

UNITED NATIONS CONFERENCE ON TRADE AND DEVELOPMENT

# A GUIDE TO **UNCTAD** TECHNICAL COOPERATION



## **Building capacity on trade and development since 1964**

This handbook describes the technical cooperation activities carried out by UNCTAD and provides information on how to obtain technical cooperation.



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Under its technical cooperation activities, UNCTAD provides assistance tailored to the needs of the developing countries, with special attention being paid to the needs of the least developed countries and developing countries with the greatest needs. UNCTAD's technical cooperation activities are a significant element in achieving the objectives and policies outlined in the São Paulo Consensus adopted by the Conference at its eleventh session, held in São Paulo (Brazil) in June 2004. The Consensus represents the practical manifestation of the organization's commitment to national, regional and global development, exploiting the interrelationships between policy analysis, intergovernmental deliberations and operational activities.

As the focal point within the United Nations for the integrated treatment of trade and development and the interrelated issues in the areas of finance, technology, investment and sustainable development, UNCTAD addresses these issues in a mutually complementary fashion, including through its technical cooperation activities.

UNCTAD's technical cooperation is carried out in partnership with other agencies that provide trade-related technical assistance, in consonance with their respective mandates, expertise and areas of comparative advantage. This partnership and cooperation help to reduce duplication, result in the creation of synergies and ensure sequencing of activities.

The thrust of UNCTAD's technical cooperation is capacity development in the four main areas of its work, namely:

- Globalization and development;
- International trade in goods and services and commodities;
- Investment, technology and enterprise development; and
- Services infrastructure for development and trade efficiency.



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# **PRINCIPLES, OBJECTIVES AND CHARACTERISTICS OF TECHNICAL COOPERATION IN UNCTAD**

## **A. WHAT ARE THE MAIN OBJECTIVES?**

The objective of UNCTAD's technical cooperation is to help developing countries to integrate into the global economy through enhanced participation in the world economy, particularly in international trade, finance and investment.

Pursuing that goal, UNCTAD's technical cooperation activities seek to:

- Enhance the human and institutional capacities of developing countries to strengthen their development policies and to create an institutional environment conducive to sustainable development;
- Help developing countries to better understand their economic problems and to find tailor-made solutions; and
- Enable developing countries to become effective negotiators in the fields of international trade, finance and investment, as well as help them implement the results of those negotiations.

UNCTAD's capacity development relates to enhancing developing countries' endogenous capacity to formulate, implement and evaluate home-grown policies for (a) the development and diversification of their domestic productive sector; (b) the design and implementation of trade and investment policies and negotiating strategies; and (c) the development of trade support services, within the framework of their development goals and taking into account the evolving international economic environment.

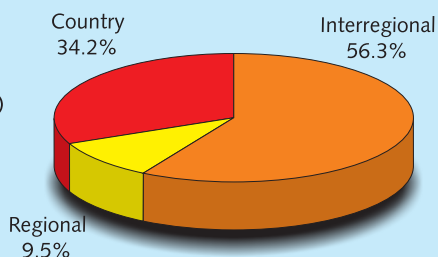
## B. WHAT ARE THE DIFFERENT TYPES OF PROJECTS?

UNCTAD's technical cooperation activities cover a diverse range of issues. Some 300 projects are currently being implemented in more than 100 countries, with annual expenditures of about \$28 million, financed mostly through extrabudgetary resources. These activities complement and are supportive of the policy-oriented analytical work of the secretariat and the deliberative work of the intergovernmental machinery.

Technical cooperation activities are carried out on the basis of specific country, subregional, regional or interregional projects:

- Country projects address requests from individual countries. They are financed at the country level either from the national budget or from aid funds available through ongoing development assistance programmes funded by multilateral or bilateral donors, or by drawing on loans provided by international or regional financial institutions.
- Subregional and regional projects provide services to groups of countries. They are usually initiated at the specific request of a group of countries, such as an economic cooperation grouping. Alternatively, the UNCTAD secretariat will take the initiative itself, following a request from the Conference or the Trade and Development Board.
- Interregional projects provide a standard service to all participating countries. They also include those projects that are more analytical in nature, designed to buttress UNCTAD's policy research and analysis. They also derive from collective requests from different countries, as well as from initiatives of the UNCTAD secretariat.

**Chart 1**  
**Technical cooperation expenditures,**  
**by type of project, 2004**  
(Percentage of total project expenditures)



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## C. WHO ARE THE BENEFICIARIES?

The population at large is the ultimate beneficiary of capacity-building and technical cooperation programmes.

