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Activities undertaken by UNCTAD in support of Africa

Report by the Secretary-General of UNCTAD

Executive summary

This year's report on the activities undertaken by UNCTAD in support of Africa covers the period from May 2012 to April 2013. To ensure continuity with previous reporting, this year's report is organized around the three main pillars of work of UNCTAD, namely research and analysis, consensus-building and technical cooperation. In carrying out such activities, UNCTAD has continued to strengthen its existing partnerships with a wide spectrum of institutions at national and regional levels while also seeking new development partnerships. UNCTAD continues to have an impact on development outcomes in African countries as attested by the examples mentioned in the concluding section of this report. That impact takes place through three main channels: through contributions to policy design, formulation and implementation; through capacity building of African government officials, institutions, private sector and civil society; and through the facilitation of consensus on issues of interest to Africa.

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Introduction

1. The thirteenth session of the United Nations Conference on Trade and Development, held in Doha, Qatar from 21 to 26 April 2012 (UNCTAD XIII), in its Doha Mandate, in particular paragraph 18(h), reaffirmed the critically important role that UNCTAD has to play in continuing to address the special concerns and needs of Africa, including as articulated in the New Partnership for Africa's Development (NEPAD). The next four years should witness an accentuated collaboration between UNCTAD, African member States and other development partners with a stake in the region, in order to implement the various development priorities of the African continent. These priorities relate to the promotion of structural transformation in Africa within a context of sustainable development and inclusive growth, the need to accelerate industrialization to create jobs and the necessity to foster regional integration with a view to boosting intra-African trade and investment for sustained developmental gains.

2. In Doha, UNCTAD renewed its commitment to work closely with the African Union and the NEPAD secretariat in order to contribute more effectively to the development objectives of the continent. For instance, UNCTAD XIII held a special session to identify the areas in which UNCTAD could assist the African Union in implementing the African Union Action Plan for Boosting Intra-Africa Trade. As per the outcomes of that session, UNCTAD's support in the future would be guided by the African Union's own work programme for implementing the Action Plan, and would be coordinated with other partners and stakeholders. The areas of UNCTAD support would focus on the clusters identified in the Action Plan, particularly (a) the trade policy cluster, (b) the trade facilitation cluster and (c) the trade productive capacity cluster.

3. The present report, as in previous years, provides an overview of UNCTAD's activities across its three main pillars of work, namely: research and analysis, consensus-building and technical cooperation.

I. Research and policy analysis

4. The research and policy analysis of UNCTAD contributes to more effective design, formulation and implementation of policies in Africa in four major ways: (a) by helping countries in tracking their economic performance and progress; (b) by stimulating and shaping debates on policy issues affecting Africa's development, (c) by advising African governments on policy reform through national policy reviews; (d) by supporting African governments in making appropriate decisions through analytical tools that inform technical decision-making.

A. Tracking economic performance and progress

5. The *World Investment Report 2012 (WIR 2012)*, as in previous years, provided a comprehensive analysis of foreign direct investment (FDI) trends in Africa, including a regional analysis of African investment. Flows of FDI to Africa were US\$42.7 billion in 2011, marking a third successive year of decline, although the fall was marginal. Whilst the share of investment from developed economies to the continent declined, that from developing and transition economies grew from 45 per cent in 2010 to 53 per cent in 2011. The negative FDI growth in the continent was mainly driven by North Africa, but in sub-Saharan Africa FDI inflows actually grew from US\$29.5 billion in 2010 to US\$36.9 billion in 2011. Oil- and gas-producing countries continue to see growth and good prospects for

future investment. The continent also saw growing investment in the services sector, representing a diversification away from traditional natural resources-based activities.

6. The *WIR 2012* also included a thematic chapter devoted to a new approach to investment policy formulation that seeks to balance investment promotion with developmental objectives. The report presented UNCTAD's Investment Policy Framework for Sustainable Development, which emphasizes the sustainable development dimension of national and international investment policy. The document has been debated at key events, including at an event co-hosted by the University of Witwatersrand's Nelson Mandela Institute and the Edge Institute in Johannesburg, where it was hailed by South Africa's Minister of Trade and Industry, Mr. Rob Davies, as a "strong point of departure for international cooperation in the area of international investment policymaking".

7. The *Trade and Development Report 2012: Policies for Inclusive and Balanced Growth* in its first chapter on current trends and challenges in the world economy provided the usual analysis of the recent economic trends regarding gross domestic product (GDP) growth and trade on a regional basis, including for Africa, as well as price trends of commodities of interest for Africa. The report also explored the links between income distribution, growth, and development. In doing so, it analysed the evolution of income inequality in recent decades in different regions, including Africa, and among groups of countries. It also examined the explanations given for the widespread rise in inequality. The *Trade and Development Report 2012* argues that only inclusive development policies create the conditions for sustainable and rapid growth.

B. Stimulating and shaping debates on policy issues affecting Africa's development

8. UNCTAD had an impact on policy implementation in Africa through the policy recommendations contained in its flagship reports, particularly the *Economic Development in Africa Report 2012: Structural Transformation and Sustainable Development in Africa (EDAR 2012)*. The *EDAR 2012* published its policy findings ahead of the United Nations Conference on Sustainable Development (Rio+20 Summit) with a view to influencing the policy agenda at Rio. The Report contains a series of stylized facts on resource use and productivity in Africa. It recommends that African countries reconcile the dilemma they face between, on one hand, accelerating structural transformation and, on the other, promoting sustainable development by adopting a development strategy of sustainable structural transformation that relies on the relative decoupling of natural resource use and environmental impacts from the economic growth process. The policy messages of *EDAR 2012* were disseminated in several African cities, including Dakar, Johannesburg and Addis Ababa. The policy recommendations of the report were highlighted on several radio and television channels and in leading editorials. The report was presented at the fifty-ninth session of the Trade and Development Board, where several African member states expressed appreciation on the analysis and timeliness of the report.

