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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 from May 2016 to April 2017. The report documents the impact that UNCTAD work has had on Africa's development in the following areas: (a) transforming economies; (b) tackling vulnerabilities and building resilience; (c) improving competitiveness; (d) enriching multilateralism; and (e) empowering people and investing in their future.

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## Introduction

This report documents and provides specific examples of the impact that UNCTAD work has had on Africa's development in the following areas: (a) transforming economies; (b) tackling vulnerabilities and building resilience; (c) improving competitiveness; (d) enriching multilateralism; and (e) empowering people and investing in their future.

### I. Major highlights

#### A. Fourteenth session of the United Nations Conference on Trade and Development

1. UNCTAD made several critical contributions through a major international event, the fourteenth session of the United Nations Conference on Trade and Development (UNCTAD XIV) held on 17–22 July 2016 in Nairobi,<sup>1\*</sup> that will shape policymaking in Africa. Key events related to Africa during the Conference, whose outcomes will impact on the UNCTAD work programme in Africa and on the continent, are highlighted below:

(a) **World Investment Forum.** The World Investment Forum convened the following high-level meetings on the topics listed:

(i) International investment agreements. More than 40 ministers, chief negotiators of international investment agreements, parliamentarians and other stakeholders attended the meeting. International investment agreement reforms undertaken globally were reviewed.

(ii) Investment promotion. The meeting focused on investment in infrastructure and information and communications technologies (ICTs), was held. Over 300 investment promotion agency executives, business leaders and other investment stakeholders, including 200 officials from over 30 African countries attended the meeting.

(iii) Investing in Eastern Africa and promoting investment in urban development. The meeting addressed mobilization of foreign direct investment at the regional and local levels.

(b) **Global Commodities Forum.** The seventh Global Commodities Forum, titled "Breaking the chains of commodity dependence", identified increasing local content in the extractive sector, linking family farms to markets and diversifying exports to non-commodity products as strategies that could reduce developing countries' dependence on commodity exports. A special session under the Forum on the potential role of natural gas in Africa's energy mix culminated in a ministerial round table on specific strategies and policies that African countries could use to ensure that commodities could be harnessed for growth and development. Approximately 250 participants, the majority (71 per cent) from Africa, attended the session.

(c) **Promoting tourism as an engine of inclusive growth and sustainable development in Africa.** Organized by UNCTAD in partnership with the Office of the Special Adviser on Africa of the United Nations, under the Global Services Forum, the event identified deregulation of airline services in Africa, free movement of people, lifting

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\* Additional information on UNCTAD XIV is available at <http://unctad14.org/en/Pages/Home.aspx>.

travel bans and adoption of the pan-African passport as measures that could facilitate development of tourism.

(d) **Facilitation of trade in services.** For this event also under the Global Services Forum, in conjunction with the Office of the Special Adviser on Africa and the West African Economic and Monetary Union, UNCTAD coordinated a discussion on trade in services that was particularly appreciated for highlighting the role of services in trade negotiations, as services received limited attention in trade negotiations.

(e) **Mainstreaming trade facilitation for regional integration.** This side event focused on African regional integration. Approximately 200 participants from the public and private sectors, and representatives from regional organizations in Africa, Asia and Latin America and the Caribbean attended.

(f) **Fostering Africa's structural transformation.** UNCTAD, in partnership with the African Capacity-building Foundation, convened this high-level event focused on key challenges and opportunities for the continent and the resources needed to foster structural transformation. Over 200 participants attended the event.

## **B. UNCTAD Regional Office for Africa**

2. The UNCTAD Regional Office for Africa is having an impact in Africa by strengthening dialogue and cooperation between UNCTAD, the African Union Commission and African Governments in the area of trade and regional negotiations. Since its establishment in 2015, the UNCTAD Regional Office for Africa has aimed at strengthening the impact and effective delivery of development outcomes for Africa, and responding to the needs of the African Union Commission and its member states on how to use trade as a tool for sustainable development. The Regional Office, which spearheads delivery of UNCTAD technical assistance in a demand-driven manner, provides trade capacity-building support to countries. Key focus areas include the Continental Free Trade Area (CFTA), trade facilitation, development of small and medium-sized enterprises (SMEs) and investment, as well as support to the Economic Community of West African States (ECOWAS), Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), Southern African Development Community (SADC) and individual African countries.

3. The Regional Office's impact on UNCTAD work on trade in Africa comprises: (a) ongoing collaboration between UNCTAD and the African Union Commission and provision of technical support to the Commission and its member States within the context of the CFTA, including through the preparation of draft modalities texts in the areas of goods and services negotiations; (b) building the knowledge base on trade-related elements under negotiation in the CFTA through training on regulatory cooperation, CFTA dispute settlement mechanisms, and regional integration and the CFTA; (c) provision of technical and advisory support to the Commission's Department of Trade and Industry and Department of Economic Affairs on trade, industry, SME development, trade facilitation and investment; and (d) ongoing support to regional economic communities on implementation of the CFTA regional strategy, trade in services, competition law and policy, investment and trade facilitation.

4. The Regional Office has forged partnerships with several business (Investment Arbitration Africa, Pan-African Chamber of Commerce and Industry), women (Ethiopian Women Traders) and youth entities aimed at addressing various trade issues.

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

### A. Transforming African economies

5. UNCTAD research and policy analysis provides pragmatic policy recommendations that support African countries in transforming their economies to accelerate sustainable development and facilitate the region's integration into the world economy.