The standard of living of people is directly linked to the status of a country's economy, since they are consumers, producers and recipients of public expenditures (whose level is increasingly dependent on the development of effective linkages with the global economy).

Governments are the main direct beneficiaries of UNCTAD's technical cooperation activities.

These services are available to all developing countries and economies in transition individually or through intergovernmental organizations, such as regional or subregional groupings. Priority is given to the 50 least developed countries (LDCs). The main beneficiaries are usually officials in the relevant government departments. Participants in training and human-resource-related activities are selected by the countries concerned in consultation with the UNCTAD secretariat.

Through their Governments, individual companies, both public and private, in particular small- and medium-sized enterprises (SMEs), can benefit from numerous UNCTAD projects.

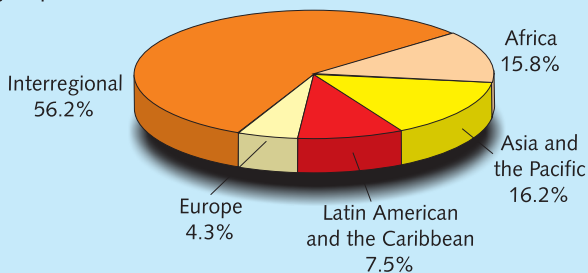
Thus, representatives of the private sector are invited on a regular basis to attend, in particular, national seminars and workshops on various issues, which help them to have a better understanding of how to integrate themselves into the global economy.

Involving the private sector in technical cooperation activities helps to raise the business community's awareness of issues related to international trade and development and alert it to new trading opportunities, as well as enhance the national policy dialogue.

National ownership is a necessity for turning national stakeholders into active partners in the design and implementation of capacity-building programmes. That goes hand in hand with increasing reliance on expertise from developing countries and emerging economies: ownership and commitment by beneficiaries remain the priority.

Academia also benefits from UNCTAD cooperation, particularly through the Virtual Institute on Trade and Development launched in 2004 (Part three, page 29). Several UNCTAD activities targeting parliamentarians and civil society are usually organized in close coordination with the national authorities, particularly regarding topics such as the WTO issues.

**Chart 2**  
**Technical cooperation expenditures, by region, 2004**  
(Percentage of total yearly expenditure)



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## **D. HOW IS TECHNICAL COOPERATION DELIVERED?**

Technical cooperation is delivered in the framework of the New Technical Cooperation Strategy adopted by the Trade and Development Board in October 2003 (TD/B/50/7-TD/B/WP/167; Capacity development - TD/B/50/9-TD/B/WP/168 and the website [www.unctad.org](http://www.unctad.org)). The Strategy aims at enhancing the role of UNCTAD's technical cooperation in the context of the Millennium Development Goals (MDGs) as well as placing more emphasis on capacity development as the thrust of the operations. The Strategy calls for further rationalization of UNCTAD technical cooperation around thematic areas closely linked to the analytical work of the secretariat. The Strategy encourages increased partnerships with other international organizations and agencies and interaction with regional organizations and civil society. It emphasizes beneficiaries' ownership and the demand-driven aspect of technical cooperation. It gives priority to activities in support of the LDCs and of developing countries with the greatest needs.

The programmes and projects are always tailored to meet the needs of the individual country(ies) involved.

The main forms of delivery of technical cooperation are:

- Policy and technical advisory services;
- In-depth policy reviews of particular subjects (e.g. investment, trade, science, technology and innovation);
- Training courses, seminars, simulation exercises, workshops or symposia on specific issues;
- Computer-based technical cooperation packages involving the installation of management information systems and advice on how to use them; and
- Supply of trade- and investment-related data.

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## **E. WHERE DO THE RESOURCES COME FROM?**

The funding and provision of UNCTAD's technical cooperation are diverse.

UNCTAD's technical cooperation activities are financed from three main sources: UNDP, Trust Funds and the United Nations Regular Programme Budget for technical cooperation.

UNDP has long been a strategic funding partner of UNCTAD in trade-related technical cooperation. It was at one time the main source of funding of UNCTAD's technical cooperation activities. It currently funds some 10 per cent of UNCTAD's technical cooperation activities.

Trust Fund contributions are provided on a voluntary basis by individual donors: Governments, multilateral development and financial institutions, the enterprise sector and various foundations.

Trust fund contributions have grown steadily over the last few years, and currently fund about 80 per cent of UNCTAD's technical cooperation programmes.

The principal bilateral donors are:

Belgium, Finland, France, Germany, Italy, the Netherlands, Norway, Sweden, Switzerland and the United Kingdom.