9. In 2012, UNCTAD performed advocacy work among African least developed countries (LDCs) and the international community on remittances and their potential to stimulate development. *The Least Developed Countries Report 2012: Harnessing Remittances and Diaspora Knowledge to Build Productive Capacities* argues that remittances contribute to poverty reduction and improved health care and education and that their potential for increasing productive capacities in capital-scarce LDCs could be harnessed through appropriate policies. As part of advocacy work, the findings and policy recommendations of this report were presented in 12 African countries, 14 other countries including several cities in Europe, and to member States at the Trade and Development Board of UNCTAD.

10. The UNCTAD *Commodities and Development Report (UCDR)* introduced in 2012 replaces the *World Commodity Survey*, which was last issued in 2003. The *UCDR*, in rejuvenating the debate on commodities, aims to identify new policy options and facilitate dialogue among development partners on how to generate and sustain economic development in commodity-dependent developing countries including those in Africa. The report provides a balanced and critical analysis of important issues in commodities trade and development related to energy, mining, minerals and metals, food and agriculture, all of which are very pertinent for African countries. The report was well received by participants during UNCTAD XIII, where it was launched. Given the keen interest expressed, the Africa–Caribbean–Pacific secretariat invited UNCTAD to present the findings of the report during its Global Debate on Commodities in Brussels. The report was well received by the audience.

11. The UNCTAD *Information Economy Report 2012* focused on the growing importance of developing software capabilities in developing countries. Special attention was given to the role of free and open-source software and to various initiatives aimed at enhancing the availability of relevant skills and capabilities in Africa. The report was presented at an official launch event at the United Nations Economic Commission for Africa headquarters as well as at special seminars in Cairo, Tunis and Windhoek.

12. In the area of trade logistics, two new reports were published. The first, entitled “Mobile money for business development in the East African Community: a comparative study of existing platforms and regulations” looks at how the use of mobile phones for money transfers, payments and more sophisticated financial activities such as credit, savings, and insurance, can benefit from region-wide rules to coordinate and harmonize laws and regulations. The study calls for more harmonization and collaboration at the East African Community (EAC) level in regulating mobile money so that intra-regional use of the technology can be expanded. The second study, “Harmonizing cyberlaws and regulations: the experience of the East African Community”, reflects the joint work of UNCTAD and the EAC Task Force on Cyberlaws since 2007 in support of the EAC e-government and e-commerce strategies to accelerate regional integration. The study assesses the status of cyberlegislation in the region.

13. As part of its ongoing work in assessing the most pressing trade and development challenges facing LDCs, UNCTAD formulated and implemented a project titled “Economic Crises and Commodity-Dependent LDCs: Mapping the Exposure to Market Volatility and Building Resilience to Future Crises”. The International Coffee Organization participated in the project as sponsoring international commodity body and the Common Fund for Commodities made financial contributions. The project undertook commodity-focused case studies in selected countries in Africa and Asia with the view to: (a) understanding the role of commodities and agricultural productivity in promoting progress towards the graduation objective agreed in the Istanbul Programme of Action for LDCs for the decade 2011–2020; (b) assessing the structural weakness, excessive fragility and vulnerability to shocks of the economies of LDCs; (c) reviewing the challenges arising from volatility of the commodities markets and the recent global economic, financial and food crises on LDCs’ prospect to meet internationally agreed goals, including those contained in the Istanbul Programme of Action. A publication was prepared consisting of synthesis and policy conclusions from the country case studies served as part of the background documentation for the deliberations of the UNCTAD Trade and Development Board and other relevant forums, dealing with issues related to the implementation of the Istanbul Programme of Action for LDCs. The publication also examines ways and means for enhancing the role of commodities in facilitating the graduation of countries from the LDC category.

14. Research and analysis is being conducted by UNCTAD on the gender ramifications of macroeconomic policies, and specifically trade policies, in selected developing countries.

In Africa these countries include Angola, Cape Verde, Lesotho and Rwanda. Through a unique portfolio of country case studies, the work of UNCTAD in this area aims at enhancing the capacities of developing countries to mainstream gender in trade policy. The studies “Who is benefiting from trade liberalization in Cape Verde? A gender perspective” and “Who is benefiting from trade liberalization in Lesotho? A gender perspective” were published in 2012 and disseminated at national workshops in these countries with the aim to inform local policymaking and familiarize relevant national stakeholders with the methodologies used. At least 45 participants attended these workshops in each country. Within the same series, a first draft of the study on Angola has been completed. The studies on Cape Verde and Angola have or will be translated into Portuguese so as to increase the accessibility of the study to national stakeholders. A new country case study is currently being conducted to assess the gender impacts of trade policy in Rwanda. The policy recommendations included in the country case study of Cape Verde are informing the formulation of the Diagnostic Trade Integration Study (DTIS) review, and the new strategy for economic growth and poverty alleviation. The findings and recommendations of the study of Lesotho have been used to inform the DTIS update.