6. In the area of least developed country (LDC) graduation, UNCTAD launched the *Least Developed Countries Report 2016: The Path to Graduation and Beyond – Making the Most of the Process* in December in Lesotho, the United Republic of Tanzania and Zambia, as well as in Senegal in February 2017. Key findings of and policy messages from the report were presented during the launches. The report takes a graduation-with-momentum perspective and places emphasis on “graduation-plus” strategies, aimed at establishing the foundations for continuing the development process beyond the graduation milestone. The report identified policies in rural transformation, industrial and science, technology and innovation (STI) policy, finance, macroeconomic policies, employment generation and gender as integral to an effective graduation-plus strategy.

7. On debt financing and sustainability in Africa, UNCTAD launched the *Economic Development in Africa Report 2016: Debt Dynamics and Development Finance in Africa* on 21 July 2016 simultaneously in 17 African countries, including at UNCTAD XIV. The report examines some of the key policy issues that underlie Africa's domestic and external debt, and provides policy guidance on the delicate balance required between financing debt alternatives and overall debt sustainability. The report analyses Africa's international debt exposure, and how domestic debt is increasingly playing a role as a development finance option, and examines complementary financing options and how they relate to debt. Many delegations that participated in the sixty-third executive session of the Trade and Development Board in September 2016 welcomed the research and analysis in the report, noting its timeliness within the context of the Sustainable Development Goals.

8. During the reporting period, UNCTAD undertook a series of training workshops in Africa aimed at building human and institutional capacities of African stakeholders (policymakers, trade negotiators, civil society and entrepreneurs) in order to harness the opportunities arising from the services sector and trade in services.

9. In building the capacities of African trade officials in trade-in-services negotiations, productive and efficient services are vital to and can boost sectors' competitiveness, a critical element to Africa's economic transformation. UNCTAD convened the fourth session of the Multi-year Expert Meeting on Trade, Services and Development in May 2016, which identified good practices in policymaking, regulations, institutions and trade negotiations, services and trade and development. Some of the areas identified for further work included services and diversification, preferential services market access initiatives, enhanced services data collection, the digital economy/electronic commerce (e-commerce) and ICT services-enabled trade, financial inclusion and cross-border regulatory cooperation, and international standards on services.

10. As part of ongoing support to regional economic communities, UNCTAD conducted a training session on trade in services in July in Abuja for trade officials in ECOWAS member States, private sector representatives and other services-related stakeholders. The purpose of the training was to build the capacity of ECOWAS directorates that have an impact on trade-in-services negotiations, as well as among key private sector stakeholders, and to improve trade officials' capacity to effectively engage in and contribute to services negotiations in the ECOWAS region. A services policy review of ECOWAS was initiated

and will support the region in the formulation and implementation of CFTA negotiations.

11. UNCTAD conducts activities across its three pillars of research and policy analysis, technical assistance and consensus-building to help African countries harness technology and innovation, domestic and foreign investment as a means to catalyse structural transformation in their economies.

12. UNCTAD harnesses investment for structural transformation through investment policy reviews. Reviews support African countries in attracting foreign direct investment by conducting diagnostic studies of the legal, regulatory and institutional frameworks for investment specific to each country and identifying areas for improvement. During the reporting period, UNCTAD reviewed the investment code of Benin and prepared an investment policy review for the Gambia, and initiated one for Mauritius. Implementation reports of the reviews of Benin and Botswana were published.

13. UNCTAD leverages technology for Africa's economic transformation through ICT policy reviews, which are aimed at helping countries to harness the potential of ICTs to enhance competitiveness, promote economic growth and foster structural transformation. In 2016, UNCTAD initiated an ICT policy review in Rwanda. Building on development of an ICT policy review in Egypt in 2015, and a comprehensive e-commerce assessment, UNCTAD supported the development of the country's first national e-commerce strategy in 2016. Egypt launched its national e-commerce strategy report in March 2017.

14. UNCTAD pursues objectives aimed at addressing climate change and promoting climate-friendly trade and production strategies, including in the green economy, through national green economy reviews. During the reporting period, UNCTAD conducted national green economy reviews in Morocco, Ethiopia, Madagascar and Senegal. The reviews promote the development of national green economy sectors and stimulate employment creation and export opportunities, while promoting sustainable development.

15. Through science, technology and innovation policy reviews, UNCTAD supports countries in developing their science, technology and innovation capacities in order to build productive capacities and transform economies. In 2016, at the request of the Ministry of Trade, Industry and East African Community Affairs of Rwanda, UNCTAD conducted a policy review in the country. Two national consultations were conducted in November and December 2016 to discuss the results of the review and the integration of science, technology and innovation in the country's overall development strategy, and the use of science, technology and innovation policy instruments to promote economic development. The science, technology and innovation policy review will be presented at the twentieth session of the United Nations Commission on Science and Technology for Development in May 2017.

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

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

17. As an example of providing research-based policy recommendations, UNCTAD commissioned a study titled "Trade misinvoicing in primary commodities in developing countries: The cases of Chile, Côte d'Ivoire, Nigeria, South Africa and Zambia". Findings of the study showed the potential incidence and magnitude of trade misinvoicing in primary commodity exports from developing countries particularly in Africa, underscoring the

significant problem that capital flight and illicit financial flows pose to developing countries.

18. UNCTAD submitted a report to the Trade and Development Board on the cocoa industry and global value chains, which examined cocoa production in key West African countries. Its key policy recommendations to Governments were: (a) improve competition law to combat excessive consolidation in the cocoa sector; (b) strengthen farmers' organizations; and (c) improve market transparency in order to enhance the position of smallholders and SMEs in the global cocoa value chain.

