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**Activities undertaken by UNCTAD in support of Africa**

**Report by the Secretary-General of UNCTAD**

*Executive summary*

This year's report on the activities undertaken by UNCTAD in support of Africa covers the period May 2015 to April 2016. The report documents the impact of UNCTAD work on Africa's development in the following areas: transforming economies, tackling vulnerabilities and building resilience, improving competitiveness, enriching multilateralism, and empowering people and investing in their future, as highlighted in the *UNCTAD Annual Report 2015*.

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## I. Major highlights

1. UNCTAD made several critical contributions in 2015 to major international events that shaped policymaking in Africa and whose outcomes will affect Africa and the UNCTAD work programme in Africa.

2. The Organization has contributed to the implementation of the post-2015 development agenda. The adoption of the 2030 Agenda for Sustainable Development and of the Sustainable Development Goals commits African countries to deepen their pursuit of structural transformation in order to achieve sustainable development. Africa's success in meeting the Goals will be critical in ensuring global progress towards their implementation. In this context, Africa's efforts to transform its economies will need to be sustained. UNCTAD has made economic transformation a priority in its work programme for developing and African countries. It has played a pivotal role as the leader of the United Nations agency cluster on trade and productive capacity in defining targets associated with Goal 17 on the Global Partnership for Sustainable Development.

3. UNCTAD participation in the Third International Conference on Financing for Development, held in Addis Ababa in June 2015, was marked by the organization of several side events by UNCTAD, which contributed to research-based insights and policy advice on selected financing dimensions. For example, one side event discussed how to finance the Sustainable Development Goals, with a focus on maximizing the benefits and minimizing the risks of private investment. The UNCTAD *World Investment Report 2014* proposed an action plan for investing in the Goals and served as a basis for deliberations at this high-level side event.

4. UNCTAD actively supported African countries, in particular in preparations for the Tenth Ministerial Conference of the World Trade Organization (WTO), held in Nairobi from 15 to 19 December 2015. UNCTAD supported the African Group in preparing substantive negotiating positions on agriculture, services, non-agricultural market access, special and differential treatment, and in linking these to their broader development goals. This support contributed to some positive outcomes for African countries at the Conference, such as the decisions to improve preferential rules of origin for the least developed countries and the extension of the waiver concerning preferential treatment to services and service suppliers of those countries. UNCTAD also organized a series of side events focusing on various aspects of trade, finance, investment and development. This included a session on boosting investment in productive capacities, in collaboration with the African Union and the Government of Kenya.

### **UNCTAD Cabinet briefings**

5. Another initiative through which UNCTAD has supported Africa in 2015 is through the Cabinet Briefing Programme, which is designed to widen the knowledge base of Cabinets in developing countries on trade and development issues. The Governments of Madagascar and Malawi, for example, have benefited from such briefings. The purpose of UNCTAD Cabinet briefings is twofold:

(a) To bring Cabinets up to date on the current state of global and regional economic development and the key issues and challenges facing them as they strive to ensure their countries' economic well-being. This includes the state of the current enabling environment for trade and development, as well as any international negotiations and/or aspects of the global development agenda that may present risks or opportunities to their national development strategies;

(b) To provide a space for high-level dialogue where a country's political leadership can engage in a structured, frank dialogue with senior executives of international organizations and eminent figures involved in international policymaking. The aim is to create a space enabling the exchange of ideas and experiences, in particular with regard to successful strategies and the mitigation of thorny issues.

## II. Projects and missions

6. In 2015, total UNCTAD expenditures on regional and country projects for beneficiaries in Africa amounted to \$12.5 million, representing 31.5 per cent of total project expenditures.

7. There are currently seven projects under way in Africa at the regional level and 74 projects at the individual country level, covering 39 countries.

8. A total of 377 missions<sup>1</sup> to Africa were undertaken by UNCTAD staff members and senior management between January and December 2015, and involved visits to one or more African countries. These missions involved the organization of, attendance and/or presentations at high-level events, seminars and workshops, technical advisory services and technical assistance during project implementation and advocacy activities, including the launch of UNCTAD flagship reports.

9. These 377 missions (official business trips taken by staff members at all levels) resulted in 423 visits to 46 out of 54 African countries.

10. The distribution of UNCTAD staff missions carried out in Africa in 2015 (423 visits) by substantive theme, or category, is shown in the following figure:

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<sup>1</sup> A mission is defined here as an official trip undertaken by a given staff member (holding a temporary-, fixed- or permanent-term contract; General Service and Professional staff; Directors; Assistant Secretary-General; Under-Secretary-General), as recorded in the staff member's travel request. A mission can involve visits to more than one African country during the same trip and can involve being accompanied by other UNCTAD staff members. It includes travel at no cost for UNCTAD but excludes travel of consultants. A few missions in December 2015 may not have been included because of migration issues associated with the new operational system, Umoja.

