

**United Nations  
Inter-Agency Cluster  
on Trade and  
Productive Capacity**



# A New Path for the **2030 Agenda** for Sustainable Development



**United  
Nations**



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## Foreword

In an era marked by complex global challenges, the need for cohesive and effective responses from the international community has never been more urgent. The United Nations Inter-Agency Cluster on Trade and Productive Capacity, as detailed in this document, stands as a testament to the power of collaborative action and the shared vision of sustainable development.

As Secretary-General of UNCTAD, and in my experience working in the Secretary-General's Global Crisis Response Group, I have witnessed firsthand the transformative impact that coordinated "One United Nations" efforts can have in addressing the multiple challenges we face. In this sense, this brochure not only outlines the key messages and strategies of the Cluster but also serves as a beacon of hope and a blueprint for action in the specific field of trade and development.

The Cluster's unique composition, encompassing 15 agencies within the United Nations system, embodies the strength found in diversity and expertise. Its focus on enhancing trade and productive capacities directly contributes to accelerating the achievement of the Sustainable Development Goals, particularly those related to trade such as Goals 8 (decent work and economic growth), 9 (industry, innovation and infrastructure), 10 (reduced inequalities), 12 (responsible consumption and production) and 17 (Partnerships for the Goals).

Our collective journey towards a more equitable and sustainable future is laden with unique and varying challenges, yet it is through initiatives such as the United Nations Inter-Agency Cluster on Trade and Productive Capacity that we find the means to navigate these challenges effectively. The Cluster is a unique mechanism, providing an optimized articulation between Headquarters and country-level organizations. It offers appropriate linkages between the formulation of integrated policy recommendations and their effective translation at the national level through tailored joint programmes delivered in the context of United Nations Sustainable Development Cooperation Frameworks. It thus consists of a driving force at the country level, leading to greater impact.



The insights and strategies outlined in this brochure underscore the importance of integrated action, policy coherence and the leveraging of unique expertise within the United Nations system. I encourage all stakeholders and potential donors, including member States, international organizations and the private sector, to engage with the Cluster's work. Your support and collaboration are vital in ensuring that we can deliver on the promise of the 2030 Agenda for Sustainable Development.

As we move forward, let us take inspiration from the achievements and the potential of the Cluster. Together, we can build a more inclusive and sustainable world where trade serves as an important cornerstone for development and prosperity for all.

**Rebeca Grynspan**  
Secretary-General of UNCTAD



## United Nations Inter-Agency Cluster on Trade and Productive Capacity

### ***The Cluster***

The Chief Executives Board for Coordination (CEB) Inter-Agency Cluster on Trade and Productive Capacity is led by UNCTAD and includes FAO, ILO, ITC, UNCITRAL, UNDP, UNEP, UNIDO, UNOPS, WTO and the five United Nations Regional Commissions.

The Cluster is an inter-agency mechanism dedicated to the coordination of trade and development operations within the United Nations system. It proposes comprehensive solutions with optimized linkages between the formulation of common policy recommendations and their effective translation at the national level.

By acknowledging the pivotal role of trade as an engine for sustained human development and economic growth, the Cluster aims to enhance the development impact of trade and trade-related national policies and productive activities. It emphasizes the linkages between trade and development in the overall normative work and assistance of the United Nations.

Most members of the Cluster are non-resident agencies.



### ***An effective mechanism in support of the reform of the United Nations***

Since its official launch by the United Nations Secretary-General during the twelfth session of the United Nations Conference on Trade and Development in April 2008, the Cluster has contributed to the United Nations system-wide coherence reform and the 2030 Agenda for Sustainable Development by:

- Coordinating participation in the United Nations system, including within the United Nations Sustainable Development Group, with a view to developing new United Nations rules, standards and best practices for inter-agency operations
- Coordinating participation in the United Nations Sustainable Development Cooperation Framework, with a view to proposing coherent inter-agency modalities of assistance, through a combination of advisory (policy-oriented) and technical (action-oriented) assistance, to best address objectives under the Sustainable Development Goals.





## Added value of the Cluster: Policy coherence

### ***Unique expertise on trade policy within the United Nations system***

Considering trade as engine for development, the Cluster proposes comprehensive policy expertise within the United Nations system, including the World Trade Organization (WTO), with appropriate involvement by headquarters and non-resident agencies.

The Cluster offers unique expertise in trade-related areas pertinent to development based on the respective core mandates of the participating agencies. Building on the United Nations Industrial Development Organization (UNIDO) Resource Guide<sup>1</sup>, the Cluster addresses such areas as global advocacy, trade policy development, legal and regulatory frameworks, supply capacity, compliance support infrastructure and services, trade promotion capacity-building, market and trade information, trade facilitation, electronic commerce and the digital economy, physical trade infrastructure and trade-related financial services.

### ***Working with increased policy convergence***

The Cluster is a well-established mechanism working on integrated policy advice to address global challenges pertinent to countries. This includes access to original data sources, as well as neutral and independent analysis of the state of the multilateral trading system.