19. UNCTAD devoted its 2016 edition of the series *Commodities at a Glance* to gold. The 2016 publication examined the development of new gold mines in several countries, many of which are in developing countries that lack access to information on developing and commercializing their gold resources. With mining in developing countries also taking place in the informal sector, artisanal and small-scale mining has increasingly become an area of interest among policymakers in Africa as it has implications for livelihoods, working conditions and the environment. The report's recommendations addressed how Governments could improve the gold sector's governance and combat the use of hazardous chemicals in gold extraction, which remains widespread in artisanal and small-scale mining operations.

20. As part of implementing the project "Strengthening the capacity of the Economic Community for Central African States to enhance development linkages from the extractive sector", UNCTAD held several capacity-building workshops in Chad and the Congo in 2016. The aim of the workshops was to share information with stakeholders in extractive sectors and upgrade skills of private sector stakeholders to engage effectively in the mineral value chain.

21. UNCTAD, in collaboration with COMESA, is implementing the "Improving the value added of cotton by-products in Eastern and Southern Africa" project in Uganda, the United Republic of Tanzania, Zambia and Zimbabwe. During the reporting period, UNCTAD commissioned background country studies for the four countries, and conducted inception missions in the United Republic of Tanzania and Zimbabwe.

22. To enhance access to commodity market information, the UNCTAD Infocomm serves as an information-sharing platform that disseminates objective and up-to-date information on agricultural commodities. In 2016, UNCTAD updated the profiles of 11 key agricultural commodities in Africa (banana, cocoa, coconut, coffee, cotton, gum Arabic, mango, palm oil, pineapple, soya beans and tea) in three languages (English, French and Spanish).

23. UNCTAD contributes to reducing the exposure of African countries to debt by providing targeted technical advisory services to African countries on debt management through its technical assistance programme Debt Management and Financial Analysis System (DMFAS). The programme provides support to developing and LDCs, 22 of which are in Africa, to strengthen their capacity to manage their debt effectively and sustainably. During the reporting period, the programme supported the following countries: (a) the Central African Republic, the Sudan and Togo in improving debt recording; (b) Gabon and the Sudan in producing debt data validation calendars in relevant national debt offices; and (c) assisted Angola and Côte d'Ivoire in developing their national debt statistics and portfolio reviews. Angola received support in integrating DMFAS into the Government's financial management application.

24. UNCTAD is implementing a project on a regulatory and institutional framework on sovereign debt governance aimed at improving policymakers' capacity in these areas in five LDCs, including Mauritania and Togo. In July, UNCTAD held consultations with representatives from Mauritania and Togo to discuss the next stage of the project. Study

tours will be conducted once the countries reach a more advanced stage of regulatory and institutional development.

25. During the reporting period, UNCTAD, in partnership with the World Bank, conducted Debt Management Facility missions to Togo and Zambia, and supported the implementation and funding of technical assistance projects on debt management in Africa in collaboration with the European Union, United Nations Development Programme (UNDP) and African Development Bank.

26. UNCTAD provides support to African countries in preparing for negotiations on the restructuring of bilateral official debt under the framework of the Paris Club. During the meetings of the Paris Forum in November 2016, UNCTAD stressed the importance of ongoing support by the international financial community in monitoring African countries' debt situation, consistent with the Addis Ababa Action Agenda.

27. Several high-level participants from sub-Saharan Africa attended a ministerial round table on the topic "Reassessing debt sustainability in the contemporary economy – risks, vulnerabilities and policy options" during UNCTAD XIV, which addressed risks to maintaining high growth and debt sustainability in the region during an economic slowdown or reversal of private capital flows.

28. The UNCTAD *Trade and Development Report 2016: Structural Transformation for Inclusive and Sustained Growth* provides advice to African countries on how to deal with the vulnerabilities posed by globalization and the international financial system. In its first chapter, the report examined the slowdown of global economic output and international trade and the recent developments in commodity markets and in international capital flows to developing countries, and highlighted their impact in Africa's subregions. The report, which observed that most developing countries and regions, including Africa, have failed to significantly reduce the income gap with developed economies, stressed that proactive industrial policies can facilitate the shift in employment from low-productivity sectors such as agriculture to higher productivity industrial and modern services sectors. The report showed that regional integration in Africa could enlarge the market for manufactures and contribute to economic upgrading and diversification.

29. UNCTAD supports African economies in vulnerable categories such as LDCs and landlocked developing countries (LLDCs) to overcome the sources of their vulnerabilities and build resilience to shocks. For example:

(a) As part of the project, "Building the capacities of selected least developed countries to upgrade and diversify their fish exports", UNCTAD held a second workshop in October 2016 in Entebbe to validate an UNCTAD manual on upgrading and diversifying fish exports of Uganda. One hundred and sixteen Ugandan experts and senior officials, as well as male and female fishers (almost one third of participants were women), received training in international food safety and quality standards, export diversification and aquaculture. UNCTAD support was deemed timely and valuable. In a letter addressed to the Secretary-General of UNCTAD, the Directorate of Fishery Resources of Uganda expressed appreciation for the continued support and guidance from UNCTAD aimed at tapping into the potential of the fishery sector of Uganda. Following the manual's validation, the Directorate of Fishery Resources requested UNCTAD to conduct a follow-up workshop for policymakers that addresses the policy implications of the issues identified in the manual.

(b) Access to energy is critical for economic growth and sustainable development. As part of efforts to address barriers to energy access, UNCTAD supported the participation of five landlocked developing countries, among them, Botswana and the United Republic of Tanzania in a high-level seminar on accelerating sustainable energy for all in landlocked developing countries through innovative partnerships held in Vienna.