### Distribution of UNCTAD staff missions in Africa by substantive theme, 2015

A Trade and regional integration and trade-related issues of competition, trade facilitation and trade negotiations, including e-commerce (54 per cent)

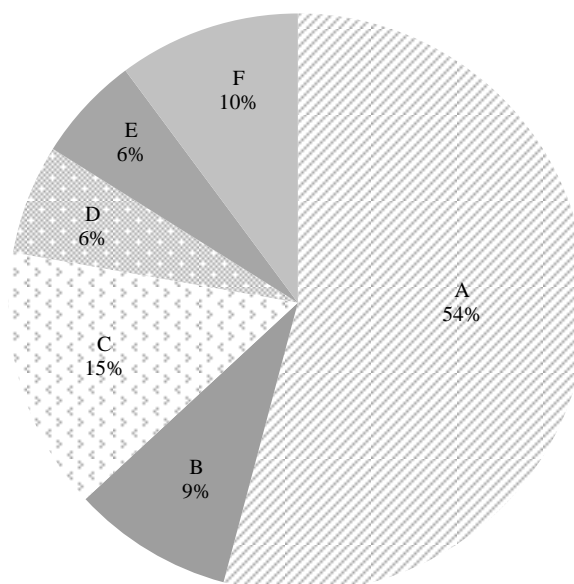
B Debt and finance (9 per cent)

C Investment and investment-related issues of private sector and enterprise development, and intellectual property (15 per cent)

D Environment, natural resources and technology, including e-governance (6 per cent)

E Factor market-related issues, economic diversification and least developed country graduation issues (6 per cent)

F Other (10 per cent)



Source: UNCTAD data based on 423 visits to African countries in 2015.

Note: When a given staff member's travel covers several countries on different themes, the mission is categorized under "other", reflecting the multidisciplinary themes of the trip, for example, people's empowerment.

## III. Outcomes and impact of UNCTAD activities in support of Africa

### A. Transforming African economies

11. UNCTAD research and analysis provide pragmatic policy recommendations that support African countries in their efforts to transform their economies in order to accelerate sustainable development and facilitate the region's integration into the world economy.

#### Transforming rural African economies

12. *The Least Developed Countries Report 2015: Transforming Rural Economies* was launched in more than 25 cities in November 2015. As indicated in the title, the Report focuses on the transformation of rural economies and shows that women comprise half of the rural workforce in the least developed countries but face serious constraints in realizing their productive potential, slowing rural transformation. The Report details a series of policy measures aimed at implementing a new approach to rural development centred on poverty-oriented structural transformation, commonly known by its acronym, POST.

### **Leveraging services and services trade for greater structural transformation and development**

13. The *Economic Development in Africa Report 2015: Unlocking the Potential of Africa's Services Trade for Growth and Development* was launched in several African countries in July 2015. The Report advocates better leveraging of the services trade in Africa as an engine of growth, employment creation and development, and provides actionable policy recommendations to that effect. The main messages and policy findings of the Report were disseminated to a group of high-level government officials from French-speaking least developed African countries in Cotonou in December 2015. At an UNCTAD workshop in Senegal, the Senegalese Minister of Trade, Industry and the Informal Economy commended UNCTAD for the excellent research and analysis that went into the Report.

14. During the reporting period, UNCTAD conducted a series of training workshops in Africa to build the human and institutional capacities of African stakeholders in harnessing the opportunities arising from the services sector and the services trade as an engine of economic transformation.

### **Building capacities of African trade officials in services trade negotiations**

15. Services are essential to the effective functioning of national economies. African countries need a productive and efficient services sector that can help boost the competitiveness of other sectors deemed critical for Africa's economic transformation. In that respect, UNCTAD organized a series of training workshops during the reporting period to build the capacities of African negotiators in services trade negotiations, be it at the bilateral, regional or multilateral levels. For instance, UNCTAD and the African Union Commission held training workshops on trade-in-services negotiations for African Union Continental Free Trade Area negotiators in Nairobi in August 2015 (English-speaking countries) and another in Dakar in December 2015 (French-speaking countries). As a result, over 20 trade negotiators from 19 English-speaking African countries, 4 African regional economic communities<sup>2</sup> and the African Union Commission benefited from this training.

16. At the francophone workshop, a representative of the Economic Community of West African States requested that UNCTAD conduct a regional services policy review for its Member States. In response, UNCTAD developed a methodology to support the Commission of the Community and its Member States in preparing a regional services policy review to examine regulatory preparedness and sector development issues.

17. UNCTAD conducts activities across its three pillars of work – research and analysis, technical assistance and consensus-building – to help African countries harness domestic and foreign investment as a means to catalyze structural transformation in their economies.

### **Harnessing investment for structural transformation through investment policy reviews**

18. UNCTAD investment policy reviews support African countries in attracting foreign direct investment by conducting diagnostic studies of the legal, regulatory and institutional frameworks for investment that are specific to each country and by identifying areas for improvement. Investment policy reviews are aimed not only at attracting foreign direct investment but also at obtaining increased benefits from them. During the reporting period, UNCTAD published such a review for Madagascar, which was discussed at a national workshop in Antananarivo in September and presented at an intergovernmental peer review

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<sup>2</sup> Common Market for Eastern and Southern Africa, East African Community, Economic Community of West African States and Southern African Development Community.

in Geneva, Switzerland, in December 2015. In addition, it has started preparing the investment policy review of the Gambia.

19. To help countries implement investment policy review recommendations and further improve their investment environment, UNCTAD provided technical assistance to beneficiary countries of such reviews. Over the reporting period, UNCTAD, in cooperation with the World Bank, lent assistance to the Government of Kenya to develop its national investment policy document. Further, UNCTAD advised the Governments of the Congo and of the Sudan on setting priorities for the implementation of investment policy review recommendations and provided comments to the Government of Botswana on the drafting of an investment law for the country.

20. Some five or six years after the completion of an investment policy review, UNCTAD prepares a report that assesses the degree of implementation of its recommendation – the implementation report. During the reporting period, UNCTAD published the implementation report of Morocco and completed the draft implementation report of Benin.

### **Harnessing investment for structural transformation through UNCTAD investment guides**

21. UNCTAD online investment guides (iGuides) aim to raise awareness among the international investment community of investment opportunities and conditions in beneficiary countries. Beneficiary Governments develop the iGuides under the guidance of UNCTAD. These online resources include information on typical personnel, rent, utility and factor costs faced by investors, as well as access to key contacts in government, and feedback and tips from investors who are present in the country. iGuides have been developed for Benin, Burundi, the Congo, Djibouti, Kenya, Rwanda and Uganda.