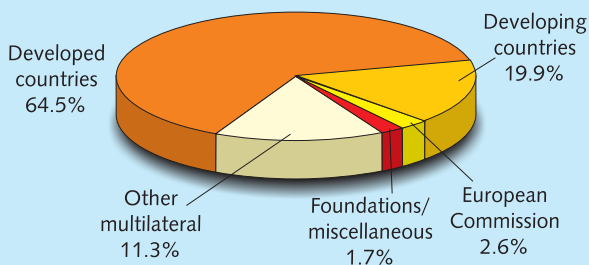
The European Commission is also a major source of support for a number of UNCTAD programmes. Some donor countries have established bilateral trust funds with UNCTAD. These types of arrangements have helped to improve the coherence of UNCTAD's operational activities.

The UNCTAD Trust Fund for LDCs, established in 1996 at UNCTAD IX, is specially designed for programmes dealing with those countries with the greatest needs. It consists of two windows: Window I attracts un-earmarked contributions which can be used for any activity of general support to LDCs, while Window II attracts earmarked contributions in any specific activity of the four main areas of UNCTAD's work.

Developing countries are increasing their contributions to UNCTAD's technical cooperation activities. These contributions take the form of either:

- General-purpose contributions for the benefit of other developing countries, for example to the Trust Fund for LDCs; or
- "Self-financing" arrangements involving the provision of specified services (e.g. in cargo tracking, customs modernization or debt management) by UNCTAD in their countries. Such services are usually financed from loans or grants from the World Bank or the regional development banks.

**Chart 3**  
**Origin of trust fund contributions, 2004**  
(Percentage of total contributions)



In the context of its mandate to promote cooperation among developing countries, UNCTAD encourages "triangular" cooperation, which involves the provision of technical services to the beneficiary country by another developing country, using finance provided by a third country.

The United Nations Regular Programme Budget supports UNCTAD's technical cooperation activities under "interregional advisory services" and "the development account". This source currently represents about 10 per cent of the total expenditures of UNCTAD's operational activities.

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## **F. WHO ARE UNCTAD'S MAIN PARTNERS?**

As stated before, UNCTAD is the focal point within the United Nations for the integrated treatment of development and interrelated issues in the areas of trade, finance, investment, technology and sustainable development.

However, the complexity of the issues concerned implies that covering them at the international level is beyond the means of any single organization. Consequently, UNCTAD tries to make an even more effective contribution to technical cooperation activities by seeking close cooperation with other organizations and partners.

Thus, with the active encouragement of many donors, special efforts are made by UNCTAD to establish and maintain close cooperation and coordination with all relevant actors, such as the private sector, NGOs, academic institutions, regional integration groupings of developing countries, bilateral donors and OECD. Such cooperation takes the form of joint programmes and projects, formal agreements, ad hoc task forces and the like.

UNDP is an important partner. UNCTAD contributes to United Nations programming exercises at the country level, particularly the Common Country Assessment (CCA) and the United Nations Development Assistance Framework (UNDAF), conducted under the auspices of the United Nations Resident Coordinators in consultation with the national authorities.

Closer cooperation between UNCTAD and UNDP in CCA and UNDAF is leading to greater synergy between UNCTAD's policy-related work on trade, investment and trade-related issues and UNDP's operational vision of sustainable human development. This cooperation is instrumental in achieving the MDGs and implementing the national poverty reduction strategies.

WTO is a very important partner of UNCTAD. A Memorandum of Understanding was signed in 2003.

The areas of cooperation with the WTO include courses in commercial diplomacy, training in dispute settlements and assistance to countries acceding to the WTO, as well as joint activities on issues such as trade facilitation, competition and investment.

Furthermore, UNCTAD, together with the WTO and the International Trade Centre (ITC), has launched the Joint Integrated Technical Assistance Programme in Selected Least Developed and Other African Countries (JITAP).<sup>1</sup>

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<sup>1</sup> All information on this programme is available on its website: [www.jitap.org](http://www.jitap.org).

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Effective since 1998, and now in its second phase, it assists 16 African countries, namely the 8 beneficiaries of the pilot phase - Benin, Burkina Faso, Côte d'Ivoire, Ghana, Kenya, the United Republic of Tanzania, Tunisia and Uganda - and 8 new countries - Botswana, Cameroon, Malawi, Mali, Mauritania, Mozambique, Senegal and Zambia - in building up local capacities for integration into the multilateral trading system.

UNEP and UNCTAD cooperate on issues relating to trade, environment and sustainable development.