UNCTAD hosted a side event titled “The role of energy in boosting productive capacities, commodity diversification and fostering structural economic transformation in landlocked developing countries”, which addressed barriers to energy access – a key constraint to the achievement of the Vienna Programme of Action for Landlocked Developing Countries for the Decade 2014–2024, and the Sustainable Development Goal on sustainable energy for all. Strategies and partnerships that could create opportunities for investment and trade in energy for the benefit of landlocked developing countries were identified.

30. UNCTAD provides technical support to African LDCs to facilitate graduation from the LDC category. As part of its efforts to support countries on the issue, UNCTAD participated in the following missions in 2016:

(a) In July, at the request of the Government of Equatorial Guinea and the invitation of the UNDP country office, UNCTAD conducted a technical and advisory mission in Malabo aimed at raising awareness among policymakers about key issues related to graduation and possible opportunities and potential challenges once Equatorial Guinea leaves the LDC category in June 2017.

(b) In October 2016, a United Nations system mission coordinated by UNDP, and comprising UNCTAD, the Department of Economic and Social Affairs, Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the United Nations country team held a workshop for policymakers in Luanda to discuss issues related to the country’s graduation from the LDC category. In addition to technical and methodological issues related to the graduation process, potential implications for the post-graduation of Angola were discussed. The following recommendations were adopted during the meeting: establishing a national graduation committee consisting of an interministerial working committee and a national technical committee, formulating a unified monitoring framework for a smooth graduation strategy, the need for a new national development plan, as well as a road map (or transition strategy) to guide the growth and development agenda of Angola ahead of exiting the LDC category by 2021.

31. UNCTAD, through its trade and environment initiatives, contributes to raising awareness among African countries of the importance of seeking opportunities for mitigating and adapting to the effects of climate change. As part of a consortium comprising the United Nations Framework Convention on Climate Change, United Nations Environment Programme, UNDP, the International Emissions Trading Association, World Bank Group and African Development Bank, UNCTAD supports an annual conference that offers a comprehensive programme for project developers and policymakers on the latest investment, finance and development opportunities relating to climate change. UNCTAD will implement European-funded capacity-building activities in Angola.

32. UNCTAD provides policy advice and technical assistance on the rules of origin and market access in order to enhance their utilization of trade preferences. As part of ongoing efforts to enhance LDC policymakers’ skills in and understanding of duty free, quota free access, rules of origin and the services waiver, UNCTAD provided support aimed at identifying the trade interests of the LDC group of the World Trade Organization (WTO) and ensuring their effective participation in WTO meetings. In May, UNCTAD assisted several LDCs in drafting terms of reference for the WTO subcommittee on LDCs and prepared tables on tariff lines affected by the Trans-Pacific Partnership for several African LDCs. African LDCs participated in an executive training session on negotiating and drafting rules of origin in September 2016.

### C. Improving competitiveness in African economies

33. UNCTAD supports African countries to improve their competitiveness by helping them to enhance the efficiency of their State apparatus and achieve better synergies between the State and markets, including through the creation of new regulatory and legal frameworks and revisions to existing frameworks, awareness-raising seminars and development of toolkits adapted to the needs of clients.

34. UNCTAD contributes towards a more efficient functioning of markets and States in Africa through its activities on competition law and competition policymaking on the continent. During the reporting period, UNCTAD supported the Trade Competition Consumer Protection Authority of Ethiopia in developing guidelines on consumer protection and unfair commercial practices, and delivered training on competition law and consumer protection enforcement for policymakers and stakeholders in the judiciary system.

35. UNCTAD launched the Middle East and North Africa Regional Documentation Centre and the Regional Competition Training Centre in Tunisia in November 2016, and convened the first regional training workshop aimed at enhancing policymakers' capacities in competition.

36. UNCTAD provides 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 and facilitate their integration into regional and global value chains. UNCTAD also provides direct technical assistance to African countries and regional economic communities on non-tariff measures.

37. Non-tariff measures pose barriers to trade and hinder Africa's potential to contribute to sustainable development through trade. African countries need to identify and address technical barriers to trade in order to leverage trade's potential to contribute to economic development. UNCTAD provides ongoing support to African countries through training aimed at building African policymakers' capacities in non-tariff measures. As part of efforts to support tripartite COMESA–EAC–SADC capacity to address non-tariff measures and non-tariff barriers, UNCTAD conducted a course on non-tariff measures for bureaux of standards for 12 countries (Botswana, Egypt, Kenya, Malawi, Mauritius, Mozambique, Rwanda, South Africa, Uganda, the United Republic of Tanzania, Zambia and Zimbabwe) in July. UNCTAD, in conjunction with the African Development Bank, assists these countries in collecting and computerizing non-tariff measures data, which UNCTAD compiles in its non-tariff measures database.

38. UNCTAD, with the support of the Governments of Finland and the Russian Federation and the One United Nations fund for the United Republic of Tanzania, conducted an online course on the economic analysis of non-tariff measures from October to December. Twenty-three participants from 18 African countries participated in the course.

39. As part of cooperation agreements with the German Agency for International Cooperation and Trade Mark East Africa, UNCTAD supports implementation of the WTO Agreement on Trade Facilitation in EAC. In May and June, UNCTAD conducted training workshops on the establishment of national trade facilitation committees and implementation of the Agreement in all EAC countries. In July, regional implementation plan on the Agreement was developed and a validation workshop was convened. Follow-up meetings on the establishment of national trade facilitation committees for the five EAC member States were held.

