

**Working Party on Strategic Framework and Programme Budget (Technical Cooperation)
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Secretary-General Dr. Mukhisa Kituyi,

Distinguished delegates,

Ladies and Gentlemen,

I'm pleased to report on the technical cooperation activities carried out by the Division of Africa, LDCs and Special Programmes (ALDC). Today's intervention will cover the activities carried out in 2016, as well as the on-going projects and programmes that the Division is currently implementing.

The Division's main technical cooperation work finds its mandate in paragraph 10 of the Maafikiano, which calls for UNCTAD to contribute to the implementation of and follow-up to the outcomes of relevant global conferences, including the 2030 Agenda for Sustainable Development, the Addis Ababa Action Agenda, and the AU Agenda 2063. It also calls for UNCTAD to enhance its work in support of addressing the trade and development challenges of all developing countries across all regions, in particular the LDCs, Africa, LLDCs and SIDS.

Let me start by addressing the following three products, as listed in document *TD/B/WP/285*, namely, 1) Support to graduation from LDC status, 2) activities in the context of the Enhanced Integrated Framework (EIF), and 3) Rules of Origin and market access for LDCs.

1) Graduation

We continued our technical cooperation work related to the graduation from the LDC category, and have had an increase in the number of requests for assistance to formulate country-specific graduation strategies. To date, we have received requests for graduation-related assistance from Angola, Bangladesh, Bhutan, Cambodia, Equatorial Guinea (who recently graduated), Laos, Myanmar, Kiribati, Samoa, Tuvalu, Vanuatu.

Since the Istanbul Conference, UNCTAD's work on graduation has been conducted jointly with the Office of the High-Representative for LDCs, LLDCs and SIDS, which has the overall responsibility for system-wide coordination of the implementation of the IPoA. I am glad to report that UNCTAD's approach to graduation (*graduation with momentum*) is now seen as THE model to be used in the support that the UN provides to graduating LDCs. UNCTAD's approach is based on the principle that - graduation should not be seen as an end in itself, but as a development and economic transformation process that enables LDCs - not only meet the graduation criteria but also acquire the momentum needed to build the productive capacity necessary to cope with the challenges ahead as lower-middle income economies.

As 6 of the 9¹ LDCs likely to be recommended for graduation at the 2018 meeting of the Committee for Development Policy are small island developing states, the Division is implementing a Development Account-funded project to enhance their economic resilience and achieve structural progress toward graduation from LDC status. In addition, we are looking at a stronger cooperation between UNCTAD, DESA, and OHRLLS on ways and means to support these countries.

2) Activities in the context of the EIF

Since the beginning of Phase Two of the EIF in 2016, the Division has been more dynamic, creative and result-driven in its technical cooperation activities. For example, an integrated approach to trade-policy making has been used for the analytical updating of the Diagnostic Trade Integration Study (DTIS). Since early 2012, a total of 8 countries (the Gambia, Senegal, Djibouti, Mali, Mozambique, Niger, Ethiopia, and Solomon Islands) have requested UNCTAD to carry out the updating of their Diagnostic Trade Integration Study (DTIS). The studies are critical for (i) trade policy review and (ii) mainstreaming trade in the national development strategies. Furthermore, they increasingly form the basis for identifying the specific trade-related capacity building needs and priorities requiring multilateral and bilateral funding. As part of the Division's coordinating role, the DTISs were prepared using the different expertise and experience available across UNCTAD Divisions.

Furthermore, ALDC has been pro-active in facilitating the implementation of post-DTIS activities at both the national and regional level. For example, a Tier II project document is being developed to support Djibouti and Ethiopia in their joint implementation of the Action Matrices related to transit and transport, in line with the Agreement on Trade Facilitation. On this, I am particularly happy to report that we managed to secure a political endorsement, at the highest level, for the establishment of a Managing Authority for the Addis-Djibouti Trade Corridor, which we are convinced will reduce burdensome administrative checks and transit time, making the transit of goods more cost-effective and competitive.

Furthermore, as part of our innovative approach, we are coordinating the implementation of the activities related to trade facilitation, transport, and transit included in the Action Matrices at a regional, rather than at a national level, for Benin, Burkina Faso, Mali and Niger. This will be the first EIF project at the regional level.

The Division has also been active in assisting the Government of Burkina Faso in the elaboration of a Medium-Term Plan, which was validated in November 2016, and in working on an Industrial Policy for the Gambia and in reinforcing productive capacities in Benin.

3) Rules of Origin and market access for LDCs

ALDC has provided policy advice and technical assistance on rules of origin and market access as a tool to enhance LDCs' utilization of trade preferences. As part of ongoing efforts to

¹ SIDS: Kiribati, Sao Tome and Principe, Solomon Islands, Timor-Leste, Tuvalu and Vanuatu (6). Non-SIDS: Angola, Bhutan and Nepal (3).

enhance LDC policymakers' skills in and understanding of duty free, quota free access, rules of origin and the services waiver, we have 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. ALDC has 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 LDCs. I am also happy to report that two Executive trainings on negotiation and drafting rules of origin, in partnership with the European University Institute in Florence, Italy, have been particularly appreciated by the participating delegates. New requests have also been received from Cambodia and Myanmar to help them improve and enhance their domestic policies on market access and rules of origin in order to better integrate into the world economy.

Other Technical Cooperation Products

Recognizing the key role of building productive capacities for structural change in LDCs, the Division has continued to implement a project aimed at upgrading and diversifying fishery exports in Cambodia, Comoros, Mozambique, Myanmar and Uganda. Sharing experiences and best practices in meeting international food safety standards has been a particularly valuable and appreciated component of the project. To ensure the project sustainability in helping LDCs unlock the potential of the sector to enhance fishery exports and employment in the sector, the Division, in cooperation with the Mauritius Oceanography Institute and the Fishery Research Center of Mauritius, is exploring the possibility of creating a regional center of excellence for fishery research and development. Such a center will serve as a hub for hands-on training and capacity building for LDCs in the African and Asian regions.

I would like to report on another innovative project that has successfully supported rural communities' efforts to increase their exports and supply capacity of traditional products in Benin and Cambodia. The project aimed at strengthening the capacities of the domestic producers and enterprises to increase the value of their traditional products through geographical indications. We have received new requests for similar activities to be implemented in other LDCs (Myanmar), but due to lack of adequate funding, we are often not in a position to positively respond to these demands.

Gender

The Division continues to strive to have gender considerations included, wherever possible, in all its technical cooperation projects and programmes. This includes all the phases of the projects, from its conception to its implementation, being it at the national or regional level. We have fully adopted the UNCTAD's Gender Mainstreaming Strategy, which has been adapted to the Division's specific technical cooperation and analytical activities, and are proud also to say that UNCTAD's Gender Focal Point is in ALDC.

Funding

Lastly, as I have already alluded to, the Division has been faced with a funding gap for some years already. This funding gap will continue to be a challenge as it is difficult to imagine how we will continue to meet all the requests for technical assistance without additional resources provided.

Of particular concern to me as the new incoming Director is that no new funds have been added to the LDC Trust Fund since 2014. Let me recall that contributions to the multi-donor LDC Trust Fund are aimed at strengthening national policymaking capacity and assisting LDCs in the preparation and implementation of technical cooperation projects and country-owned programmes.

As 47% of UNCTAD's wide technical cooperation activities targeted LDCs in 2016, let me renew our call to developed countries, and other development partners in a position to do so, to make multi-year contributions to the Trust Fund for LDCs. This is necessary to ensure continuity in existing activities and to enable the Division to positively respond to technical cooperation requests received from LDCs.

I thank you for your kind attention.