At the global level, initiatives to address multilateral trade-related issues are developed, covering a wide range of areas and types of collaboration within the Cluster, such as common publications and inter-agency cooperation on flagship reports.

Collaboration also includes participation by the Cluster in trade policy development initiatives. For example, the WTO-led Aid for Trade initiative plays an active role in promoting a fairer and more open multilateral trading system. Another example is the enhanced partnership of UNCTAD and the International Labour Organization (ILO) within the Cluster, established

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<sup>1</sup> UNIDO Resource Guide: See: <https://hub.unido.org/tcb-resource-guide>



through a memorandum of understanding signed in December 2014. Under this framework, UNCTAD and ILO work closely to examine macroeconomic challenges and provide valuable contributions to the Group of 20 and other relevant forums on policy issues.

From the national perspective, the expertise of the Cluster is of best use in helping to prevent negative impacts from global crises and to take advantage of globalization through a development perspective. By proposing in-depth macroeconomic analyses, the Cluster serves as a partner for Governments in better understanding the implications of global trade issues at the national level.

From the perspective of United Nations Resident Coordinators, the Cluster brings expertise at the national level, with better involvement by headquarters and non-resident agencies when formulating common country analyses and narrative inputs under the United Nations Sustainable Development Cooperation Framework (UNSDCF).



## Added value of the Cluster: Impact through partnership

At the national level, the Cluster provides a suitable mechanism with which to develop modular technical assistance, with a view to establishing well-funded and targeted joint programmes, leading to increased coherence and results-oriented assistance.

In the context of the United Nations Sustainable Development Cooperation Framework, the Cluster proposes a valuable inter-agency approach, to support the integration of developing countries into the international trading system, which is at the centre of development priorities in most countries.

### ***A modular approach involving headquarters and non-resident agencies.***

The Cluster has developed modular assistance over the years, leading to the formulation of tailored joint programmes benefiting from comprehensive and combined expertise on trade involving, as appropriate, headquarters and non-resident agencies.

Embedded within the United Nations Sustainable Development Cooperation Framework, the joint programmes have different sizes and configurations depending on the areas of cooperation identified. They usually include an average of two to five agencies, with balanced participation by resident and non-resident agencies, so that beneficiary countries can benefit from the wide range of expertise within the United Nations system.



### ***The right mechanism with which to address the trade-related Sustainable Development Goals***

The Trade Capacity-Building Resource Guide includes a wide range of categories that encompass all national trade and trade-related policies, from the macroeconomic level to the sectoral and microeconomic levels. Building on the idea that the whole is greater than the sum of its parts, the Cluster responds to the needs of countries by putting together combined tailored technical assistance to leverage policies and programmes with regards to the trade-related Sustainable Development Goals.

Assistance by the Cluster is particularly relevant to Goals 8, 9, 10 and 12, which address inter-related trade issues from a development perspective. As an effective coordination mechanism, the Cluster also fully contributes to the global partnership for sustainable development under Goal 17.

### ***Going beyond trade: The development–humanitarian–peace nexus***

The 2030 Agenda calls for integrated collective action at an unprecedented scale to face a multiplicity of complex inter-related challenges, including the protection of human rights and challenges related to climate change, inequality, exclusion, migration, and displacement.

With trade critical for sustained human and economic development, the Cluster is an appropriate mechanism to support countries affected by global issues and, going beyond trade, is also an appropriate mechanism with which to address broad issues such as the development–humanitarian–peace nexus.



## Cluster operations

### ***National level***

Starting with projects in the eight “Delivering as one” pilot countries, the Cluster has greatly expanded participation in the design and implementation of joint programmes with different sizes and configurations. In 2023, the Cluster was involved in a United Nations Sustainable Development Cooperation Framework for the following:

- **Africa:** Angola, Cabo Verde, Comoros, Côte d’Ivoire, Ethiopia, Gabon, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Rwanda, Seychelles, United Republic of Tanzania, Uganda, Zambia, Zimbabwe.
- **Arab States:** Egypt, Iraq, Saudi Arabia
- **Asia and the Pacific:** Afghanistan, Bangladesh, Bhutan, Cambodia, Lao People’s Democratic Republic, Mongolia, Myanmar, Timor-Leste, Viet Nam.
- **Europe and Central Asia:** Albania, Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Republic of Moldova, Serbia, Turkmenistan, Uzbekistan.
- **Latin America and the Caribbean:** Costa Rica, Cuba, Guatemala, Haiti, Jamaica and Caribbean, Uruguay.

### ***Funding framework***

“Delivering as one” established a new United Nations budgetary framework in support of the UN reform at the country level. Aimed at complementing the individual resources of agencies, Multi-Donor Trust Funds are established to foster synergies, with spillover effects in terms of resource mobilization. Managed by the Multi-Partner Trust Fund Office, the funds include both One United Nations country funds and funds by category for different thematic windows.