### **Leveraging technology for transforming African economies through UNCTAD information and communications technology policy reviews**

22. At the request of the Egyptian Ministry of Communications and Information Technology, UNCTAD started in 2015 the preparation process for an information and communications technology (ICT) policy review to assist Egypt in developing its national e-commerce strategy. UNCTAD is conducting a comprehensive assessment and diagnostic study on the current status of e-commerce in that country to establish short-, medium- and long-term targets, as well as policy recommendations. UNCTAD ICT policy reviews serve to help countries harness the potential of ICTs for transformational growth.

23. UNCTAD can also assist African countries in finding means of implementation for the economic transformation of their economies, such as by harnessing specific sources of development finance and tapping into knowledge diasporas.

### **Organization of a high-level policy dialogue on the Ethiopian diaspora**

24. At the request of the Government of Ethiopia, UNCTAD carried out a comprehensive study on how to enhance the role of the Ethiopian diaspora in the socioeconomic transformation of the country. The preliminary findings and conclusions of the study were presented at Ethiopia's First National Diaspora Day (August 2015) and a high-level dialogue (December 2015), both in Addis Ababa. The high-level dialogue brought together about 60 participants, including policymakers, advisers and experts from public and private institutions in Ethiopia, as well as participants from the Ethiopian diaspora, independent consultants and representatives of international organizations based in Addis Ababa.

## **B. Tackling the vulnerabilities of African economies and building their resilience**

25. UNCTAD assists African countries in reducing the vulnerability of their economies due to commodity dependence and in seeking opportunities to increase the value addition of their economic activities from commodities, including agricultural goods.

### **Providing research-based policy recommendations**

26. Four of the five top cocoa producers in the world are in West Africa. The UNCTAD paper *Cocoa Industry Structure: Integrating Small Farmers into the Global Value Chain* (2016) examines some recent patterns in the cocoa industry and their potential impacts on the stakeholders along the value chain, in particular small cocoa farmers in Africa, who are the backbone of cocoa production. The report discusses their integration into world markets, using specific case studies of farmers in Cameroon, Côte d'Ivoire and Ghana. The report highlights some key policy recommendations that may help Governments, the private sector and the international community foster the development of a sustainable cocoa economy by empowering farmers, consonant with the Global Cocoa Agenda adopted at the First World Cocoa Conference in Abidjan in 2012.

27. The Seventeenth African Oil, Gas and Minerals Trade and Finance Conference and Exhibition, also known as OILGASMINE, was held in the Sudan in November 2015. The event attracted more than 700 participants and significant media attention. The Conference programme featured some 70 speakers and moderators, including African speakers from the Congo, Egypt, Ethiopia, Kenya, Namibia, the Niger, the Sudan and Uganda. The event increased UNCTAD visibility in the Sudan and elsewhere in Africa, and opened several avenues to explore future work in capacity-building on commodities and the role of the extractive industries in fostering sustainable development throughout Africa. The central theme of the Conference was how to create more stable, wage-paying, decent jobs in a way that promotes economic growth, while protecting the environment and fostering social inclusion in Africa.

28. With a view to improving the development linkages in the mineral sector in Central Africa, UNCTAD initiated in 2015 the implementation of a project on strengthening the capacity of the Economic Community for Central African Member States to enhance development linkages in the extractive sector. In November 2015, representatives of the public and private sectors from Chad, the Congo and Equatorial Guinea attended the regional workshop in N'Djamena, where the project was launched. The main objectives of the workshop, conducted in collaboration with the Economic Commission for Africa, were successfully attained, and one of the objectives centred on enhancing the understanding of participants on issues related to local content, and business and development linkages in the mineral resources sector in Central Africa.

29. UNCTAD contributes to reducing the exposure of African countries to debt sustainability by providing targeted technical advisory services to African countries on debt management through its Debt Management and Financial Analysis System (DMFAS) programme.

30. The Programme provides support to developing and least developed countries to strengthen their capacity to manage their debt in an effective and sustainable way, in support of poverty reduction, development and good governance.

31. The comparative advantage of the Programme lies in areas related to the implementation of debt management systems, debt data validation, debt statistics and basic debt analysis. Twenty-two African countries currently use DMFAS to manage all or part of their government debt. Technical cooperation activities during the reporting period that



resulted in tangible and sustainable results were undertaken by the Programme in the following countries: Angola, the Democratic Republic of the Congo, Gabon, Mauritania, the Sudan and Zambia (to improve debt recording in those countries); in Angola, Chad, Côte d'Ivoire, Ethiopia and Zambia (to support the relevant national debt offices in the production of debt data validation calendars); and in Côte d'Ivoire and Zambia (to assist in the preparation of national debt statistic bulletins). During the reporting period, the Governments of Mauritania and Zimbabwe benefited from DMFAS assistance in the design and drafting of debt office procedure manuals, and the Governments of Côte d'Ivoire and Mauritania, in integrating their debt management system into other government financial applications.

32. UNCTAD also supports African countries in managing their debt sustainability by influencing global policy on sovereign debt governance and sovereign debt workout mechanisms.

33. Following the adoption in September 2015 of General Assembly resolution 69/319 on basic principles on sovereign debt restructuring processes, as well as the finalization in May 2011 of the UNCTAD Principles on Promoting Responsible Sovereign Lending and Borrowing and the publication in April 2015 of the UNCTAD Road Map and Guide for Sovereign Debt Workouts, UNCTAD carried out a debt policy dialogue mission in Africa from October to December 2015. The objective was to engage senior policymakers and intergovernmental organizations on UNCTAD initiatives in the area of debt policy and to raise awareness of the growing challenges to Africa's debt sustainability.

