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Promoting and strengthening synergies among the three pillars

Progress report on promoting and strengthening synergies among the three pillars related to transport and trade facilitation and cross-divisional capacity-building

Note by the secretariat of UNCTAD

Executive summary

The present report provides a brief account of the activities carried out by the Trade Logistics Branch and by the Knowledge Sharing, Training and Capacity Development Branch of the Division on Technology and Logistics of the United Nations Conference on Trade and Development (UNCTAD) in matters related to transport and trade facilitation and cross-divisional capacity-building in the framework of the implementation of relevant paragraphs of the Doha Mandate.* The report highlights in particular the work undertaken in research and analysis, consensus building and technical cooperation activities over the period September 2012–March 2013.

* TD/500/Add.1.

I. Introduction on transport and trade facilitation

1. In the field of transport and trade facilitation, the work undertaken by UNCTAD over the period from September 2012 to March 2013 reflects the related elements set out in the Doha Mandate. The activities reported upon below relate to the work carried out by the Trade Logistics Branch of the Division on Technology and Logistics.
2. For ease of reference, relevant extracts of the Doha Mandate are reproduced below.

Doha Mandate paragraphs related to transport and trade facilitation

...

18. UNCTAD remains the focal point in the United Nations for the integrated treatment of trade and development, and interrelated issues in the areas of finance, technology, investment and sustainable development. UNCTAD should continue to work within its mandate – through its three pillars, delivering meaningful results, utilizing available resources, while enhancing synergies and promoting complementarities with the work of other international organizations. In this regard, UNCTAD should:

...

47. LLDCs usually pay the highest transport and transit costs, as recognized in the Almaty Programme of Action. Lack of access to the sea, remoteness from major markets, inadequate transit facilities, cumbersome customs and border-crossing procedures, regulatory constraints, as well as weak legal and institutional arrangements, undermine the efforts of LLDCs to build their productive capacities and to be competitive in world markets. These structural and geographical handicaps preventing LLDCs from fully harnessing the potential of trade as an engine for sustained economic growth and inclusive development need to be addressed, including through continued international and national efforts to implement the Almaty Programme of Action. Attention should also be paid to the challenges of transit developing countries, in particular in the development and maintenance of efficient transit and transport systems. Implementing trade facilitation measures regionally and multilaterally can also play a major role in helping LLDCs and other developing countries overcome these challenges.

48. When it comes to transport and trade logistics, SIDS are also disadvantaged due to their remoteness and geographical isolation. In a globalizing world, logistics costs and non-tariff barriers have become key factors in the overall competitiveness of SIDS. Low transport volumes and long distances typically add up to high freight and logistics costs and low frequency of services, in terms of both maritime and air transport.

56. In accordance with paragraph 18, UNCTAD should:

...

(h) Assist developing countries, particularly LLDCs and transit developing countries, and some countries with economies in transition, to address challenges affecting their participation in trade from geographical constraints, with a view to improving transport systems and connections, designing and implementing resilient and sustainable transport systems, and enhancing transit infrastructure and trade facilitation solutions;

(i) Continue its work in the field of trade facilitation, including the ASYCUDA programme;

(j) Advise SIDS on the design and implementation of policies addressing their specific trade and trade logistics challenges linked to their remoteness and geographical isolation;

II. Research and analysis on transport and trade facilitation

3. The *Review of Maritime Transport 2012* was launched in December, with a special focus on sustainable freight transport and its financing. UNCTAD also continued maintenance and updating of its maritime database to produce the annual Liner Shipping Connectivity Index and statistics on sea-borne trade, port traffic and the world fleet, which were made available to member countries through UNCTADstat.

4. The quarterly issues of the transport newsletter, published during the reporting period, covered different issues, including the *Review of Maritime Transport 2012*, the results of the ad hoc expert meeting on assessing port performance, the trade facilitation reforms in landlocked developing countries (LLDCs), selected African countries and the Asia-Pacific region, as well as the ongoing UNCTAD trade facilitation programme.

