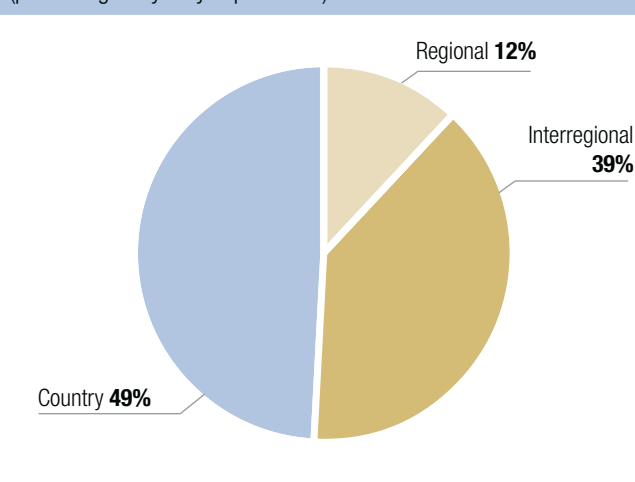
Switzerland	1,719
Sweden	1,585
Germany	1,483
Finland	1,276
Luxembourg	1,251
Norway	1,030
Other developed countries	1,406
Bangladesh	1,491
Uganda	1,024
Rwanda	900
Liberia	835
Lao Democratic People's Republic	685
Kingdom of the Netherlands (Government of Aruba)	620
Other developing countries and economies in transition ^a	8,461
European Commission	3,105
International organizations financing	5,277
Contributions from other sources	660
TOTAL	32,808

^a The major part of contributions from developing countries are self-financed projects for ASYCUDA and DMFAS programmes, financed from proceeds of loans, credits or grants from international financial institutions.

Distribution of project expenditures by region, 2012
(percentage of yearly expenditure)



Distribution of project expenditures by project, 2012
(percentage of yearly expenditure)



ANNEX D. UNCTAD CALENDAR OF MEETINGS FOR 2013*

	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	
JAN					1	2	3	4	5	6	7	8	9	10	11	12	13	14	
FEB	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	
MAR	1	2	3	Working Party on the Strategic Framework and the Programme Budget, sixty-fourth session										14	15	16	17	18	Global Commodities Forum
APR				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
MAY						1	2	3	4	5	6	7	8	9	10	11	12	13	
JUNE	1	2		Commission on Science and Technology for Development, sixteenth session															
JULY				1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
AUG							1	2	3	4	5	6	7	8	9	10	11	12	
SEPT			1	Working Party on the Strategic Framework and the Programme Budget, sixty-fifth session (technical cooperation)															
OCT					1	2	3	4	5	6	7	8	9	10	11	12	13	14	
NOV	1	2	3		Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting, thirtieth session (with workshop)							Ninth International Debt Management Conference (DMFAS) (plus Advisory Group meeting)							
DEC			1	Working Party on the Strategic Framework and the Programme Budget, sixty-sixth session										12	13	14	15	16	

* Information correct as at time of printing.

	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	
	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31			
														Multi-year Expert Meeting on Investment, Innovation and Entrepreneurship for Productive Capacity-building and Sustainable Development						
	19	20	21	22	23	24	25	26	27	28										
							Multi-year Expert Meeting on Trade, Services and Development													
	19	20	21	22	23	24	25	26	27	28	29	30	31							
	Global Commodities Forum		Multi-year Expert Meeting on Commodities and Development		Trade and Development Board, special session			Single-year Expert Meeting on Assessing the Impact of Public-Private Partnerships on Trade and Development in Developing Countries												
	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30					
	Multi-year Expert Meeting on Enhancing the Enabling Economic Environment at all Levels in Support of Inclusive and Sustainable Development													Investment, Enterprise and Development Commission, fifth session						
	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31		
	18	19	20	21	22	23	24	25	26	27	28	29	30							
	Trade and Development Commission, fifth session						Public Symposium with civil society		Trade and Development Board, fifty-seventh executive session (on Africa and reports of Commissions)											
	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31				
	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
	17	18	19	20	21	22	23	24	25	26	27	28	29	30						
	Trade and Development Board, sixtieth session						Trade and Development Board, sixtieth session													
	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31			
								Multi-year expert meeting on Transport, Trade Logistics and Trade Facilitation					Intergovernmental Forum on Mining, Minerals, Metals and Sustainable Development							
	19	20	21	22	23	24	25	26	27	28	29	30								
	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31					

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