40. In 2016, as part of the UNCTAD Automated System for Customs Data (ASYCUDA) programme, several capacity-building workshops on the customs automation

system were conducted for national customs administrations and revenue authorities. Efforts are aimed at ensuring the long-term sustainability of ASYCUDA and enhancing 27 African countries' capacity to increase revenue collection, reduce clearing times and costs. In the last quarter of 2016, the second ASYCUDA system for performance measurement project was launched in Zambia.

41. To improve trade logistics, in partnership with the International Federation of Freight Forwarders Associations, UNCTAD conducted a training-of-trainers workshop in September 2016 in Casablanca aimed at strengthening the capacity of the Association of Freight Forwarders of Morocco to develop a training programme designed to enhance local freight forwarders' capacity to better engage in international trade.

42. UNCTAD participated in a seminar entitled "Africa and shipping – a mutually benefiting cooperation" held in Brussels in November 2016, which raised awareness among European Union policymakers about the transport challenges and opportunities facing European ship owners operating in Africa. Following the African Union's Lomé Summit on maritime security and development held in October 2016 and the forthcoming 2017 European Union–Africa Summit, maritime transport has gained prominence on the European Union's agenda on Africa. UNCTAD highlighted the key challenges and opportunities related to freight transport in Africa, and potential areas for collaboration between Africa and Europe.

43. In building the capacities of African trade officials, UNCTAD conducted several workshops aimed at supporting the integration of and mainstreaming trade in national development plans. A workshop was held in Burkina Faso in June to discuss the mainstreaming of trade policy in its medium-term plan, which was validated in November. UNCTAD held a bilateral workshop in November to support Djibouti and Ethiopia in their joint implementation of an action matrix on transit, transport and the Agreement on Trade Facilitation. As part of its efforts to support the Gambia in achieving its trade objectives, UNCTAD prepared two working papers on trade facilitation.

44. In collaboration with the European University Institute, UNCTAD convened a subregional workshop in May to support the coordination of Action Matrices of Diagnostic Trade Integration Studies on trade facilitation, transport and transit for Benin, Burkina Faso, Mali and the Niger. A road map on priority areas of work has been developed. UNCTAD also updated Diagnostic Trade Integration Studies funded by the Enhanced Integrated Framework in Ethiopia, the Gambia, Mali, the Niger and Senegal.

45. Increasing products' values through geographical indications: UNCTAD is supporting countries in their efforts to promote traditional products through geographical indications and thus increase their value. In June, UNCTAD participated in a technical workshop convened by the African Union and Food and Agriculture Organization of the United Nations in Benin to validate the continental strategy for geographical indications in Africa, and develop a plan of action for 2017–2022 on geographical indications. As a follow-up to the workshop, UNCTAD provided training on geographical indications in December aimed at strengthening the capacities of Beninese producers and enterprises to increase the value of the country's traditional products through geographical indications.

46. The UNCTAD Empretec programme assists African SMEs in building their business competitiveness through an array of targeted interventions, including promotion of business linkages between SMEs and large firms. During the reporting period, UNCTAD provided assistance to the 16 Empretec centres in Africa. A series of advisory services; policy workshops and seminars based on the Entrepreneurship Policy Framework; training to entrepreneurs and SMEs, training-of-trainers certification; and support to regional networks and initiatives were undertaken in Benin, Cameroon, Ethiopia and the Gambia between May and December. In November, participants from Botswana, Cameroon, Ghana,

Lesotho, Malawi, Mozambique, Nigeria, Sierra Leone, South Africa and Swaziland attended a policy workshop on youth entrepreneurship in South Africa.

47. UNCTAD supported selected African countries in identifying business linkage opportunities that link local entrepreneurs with large firms in the agriculture, construction, mining and tourism sectors. As one of the United Nations agencies collaborating in the project titled “United Republic of Tanzania, State Secretariat for Economic Affairs of Switzerland–United Nations Trade Cluster”, UNCTAD provided technical assistance aimed at supporting the establishment and consolidation of business linkages between agricultural producers, large processors and the tourism industry. Following a technical workshop on “Developing a National Youth Entrepreneurship Framework”, jointly organized by UNCTAD and the Commonwealth Secretariat in May 2016 in Dar es Salaam, UNCTAD drafted a report titled “Mapping and assessment of the entrepreneurship ecosystem in the United Republic of Tanzania”. The report serves as a background document for developing the country’s national entrepreneurship strategy and action plan, which will be developed in 2017 in collaboration with UNCTAD.

48. As a key partner of the Global Entrepreneurship Congress, UNCTAD and the Department of Trade and Industry of South Africa organized a ministerial round table for African States on the role of SMEs in Africa’s industrialization and the fourth Empretec Global Summit, held at the Congress in March 2017 in South Africa. Ministers from Cameroon, Mali, Nigeria and Uganda discussed their programmes and steps to improve the business environment.

49. UNCTAD supports Africa’s development through investment and enterprise, including by developing resources to enhance the business environment. During the reporting period, 52 African countries benefited from UNCTAD assistance in the area of investment and enterprise aimed at building countries’ competitiveness and enhancing their attractiveness as destinations for foreign investment and the establishment of businesses. UNCTAD also provided substantive backstopping support to several conferences and workshops in which countries in COMESA and SADC participated.

50. Building on its *World Investment Report 2009* and in collaboration with other international organizations, UNCTAD continued work on operationalizing the Principles for Responsible Agricultural Investment for sustainable development (developed by the Food and Agriculture Organization of the United Nations, International Fund for Agricultural Development, World Bank and UNCTAD). During the reporting period, workshops on responsible investments in agriculture were held in Malawi and Côte d’Ivoire in May and November, respectively.

