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**Human Resources Development and Training in Trade Supporting
Services: Key to Growth with Special Potential for LDCs**

Note by the UNCTAD secretariat

Introduction

1. This note has been prepared in order to assist the Commission on Enterprise, Business Facilitation and Development in its consideration of the policy options arising from the Expert Meeting on Human Resources Development and Training in Trade-Supporting Services: Key to Growth with Special Potential for LDCs. It is divided into two main sections. Taking into account the discussions by the experts and the outcome of the Meeting, the first section outlines the main underlying reasons why human resources development (HRD) in trade-supporting services should continue to be a major issue on the development agenda in UNCTAD and elsewhere. It focuses on specific policy questions in HRD and training in trade-supporting services.

In the second section possible areas of future work for UNCTAD arising from the Expert Meeting are presented.

I. Policy questions for consideration by the Commission

2. The experts identified a number of policy actions to be taken at the national level, in particular the adoption of a policy framework for HRD and the establishment of national councils for HRD in trade-supporting services.

3. To encourage policy actions, awareness-raising efforts are required, and these should start promptly. They may be initiated by local institutes of management or public administration, but should be supported by programmes undertaken by international bodies.

4. Effective HRD will be greatly enhanced by the existence, at local or regional level, of high-quality HRD institutions for trade-related services, covering training, advisory, analytical and research functions. These should be developed from or within existing institutions, and government, business-sector and international/regional institutions should all collaborate in setting them up.

5. Regional and international cooperation is essential for expanding and improving HRD and for keeping practices up to date, especially in least developed countries (LDCs). Such cooperation, by communities, institutes and businesses, needs to be encouraged by government policies. It may be reinforced through networking programmes of United Nations agencies. Furthermore, the business sector should explore professional contacts that may be a source of cooperation in HRD.

6. Training is only one component of HRD. While developing training services, countries should bear in mind the need for regulatory and institutional change to make training and HRD effective.

7. The policy framework for HRD should help the private sector in the consolidation of trade-supporting services by encouraging the adoption of privatization or concession policies for transport infrastructures and providers, commercial viability studies, reduced bureaucracy, and stimulation of commercial strategies and marketing of services. In particular, the role of the private sector should be reinforced by measures that:

- (i) Encourage and support the public business sector in efforts aimed at adaptation to free-market rules, thus promoting competition which motivates HRD;
- (ii) Help the private sector to establish incentives for continuous training inside and outside enterprises, including fellowships for acquiring and upgrading of skills within the framework of sound career plans;
- (iii) Change attitudes so that training is seen as an investment instead of simply a cost with marginal benefit;

- (iv) Support general efforts to retain qualified manpower;
- (v) Establish mechanisms for exchange of expertise among LDCs.

II. Proposals for UNCTAD's future work, taking into account the outcome of the Expert Meeting

8. Action by the international community is particularly important in relation to HRD for trade-supporting services. Several international agencies have an important role to play, and their efforts need to be coherent in order to encourage the best use of resources. Since the involvement of UNCTAD was stressed in the Bangkok Plan of Action, with its emphasis on capacity building, it would be appropriate that UNCTAD, in cooperation with International Trade Centre, take initiatives to encourage international and regional agencies to work together on HRD to avoid duplication, to create synergies and to expand capacity.

9. With a view to facilitating the adoption of a policy framework for HRD and the establishment of national councils for HRD in trade-supporting services, the Commission may consider the option that UNCTAD, in consultation with other interested United Nations agencies, conduct a campaign to explain and promote the importance of such action. In this context, the proposal by experts that UNCTAD draft a model policy framework for HRD which interested developing countries, especially LDCs, could adapt to local circumstances could be pursued. The HRD policy frameworks for LDCs should take into account their market needs and their learning capacities, as well as the learning needs of individuals involved in trade-supporting services.

10. Furthermore, UNCTAD could organize meetings, exchanges and dissemination of effective practice in order to maintain the commitment of all stakeholders in the development of trade in LDCs, and support international exchanges between LDCs and developed and developing countries in order to improve international trade through the sharing of experience among people engaged in trade-supporting services.

11. UNCTAD could explore and make recommendations on the role of communities in trade-supporting services and the ways in which HRD could be enhanced by cooperation across communities.

12. In addition, the Commission may wish to recommend that a pilot exercise

be conducted in a particular country, with assistance from the secretariat and external technical expertise, to prepare a draft policy framework for use at national level, and to establish a national council as proposed by the experts. The findings of this pilot exercise, including a review of the resulting action within the country, should be published and further reviewed at a regional workshop of HRD specialists, officials and managers. The workshop should be invited to suggest follow-up action at country level and for cooperation among countries.

13. The proposed activities might be considered for funding jointly by the countries concerned and an interested donor or partner agency. It may be considered that some of the technical expertise required should be invited from professional associations with the requisite experience. A pool of relevant experience is also to be found among the experts who took part in the Expert Meeting.