



THE SERVICES ECONOMY

UNCTAD strives to help developing countries boost their services sectors and expand trade in services. Among the organization's activities are:

RESEARCH AND ANALYSIS, INCLUDING:

Services Policy Reviews

- UNCTAD carries out Services Policy Reviews at the request of governments. The reviews systematically assess the economic, regulatory, institutional and trade policy environments characterizing their services sectors, and determine the impact of these on services-sector development and trade. Recommendations are made as to how countries can more effectively expand their services sectors, creating jobs and helping to raise living standards.
- Reviews have been carried out for Nepal, Uganda, Kyrgyzstan, Lesotho and Rwanda.
- Reviews are now under way for Uganda (phase 2) and for Peru and Nicaragua.

Trade Policy Frameworks

- Broader Trade Policy Frameworks have been conducted for Rwanda, Angola and Jamaica, in the course of which national services sectors were extensively analysed.

CUSTOMIZED SUPPORT

- UNCTAD offers specialized training and advisory services to policymakers and negotiators from developing countries, least developed countries, and groups of States such as the African Group, the Southern African Development Community, and the Common Market for Eastern and Southern Africa.
- Such assistance helps beneficiaries to form/formulate effective national and regional strategies for development-oriented negotiations related to trade in services.
- This support has also helped developing countries and least developed countries in their negotiations under the General Agreement on Trade in Services in the World Trade Organization (WTO).

EXPERT MEETINGS

- UNCTAD has organized a number of expert meetings on trade in services since the late 1990s, covering areas such as health, universal access to basic services, tourism, education, energy, movement of natural persons, construction, and logistics, as well as audiovisual, distribution, professional and legal services.
- From 2009 to 2012, UNCTAD staged the four annual sessions of its Multi-year Expert Meeting on Services, Development, and Trade: the Regulatory and Institutional Dimension. These sessions focused on infrastructure services related to financial services, telecommunications, transport, water, and energy supply. They also provided a platform for experts from member States to share best practices and lessons learned in building up their infrastructure services sectors through proper regulatory and institutional frameworks.
- From 2013 to 2016, the organization will hold a new series of Multi-year Expert Meetings on Trade, Services and Development, which are intended to help developing countries and least developed countries overcome bottlenecks in developing their services sectors, particularly through improving the supply capacities of their infrastructure services.

WORK ON MIGRATION, INCLUDING MOVEMENT OF NATURAL PERSONS, AND REMITTANCES

- UNCTAD carries out research and holds expert meetings (and joins in cooperative efforts with other agencies, particularly the Global Migration Group) related to the development impact of millions of economic migrants from developing countries and the remittances that they send to their home countries. Many of these migrants work in services sector businesses.
- UNCTAD's Least Developed Countries Report 2012, subtitled Harnessing Remittances and Diaspora Knowledge to Build Productive Capacities, explores the impact of the remittances that these migrants send home each year – some US\$27 billion in 2011. The report offers proposals for how developing countries might use these vast sums to expand and diversify their economies, including through augmenting their services sectors. It also makes proposals for reversing the effects of “brain drain” – the loss of highly skilled nationals to jobs overseas. Many such emigrants work in the services sector.