34. UNCTAD is implementing a project on regulatory and institutional framework on sovereign debt governance to build policymaking capacity in five least developed countries, two of which are African countries (Togo and Mauritania). In 2015, two training workshops were organized to enhance the capacities of government officials in these countries to apply the UNCTAD Principles on Promoting Responsible Sovereign Lending and Borrowing with a view to identifying gaps in their regulatory and institutional frameworks on sovereign debt governance, and to discuss suitable policy options.

35. UNCTAD is implementing a project on strengthening pro-growth macroeconomic management capacities for enhanced regional financial and monetary cooperation among selected countries of Latin America and the Caribbean, and West and Central Africa that aims to help West and Central African countries achieve financial and monetary integration.

36. Under that project, a number of research products that have been completed so far are contributing new knowledge and understanding about the mechanisms and policies through which developing countries in Africa, Asia and Latin America are pursuing regional financial and monetary integration. These included commissioned papers focusing on regional exchange rate mechanisms and payment systems in Africa. Other papers that are near completion focus on (a) regional production and the employment impacts of regional integration and (b) the provision of long-term regional development finance through development banks and other public institutions such as sovereign wealth funds.

37. The *Trade and Development Report, 2015: Making the International Financial Architecture Work for Development* continues to provide guidance to African countries on how to deal with the vulnerabilities posed by globalization and the international financial system. Chapter 1 of the Report looks at recent developments in commodity markets that are of particular interest to many commodity-dependent countries in Africa. In an overview of regional trends in the external debt situation of developing countries, the Report notes that Africa stands out as a region that did not exhibit a significantly higher debt stock in 2013 than in the 1990s, as a result of debt-reduction programmes. Despite the apparent macroeconomic robustness with respect to external debt, the Report cautions that many

developing regions, including Africa, could encounter growing difficulties over the coming years as private capital flows diminish and commodity prices fail to recover.

38. UNCTAD supports African economies in vulnerable categories such as the least developed countries and landlocked developing countries to overcome the sources of their vulnerabilities and build resilience to shocks. For example, it made substantive contributions to key panel discussions and high-level round tables during the High-Level Meeting on the Follow-up to the Second United Nations Conference on Landlocked Developing Countries held in Livingstone, Zambia, from 2 to 4 June 2015. The meeting served as a platform for sharing experiences, showcasing best practices and concrete initiatives at the national, regional and global levels. UNCTAD also organized a side event on productive capacities, commodities and the post-2015 development agenda. UNCTAD discussions provided insights into issues such as poverty, underdevelopment, the lack of economic diversification, low technological bases and how landlocked developing countries can break the cycle of low investment.

39. UNCTAD is implementing a project on building the capacities of selected least developed countries to upgrade and diversify their fish exports in order to improve the export prospects of the least developed countries with a special focus on meeting international food safety and quality standards. Implementation of the project in Comoros, Mozambique and Uganda started with the conduct of policy-oriented research and analysis on export development and diversification in fisheries. The study, consisting of country case studies, also contains up-to-date data and statistical information on domestic, regional and global fishery market opportunities, together with challenges in exploiting such opportunities. As part of the project, UNCTAD developed a draft manual on improving national food safety and sanitary standards to help national stakeholders in beneficiary countries upgrade national standards and improve compliance with the requirements of major fish-importing economies, and other private and industry standards pertaining to fisheries.

40. UNCTAD, through its BioFuels and BioTrade initiatives, helps raise awareness among African countries of the importance of seeking opportunities for mitigating and adapting to the effects of climate change, especially under the United Nations Programme on Reducing Emissions from Deforestation and Forest Degradation and the Role of Conservation, Sustainable Management of Forests and Enhancement of Forest Carbon Stocks in Developing Countries (REDD+).

#### **Support to the clean development mechanism process**

41. As one of the implementing partners of the Nairobi Framework,<sup>3</sup> UNCTAD, through the BioFuels Initiative, supported the organization of the Seventh Africa Carbon Forum held in Marrakech, Morocco, in April 2015. In connection with the Forum and in collaboration with the United Nations Environment Programme, UNCTAD organized a workshop on harvesting opportunities for reducing emissions from deforestation and forest degradation and the role of conservation, sustainable management of forests and enhancement of forest carbon stocks in developing countries. The event provided a platform to assist developing countries in exploring ways to incorporate REDD+ schemes, such as REDD+ payments into their national forestry policies on safeguarding forest assets and ecosystem services for future generations.

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<sup>3</sup> The Nairobi Framework was established to improve the participation of developing countries – especially those in sub-Saharan Africa – in the clean development mechanism under the Kyoto Protocol to the United Nations Framework Convention on Climate Change.

### **Promoting organic agriculture and green exports**

42. The growing importance of organic agriculture to Africa was discussed at the Third African Organic Conference, which gathered more than 300 participants from all over Africa in Lagos, Nigeria, in October 2015 around the theme “Achieving social and economic development through ecological and organic agricultural alternatives”. UNCTAD participated in the Conference, along with other international organizations, farmers, academics, policymakers, entrepreneurs and representatives of African organic movements. They shared experiences, lessons learned and information on development prospects. UNCTAD also discussed the development linkages between organic agriculture and the tourism sectors in the United Republic of Tanzania, and the potential of regional agro-food value chains to boost intra-African trade.