5. UNCTAD organized an ad hoc expert meeting entitled “Assessing port performance” which took place in Geneva in December 2012. The meeting reviewed recent initiatives by individual ports, regional port associations, port users and academia in measuring port performance. It also addressed common standard indicators and modalities for the future collaboration of ports and academia to measure port performance.

6. A comprehensive study was developed jointly with the Economic and Social Commission for Asia and the Pacific entitled “Cross-border and transit transport process management toolkit” as part of a United Nations Development Account project. This toolkit has practical guidelines for identifying barriers impeding cross-border and transit transport, as well as possible solutions. A research paper entitled “The way to the ocean” was produced, which addresses the needs and priorities of landlocked and transit developing countries in accessing overseas markets. The paper serves as a timely and useful background paper to the forthcoming 10-year review of the Almaty Programme of Action scheduled to take place in 2014.

7. Over the reporting period, work also continued to focus particularly on the impacts of climate change on ports and related adaptation needs, as well as on the growing incidence of maritime piracy, a matter of topical interest and concern to the international community. Relevant work in progress includes the preparation of a report focusing on international legal instruments and related initiatives to combat maritime piracy and highlighting some of the implications of maritime piracy for transport and trade.

8. The research and analysis on matters related to transport and trade facilitation are expected to provide developing countries with a better understanding of the issues at stake and policy options to be incorporated into national and regional trade and transport facilitation strategies. These range from specific actions to broader operational, procedural and regulatory reforms in administrations and trading and transport communities. This has been confirmed through feedback received from the stakeholders concerned in member States.

III. Intergovernmental and consensus-building activities

9. As part of its cooperation with other international organizations, UNCTAD participated actively in the fourth and fifth sessions of the Expert Group on climate change impacts and adaptation for international transport networks of the Economic Commission for Europe, held in October and December 2012, respectively. The work of the Expert Group, including the finalization of a substantive report, is expected to be concluded following its sixth session, scheduled to be held on 26 March 2013.

10. UNCTAD also participated actively in the European Commission Joint Research Centre scoping workshop on seaports and climate change, held in March 2013 in Brussels, where UNCTAD presentations highlighted the global perspective and informed the discussion in respect of the special needs of small island developing States (SIDS). UNCTAD also contributed to consensus building at the 2013 annual summit of the International Transport Forum in a preparatory meeting in Paris on funding transport consultations with international organizations.

11. UNCTAD continued its usual involvement in the work of the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) and participated in an informal meeting of the International Civil Aviation Organization on air cargo facilitation and development, in Geneva on 19 February 2013.

12. UNCTAD participated actively in the fourth meeting of Ministers of Trade of LLDCs held in Almaty, Kazakhstan, in September 2012 and in the Inter-Agency Consultative Group Meeting organized by the Office of the High Representative for Least Developed Countries, Landlocked Developing Countries and Small Island Developing States that took place in Geneva on 6 December 2012. As part of the activities to support LLDCs which are members of the World Trade Organization (WTO), UNCTAD also participated in and provided advisory services to an informal meeting held on 8 March 2013, the purpose of which was to discuss the possibility of building a common vision for LLDCs on the provisions affecting transit in the context of WTO negotiations on a future trade facilitation rule.

13. In the same context, of particular relevance is the memorandum of understanding that UNCTAD and the World Customs Organization have prepared over the reporting period and which is expected to be signed soon. This memorandum of understanding is aimed at establishing a close collaboration between the activities of the two institutions, which will establish a cooperation programme to develop an application for world software performance indicators for the Automated System for Customs Data (ASYCUDA) for partner countries using the ASYCUDA system for the automation of their customs clearance processes.

14. The impact of consensus-building activities can easily be measured, both in terms of immediate results recorded in the corresponding report of the event through evaluation forms filled out by participants but also, in the longer term, through the adoption of solutions or best practices presented and discussed during the meeting.