ANALYSIS AND TECHNICAL COOPERATION ON TRANSPORT SERVICES AND TRADE FACILITATION

- UNCTAD's Review of Maritime Transport surveys developments in seaborne transport services, which carry some 80 per cent of global trade by volume. The report focuses especially on trends affecting developing countries. In recent years, the participation of these nations in maritime transport has been growing. In 2011, 60 per cent of world seaborne trade by volume was loaded, and 57 per cent unloaded, in developing-country ports.
 - UNCTAD's Port Training Programme provides instruction to officials from developing countries on efficient port services – a vital factor in keeping costs down, reducing shipping times, and making exports price-competitive. The Programme's various courses have been completed by over 1,300 port officials from 20 developing countries.
 - UNCTAD has helped in the establishment of several transport corridors to connect landlocked developing countries to ports and so reduce their shipping costs and speed up transport of their goods. (Without special steps, landlocked status increases a developing country's shipping costs by as much as 50 per cent.) An UNCTAD project to improve collaboration along the Lao People's Democratic Republic–Thailand and Zambia–Namibia corridors, for example, has helped to decrease transit times by several days and cut costs by up to 25 per cent.
 - UNCTAD assists its member countries in the area of trade facilitation through its Automated SYstem for CUstoms DAta (ASYCUDA) and through tailor made advisory services in the context of multilateral and regional negotiations.
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SUPPORT FOR INFORMATION AND COMMUNICATION TECHNOLOGY (ICT)

- UNCTAD works extensively with developing countries to help them take advantage of recent rapid advances in communication technology. These have vast implications for services – for example, ICT is playing a major role in expanding banking and financial services that are critical for economic growth in poor countries.
- UNCTAD's Information Economy Report annually reviews trends in ICT with an emphasis on their effects on developing countries – and on the opportunities that ICT offers. The Information Economy Report 2012 was subtitled *The Software Industry and Developing Countries*, and focused on steps that can increase the impact of the rapidly expanding software sector in the developing world. The emphasis was on how domestic software services can be used to spur national economic growth and to add to software exports.
- A 2012 UNCTAD study of “mobile money” – the use of cell phones for banking services that often are not otherwise available in developing regions – analysed the situation in the East African Community. It recommended heightened efforts to coordinate and cooperate among banking and financial platforms in order to build confidence and trust among users, who now transfer hundreds of millions of dollars by cell phone every month.

SUPPORT FOR INVESTMENT IN INFRASTRUCTURE

- UNCTAD examines the interaction between Foreign Direct Investment (FDI) and infrastructure. *The World Investment Report 2008* studied the involvement of transnational corporations (TNCs) in infrastructure, especially electricity, telecommunications, transport, and water, and mapped the investments of infrastructure companies worldwide. And UNCTAD devoted three issues of its series on best practices in investment policies to how FDI can be used to improve infrastructure.
- UNCTAD's Commission on Investment, Enterprise, and Development has discussed how policies at the national, regional and international levels can boost public-private partnerships in key industries for promoting infrastructure development. This issue will be further analyzed from 25-28 March 2013, when a meeting will be held on *Assessing the Impact of Public-Private Partnerships on Trade and Development in Developing Countries*.
- UNCTAD's *World Investment Report 2011* on “non-equity modes (NEMs) of international production and development” showed that NEMs in industries such as services outsourcing provide large-scale employment in developing countries and boost entrepreneurial and other skills. UNCTAD's new Investment Policy Framework for Sustainable Development devotes an entire chapter to FDI in services.

TRAINING FOR ENTREPRENEURS

- UNCTAD's Empretec programme trains aspiring entrepreneurs through centres now operating in 34 developing nations and economies in transition. To date, the programme has trained over 270,000 people, many of whom have founded or expanded businesses in the services sector.
- UNCTAD presents the biennial Women in Business Awards to Empretec graduates who have founded successful firms and created jobs in developing countries. Second prize in 2012 went to Patricia Paz Silva Giordani of Brazil, who founded a firm which provides safe transport and treatment services for dangerous industrial and medical waste. The winner of the third prize, Rahda Kurdi of Jordan, founded Advanced Pharmaceutical Services, which offers a number of administrative and financial services to small pharmacies.

STATISTICAL WORK ON TRADE IN SERVICES

- UNCTAD participates in the Inter-Agency Task Force on Statistics in International Trade in Services. Partner agencies include the European Commission, the International Monetary Fund, the United Nations Statistics Division, the World Tourism Organization, and the World Trade Organization.
- UNCTAD has contributed to preparation of the revised edition of the Manual on Statistics of International Trade in Services.
- The organization has begun work on a statistical framework for the collection and dissemination of data on trade in services.