51. During UNCTAD XIV, UNCTAD launched the expanded Global Enterprise Registration Portal, a one-stop shop for online business registration that assists entrepreneurs globally to formalize their businesses and ensure their participation in the formal sector. Awards were presented to ministers from several countries, including Cameroon, for outstanding information portals and online single windows.

52. UNCTAD contributes towards improving the competitiveness of African economies by providing them with tools to engage in governance and economic efficiency reforms. Different components under the UNCTAD Business Facilitation Programme help countries simplify and automate their rules and procedures relating to investment and entrepreneurship. UNCTAD also provides capacity-building support to countries in the areas of intellectual property and innovation.

53. A strong accounting infrastructure that produces high-quality corporate reporting is a critical factor for attracting investment, allocating scarce resources and promoting financial inclusion. During the reporting period, several African countries benefited from UNCTAD support in accounting and reporting on both financial and non-financial

information (environmental, social and governance-related). Over 50 participants and experts from 18 African countries attended the thirty-third session of the International Standards of Accounting and Reporting in October 2016. African regional organizations, notably the Pan-African Federation of Accountants and the Organization for the Harmonization of Business Law in Africa were represented. Representatives from Kenya, the Gambia and Nigeria played key roles in the panels, including as Vice-Chair of the session.

54. The eRegulations system under the UNCTAD Business Facilitation Programme helps countries simplify and automate their rules and procedures relating to investment and entrepreneurship. The eRegulations system, operational in 17 African countries, contributes to increased transparency and greater institutional capacity and to making African countries more attractive to foreign investors. In May 2016, UNCTAD delivered an eRegistration system in Benin that has automated the local business registry's processes and made them available online. The system has been integrated into the local one-stop shop for enterprise registration and will be officially launched in April 2017.

55. UNCTAD coordinated several investment promotion capacity-building sessions for African investment promotion agencies, including a workshop on the Sustainable Development Goals and investment promotion in Istanbul in October, and a special meeting on investment facilitation during the sixty-third session of the Trade and Development Board in December. UNCTAD also assisted the United Republic of Tanzania's investment promotion agency in installing an online registration system and incorporating an innovative investment opportunities repository, which is also being replicated in Kenya and other countries. Kenya expanded its investment portal, which serves as a reference point for trade portals in the wider EAC region.

56. In collaboration with the Islamic Development Bank and Moroccan authorities, UNCTAD holds an annual workshop aimed at enhancing knowledge on international investment agreements among members of the Bank. In January 2017, 20 African countries participated in the annual workshop which addressed key issues, challenges and areas of interest related to sustainable development of international investment agreements.

57. In May, UNCTAD conducted training workshops on intellectual property and technology transfer in Benin (in collaboration with the National Agency for Intellectual Property) and for public agricultural research centres in Ethiopia.

58. In September, UNCTAD, in collaboration with UNDP and Department of Trade and Industry of South Africa, convened a workshop to review and validate the draft "Consultative Framework for Intellectual Property in South Africa". UNCTAD also prepared an advisory report on "intellectual property and local pharmaceutical manufacturing in Ethiopia", with recommendations on the targeted use of flexibilities of the Trade-Related Aspects of Intellectual Property Rights of WTO in domestic intellectual property law of Ethiopia to promote the development of the domestic pharmaceutical industry. A capacity-building workshop on intellectual property, pharmaceutical production and access to medicines for LDC members of the African Intellectual Property Organization is planned for April 2017.

59. UNCTAD facilitated the signing by the African Union, Joint United Nations Programme on HIV/AIDS UNAIDS and UNCTAD of the landmark Nairobi Statement on Investment in Access to Medicines, during UNCTAD XIV, which endorsed their commitment to facilitate investment in local pharmaceutical production in Africa in the manufacture of antiretroviral medicines.

60. In collaboration with the International Trade Centre, UNCTAD provided policy advice to Mauritius, and developed a participatory assessment on innovation policy's

potential impact on the country's national export strategy, to be adopted in 2017 along with a cross-sector strategy on promoting local innovation for exports.

61. UNCTAD supports the United Nations Sustainable Stock Exchanges Initiative, a peer-to-peer learning platform that explores how exchanges can promote responsible investment for sustainable development, in promoting improved environmental, social and governance disclosure and performance. Since its inception in 2009, 60 exchanges, including 13 from Africa, have been participating in the Initiative, of which UNCTAD is a co-organizer. As part of the World Investment Forum, capital market leaders from Botswana, Egypt, Kenya, Namibia, Rwanda, South Africa and the United Republic of Tanzania participated in a dialogue on the global agenda on green finance and discussed the potential role of stock exchanges in advancing that agenda.

62. UNCTAD helps African countries in developing an enabling environment to benefit from opportunities created by ICTs and to use ICTs to promote trade competitiveness through e-commerce. During the reporting period, UNCTAD released its business-to-commerce e-commerce index 2016, which highlighted the importance of improving underlying transaction and logistics processes in Africa in order to extend e-commerce benefits beyond wealthier populations in urban areas on the continent. Despite the adoption of cybercrime laws by almost half (46 per cent) of the continent's countries, and 40 per cent adopting data protection laws in 2016, capacity-building to support the implementation of cyberlaws and financial resources to ensure effective enforcement remain critical areas of need.

63. In April 2017, UNCTAD will launch an electronic platform, under the eTrade for All initiative, designed to support developing countries and LDCs in obtaining technical and financial assistance from partnering institutions to leverage e-commerce prospects. The platform is organized around seven key policy areas (e-commerce assessments, ICT infrastructure, payment solutions, trade logistics, legal and regulatory frameworks, e-commerce skills and financing for e-commerce).