15. A mission was held in the Gambia in June 2012 to map women’s participation in the fisheries sector. Subsequently, the study “Assessing value addition and social inclusiveness in the fisheries sector, with a focus on women. The case of the Gambia” was conducted. The findings of the study on the fisheries sector in the Gambia have informed the DTIS revision and the recommendations have been incorporated into the DTIS action matrix. The findings of the studies of Cape Verde, the Gambia and Lesotho have also fed into the post-2015 process with a paper analysing trade policy and gender inequality in these three countries. The paper “Trade policy and gender inequalities: a country-based analysis” is contributing to inform policy debate through the Global Thematic Consultation on Inequalities.

16. The above represent specific examples of how UNCTAD’s research is impacting on policy design and formulation in African countries on a wide range of development issues, stemming from structural transformation, development finance, application of technology and management of commodity-based revenues to gender mainstreaming in national policies.

C. National policy reviews

National Services Policy Reviews

17. UNCTAD publishes *National Services Policy Reviews* to help countries assess the impact of trade liberalization in specific service sectors, and to identify regulatory frameworks needed to advance national sectoral development objectives. The reviews also allow countries to make informed decisions about optimal liberalization of specific service sectors. Reviews were completed for Lesotho and Uganda. Another such review is being prepared for Rwanda.

Investment Policy Reviews

18. Africa has been the main beneficiary of the *Investment Policy Reviews (IPRs)* programme since its inception in 1999. Out of a total number of 36 completed *IPRs*, 21 were prepared for African countries. During the reporting period, UNCTAD published the *IPR* for Djibouti and Mozambique. Another *IPR* is being prepared for the Democratic Republic of the Congo and discussions are underway to begin an *IPR* for Tunisia. UNCTAD also extended technical assistance in support of the implementation of *IPR* recommendations to Botswana, Burkina Faso, Burundi, Egypt, Kenya, Lesotho and Rwanda. Around five or six years after the completion of such a review, UNCTAD

prepares a report that assesses the extent of the implemented recommendations. In 2012, implementation reports were prepared for Kenya and Rwanda. Dialogue has also been continued with a number of African countries, including eight LDCs, that have requested an a review, to begin the process in 2013 and beyond. Four African countries that received *IPRs* currently feature in the top 10 reformers of the World Bank's Doing Business Rankings 2005–2012. Moreover, all African countries for which an *IPR* was published more than three years ago have experienced an increase in FDI flows. For example, FDI in Rwanda rose from US\$14 million in 2005 to an annual average of US\$75 million between 2006 and 2010. The same pattern was repeated in Benin, Ghana, and Zambia. At the same time, these countries have also experienced a reduction in the volatility of flows.

Competition Policy Reviews

19. At the twelfth session of the Intergovernmental Group of Experts on Competition Law and Policy, UNCTAD presented a tripartite peer review of competition law and policy on the United Republic of Tanzania, Zambia and Zimbabwe. The relevance of these review processes is demonstrated by the involvement and uptake of member States on its findings. Through this process, reviewed countries may strengthen their domestic competition law and policy, contributing to their overall development strategies.

D. Analytical tools that inform technical decision-making

20. Over 80 per cent of African countries have a national investment promotion agency (IPA) and the remaining 20 per cent are in the process of creating one. The capacity level of these agencies can be limited, but there are best practice exceptions such as those of Mauritius, Rwanda, Senegal, South Africa and Swaziland. It is the aim of UNCTAD to share best practices from around the world such that they can be replicated by African IPAs in a scalable and sustainable manner. In 2012, UNCTAD launched a best practice sharing tool for the benefit of developing agencies. The Smart Promotion Network is a monthly electronic newflash with strategic and operational news specifically tailored to the needs of IPAs. The newflash is received by 67 national and sub-national IPAs and export processing zones from 48 African countries.

21. Furthermore, UNCTAD's investment guides aim to raise awareness among the international investment community of investment opportunities and conditions in beneficiary countries. In the current reporting period, UNCTAD prepared a new guide for Burkina Faso and updated the guides for Kenya and Rwanda. Regional guides are also in preparation for East African and West African landlocked developing countries. Seven of the nine African countries for which investment guides were prepared before 2012 saw a twofold to tenfold increase in their FDI flows in the four years following the publication of the guide (compared to the four-year period preceding the guide's publication).

22. In addition, UNCTAD produced a number of analytical products dealing with international investment agreements (IIAs) and their development implications, including sequels to the Pink Series on Fair and Equitable Treatment, Expropriation, Investor–State Dispute Settlement, and Transparency, as well as IIA issues notes on investor–State dispute settlements. All these publications were downloaded by African countries and used in training activities on the continent. Page views by users from African countries of UNCTAD's online database of IIAs accounted for a fifth of total visits.

23. In 2012, UNCTAD published its Entrepreneurship Policy Framework, which provides African policymakers with a toolkit to formulate, monitor and evaluate national policies for entrepreneurship. During the current reporting period, the Government of Nigeria revised its national policy on microenterprises and small and medium-sized enterprises using the Framework recommendations. Furthermore, a multi-stakeholder panel

based on the Entrepreneurship Policy Framework was coorganized with the Ghanaian Panel on Economic Development, as well as a stakeholder forum in Zimbabwe to develop a policy agenda that would strengthen entrepreneurship in the country and promote interaction among public and private sectors and civil society. Within the context of the revised DTIS for the Gambia, UNCTAD held a workshop to assess the state of entrepreneurship in the country and provide actionable policy recommendations on entrepreneurship.

