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TRADE AND DEVELOPMENT BOARD
Commission on Enterprise, Business Facilitation and Development
Expert Meeting on Human Resources Development
and Training in Trade-Supporting Services: Key to
Growth with Special Potential for LDCs
Geneva, 13-15 December 2000

**HUMAN RESOURCES DEVELOPMENT AND TRAINING IN TRADE-
SUPPORTING SERVICES: KEY TO GROWTH WITH
SPECIAL POTENTIAL FOR LDCS**

Outcome of the Expert Meeting

1. The experts consider that human resources development (HRD) in trade-supporting services has an enormous potential for sustainable development, and that appropriate action should be given priority attention by Governments, communities and enterprises.
2. While HRD and training for trade-supporting services are essential for all developing countries, LDCs may derive comparatively greater benefit from related action and in particular from cooperative action among themselves and with other countries.
3. Having examined the status of trade-supporting services in developing countries and the scope for improvement through HRD, the experts considered strategies and reached conclusions about action to be recommended.

4. To achieve and support the application of effective policies, action needs to be taken within countries and by international agencies. The proposals set out below, which relate specifically to trade-supporting services, will facilitate and significantly enhance those services' contribution to growth through the generation of trade, with positive effects on quality of life and poverty alleviation. Above all, countries should have a strong policy for HRD with respect to trade-supporting services and should apply it faithfully; this should be pursued so as to remain sustainable regardless of external assistance which may be provided beneficially from time to time. The role of the international agencies should be to persuade and to facilitate fulfilment of this goal.

5. Proposals for action within countries include the following:

- (a) Governments should adopt a policy framework for HRD, which should be developed jointly by government and the private sector. The framework should include the concept of national councils for HRD in trade-supporting services, which would be public/private partnerships. Business-sector organizations, which may be interested in providing a nodal agency as a focus for action, should apply policies within the framework;
- (b) To encourage the application and adoption of policy action, awareness raising needs to start promptly; this may be initiated by local institutes for management or public administrations, but should be supported by programmes undertaken by international bodies;
- (c) The effective application of HRD will be greatly enhanced by the existence, at local or regional level, of high-quality HRD institutions for trade-related services, covering training, advisory, analytical and research functions. These should be developed from or within existing institutions; government, business-sector and international/regional institutions should all collaborate in setting them up;

- (d) Regional and international cooperation is essential for expanding and improving HRD and for keeping practices up-to-date, especially in LDCs. Such cooperation, by communities, institutes and businesses, needs to be encouraged by government policies; it may be reinforced through networking programmes of UN agencies. Further, the business sector should investigate professional contacts that may be a source of cooperation in HRD;
- (e) Training is only one component of HRD; training services should be developed by countries bearing in mind the need for regulatory and institutional change to make training and HRD effective;
- (f) Bearing in mind the need to give HRD in trade-supporting services highest priority, there is need to develop common standards and procedures in the conduct of the professional duties concerned, so public/private sectors must take initiatives towards the creation of national standards, with simplification and consolidation of procedures, to promote professionalism and facilitate coherent HRD;
- (g) The private sector must recognize the need to use advocacy and lobbying so as to gain highest priority for HRD in trade-related services;
- (h) Businesses need policies reached by mutual agreement that recognize the performance achievements that can be reached by personal competence, the definition of qualifications, the measurement of performance and the constraints imposed through HRD to achieve higher standards. Government, the business community and individual businesses should cooperate in their respective ways so that policies use the role of the private sector as a motor in implementing HRD policies and measures. In particular, businesses should:
 - (i) Define a vision statement based on self confidence and commitment to use internal resources rather than rely on external assistance and funding;

- (ii) Use indicators to measure the impact of steps taken to improve HRD;
 - (iii) Ensure that line managers are intimately involved in the implementation of HRD policy, including identifying and applying career plans and motivational measures that are psychological and financial and involve peer comparison and promotion;
 - (iv) Notwithstanding the need for self-reliance, encourage external cooperation and assistance in plans made by the company, Government and private sector;
 - (v) Bear in mind that mobility of human resources, wherein people change company to gain experience, can be highly beneficial provided it happens within a career plan and is not assimilated with turnover of staff and its negative impact;
- (i) The policy framework for HRD should help the private sector in consolidation of trade supporting services by encouraging the adoption of privatization or concession policies for transport infrastructures and providers, commercial viability studies, reduced bureaucracy, and stimulation of commercial strategies and marketing of services. In particular, the role of the private sector should be reinforced by measures that:
- (i) Encourage and support the public business sector in efforts for adaptation to free market rules, thus promoting competition which motivates HRD;
 - (ii) Help the private sector to establish incentives for continuous training inside and outside the enterprise, including fellowships for acquiring and upgrading of skills in the framework of sound career plans;

- (iii) Change attitudes so that training is seen as an investment instead of simply a cost with marginal benefit;
- (iv) Support general efforts to retain qualified manpower;
- (v) Establish mechanisms for exchange of expertise among LDCs.

6. Action by the international community is particularly important in relation to HRD for trade-supporting services. Several international agencies have an important role to play, and their efforts need to be coherent to encourage best use of resources. The involvement of UNCTAD has been emphasized in the Bangkok Plan of Action with its emphasis on capacity building, so it would be appropriate that UNCTAD, in cooperation with ITC, take initiatives to encourage international and regional agencies to work together on HRD to avoid duplication, to create synergies and to expand capacity.

7. Proposals for action by international agencies, and in particular UNCTAD, should include:

- (a) Drafting a model policy framework for HRD that countries can adapt to local circumstances, and further assisting LDCs to develop an HRD framework that takes into account the market needs of the LDCs and their learning capacities, as well as the learning needs of individuals involved in trade-supporting services;
- (b) Stressing the need for Governments to establish national councils for HRD in trade-supporting services, developing a structure for a national nodal agency, and assisting in development of strategic plans by analysing and incorporating the best practices at the global level;
- (c) Organizing meetings, exchanges, and dissemination of effective practice in order to maintain the commitment of all stakeholders in the development of trade in LDCs, and supporting international exchanges between LDCs and developed and

developing countries in order to improve international trade through sharing of experience among people engaged in trade-supporting services;

- (d) Encouraging developing countries to set aside an adequate training budget, possibly linked to debt relief for LDCs with a view to ensuring money is used for training and supplementing this by seeking funds and assistance to improve management capacity and provide other training opportunities through assistance programmes designed and implemented in such a manner as to enable countries to be self-reliant in the shortest possible time;
- (e) Encouraging developed countries to contribute, through partnerships and cooperation, to the enhancement of competence in developing countries, and advocating, in connection with the best endeavour clauses covering training in all the WTO agreement and with commitments made at other fora, that support for HRD should be rendered more specific and provided with a time frame;
- (f) Reinforcing international programmes for training the trainers and helping to establish or reinforce regional-based training systems so as to enhance training opportunities and optimize use of resources;
- (g) Exploring and making recommendations on the role of communities in trade-supporting services and the ways in which HRD can be enhanced by cooperation across communities;
- (h) Facilitating statistical research in HRD in developing countries, and specifically for LDCs, including research on issues such as education of women and children;
- (i) Recommending steps and policies for Governments to encourage competition among LDC public organizations, with consequent effects on motivation for HRD and benefits to be derived, including for trade-supporting services.