

## **Thirty-first Regional Course on Key Issues on the International Economic Agenda**

**University of Mauritius, 9–27 February 2015**

### **Course Syllabus**

This syllabus gives a short overview of the content of the different modules. For each module, participants from Africa who are selected to attend the course will be expected to gather information on a number of issues before the beginning of the course so they can contribute to discussions on the different modules by sharing the experience of their countries.

#### **Module 1. Trade, financial flows and macroeconomic policies in a globalizing economy**

**Objectives:** This module highlights topical economic issues at the global level and explores their implications for countries' development policies. It introduces participants to UNCTAD's integrated approach, examining the interdependence between different policy areas, including macroeconomic management and international trade and financial integration, to discuss growth and development challenges. The principal objectives of the module are as follows:

- To examine global economic dynamics and the attendant challenges faced by developing and transition economies, including those challenges related to macroeconomic and financial trends, trade and inclusive growth
- To enhance participants' understanding of current economic debate and what this implies for policymakers in developing and transition economies
- To help participants recognize the opportunities for development emanating from globalization and the policy approaches that can help create an enabling environment for investment and growth.

**Expected outcome:** At the end of this module, participants will have deepened their understanding of the implications of trade and financial integration for inclusive economic growth, structural change and technological upgrading. They should also be able to understand key challenges related to macroeconomic and regulatory policies to prevent crises and enhance investment and growth. Participants will thus develop their capacities to pursue appropriate policies and strategies in these areas at the national, regional and international levels.

#### **Module 2. Investment and enterprise development: Trade and development implications**

**Objective:** The objective of this module is to define and evaluate the impact of foreign investment on development and to highlight best practices on how to create linkages between transnational corporations and domestic enterprises.

This module addresses issues related to international and domestic investment and trade. It begins by examining the latest trends in foreign direct investment (FDI) flows, corporate strategies and international systems of production. This will provide a basis for an assessment of the links between investment and international trade – the integration of developing countries into international systems of production (also called global value chains) as suppliers and producers. Attention will be paid to linkages between small and medium-sized enterprises and transnational corporations allowing developing countries to benefit from global trading opportunities. In addition, the need to promote entrepreneurship and strengthen the local supply capacity to sustain competitiveness in the long term will be explored. The focus of the module is on the policies, institutions and strategies that can best attract FDI and embed it in host economies, as well as on policies aimed at strengthening local productive capacity.

Expected outcome: At the end of this module, participants will be able to define and evaluate the impact of foreign investment on development. Participants will also be able to identify the policies, institutions and strategies that can be put in place to attract and enhance the impact of foreign investment through technological and financial spillovers, growth of employment and exports, linkages between transnational corporations and small and medium-sized enterprises, and local enterprise development. Participants will also have a firm grasp of global and regional trends in foreign investment flows.

### **Module 3. The knowledge economy: Harnessing science, technology and innovation for development**

Objective: The objective of this module is to familiarize participants with how countries can harness science, technology and innovation (STI) to address development problems through the design and implementation of national STI policies and strategies.

The sources of economic growth and development include technological progress and innovation. Harnessing STI has contributed to economic and social progress in many countries. It is also critical to addressing environmental challenges. It has been a key part of the development strategies in several developing countries that have grown quickly and are catching up with the most advanced economies. This module discusses what STI is, how it can contribute to growth and development and what types of policies and strategies countries can design and implement to build STI capabilities, promote successful technology transfer and develop strong innovation systems. It will discuss the experiences of other regions with STI policies and strategies. The linkages between STI, trade, investment and industrial policies will also be discussed.

There is broad diversity among countries in many respects, and national STI strategies and policies must take account of different country circumstances. However, the argument will be made that all countries can harness STI in ways that support growth, development and improved social welfare, regardless of their specific circumstances. The module is therefore relevant for economic policy analysts and policymakers from all developing and transition economies.

Expected outcome: By the end of this module, participants will have some understanding of the following points:

- The role that science, technology and innovation can play in stimulating economic and social development
- The concept of innovation systems
- How national policies can be used to build STI capabilities and promote technological progress and innovation
- The challenges faced by countries with economies in transition and developing countries in designing and implementing STI policies and strategies.

### **Module 4. International transport and trade facilitation**

Objective: The objective of this module is to introduce participants to key issues in international trade logistics, transport and trade facilitation and how these issues link to global value chains, with an emphasis on African economies.

Participants will discuss trade facilitation measures as contained in the recently agreed World Trade Organization (WTO) Agreement on Trade Facilitation, as well as regional initiatives. Participants will gather the elements required to develop a national trade facilitation implementation plan and establish a national institutional framework, such as the national trade facilitation committees, as required under article 13 of the Agreement.

The module will also look at the role of international transport for the trade competitiveness of countries, infrastructure and global transport networks, transit arrangements, trade support services and institutional and legal frameworks, including customs issues and trade facilitation measures that are contained in the Agreement and increasingly included in regional trade agreements. In this context, the module will elaborate on the needs and priorities of countries with respect to capacity-building and technical assistance requirements as part of the Agreement.

Expected outcome: At the end of this module, participants will better understand the role of institutional and physical trade and transport infrastructures in fostering trade competitiveness in terms of supporting productive and trading capacities. They will also grasp the relevance of trade and transport facilitation and their importance in trade transactions at national, regional and multilateral levels.

### **Module 5. Development gains from the international trading system: The perspective of developing countries in Africa**

Objectives:

- To examine developments in the international trading system, especially in view of the global financial and economic crisis and its impact on development and the Millennium Development Goals;
- To review the state of play in multilateral trade negotiations under the Doha Round of international trade negotiations, as well as issues of particular relevance to developing countries in the region and policy options in that regard;
- To consider broader trade and trade-related policy reform issues in these countries' efforts to achieve structural transformation and draw maximum development gains from the international trading system;
- To investigate ways and means to maximize the beneficial effects of trade agreements, for example by adopting coherent national approaches to regional and multilateral negotiating processes, mitigating adjustment costs and exploring export opportunities in regional partners for diversification of their economies.

Expected outcome: At the end of this module, participants should be able to identify and understand key challenges and opportunities in the international trading system. They will be cognizant of important factors affecting the design of appropriate national policies and strategies and should be able to maximize gains from integration into the global economy.

### **Module 6. Simulation exercise on national policy objectives and multilateral trade negotiations**

Objective: To understand the relationship between negotiations in trade in services in the context of a country's services negotiations at WTO and the wider policy context at the national level, participants will undertake a simulated consultation between national stakeholders regarding the country's possible commitments under the General Agreement on Trade in Services. The exercise will result in a consensual services offer.

Expected outcome: At the end of the simulation exercise, participants will be able to understand the dynamics and challenges of crafting a national position to participate in trade negotiations.