IV. Technical assistance and capacity-building activities

15. UNCTAD has continued to provide assistance for the elaboration of national trade facilitation implementation plans within several regional and interregional projects. In the period between June 2012 and March 2013, Angola, Antigua and Barbuda, Bangladesh, Burundi, Bhutan, Dominica, Grenada, Rwanda, Saint Lucia and Saint Vincent and the Grenadines held stakeholder conferences to validate their implementation plans, bringing together a total of 400 participants actively contributing to shaping the national trade facilitation strategy. The preparation of the national plans for Jordan, Saint Kitts and Nevis, the Sudan and Suriname is well under way and the national validation conferences in all those countries are expected to be completed by May 2013. Building upon this national dialogue, in early 2013 UNCTAD launched follow-up activities, financed by the European Union and the United Nations Development Account, building upon the results of country national implementation plans and aiming to assist countries in developing concrete national and regional project proposals on priority trade facilitation measures. The first follow-up meetings took place in Cotonou and Kigali in April 2013.

16. The UNCTAD trade and transport facilitation project with the Government of Pakistan, funded by the World Bank, has been restructured to incorporate the focus of the Government of Pakistan on regional trade. The implementation period has also been extended from December 2013 to June 2015. UNCTAD has developed the terms of reference for the studies proposed in the revised work programme and will support the Government of Pakistan in their implementation.

17. The experience of UNCTAD with transport and trade facilitation issues was actively shared with countries at many regional and multilateral events, including the UNCTAD P166 short course for Geneva-based delegates on trade facilitation in the globalized economy entitled “Challenges and opportunities” (Geneva, November 2012); the P166 regional courses for policy makers on key issues on the international economic agenda (Medellin, Colombia, February 2013); the course on trade logistics (Quito, November 2012); the WTO symposium on trade facilitation for African countries (Nairobi, November 2012), the second regional workshop on trade and transport facilitation (Amman, November 2012), the Borderless Alliance conference (Accra, February 2013), the seminar on transport and trade facilitation for a Government delegation from Ethiopia (Geneva, January 2013), the special session on trade facilitation implementation needs and the assistance of the WTO Negotiating Group on Trade Facilitation (Geneva, March 2013); and a regional workshop on trade facilitation in cooperation with the Union of African Shippers’ Councils (Ouagadougou, March 2013).

18. Over the reporting period the ASYCUDA programme, the largest technical cooperation operation in UNCTAD, continued its activities on all continents. Of specific relevance worth highlighting in this context are the capacity-building activities carried out by ASYCUDA regional centres.

19. The Aqaba centre of excellence in Jordan has also been growing in importance as a reference for many ASYCUDA customs administrations that have been in a position to make use of its facilities and highly qualified staff. The ASYCUDA support centre for Asia and the Pacific has continued to provide targeted customs modernization/automation support to the countries in the region, in line with the ASYCUDA programme overall development strategy. Similarly, the Southern and Eastern Africa technical ASYCUDA centre based in Dar es Salaam, United Republic of Tanzania, and the regional centre for the Caribbean in Caracas, have been providing training and advisory services and technical support to their respective associate customs administrations.

20. At national level, the most recent progress has been observed in Belize, Côte d’Ivoire, the Democratic Republic of the Congo, Djibouti, El Salvador, the Lao People’s Democratic Republic, Liberia, Mali, Sao Tomé and Príncipe, Sri Lanka and the Sudan. In terms of single window developments centred on customs, major progress can be reported over the period in Jordan, Rwanda, Uganda and Zimbabwe.

21. The impact of the continued technical assistance and capacity-building activities provided by UNCTAD can be assessed by an increased number of developing countries, and some countries with economies in transition, having improved their trade logistics performance. All this has been well reflected in existing benchmarks related to logistics and business efficiency, as well as more specifically through indicators such as increased revenue to countries, improved trade facilitation, shorter clearance times and the availability of reliable trade statistics.