24. In 2012, UNCTAD launched the Accountancy Development Tool (ADT) that will be used to help strengthen regulatory and institutional capacity for high-quality corporate reporting. Two out of the nine country projects piloting the ADT are in Africa – Cote d'Ivoire and South Africa – and a further five African countries have expressed interest in using the ADT. The pilot testing has proved extremely useful in bringing together the stakeholders and initiating dialogue on how to ensure that targeted countries have the legal, regulatory, institutional and human capacity to ensure high quality corporate reporting. The ADT has highlighted quite clearly the need to build a national plan to ensure more strategically focused capacity-building bringing together all stakeholders. Additionally, an online tool was developed to help beneficiary countries to self-assess their national accounting infrastructure.

25. Building on the *WIR 2009*, and with the support of its member States, UNCTAD, in cooperation with other international organizations continued throughout the reporting period to work towards the full-scale operationalization of its set of Principles for Responsible Agricultural Investments for Sustainable Development through guidelines, monitoring, and other options. This is of specific importance for Africa because in many low-income countries in the region agriculture accounts for a relatively large share of FDI inflows. The Principles are currently being pilot tested in 13 countries, of which 8 are in Africa.

26. The trade analysis tools developed by UNCTAD, such as the Trade Analysis and Information System (TRAINS) and the World Integrated Trade Solution (WITS), have helped policymakers, researchers and other stakeholders in identifying and addressing market access barriers, trade opportunities and promoting more informed participation in trade negotiations at multilateral and regional levels. In this area, priority attention was given to the implementation of the Transparency in Trade Initiative (jointly by UNCTAD, the International Trade Centre, the World Bank and the African Development Bank), especially on classification, data collection and measurement of non-tariff measures. In this regard, UNCTAD initiated the process for data collection in five countries of the Economic Community of Western African States (Burkina Faso, Cote d'Ivoire, Guinea, Nigeria and Senegal). Indicative measurements in December 2012 estimate an increase of 1,000 users of the database since 2011.

27. In 2012, UNCTAD received requests from Guinea-Bissau and Cameroun for the implementation of INFOSHARE at country and regional levels. Negotiations on the adaptation of the system to the needs of these countries are ongoing. INFOSHARE is an UNCTAD-run web-based market information system that gives commodity producers access to information so that they can negotiate better prices and get their produce into higher-paying markets. The system supports the gathering of information in local markets, at ports of exit and in international markets. At the national level INFOSHARE enables governments to rapidly detect any anomaly along the supply chain, to follow price and cost trends and to produce statistics.

II. Consensus-building

28. The third biennial UNCTAD World Investment Forum 2012, which took place in April 2012, nevertheless projected its impact into the current reporting cycle. The Forum, which is a global platform for promoting sustainable and inclusive investment in developing countries, attracted over 1,400 participants, of which 30 per cent were from African countries, including almost 100 from African LDCs, some of them sponsored by the host country, Qatar and by UNCTAD. Four Heads of African States from Algeria, the Comoros, the Niger and Tunisia took part in the World Leaders' Investment Summit which led to a number of concrete outcomes. For example, the chief executive officer of Nestlé S.A., also participating in the Summit, agreed with the President of the Comoros to begin negotiations on investment in the production of Bourbon vanilla in the country. Moreover, the World Investment Forum also attracted 13 African ministers who took part in the ministerial round table on the new generation of investment policies, as well as representatives from African countries who participated in one of the Forum's 15 events. The tenth Investment Advisory Council and the Special Luncheon Event on the New Tunisia were two sessions at the Forum that focused attention specifically on countries in Africa and produced concrete outcomes in terms of commitment to investment in the region.

29. In the context of the UNCTAD Common Fund for Commodities project mentioned in paragraph 13, UNCTAD organized a meeting of LDC experts and trade negotiators in Addis Ababa in February–March 2012. The impact of that meeting will be felt through the reporting cycle of this report and is therefore mentioned here. The expert meeting deliberated on the role of commodities in LDCs' development with emphasis on the challenges, opportunities and prospects for graduation. About 100 experts from LDCs, development partners, United Nation system organizations and other international and regional organizations, as well as representatives from the private sector and civil society, including academic institutions, participated in the meeting. The outcomes of the meeting in the form of summary conclusions and recommendations assisted LDCs' negotiations for UNCTAD XIII. It also served as a basis for the deliberation of the LDC ministerial meeting held in Doha where ministers addressed, among other things, the challenges and opportunities for meeting the graduation criteria.

Trade and Development Board Session

30. The fifty-fifth executive session of the Trade and Development Board in July 2012 focused for the first time on the topic of NEPAD, and more specifically on the challenges, opportunities and lessons learned from the implementation of NEPAD and on how UNCTAD could assist more effectively African member States in achieving the New Partnership's objectives. The chief executive officer of the NEPAD Planning and Coordinating Agency was a keynote speaker at the session and during his visit to Geneva several work meetings took place between the NEPAD secretariat and UNCTAD in order to define areas of greater collaboration between the two institutions. A draft plan identifying such potential areas of collaboration between the two institutions was subsequently prepared by UNCTAD and sent to the NEPAD secretariat. At the Trade and Development Board session, several ambassadors from African States made statements on the topic under discussion. A major outcome of this meeting was that it sensitized African member States, through their ambassadors and representatives based in Geneva, and other stakeholders, to the necessity to coordinate efforts around the implementation of the NEPAD Programme of Action. It also stimulated thinking on how NEPAD could be strengthened in order to address the increasingly significant challenges in Africa such as industrialization, science and technology and use of natural resource rents.

31. An ad hoc expert meeting entitled Assessing Port Performance was held by UNCTAD in Geneva in December 2012. The objective of this meeting was to discuss possible ways to measure and compare the performance of seaports. Particular focus was given to ports in Africa and experts from Ghana and the United Republic of Tanzania played an active role in sharing information and needs. After the meeting, separate consultations were also arranged with delegates from the Port Management Association of West and Central Africa and the Gabonese Shippers Council specifically on the issue of African port performance.