43. In response to a request from the Government of Ethiopia for support in boosting its exports in green sectors, UNCTAD collaborated with the Government in preparing a national strategy on green exports. In this regard, the First National Stakeholder Workshop on Ethiopia’s National Green Export Review took place in Addis Ababa on 22 December 2015. Jointly organized by UNCTAD and the Ethiopian Ministry of Trade, this event brought together about 40 representatives from national ministries, trade promotion agencies, financial institutions, sectoral associations, universities and research centres. It launched the preparation of the national green export review and enabled national stakeholders to discuss and select a set of priority green sectors.

## **C. Improving the competitiveness of African economies**

44. UNCTAD lends support to African countries in their efforts to boost their competitiveness through the creation of new regulatory and legal frameworks, revisions to existing frameworks and their improved enforcement, the conduct of awareness-raising seminars and the development of toolkits adapted to client needs. By providing such support, UNCTAD helps them enhance the efficiency of their State apparatus and achieve a better distribution of functions between the State and markets.

45. One area in which UNCTAD contributes towards a more efficient functioning of markets and States in Africa is through its activities on competition law and policymaking in the region.

46. UNCTAD has been supporting the Government of Zimbabwe in improving and strengthening its competition law regime through the trade and private sector development project funded by the European Union. UNCTAD held two awareness-raising seminars on the role of competition law and policy in Zimbabwe in collaboration with the country’s Competition and Tariff Commission in Harare and Bulawayo on 5 June and 4 September 2015, respectively. UNCTAD has also been assisting the Commission in developing an online complaint filing system – operational since March 2016 – to facilitate the lodging of complaints relating to anti-competitive business practices in Zimbabwe. The expected impact is an increased number of complaints submitted to the Commission and its being better informed about such practices in the market, therefore taking quicker action to deal with them. UNCTAD also developed a draft competition policy framework for Zimbabwe and a competition assessment toolkit. The toolkit assesses the state of competition in selected sectors and identifies existing government policies or laws and regulations that limit competition. The toolkit has been applied to the ICT sector in Zimbabwe. To enable enhanced decision-making, UNCTAD held training sessions on competition law for the Faculty of Law of the University of Zimbabwe and on competition law enforcement for judges.

47. UNCTAD provides tangible guidance to African countries on how to harness trade as a tool for economic transformation and improve upon their trade policy regimes in order to boost their competitiveness on regional and world markets.

48. UNCTAD, the African Development Bank, the International Trade Centre and the World Bank have formed a partnership called the Transparency in Trade initiative. The partnership aims to facilitate the collection of tariffs and non-tariff measures and other trade data, as well as the harmonization of non-tariff measures, and to provide free and open access to the data collected.

49. UNCTAD provides African countries with direct technical assistance on non-tariff measures. It works on such measures to assess and improve export opportunities for developing countries and to promote their integration into regional and global value chains. UNCTAD collects and analyses non-tariff measures data from the European Union, the United States of America and other trading partners of Africa. Such data facilitate the assessment by African countries of their export opportunities.

50. The Tripartite Regional Economic Communities have been trained by UNCTAD on non-tariff measures and have adopted the non-tariff measures classification proposed by the UNCTAD Multi-Agency Support Team. Training for the Tripartite region was held in November 2015; non-tariff measures data were subsequently collected for 12 Tripartite countries to enhance transparency on non-tariff measures and allow policymakers to address trade obstacles.

51. In 2015, under the UNCTAD Automated System for Customs Data (ASYCUDA) programme, numerous capacity-building training activities on the data system were organized for national customs administrations, ensuring the long-term sustainability of the system and enabling 29 African countries to increase customs revenues collection and to drastically reduce clearing times and costs.

52. The work carried out by the ASYCUDA Programme provides not only increased revenue collected by customs of often more than 25 per cent in the least developed countries, but helps reduce clearing times and costs, depending on the initial situation (i.e. time delays may be reduced from weeks to days or hours). Twenty-nine African countries benefited from ASYCUDA Programme support in 2015. Numerous training sessions were organized allowing for the transfer of ASYCUDA expertise and skills to national teams, thus ensuring the long-term sustainability of the system by national customs administrations. The first ASYCUDA System for Performance Measurement was launched in the Democratic Republic of the Congo. Performance measurement within a customs administration is a way to increase efficiency and detect poor practices. Customs management through the system has at its fingertips data and diagrams providing live and accurate information of all its customs operations. A large number of ASYCUDA training sessions were carried out on expertise transfer and capacity-building for beneficiary African user countries at the national and regional levels on matters relating to customs and information technology.

53. The UNCTAD Empretec Programme helps small and medium-sized enterprises (SMEs) in Africa build up their business competitiveness through an array of targeted interventions, including the promotion of business linkages between SMEs and large firms.

54. During the reporting period, UNCTAD continued to provide assistance to the 14 established African Empretec centres through advisory services, policy workshops and seminars based on the newly developed Entrepreneurship Policy Framework, training to entrepreneurs and SMEs, and support to regional networks and initiatives. In addition, UNCTAD started its collaboration with Governments and implementing partners on Empretec and entrepreneurship policies in two countries new to the Programme, Cameroon and the Gambia. Cameroon organized six Empretec workshops and has trained around

200 entrepreneurs since the launch of the Empretec Programme in January 2015. The Gambia continued to expand the Programme in all regions of the country. Almost 800 entrepreneurs have been trained since its launch in September 2014.

55. UNCTAD continued to identify business linkage opportunities in four target sectors: horticulture and sustainable tourism in the United Republic of Tanzania, construction in Zambia and mining in Mozambique. Successful partnerships with large firms were also forged. The linkage-building activities, conducted in collaboration with other United Nations agencies under a joint framework, allowed UNCTAD to assist 152 farmers in the United Republic of Tanzania and 119 entrepreneurs in Zambia.