64. By January 2017, 21 members, including the United Nations Economic Commission for Africa and the African Development Bank and more than 25 private sector entities, including the African Alliance for E-commerce, Burundishop, Impact Enterprises and Ringier Africa, had joined Business for eTrade Development, the private-sector arm of eTrade for All. The African Union Commission is expected to join the platform in 2017.

65. With regard to the information economy, in an effort to facilitate the implementation of e-commerce legislation of Madagascar adopted in 2014, UNCTAD delivered a capacity-building workshop for magistrates in the country in March 2017.

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

66. UNCTAD assists African trade officials directly in elaborating and implementing trade policy frameworks that can help their economies to integrate into and benefit from the world multilateral trading and investment systems. UNCTAD is assisting Algeria, Angola, Botswana, Namibia, Tunisia and Zambia to develop trade policy frameworks and strategies oriented towards the Sustainable Development Goals. During the reporting period, a series of meetings were held to validate trade policy framework reports developed by UNCTAD, including in Namibia in May and September, and in Algeria, Botswana and Zambia in September. With most countries dependent on export commodities, UNCTAD support largely focuses on export diversification and value addition of exports.

67. UNCTAD convened a meeting for African countries during UNCTAD XIV aimed at fostering the exchange of experiences and lessons learned in the formulation and implementation of development-oriented national trade policy frameworks. Mauritius,

Ghana and Kenya, which have made considerable progress in formulating their trade policy frameworks, shared their experiences.

68. As part of the project “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”, UNCTAD held a ministerial round table titled “South–South mechanisms to tackle vulnerabilities and build resilience – the innovative use of regional financial and monetary integration” during UNCTAD XIV. During the round-table discussion, speakers shared their experiences of integration mechanisms such as the West African CFA franc zone, BRICS (Brazil, the Russian Federation, India, China and South Africa) negotiations, and establishment of the New Development Bank and regional development banking.

69. UNCTAD is playing a critical role in supporting African countries in progressing on CFTA and Tripartite Free Trade Area negotiations. In 2016, UNCTAD intensified its support to African countries in the CFTA negotiations, and participated in all three CFTA Negotiation Forum sessions held in Addis Ababa in May, October and November, and in all four technical meetings led by the Economic Commission for Africa and African Union Commission held in Nairobi in May, July, September and November. UNCTAD also assisted policymakers in preparing draft CFTA legal texts.

70. UNCTAD supported the African Union Commission, African Union member States and regional economic communities in their preparation for CFTA negotiations, and at their request, prepared two analytical papers on modalities on tariff negotiations and tariff data analysis. Several countries made reference to an UNCTAD analytical paper on modalities for tariff negotiations and moving towards a CFTA during trade negotiation forum meetings. UNCTAD is providing additional support aimed at enhancing member States’ understanding of the options that could be best used for tariff reductions at a trade negotiation forum meeting in March 2017. At the request of several member States, UNCTAD prepared a paper on mapping intra-African trade flows for consideration at that meeting.

71. UNCTAD published six policy/analytical reports to support African trade policy makers, negotiators and other stakeholders in their technical work on intra-African trade. Some examples include *African Continental Free Trade Area: Developing and Strengthening Regional Value Chains in Agricultural Commodities and Processed Food Products* (UNCTAD/WEB/DITC/2016/4) and *African Continental Free Trade Area: Advancing Pan-African Integration Some Considerations* (UNCTAD/WEB/DITC/2016/5).

72. UNCTAD supported the African Union Commission and Economic Commission for Africa in organizing the first Africa Trade Week in November 2016. In addition to delivering presentations on non-tariff measures and non-tariff barriers affecting Africa and trade liberalization and its potential impact on African countries, UNCTAD conducted discussions on enhancing, classifying, collecting and assessing non-tariff measures data with the African Union Commission.

73. UNCTAD prepared a paper to assist ministers of countries participating in the Tripartite Free Trade Area in identifying and evaluating approaches for the services negotiations, in light of developments in CFTA negotiations and other development considerations.

74. UNCTAD is providing support to African countries to enhance their participation in WTO negotiations. In addition, UNCTAD is also providing support to countries that are seeking WTO membership. For example, to support multilateral trade negotiations, UNCTAD is assisting African countries and providing advice on special and differential treatment and e-commerce, and outstanding issues from the Doha Round in agriculture,

services and non-agriculture market access in preparation for the Eleventh Ministerial Conference of WTO to be held in December 2017.

75. Furthermore, as part of its ongoing support to the African, Caribbean and Pacific States, UNCTAD assisted the African countries in the group in preparing substantive negotiating positions, promoting their negotiating interests in agriculture, services, non-agricultural market access and special and differential treatment, and participated in the retreat of ambassadors and experts of those countries and Geneva consultations on trade negotiations and the CFTA held in October 2016 in Switzerland.

76. Several African countries, including Algeria, the Comoros, Liberia and the Sudan, remain outside WTO and are at various stages of the accession process. In an effort to enhance their participation in accession negotiations, in 2016, UNCTAD provided advisory support aimed at building trade policy and negotiation capacities among African policymakers in the acceding countries.

77. Recognizing the role of UNCTAD in supporting member States in the area of WTO accession, the mandate provided by the Nairobi Maafikiano (TD/519/Add.2), adopted during UNCTAD XIV, reaffirmed that UNCTAD should: “Continue to provide and reinforce its technical assistance and capacity-building to developing countries and countries with economies in transition before, during and in the follow-up of the process of accession to the World Trade Organization. (para. 38 (x))”

78. In November 2016, UNCTAD participated in the first International High-Level Multi-Stakeholders Conference on Promoting Pharmaceutical Sector Investments, of EAC, held in Nairobi. UNCTAD recommendations on policy coherence in the promotion of pharmaceutical manufacturing in EAC were endorsed during the meeting. Subsequently, sectoral councils for health and industrialization in EAC adopted promotion of policy coherence at the regional and national levels.