32. The fifteenth African Oil, Gas and Minerals, Trade and Finance Conference was convened in Brazzaville, Congo, in April 2012 as an UNCTAD XIII pre-conference event. The Conference attracted more than 500 delegates from 26 African countries and other regions, including key decision makers, investors, legal experts, executives of major and small oil and mining companies, academia, research institutions and the civil society. The discussions focused on topics related to value creation and retention in national economies, including improved access to energy. The conference called for the establishment of more production linkages in the extractive industries so that host countries can capture some of the value created by the industries. It was emphasized that such linkages will positively contribute to building domestic productive capacities through the development of human capital, skills and technology.

33. Through these various meetings, UNCTAD impacts on knowledge accumulation, policy formulation and policy actions in African countries by providing African policymakers and African civil society with a platform for substantive discussions, generation of ideas, exchange and learning on best international and regional practices.

III. Technical cooperation

34. During the reporting period, UNCTAD's technical cooperation activities, encompassing advisory services and capacity development contributed to strengthening capacities in African countries in the following areas: trade and regional integration, competition, agriculture and commodities, debt management, investment, finance, enterprise development, and science and technology.

Enhanced Integrated Framework

35. UNCTAD continues to actively participate in the Enhanced Integrated Framework (EIF) interim board in order to contribute to the LDC-friendly operationalization of the Framework. In addition, UNCTAD assists the LDCs both in terms of capacity-building for the ownership of the EIF through its pre- and post-DTIS support activities, and by providing trade policy and strategy advisory services. For the reporting period, UNCTAD conducted advisory missions in several African LDCs to assist them in formulating EIF tier-two projects. Such countries included Cape Verde, the Central African Republic, the Democratic Republic of the Congo and Madagascar. UNCTAD also acted as executing agency for the updating of the DTIS with the Government of the Gambia. The validation workshop of the DTIS updating was carried out in early 2013 and was attended by around 50 participants. Following the comments from stakeholders at the workshop and by EIF board members, UNCTAD resubmitted a final version of the DTIS to the Government of the Gambia in 2013 and is currently elaborating, in consultation with the Government, a tier-two project on small and medium-sized enterprise development, women, fisheries, and transit issues. In addition, UNCTAD is currently preparing, as executing agency jointly with the Governments of Mozambique and Senegal, the updating of their DTIS – workshops were held in January 2013 to validate concept notes and gathered around 40

participants from government and civil society. UNCTAD is, furthermore, in the process of drafting terms of reference for updating the DTIS of Djibouti.

Other support to trade policy formulation and trade promotion

36. UNCTAD provided several advisory services to developing countries to assist them integrate trade and development concerns into their national development plans and poverty reduction strategies. An example is the Conference on Trade Policy Issues for Commonwealth African Parliamentarians which took place in Victoria, Seychelles in June 2012. Another example is the advisory mission and national seminar on trade and services liberalization that was held in Maseru in July 2012.

37. UNCTAD has also responded to a request from the Government of the Comoros in assisting it to elaborate a trade development strategy. A first mission took place in October 2012 and then a follow-up mission in March 2013. During the first mission, a training seminar was held, attended by 30 participants from different institutions. The seminar aimed at training officials to prepare for future updating of the trade strategy. The primary goal of the strategy is to identify how trade could help the development and poverty reduction efforts of the country. The trade and development strategy was launched in March 2013 in the Comoros.

38. During the Global Forum on Migration and Development Summit Meeting held in Mauritius in November 2012, seminars were organized on approaches to trade liberalization in services and on the main trade barriers that limit the ability of developing countries to export their services. On the same topic of services, UNCTAD also held a national workshop in Uganda in 2012. UNCTAD provided, upon request, WITS/TRAINS training workshops to African countries. In June 2012, UNCTAD organized regional capacity-building workshops on the identification, collection and classification of non-tariff measures in the Southern African Development Community (SADC) region. Training on this issue was also provided for the Economic Community of West African States region, in Nigeria in December 2012.

Support to trade negotiations and regional integration processes

39. In the area of trade negotiations, UNCTAD provided assistance in regards to multilateral and regional trade negotiations on services at: the eighteenth SADC Trade Negotiations Forum on Services, in Johannesburg, South Africa; the National Workshop on Services in Kigali, Rwanda; the SADC Trade Negotiating Forum Committee on Services, in Johannesburg, South Africa.

40. Seminars to enhance the understanding of development issues in ongoing and future multilateral trade negotiations were also organized for the African Union Ministerial Conference on Trade that took place in Addis Ababa in November 2012. Moreover, training events for trade negotiators were organized at the Workshop on Regional Trade Agreements for Arab Countries that took place in Casablanca, Morocco in June 2012. In July 2012, UNCTAD also provided advisory services on the World Trade Organization (WTO) accession for the Comoros.

41. In September 2012, UNCTAD held a course on Key Issues on the International Economic Agenda, focused on the multilateral trading system and regional trade agreements. The course was aimed at trade policy officials and academics in Africa. Training activities were also held to build capacity for developing countries, in particular LDCs, to be effective players in the multilateral trading system so that they can derive full benefits from trade liberalization. These training activities were held during the African Union Conference of Ministers of Agriculture and Trade (Addis Ababa, November 2012) and during a Regional Workshop on Trade Policy for Commonwealth African

Parliamentarians (Mahe, Seychelles, June 2012). The topic of preferential trade agreements and regional integration in the Arab world was addressed in a workshop in Tunis in December 2012.