This funding framework established under the reform of the United Nations has greatly facilitated the emergence of an original assistance by the Cluster, adding value to joint programmes in support of United



Nations Sustainable Development Cooperation Framework outcomes, with balanced participation by resident and non-resident agencies.

For non-resident agencies, this funding framework was crucial in obtaining access to the Resident Coordinator system. In this context, the Cluster has participated, since 2009, in joint programmes funded by the One United Nations country funds in the eight “Delivering as one” pilot countries. The Cluster also actively participated in global calls for funding organized at the thematic level, such as the Millennium Development Fund, the Delivering Results Together Fund and the Sustainable Development Goals Fund. Over the years, Multi-Donor Trust Funds have acted as catalysts and greatly contributed to leveraging the central thematic funds needed to address the Sustainable Development Goals in national priority areas.

As part of the funding compact, donors committed to channelling main unearmarked resources in support of inter-agency initiatives designed under pertinent themes, with a view to achieving the Goals in a comprehensive way, with convincing results-oriented assistance at the national level. Those resources are at the core of the funding framework in support of the UN reform. The Cluster actively promotes such a funding approach, in support of tailored inter-agency assistance to address particular trade-related themes.

An example of resources supporting thematic inter-agency initiatives is the joint programme of the Cluster funded by the Switzerland State Secretariat for Economic Affairs in the United Republic of Tanzania. Channelled towards United Nations Sustainable Development Cooperation Framework outcomes and building on an inter-agency set-up initially supported by the agencies’ core resources and the relevant Multi-Donor Trust Fund, Switzerland provided the Cluster with the substantive resources that allowed for the joint programme to achieve its potential. The joint programme on business linkages effectively increased the competitiveness of the United Republic of Tanzania, as it helped to capture the opportunities for increased trade and investment brought about by globalization and economic liberalization. At present, the Switzerland-funded project in the United Republic of Tanzania continues to be quoted as a reference in international forums as a best practice for emulation in other countries.



## How to engage with the Cluster

### **Member States**

UNCTAD, the coordinating agency of the Cluster, maintains constant dialogue with Member States at the national level and through the permanent missions to the United Nations in Geneva.

Demand-driven, Government requests for Cluster assistance may be received by each member agency, at headquarters or at the national level.

UNCTAD collects requests and organizes meetings with Cluster focal points to assess pertinence and the possibility of engaging in joint programmes with the relevant participating agencies. To follow-up on Government requests for UNCTAD and UN Interagency Cluster' assistance, UNCTAD has established a database available at the following link:<https://unctad.org/projects/formal-requests-for-technical-cooperation>.

Upon request from Member States, UNCTAD also organizes ad hoc meetings with the relevant participating agencies to discuss possible intervention by the Cluster at the national level.

### **United Nations Resident Coordinators**

UNCTAD liaises extensively with the United Nations Resident Coordinator system, with dialogue facilitated by the Development Coordination Office on commonly identified countries for intervention.

Resident Coordinators play a critical role in identifying integrated assistance to meet Government priorities on trade-related issues when formulating and developing a United Nations Sustainable Development Cooperation Framework.

UNCTAD collects information from the Resident Coordinators and offices that convey national needs for Cluster assistance.

Meetings are organized by UNCTAD between the Resident Coordinator and the team, Government officials and relevant Cluster agencies at the expert and managerial levels, to discuss possible assistance. The meetings are helpful in assessing the possibility of Cluster interventions in the context of the United Nations Sustainable Development Cooperation Framework, to leverage assistance already provided at the national level.



### ***How to best fund the Cluster***

Providing direct funding to the Cluster serves the funding compact by closing the gap between agencies' core resources and the Multi-Donor Trust Funds.

The joint programmes of the Cluster, at the core of assistance on trade and productive capacity, with agencies used to working together, efficiently promote the strengthening of linkages between the normative and operational aspects of United Nations assistance, leading to maximized impacts at the national level.

The provision of direct funding to the Cluster ensures that focused assistance is delivered to achieve, in a coherent way, the objectives of the trade-related Sustainable Development Goals. The joint programmes of the Cluster thereby bring the relevant expertise to the United Nations Sustainable Development Cooperation Framework, establishing the foundation for long-term and sustained activities. In addition:

- All donors at the capital and national levels are qualified to provide direct funding to the Cluster.
- Direct funding to the Cluster may be achieved through different set-ups and modalities, such as through support to Cluster-led global initiatives or country-specific operations.







# United Nations Inter-Agency Cluster on Trade and Productive Capacity

United Nations Conference on Trade and Development

United Nations Industrial Development Organization

Food and Agriculture Organization

International Trade Centre

World Trade Organization

United Nations Development Programme

United Nations Environment Programme

International Labour Organization

United Nations Commission for International Trade Law

United Nations Economic Commission for Africa

United Nations Economic Commission for Europe

United Nations Economic Commission  
for Latin America and the Caribbean

United Nations Economic and Social Commission  
for Asia and the Pacific

United Nations Economic and Social Commission  
for Western Asia

United Nations Office for Project Services

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