79. In collaboration with the European University Institute, UNCTAD conducted a joint study that explored the institutional aspects of the Agreement on Trade Facilitation in West Africa.

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

80. UNCTAD contributes towards women’s empowerment and gender equality in Africa by highlighting the gender ramifications of African macroeconomic policies and illustrating the social, structural, and cultural constraints that create or perpetuate gender inequality in Africa in sectors that can promote dynamism through trade, and undertakes advocacy work aimed at raising awareness of issues related to trade and gender.

81. In the area of trade and gender research and policy analysis, UNCTAD developed a teaching package consisting of a two-volume manual and an online course on trade and gender. One hundred and thirty-one participants from 21 African countries received scholarships to participate in the third iteration of the online course on trade and gender in January–February 2017. The distance learning initiative aims to equip academics, government officials and civil society in developing countries and economies in transition with tools to analyse the two-way relationship between trade and gender and to produce gender-aware policy recommendations.

82. In response to a request from the COMESA secretariat, UNCTAD launched a project in May 2016 to adapt the online course on trade and gender for the COMESA region. The initiative aims at increasing awareness of and sensitivity to issues of trade and gender in the region, and supporting policymakers and other stakeholders in integrating gender-sensitive considerations in their trade and regional economic integration policies



and programmes. In partnership with the COMESA secretariat, UNCTAD will deliver the COMESA-tailored trade and gender course in May and June 2017.

83. UNCTAD provided financial and mentoring support to research institutes/academia in Cameroon, Ghana and Nigeria for their research projects on trade and gender. Three research papers were finalized in May 2016.

84. In September 2016, UNCTAD, in partnership with Trade Mark East Africa, conducted an analysis of the factors facilitating or impeding women's participation in trade in the East Africa region, which will culminate in a report on women and trade in East Africa. An advocacy campaign in support of this work will be launched in May 2017 in Nairobi.

85. As part of the project "Informal cross-border trade for empowerment of women, economic development and regional integration in Eastern and Southern Africa" launched in March 2016 in Malawi, the United Republic of Tanzania and Zambia, UNCTAD has initiated an analysis that is examining the following issues: (a) how to address the complexity and opacity of trade barriers to informal cross-border trade, in a context of multiple overlapping trade arrangements; and (b) how to accommodate the specificities of informal cross-border trade, especially women, when designing and implementing suitable supply-side services that support cross-border trade flows.

86. During the reporting period, UNCTAD initiated work on the development of a trade and gender toolbox and a related trade and gender index. The toolbox is intended to help answer the question of what would happen to women if a given trade policy were implemented. The answer is expected to contribute to designing policies and accompanying measures that support women's social and economic empowerment. The toolbox will also include elements for the development of a trade and gender index designed to track progress over time. The first trade measure being analysed is the Economic Partnership Agreement between the European Union and Kenya. Results from the analysis will be shared with member countries in June 2017.

87. UNCTAD convened an intergovernmental meeting, the Expert Meeting on Trade as a Tool for the Economic Empowerment of Women, in May 2016 aimed at promoting a better understanding of the links between trade and gender. Experts discussed how to ensure coherence between trade and women's economic empowerment, and explored ways to design and implement the transformative actions needed to achieve the aspirations for gender equality and women's economic empowerment outlined in the 2030 Agenda for Sustainable Development and the Addis Ababa Action Agenda on financing for development. Participants included representatives from Burundi, Cameroon, the Democratic Republic of the Congo, Ethiopia, Ghana, Kenya, Mauritania, Namibia, Senegal, South Africa and Uganda, with speakers from Ethiopia, Kenya and South Africa.

88. UNCTAD provides technical support aimed at building women's capacities to start and operate their enterprises and recognizes exceptional women entrepreneurs who have established successful enterprises and created jobs. For example, several women entrepreneurs who benefited from the UNCTAD Empretec entrepreneurship training programme in Benin, the Gambia, Mauritius, Uganda and Zambia were among the 12 finalists recognized during the 2016 UNCTAD Empretec Women in Business Awards ceremony, which took place during UNCTAD XIV. Granted every two years, the award celebrates exceptional women entrepreneurs from developing countries who have benefited from Empretec training and established successful enterprises, while creating jobs in their communities.

89. UNCTAD continues to empower African researchers and academics in improving upon the quality of their teaching, learning and research. For example, the UNCTAD Virtual Institute is strengthening teaching and research in trade and development at

academic institutions in Africa. In 2016, six universities in Africa (the Institut Universitaire de l'Entreprise et du Développement and the Institut Africain des Politiques Commerciales in Senegal, the University of Kigali and the Mahatma Gandhi University in Rwanda, the University of Kibabii in Kenya and the University of Port Harcourt in Nigeria) joined the Virtual Institute, making Africa the region with the highest number of countries represented in the Virtual Institute. The Virtual Institute offered an online course on the economic analysis of non-tariff measures and organized videoconferences with universities in South Africa to present the main messages of UNCTAD flagship publications.

## **F. Financial resources committed to Africa**

90. Financial resources committed to Africa in 2016. Total expenditures on national, regional and interregional projects in support of Africa in 2016 were US\$17,157,560 (44 per cent of total expenditure), compared to US\$14,583,363 (40 per cent of total expenditure) in 2015, US\$10,425,656 (27.5 per cent of total expenditure in 2014 and US\$9,312,149 (23 per cent of total expenditure) in 2013.

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