42. Under the Mainstreaming LDCs into the Global Economy project, funded by the Governments of Italy and the United Kingdom of Great Britain and Northern Ireland, UNCTAD has carried out intensive technical assistance and training to the tripartite member States and officials involved in the negotiations of the Tripartite Free Trade Area (TFTA). During the period under review the project has conceived and developed jointly with Trademark Southern Africa, a training programme especially tailored for the TFTA negotiators. UNCTAD supported the drafting of the modules on anti-dumping, subsidies and countervailing duties, safeguard tariffs and the module on rules of origin. UNCTAD participated to two training courses in Zambia and Zimbabwe on TFTA negotiations and developed the terms of reference for a national trade and export strategy for Zambia in consultations with the Zambian authorities. A workshop on economic partnership agreement rules and tripartite rules of origin was carried out by UNCTAD in the Seychelles in August 2012.

43. In addition, the activities of the above-named project have been instrumental in launching activities under another project on “Market access and trade laws for LDCs”, together with the approval of another project on “Strengthening the capacity of the rural communities in LDCs to enhance the value added of their traditional products”. This latter project aims at strengthening the capacity of rural communities in LDCs to increase the value added of their traditional products by exploiting newly created trading opportunities provided through geographical indications and facilitating compliance with sanitary and phytosanitary requirements. Under this project, three missions were carried out in Mozambique to discuss with the director of the Institute of Intellectual Property, the Ministry of Commerce and related stakeholders on the status of geographical indications in Mozambique and their application for the registration of Mozambican products. A work programme has been progressively implemented to support the registration under geographical indications of selected products. UNCTAD is currently engaged in carrying out field research and preparing the necessary procedures for registration of these products as geographical indications. Further follow-up activities and training courses are scheduled for 2013 and it is expected that activities will be extended to cover other selected countries and rural communities in Southern Africa.

Building capacities in trade logistics and trade facilitation

44. In 2012 UNCTAD initiated an intense programme to support the development of national trade facilitation implementation plans under several technical assistance projects, financed by the United Nations Development Account, the European Commission and the Government of Norway. African countries participating in these projects are Angola, Benin, Burkina Faso, Burundi, Gabon, the United Republic of Tanzania and Uganda. The projects build upon UNCTAD’s extensive experience in providing technical assistance and capacity-building support to developing countries participating in the WTO negotiations. They also draw on the results of the national WTO self-assessment exercises carried out in the participating countries from 2007–2009. The national implementation plans focused mostly on the measures proposed within the WTO negotiations and map the current status of implementation of these measures in each country. The intermediate outcome of this exercise will be a national trade facilitation implementation plan. The latter is currently a requirement under the draft WTO Trade Facilitation Agreement, with particular emphasis drawn to those measures for which implementation would require more time and/or external assistance. The studies also include information on the implementation challenges and resource requirements that developing countries are likely to face, and identify the kind of support they are likely to need from the international community to overcome them.

45. Lectures were delivered in Ghana and Namibia focusing upon improving logistics and port development. Actions are in the pipeline to collaborate on research with the Regional Maritime University in Ghana, the Shippers' Council of Gabon and the Port Management Association of West and Central Africa which includes, inter alia, ports from Cameroun, the Congo, Côte d'Ivoire, Gabon and Ghana. UNCTAD also contributed to workshops and provided transport advisory services in Angola, Burundi, Kenya, Morocco, Mozambique, Rwanda, the United Republic of Tanzania and Uganda.

46. Technical assistance was also carried out in Mozambique helping the Ministry of Transport ascertain pertinent national issues to consider in developing a maritime and port national policy. The mission included visits to all main ports and contacts with authorities and private operators. A proposal for a maritime policy is currently under development.

Building capacities in trade logistics and trade facilitation

47. The work carried out by UNCTAD's Automated System for Customs Data (ASYCUDA) programme continued to contribute to customs effectiveness in revenue collection as well as customs clearance times and cost reduction. In particular, the Côte d'Ivoire and Sudan customs have undertaken modernization programmes which aim at improving and streamlining the customs business processes. The implementation of the ASYCUDA project was accompanied by various reforms and modernization programmes, such as new facilities that were built at customs headquarters to host these new projects and in various customs offices. At the end of 2012, and following the determining choice of selecting the ASYCUDA World solution, Djibouti Customs Administration completed the first phase and implemented the new system in all customs offices. In addition, 38 African countries benefited from the programme support in 2012. Multiple training sessions were organized allowing for the full transfer of ASYCUDA know-how and skills to national teams, thus ensuring the long-term sustainability of the system by national customs administrations.

48. In 2012, as part of the assistance provided to the EAC with regard to cyberlaw harmonization, a distance learning course on legal aspects of e-commerce was organized in Kenya and Rwanda between May and June. The French version of this TrainForTrade course was revised and adapted to distance learning for future delivery in Africa in 2013.

Support to competition policymaking

49. UNCTAD organized activities and gave several advisory services on competition and consumer protection law and policy issues. Seminars and workshops were held in the Comoros, Cote d'Ivoire and Senegal, in October 2012, aimed at assisting these countries in developing their national regulatory and institutional framework and at enhancing their effective participation in discussions of the subject in international forums. A regional competition forum for the West Africa Economic and Monetary Union (WAEMU) member States was also held in Burkina Faso, in November 2012. Assistance was also given throughout 2012 to the Government of the Comoros in setting up its competition regime. Within the AFRICOMP programme, funding from WAEMU was received to implement the capacity-building project that was developed based on the recommendations of the peer review of the WAEMU's community competition rules and those of its member States. These activities strengthened capacities of 15 developing countries to implement competition policy and prevent anti-competitive practices. They also enhanced interregional cooperation for the implementation of the United Nations Set of Principles and Rules on Competition.