56. UNCTAD helps improve the competitiveness of African economies by providing them with tools to engage in governance and economic efficiency reforms. During the reporting period, a number of African member States benefited from UNCTAD support in the areas of accounting and reporting reforms through the use of the Accounting Development Tool, which helps countries assess their accounting infrastructure against international requirements for high-quality corporate reporting.

57. The thirty-second session of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting, which took place in Geneva in November 2015, was well attended: 45 participants or experts from 18 African countries took part in the meeting. Having used the Accounting Development Tool, African representatives from Côte d'Ivoire, the Democratic Republic of the Congo and the Sudan affirmed its usefulness in assessing regulatory, institutional and human-capacity arrangements and developing action plans, and suggested that the Tool should be rolled out more widely.

58. Another UNCTAD tool – eRegulations – which is part of the Business Facilitation Programme, helps countries simplify and automate their business registration and other administrative procedures and rules on investment and entrepreneurship. The eRegulations system, operational in 17 African countries, contributes to increased transparency and greater institutional capacity, thereby facilitating business and making African countries more attractive to foreign investors.

59. In 2015, UNCTAD, together with the United Nations Development Programme, assisted the Cameroonian Ministry of Small and Medium-sized Enterprises in installing the eRegulations system at the regional level, thereby ensuring that simplification measures implemented in the capital also benefited entrepreneurs elsewhere in the country. Both organizations assisted the Investment Promotion Agency of the United Republic of Tanzania in installing an online registration system to reduce the number of steps required to start a business in the country from 21 to 7. With European Union support and UNCTAD technical assistance, Cameroon is benefitting from the same technology and plans to offer online business registration to all entrepreneurs. In 2015, Benin began implementing eRegistration, building on eRegulations efforts that documented and simplified procedures. In Kenya, the eRegulations and iGuide platforms were integrated in an investment portal, which was launched at the Tenth WTO Ministerial Conference. UNCTAD will now start expanding investment portals across the East African Region.

60. UNCTAD helps African countries create a favourable environment to benefit from opportunities created by ICTs and to use them to promote trade competitiveness through e-commerce.

61. According to the *Information Economy Report 2015: Unlocking the Potential of E-commerce for Developing Countries*, the scope for inclusive e-commerce in Africa has greatly improved. However, much remains to be done. E-commerce offers opportunities for SMEs to become more productive and to find new customers, both domestically and

abroad. The Report provides a range of policy recommendations of relevance to Governments and other stakeholders in Africa.

62. To allow countries to benchmark their readiness to engage in e-commerce, UNCTAD developed the business-to-consumer electronic commerce index. It helps identify relative strengths and weaknesses with regard to different elements of the e-commerce process. At the regional level, the index shows that e-commerce development in African economies is still hampered by lower-than-average Internet penetration levels and a relatively low proportion of households that can receive home mail delivery. Egypt, Mauritius, Morocco, South Africa and Tunisia and are the highest-ranking African economies in terms of e-commerce readiness.

63. UNCTAD has engaged for the period 2013–2015 with the Economic Community of West African States in a series of capacity-building activities in support of the translation of regional legal frameworks for e-commerce at the domestic level. UNCTAD organized capacity-building activities on the legal issues of e-commerce, including two online training sessions on the legal aspects of e-commerce following the TrainForTrade methodology for 315 Community representatives, and three workshops for 65 policy and lawmakers from Member States of the Community. The *Review of E-commerce Legislation Harmonization in the Economic Community of West African States*, published in December 2015, provides an assessment of the state of e-commerce legislation in the region, identifies challenges facing Member States and makes specific recommendations towards furthering harmonization within the region.

#### **D. Making multilateralism work for African countries**

64. UNCTAD assists African trade officials directly in elaborating and implementing trade policy frameworks that can help their economies integrate into and benefit from the world multilateral trading and investment systems.

65. UNCTAD has provided assistance on preparing trade policy frameworks for Algeria, Angola, Botswana, Namibia and Tunisia. These reviews focus on identifying key sectors for diversification with the potential to bring higher economic value, drawing up suitable trade policies to back up development priorities, including the Sustainable Development Goals, and establishing a trade policy framework to ensure effective and coherent implementation of development strategies. For example, UNCTAD provided support to the Government of Angola to finalize its trade policy framework, which was intended to facilitate the country's diversification of exports from the single commodity of oil into other products. The trade policy framework is currently in the process of publication.

66. In response to a request from the Government of Botswana, UNCTAD prepared a trade policy framework for the country, which was completed at the end of 2015 and validated at a national workshop in Botswana in February 2016. Botswana relies heavily on diamond exports; therefore, the outcome of the study will assist the Government in identifying policy options that can help it diversify its exports. During the reporting period, UNCTAD received several requests to support countries in formulating such frameworks and services policy reviews, namely Botswana, Ghana, Mauritius, Namibia and Tunisia.

67. Through the Trust Fund on WTO Accession, a comprehensive programme designed to guide countries in the accession and post-accession phases, UNCTAD has provided direct assistance to some African countries, such as Liberia and Seychelles, to join WTO and others, to become more effective members in 2015.

68. A few African countries remain outside WTO and are currently in various stages of accession: Algeria, Cabo Verde, Ethiopia, Sao Tome and Principe, and the Sudan. All five,

but also Seychelles and Liberia, which completed their accession to WTO in 2015, are presently beneficiaries of the Fund. Advisory support is aimed at assisting the acceding countries in adjusting their trade policy regimes in alignment with WTO agreements, while taking into account their development objectives and strategies, increasing the awareness of the acceding country's negotiating team and stakeholders of the multifaceted issues in the accession process, enhancing their knowledge of WTO rules and disciplines, and building their trade policy and negotiating capacities to participate effectively in the accession negotiations. UNCTAD provided substantial advisory services to the Government of Liberia and post-accession assistance to Seychelles.