V. Introduction of cross-divisional capacity-building

22. In 2012, the mandate of the Knowledge Sharing, Training and Capacity Development Branch of the Division on Technology and Logistics was confirmed in

paragraph 56 (r) of the Doha Mandate which stated that UNCTAD should “Continue capacity-building activities including TrainForTrade and in the framework of paragraph 166 of the Bangkok Plan of Action”.

23. The Knowledge Sharing, Training and Capacity Development Branch supports developing countries and countries with economies in transition through two main groups of cross-divisional training and capacity-building activities. The Human Resources Development Section/ TrainForTrade fosters training and capacity-building aimed at trade practitioners in the development of a sustainable local capacity in trade, investment and development issues. The Policy Capacity Building Section provides capacity-building programmes for policymakers on the integrated treatment of trade, investment, finance, technology and development issues through courses on key issues on the international economic agenda (also known as P166, for paragraph 166 of the Bangkok Plan of Action) and short courses for Geneva-based diplomats.

VI. Activities of the Human Resources Development Section/TrainForTrade

24. The Human Resources Development Section/TrainForTrade focuses on developing skills and knowledge through innovative approaches based on a pedagogical method and technological solutions. Progress was made with the development and implementation of technical assistance projects in the TrainForTrade programme, which includes core components on international trade and development and promotes cross-divisional cooperation. A port training programme was also operated through four language-based networks in Africa, Asia, Europe and Latin America. Furthermore, advice was given on the use of information and communications technology (ICT) to promote knowledge sharing, networking and competence building.

25. The section emphasizes the importance of training local experts as trainers in order to create sustainable knowledge-sharing processes. During the reporting period, the section continued to promote networking and South-South cooperation amongst beneficiaries, which is crucial for knowledge sharing and the multiplier effects of training. Face-to-face activities were combined with distance-learning courses and new learning tools were developed by exploring new technological opportunities such as e-learning and mobile learning. In 2012, 62 face-to-face and e-learning courses were delivered in cooperation with other UNCTAD programmes. A total of 526 trade operators (of whom 24 per cent were women) from 36 developing countries (including 11 least developed countries) took part in them.

26. UNCTAD and the United Nations Development Programme (UNDP) office in Angola signed a memorandum of understanding in November 2012 to design and implement training and capacity development activities for local stakeholders, to be conducted through the TrainForTrade programme. This collaboration allows TrainForTrade to maintain an active presence in the country and to capitalize on the results obtained during the initial Angola project. Between 2007 and 2011, TrainForTrade trained over 800 Government employees and private sector managers in Angola on various international trade issues, including sustainable tourism, productive capacities and consumer protection. The project went through three extensive evaluations with positive outcomes.

27. Further progress was also made with support to port communities in developing countries in the quest for efficient and competitive port management through the port training programme. Knowledge and expertise were shared between port operators to strengthen talent management and the development of human resources in port communities. Partnerships have been developed with European ports that are sharing their

knowledge and expertise through four language-based port training networks (in English, French, Portuguese and Spanish) in Africa, Asia, Europe, Latin America and the Caribbean. The programme also continued to host the high-end course on modern port management, which entails a powerful scheme to introduce value added solutions into port communities. It targets middle and senior managers and consists of 240 hours of training activities, which are divided into eight modules and delivered over a two-year span.

28. The beneficiary ports of the programme continued to contribute financially to the programme. This self-sustaining aspect indicates the level of commitment and interest from the national port communities in Benin, Cameroon, Djibouti, Gabon, Ghana, Guatemala, Guinea, Indonesia, Ireland, Malaysia, Namibia, Peru, Senegal, Togo and the United Republic of Tanzania.

29. For the English-speaking network, and in cooperation with the Dublin Port Company, the Port of Cork, the Belfast Harbour Commissioners and Irish Aid, the secretariat finalized the second cycle of the port training programme in the United Republic of Tanzania and the Maldives in November and December 2012, respectively. The modules of the modern port management course were successfully delivered in Ghana and Indonesia in September 2012, while Namibia, the newest member of the network, continued on to the second half of the cycle which is expected to be completed by June 2013.