Agriculture and commodities

50. In 2012, UNCTAD finalized training material on the course series Economics of Commodities Production and Trade initiated in 2006 for African universities. Module 1 on Commodity Trade and Development provides an overview of structures of commodity production and trade, depicts price trends and future projections for various agricultural commodities, minerals and metals and looks at the developmental aspects of commodity trade. In Africa, the University of Dar es Salaam continues to use the module as a resource for developing training materials for its programme in international trade and for research by its graduate students.

Biotrade initiatives

51. UNCTAD continued to provide support on issues at the interface between trade and environment. Through various seminars and workshops, it supported developing countries in increasing their understanding of the role of trade in sustainable development. In this regard, technical assistance was provided to the biotrade programme in Uganda. Moreover, advisory services were provided to stakeholders in Burundi on value chain development and biotrade.

Capacity building on investment

52. Each year, UNCTAD rewards a number of best practice Investment Promotion Awards to agencies for their achievements in promoting investment for sustainable development and shares experiences from these with other agencies. The 2012 Investment Promotion Awards for excellence in promoting investment for job creation and skills development went to five agencies, including the Swaziland Investment Promotion Authority. Investment promotion best practices were also exchanged during a high-level investment promotion conference and an Investment Promotion Award workshop in 2012 in which high-level investment promotion practitioners and policy makers from 18 African countries participated.

53. In Rwanda, UNCTAD provided advisory services and prepared a study on foreign investors' perceptions of Rwanda, which was presented in Kigali to high-level government officials, donors and private-sector representatives. Recommendations of this study were presented to the Rwandan Cabinet of Ministers.

54. UNCTAD also supported African countries in the area of investment facilitation. UNCTAD's eRegulations programme, an eGovernment system that helps countries simplify their rules and procedures for setting up a business, is operational in 11 African countries. The eRegulations system contributes to increased transparency and greater institutional capacity, thereby facilitating business and making African countries more attractive to foreign investment. During the reporting period, ad hoc assistance continued to be provided to all 11 African countries. The eRegulation programme also provided assistance to Benin and Burkina Faso that will ease cross-border trade and prepare the two countries for compliance with the entry into force of a new WTO trade facilitation agreement.

Intellectual property

55. In 2012, UNCTAD provided research-based advisory services for the harmonization of intellectual property policies with development goals in Egypt. UNCTAD also provided training for stakeholders on the WTO Agreement on Trade-related Aspects of Intellectual Property Rights and public health/local production of pharmaceuticals, through several regional workshops in Western, Southern and Eastern Africa, and at the national level in Ethiopia.

Support to enterprise development

56. UNCTAD provided entrepreneurship training through its African Empretec centres in 19 African countries. For example, in Uganda, the United Republic of Tanzania and Zambia UNCTAD collaborated with local partners to address skill problems and capacity in the private sector. In Zambia, employment increased 38 per cent in the 11 microenterprises and small enterprises that participated in training. Pilot Empretec workshops in collaboration with the United Nations Development Programme (UNDP) have taken place in Kenya and a plan to establish the programme has been outlined. Ten Empretec workshops took place in South Africa in collaboration with Empretec Botswana, leading to the expansion of the programme to several new areas of the country. Empretec Ghana participated in scoping missions in Kenya, Liberia and South Sudan to facilitate exchange of best practices in entrepreneurship. To facilitate consensus and exchange of best practices among African countries in the area of entrepreneurship, support was provided to African Empretec centres in their participation to global events such as the annual Empretec Directors Meeting, which took place in Geneva in November 2012, the Global Entrepreneurship Week, which engaged many African centres as official hosts, and the Empretec Africa Forum.

Support to debt management

57. UNCTAD's Debt Management and Financial Analysis System (DMFAS) programme provides support to LDCs and developing countries to strengthen their capacity to manage their debt in an effective and sustainable way, in support of poverty reduction, development and good governance. During the reporting period, the DMFAS Programme has increased its support to African countries with specific focus on LDCs and landlocked countries. The DMFAS programme has nearly doubled its expenditures in 2012 compared to the previous year to support African countries in strengthening their human and institutional capacities to manage debt in an effective and sustainable way. Concrete and sustainable results in the period include improved external and domestic debt recording in the DMFAS user countries in the region (including support in the production of debt data validation calendars in Angola, the Democratic Republic of the Congo, Guinea Bissau, Rwanda, Uganda, Zambia and Zimbabwe), enhanced reporting both internally and at the international level (support in the production of debt statistical bulletins in Angola, Burundi, Guinea Bissau, Madagascar and Mali), and improved debt analysis (support in drafting debt portfolio analysis reports in Angola, Burundi, Egypt and Ethiopia).

58. In addition, the DMFAS Programme continues to strengthen its partnership with other organizations involved in providing debt management technical assistance in Africa, such as the World Bank, the International Monetary Fund Africa Regional Technical Assistance Centre, the Macroeconomic and Financial Management Institute of Eastern and Southern Africa and the Organization for Economic Cooperation and Development. During the reporting period, UNCTAD participated, or is scheduled to participate, in debt management framework missions to the Democratic Republic of the Congo, Guinea Bissau, Madagascar, Sudan and Zambia. In addition, the DMFAS programme is closely collaborating with the UNDP and the African Development Bank in the implementation of technical assistance projects in Africa. At the country level, the DMFAS programme is providing or will provide direct technical assistance from Geneva to 18 African countries for the reporting period.