69. UNCTAD plays a key role in supporting African countries as they move forward in negotiations on the Continental Free Trade Area and the Tripartite Free Trade Area. For example, in support of the formation of the Continental Free Trade Area to boost intra-African trade, UNCTAD implemented a range of activities during the reporting period. It contributed to experts' discussions on the scope, objectives, principles and institutional supportive arrangements of the Continental Free Trade Area held at a dedicated session of the African Union in Addis Ababa in May 2015. UNCTAD, the Government of Kenya, the African Union Commission and the Commonwealth Secretariat held the event "Continental Free Trade Area: Making it Work for Africa", in Nairobi on 16 December 2015. Some 90 participants, including several African Government ministers and representatives from the private sector, academia, civil society organizations and international governmental organizations called for the expeditious conclusion of African Continental Free Trade Area negotiations and follow-up implementation, as they were necessary for the beneficial integration of Africa into the global economy.

70. UNCTAD prepared several technical papers on boosting intra-African trade through regional integration, non-agricultural market access, services and agriculture, and competition policy. For example, a policy report titled "Building the African Continental Free Trade Area: Some Suggestions on the Way Forward" was accompanied by policy brief No. 44, "The Continental Free Trade Area: Making It Work for Africa" in December 2015. The paper is being circulated among African countries to provide them with a mapping of important trade policy issues in the construction of the Continental Free Trade Area.

71. UNCTAD is an active partner agency of the Enhanced Integrated Framework, a multi-donor programme that encourages the least developed countries to be more active players in the global trading system by helping them tackle supply-side constraints to trade. Several least developed African countries have chosen UNCTAD to be their lead agency in updating their diagnostic trade integration studies and implementing the action matrices. In this way, UNCTAD directly helps these countries to better exploit trade opportunities arising from the multilateral trade system.

72. In 2015, UNCTAD initiated and completed updates of diagnostic trade integration studies for Djibouti, Ethiopia, Mali and the Niger. The study updates identified constraints hampering the integration of the countries into the multilateral trading system and provided recommendations for technical assistance and policy action to help countries overcome such constraints. The diagnostic trade integration study update of the Niger was finalized, and a validation workshop was successfully held in Niamey in December 2015.

73. The diagnostic trade integration study update of Ethiopia was validated at a workshop in Addis Ababa in February 2016. The workshop was opened by the Ethiopian Minister of Trade and the Secretary-General of UNCTAD. The update was conducted with a view to contributing to the country's Growth and Transformation Plan II (2016–2020).

74. Diagnostic trade integration studies and a country's policies are the basis for all subsequent technical cooperation projects carried out under the Enhanced Integrated

Framework. Through Tier 2 Framework projects, UNCTAD is assisting in the implementation of priority projects identified in the action matrix of the studies.

75. As part of the Tier 2 project, “Strengthening the Productive and Trade Capacities of Benin”, UNCTAD is assisting the Government of Benin in the formulation of its national trade development policy, which is aimed at intensifying actions to eliminate constraints to trade in Benin, as identified in the diagnostic trade integration study update. A workshop was held on 3 December 2015 to discuss the conclusions of the diagnostic trade integration study of Benin for their integration into the national trade development policy and the potential challenges of its elaboration.

76. UNCTAD also carried out the formulation of a mainstreaming project for the Gambia entitled “Enhanced Integrated Framework: Mainstreaming the Diagnostic Trade Integration Study Action Matrix and Building an Industrial Policy for the Gambia”. The project aims to update the country’s industrial policy, building upon the analysis contained in the diagnostic trade integration study update of the Gambia (2013) and to elaborate a national trade strategy and national industry policy document. Upon the request of the Government of Burkina Faso, UNCTAD is assisting the country in the elaboration of a medium-term operationalization plan to ensure effective implementation of the recommendations included in its 2014 diagnostic trade integration study update.

77. UNCTAD is implementing technical assistance activities, in partnership with other institutions, aimed at building the capacities of trade and planning ministries to implement trade strategies aimed at reducing poverty.

78. In connection with a project aimed at strengthening the capacities of trade and planning ministries of selected least developed countries to develop and implement trade strategies conducive to poverty reduction, UNCTAD organized a regional workshop on mainstreaming trade into national development strategies in Africa. The workshop, held in Maseru, in April 2015, brought together over 60 participants from 13 least developed countries in the region, including senior officials from trade and planning ministries, and stakeholders from civil society and the private sector. The main outcome of the workshop was the identification of policy actions needed to make trade more inclusive. The Department for Economics and Social Affairs, the United Nations Development Programme and the Secretariat of the Enhanced Integrated Framework contributed to a policy round table at that workshop.

79. A national training workshop on trade mainstreaming and effective policy formulation for poverty reduction in Ethiopia was held in Addis Ababa, in December 2015. The training workshop supported the trade policymaking process in Ethiopia, and was designed to strengthen country-level knowledge of the impact of sectoral and trade policies and related issues, such as structural transformation and national development. Some 35 government officials and stakeholders from the private sector and civil society participated. The national study developed under the project was a key input to the diagnostic trade integration study update of Ethiopia, which was coordinated by UNCTAD, and the new trade strategy of the country, which is being drafted under the Growth and Transformation Plan II.