30. Joe Costello, Minister of State at the Department of Foreign Affairs and Trade of Ireland, visited Tema Port in Ghana in November 2012 to assess first-hand the impact of the port training programme on port staff and operations. During his visit, the Minister reiterated that Ireland would remain a strong trading partner with Ghana and would continue to support efforts such as the port training programme that contribute to the sustainable development of Ghana.

31. The African ports from French-speaking countries, which are members of the port training programme continued their training cycles of the modern port management course, with activities in Benin and Cameroon (where the eighth cycle of the course was finalized) and in Djibouti (with the beginning of a second cycle of the course). A study tour to Ghana and Togo was also arranged for participants from Benin to facilitate the exchange of knowledge and best practices. Additional courses, dissertations or presentation of UNCTAD certificates in modern port management were given in Gabon, Guinea, Senegal and Togo.

32. In the Spanish-speaking network, the second cycle of the programme was completed. National instructors from Guatemala and Peru (trained through the programme) were in charge of the delivery of the modern port management course, with the support of experts from the Spanish port authorities of Valencia and Gijón.

33. In November 2012, the Dominican Republic officially joined the Spanish-speaking network of the port training programme. The participation of the National Presidential Commission as Chair of the project steering committee indicated the level of commitment from the national stakeholders. All major port actors and the Ministry of Economy will take part in future activities.

VII. Activities of the Policy Capacity Building Section: course on key issues on the international economic agenda

34. The flagship course on key issues on the international economic agenda has been a priority training activity for UNCTAD since 2011. It is delivered in two forms: three-week regional courses in the five developing regions for policymakers and others; and six short (half-day) annual courses for delegates in Geneva. The regional course gives policymakers

a comprehensive overview of how different economic factors are linked to each other, where they can positively impact on the economic and social development of their countries and how the development of appropriate economic policies can bring gains from the globalized economy. The programme is designed and delivered by resource persons from UNCTAD, the United Nations regional economic commissions and national experts from the countries hosting the courses.

35. In 2012, three regional courses were organized: for countries with economies in transition (in Belgrade in July), for Africa (in Rabat in August and September) and for Western Asia (in Oman in November). A total of 58 participants, 22 of whom were women, attended these courses. It is to be noted that the secretariat, on an exceptional basis, delivered a total of three instead of two regional courses in the first year of the biennium; the African edition, scheduled in 2011, was postponed due to events in Egypt and eventually delivered in Rabat. Another event of interest is the validation of Oman as a multi-year venue for the regional courses in Western Asia. The advisory body that governs the activities of the regional courses awarded Oman this status and a total of three editions of the course will be delivered jointly with the Ministry of Industry and Commerce from 2012 onwards. In addition, Mauritius was chosen as the multi-year venue for Africa starting in 2012.

36. In 2013, the secretariat delivered its twenty-sixth edition of the course for Latin America and the Caribbean at EAFIT University, Medellin, Colombia. Two other courses are scheduled at the University of Mauritius for Africa in July and with the Ministry of Foreign Affairs of Singapore in November for the Asia-Pacific region.

37. The secretariat issued a call for proposals for multi-year venues for countries with economies in transition in early 2013. A similar call will be launched for the Latin American and Caribbean and Asia-Pacific regions, following the end of the hosting of the regional courses at EAFIT University and the Ministry of Foreign Affairs of Singapore in 2013.

38. The objective of the short courses is to update Geneva-based policymakers on the most recent issues and developments on the international economic agenda. The programme is demand-driven with diplomats proposing topics that are of relevance to them, taking into account that these are also areas where UNCTAD conducts its research.

39. Three short courses for Geneva-based diplomats were offered in the second half of 2012 in cooperation with relevant UNCTAD divisions. About 75 delegates from permanent missions of developing, transition and developed countries participated in these courses. Six additional editions are planned for 2013, of which three have already taken place.