Other advisory services

59. UNCTAD also provides advisory services to institutions and civil society from the region on an ad hoc basis. For example, during the reporting period, UNCTAD assisted the NEPAD Planning and Coordinating Agency and the United Nations Economic Commission

for Africa in revising a draft document on the topic of mobilizing domestic resources for financing NEPAD projects and programmes. The study was mandated by the NEPAD Heads of State and Government Orientation Committee and is expected to be presented at the next summit of the Committee. UNCTAD also participated in the third Congress of African Economists, organized by the African Union and the Economic Commission for Africa, in Dakar, Senegal in March 2013 on the theme of “Industrialization and economic emergence in Africa”. Through such participation, UNCTAD supported the efforts of the African Union to build the capacities of academic researchers from the region. For example, UNCTAD disseminated at the Congress its strategic framework for formulating a new industrial policy in Africa, as outlined in its *EDAR 2011: Fostering Industrial Development in Africa in the New Global Environment*. This dissemination contributed to the general debate at the Congress on industrialization in Africa. Several participants referred to the *EDAR 2011* in their work and during the discussions.

IV. General impact assessment

60. An evaluation of the impact and effectiveness of UNCTAD’s work in Africa is subject to limitations given that such impact and effectiveness depend on many factors, some of which are beyond the control of UNCTAD. Such factors include, for example, the complementary actions that must be undertaken by member States and other stakeholders in the region to deliver collectively on results, the existence of proper monitoring and evaluation systems within countries to track developmental results over time, and the continued availability of resources to sustain UNCTAD’s programmes in Africa. Nevertheless, there are indications that UNCTAD’s work continues to have tangible impact in the region. Given below are examples of areas in which UNCTAD’s activities in Africa have contributed to national and regional development. These examples demonstrate how UNCTAD’s work contributes towards effective policy design, formulation and implementation in Africa; builds capacities of African policy makers, institutions and civil society so that African countries can reap larger economic gains; supports African decision makers at participating effectively in multilateral trade negotiations.

Contribution to effective policy design, formulation and implementation

61. UNCTAD contributes towards more effective policy design, formulation and implementation in Africa and such contribution in turn produces tangible economic benefits in the medium to long term. For example:

(a) UNCTAD’s investment guides raise awareness among the international investment community of investment opportunities and conditions in African countries. Seven of the nine African countries for which investment guides were prepared before 2012 saw a twofold to tenfold increase in their FDI flows in the four years following the publication of the guide (compared to the four-year period preceding the guide’s publication);

(b) Through flagship reports such as the *EDAR* and the *Least Developed Countries Report*, UNCTAD influences the policy agenda and national strategies of its African member States as well as enriches academic research work on the continent. As a concrete example, UNCTAD’s work on industrial development and industrial policy was cited by academic researchers during the third Congress of African Economists, organized by the African Union and the Economic Commission for Africa in March 2013. The formal declaration adopted at the end of the Congress outlined major policy recommendations on the issues of industrialization and emergence in Africa, and many of the policy recommendations made by UNCTAD in its joint *EDAR 2011* with the United Nations Industrial Development Organization were in accord with what was adopted in the

declaration of the Congress. UNCTAD also influences policy formulation through its technical cooperation projects such as the EIF. During the reporting period UNCTAD supported the formulation or revision of the DTIS and trade development strategies in no less than five African countries.

Building capacities of government officials, institutions, private sectors and civil society

62. The following points are relevant concerning UNCTAD capacity-building activities:

(a) UNCTAD has designed and implemented a series of tools to strengthen the capacities of African policymakers at making informed decisions and help African economic actors realize larger economic gains. For example, INFOSHARE is an UNCTAD-run web-based market information system that gives commodity producers access to information so that they can negotiate better prices, and get their produce into higher-paying markets. At the national level INFOSHARE enables governments to rapidly detect any anomaly along the supply chain, to follow price and cost trends and to produce statistics;

(b) During the reporting period, UNCTAD provided entrepreneurship training through its African Empretec centres in 19 African countries. For example, in Uganda, the United Republic of Tanzania and Zambia UNCTAD collaborated with local partners to address skill problems and capacity in the private sector. In Zambia, employment increased 38 per cent in the 11 microenterprises and small enterprises that participated in training;

(c) In 2012, UNCTAD initiated an intense programme to support the development of national trade facilitation implementation plans under several technical assistance projects. The elaboration of national trade facilitation implementation plans is currently a requirement under the draft WTO trade facilitation agreement. These plans, once completed, will include information on the implementation challenges and resource requirements that African countries are facing, and identify the kind of support they are likely to need from the international community to overcome them so that these countries can better use trade as a tool for development.

Facilitating consensus on issues of interest to Africa

63. Through the various meetings that it organizes, UNCTAD supports African decision makers at participating more effectively in multilateral economic negotiations. These meetings also facilitate consensus among African stakeholders on issues of interest to Africa. For example, UNCTAD organized a meeting of LDC experts and trade negotiators in Addis Ababa, in 2012. About 100 experts from LDCs, development partners, United Nations system organizations, other international and regional organizations, the private sector and civil society participated in the meeting. The outcome of the meeting in the form of summary conclusions and recommendations assisted the LDCs' negotiations for UNCTAD XIII and also served as a basis for the deliberation of the LDC Ministerial Meeting held in Doha where ministers addressed, among other things, the challenges and opportunities for meeting the graduation criteria.