80. UNCTAD is also actively contributing to research on the links between trade and poverty reduction in Africa, with findings published in the Trade and Poverty Policy series. Some recent examples can be found in *Integrating Trade into National Development Strategies and Plans: The Experience of African LDCs*<sup>4</sup> and *Mainstreaming Trade in Africa: Lessons from Asia and the Way Forward*.

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<sup>4</sup> LDCs: least developed countries.



## **E. Empowering Africans and investing in their future**

81. UNCTAD contributes towards the empowerment of African women by highlighting the gender ramifications of African policies and illustrating the social, structural, and cultural constraints that create or perpetuate gender inequality in sectors that have been or can be dynamized by trade.

### **Developing and delivering training packages and workshops on trade and gender**

82. UNCTAD developed a training package on trade and gender aimed at providing an up-to-date learning resource on trade and gender issues to all stakeholders involved in research, policy formulation and advocacy in this area. The package includes a two-volume manual and an online course. The objective of the online course is to equip academics, government officials and civil society in developing countries and countries with economies in transition with the necessary tools to analyse the two-way relationship between trade and gender, and to produce gender-aware policy recommendations. The first iteration of the online course was held in 2015. The second iteration of the course ended in February 2016. Participants from 19 African countries were selected for the course. In 2016, at the request of the Secretariat of the Common Market for Eastern and Southern Africa, UNCTAD will launch a project to adapt this online course to the particular regional context and conditions of the region and deliver the course to Secretariat officials and various stakeholders.

83. Further, 25 researchers from 16 countries in sub-Saharan Africa took part in a regional workshop on trade and gender analysis held by UNCTAD at North-West University, South Africa, in June 2015. Building on the online course on trade and gender, the workshop focused on the use of quantitative methods in trade and gender research. The objective of the workshop was to provide participants with the knowledge needed to undertake gender assessments of trade policy.

### **Conducting research and technical assistance on trade and gender**

84. UNCTAD will soon start activities on a four-year project, under the Development Account, on informal cross-border trade for the empowerment of women, and economic development and regional integration in Malawi, the United Republic of Tanzania and Zambia. Analytical work of the project will deal with issues such as how to address the complexity and opacity of trade barriers to informal cross-border trade in a context of multiple overlapping trade arrangements and how to accommodate the specificities of informal cross-border trade, especially involving women, when designing and implementing suitable supply-side services that support cross-border trade flows. A better understanding of these issues will enable decision-makers to take informed and targeted policy action.

85. UNCTAD continues to empower African researchers and academics in improving upon the quality of their teaching, learning and research. For example, between May and December 2015, seven universities<sup>5</sup> joined the UNCTAD Virtual Institute, making Africa the region with the highest country representation in the Institute. The Institute's services for sub-Saharan African universities were sponsored by the Government of Finland and the One United Nations Fund for the United Republic of Tanzania. As part of the support for the teaching of trade and development issues at African universities, the Institute advised the University of Burundi on the development of a new Master's programme in international and development economics. UNCTAD also provided coaching to academics from Cameroon, Ethiopia, Kenya, Nigeria and Zimbabwe, who adapted the Institute's

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<sup>5</sup> One in Burkina Faso, two in Cameroon, one in Chad, two in Senegal and one in Tunisia.

teaching materials on trade and gender, trade policy analysis, regional trade agreements, as well as commodities production and trade to their country contexts.

86. Three online courses on non-tariff measures, trade and gender, and trade and poverty were offered between May 2015 and February 2016 by the Institute and were completed by 20, 38 and 30 participants from Africa, respectively. One regional professional development workshop on trade and gender analysis and six national workshops were held by UNCTAD on the following topics: policies to enhance domestic resources mobilization (the Gambia), economic analysis of non-tariff measures (United Republic of Tanzania), application of econometric analysis to commodity-related issues (Chad and Togo), structural transformation and industrial policy (United Republic of Tanzania) and use of remittances and diasporas for development (Senegal). A total of 227 African academics benefited from these workshops.

## **F. General impact assessment**

87. UNCTAD activities, based on the three pillars of its work – research and analysis, consensus-building and technical assistance – contribute directly to Africa’s development in five main areas:

- (a) Supporting the economic transformation of African economies;
- (b) Building their resilience to vulnerabilities;
- (c) Improving their competitiveness;
- (d) Enhancing their abilities to benefit from the multilateral system;
- (e) Empowering Africans and investing in their future.

88. In terms of research and analysis, UNCTAD provides evidence-based strategic policy recommendations to African countries in all five major work areas. Research and products take the form of flagship reports, especially the *Economic Development in Africa Report 2015* and policy and export reviews at a country level, such as the Investment Policy Review of Madagascar and the *Trade Policy Framework of Angola*. Other examples are Egypt’s ICT Policy Review and the National Green Export Review of Ethiopia, which are both in progress. Other research products include papers published on a wide range of issues of relevance to African development such as the Continental Free Trade Area, value addition from commodities such as cocoa, and the linkages between trade and poverty.

89. UNCTAD consensus-building activities raise awareness of a range of issues of relevance to African countries and contribute towards the sharing of lessons learned and best practices among African member States, and between them and other regions. Notable events included the Seventeenth African Oil, Gas and Minerals Trade and Finance Conference and Exhibition, as well as the organization by UNCTAD of side events at major international conferences, such as the Third International Conference on Financing for Development, the Tenth WTO Ministerial Conference, and the High-Level Meeting on the Follow-up to the Second United Nations Conference on Landlocked Developing Countries.

90. Two flagship technical assistance projects, ASYCUDA and DMFAS, continue to have an impact on the region’s ability to mobilize customs revenues, improve on customs efficiency and manage debt sustainably.

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