UNCTAD also works closely with the IMF on debt management, customs reform, trade information, risk management, transport and investment, and the World Bank on specific training courses and trade-related technical cooperation activities.

UNCTAD and five other international agencies, namely the IMF, ITC, UNDP, the World Bank and WTO, launched in 1997 the Integrated Framework for Trade-Related Technical Assistance to Least Developed Countries (IF). This programme is intended to help the LDCs integrate into the world economy through effective participation in the multilateral trading system, capacity building in human resources, enhancement of supply capacities and improvement in export competitiveness. UNCTAD, in close cooperation with other core agencies, is playing an active part in the implementation of this framework. All UNCTAD technical cooperation activities related to LDCs are supportive of and complement the Integrated Framework.

UNCTAD also seeks to establish closer links with the private sector and more specifically with NGOs.

NGOs are considered full-fledged partners, as they can contribute to the different technical cooperation programmes, not only financially in certain cases, but also, and especially, "technically", as they can help to design and implement those programmes.

Other organizations, including FAO, ILO, IMO, UNESCO, UNITAR, WHO, WIPO, the UN Office for Project Services and the regional and subregional secretariats, as well as the UN Regional Commissions and other intergovernmental organizations (such as the Commonwealth Secretariat, the Common Fund for Commodities and the Organisation Internationale de la Francophonie), also work closely with UNCTAD on specific issues related to technical cooperation.

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## G. HOW TO OBTAIN TECHNICAL COOPERATION?

A State member of UNCTAD or a regional institution wishing to obtain technical cooperation from the UNCTAD secretariat should submit a request in writing, with an indication of the nature and contents of the assistance required.

The request should be addressed to:

Technical Cooperation Service  
UNCTAD  
Palais des Nations  
CH-1211 Geneva 10  
SWITZERLAND

TEL.: +41 22 907 4652  
FAX: + 41 22 907 0043  
E-MAIL: [tc@unctad.org](mailto:tc@unctad.org)  
WEBSITE: <http://www.unctad.org>

Requests may also be addressed through the nearest UN Resident Coordinator.

The UNCTAD secretariat will, in consultation with the requesting beneficiary, consider sending a fact-finding mission in order to define all aspects of the proposed activities. Once the rationale of the activity has been determined, UNCTAD will, in cooperation with the beneficiary, seek to secure the financial resources necessary for implementing the project.

The annual reports on technical cooperation, as well as up-to-date information on publications, technical cooperation activities and database, and UNCTAD meetings, can be found on the UNCTAD website at [www.unctad.org](http://www.unctad.org) technical cooperation.

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## **AREAS OF ACTIVITY AND MAIN PROGRAMMES OF TECHNICAL COOPERATION IN UNCTAD**

UNCTAD'S TECHNICAL COOPERATION PROGRAMMES AND PROJECT ACTIVITIES COVER VARIOUS AREAS OF ACTIVITY, WITH INTERNATIONAL TRADE, FINANCE, INVESTMENT, ENTERPRISE DEVELOPMENT AND TRADE EFFICIENCY BEING AMONG THE MAIN ONES. THIS CHAPTER PROVIDES A DESCRIPTION OF THE MAIN PROJECTS AND PROGRAMMES UNDERTAKEN BY UNCTAD.

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### **PART ONE: INTERNATIONAL TRADE IN GOODS AND SERVICES, AND COMMODITIES**

THE PROGRAMMES PRESENTED HERE AIM AT EXPANDING THE TRADING OPPORTUNITIES OF DEVELOPING COUNTRIES BY BUILDING UP THEIR CAPACITY IN THIS AREA THROUGH POLICY ADVISORY SERVICES, ACCESS TO INFORMATION AND TRAINING. THE EMPHASIS IS ON ENLARGEMENT AND IMPROVEMENT OF EXPORT MARKET OPPORTUNITIES, INCLUDING THE COMMODITIES SECTOR.



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## A. TRADE ANALYSIS AND RESEARCH

Two main types of technical cooperation and capacity-building activities are carried out in the context of trade analysis and research, namely (a) the maintenance, upgrading and development of new analytical tools and databases, such as TRAINS (Trade Analysis and Information System)/WITS (World Integrated Trade Solution), and ATPSM (Agriculture Trade Policy Simulation Model), and AMAD (Agricultural Market Access Database); and (b) conducting policy-oriented analytical studies on current and emerging issues in international trade of concern to developing countries.

### (i) Agricultural Trade Policy Simulation Measures

This provides beneficiary countries with an effective quantitative tool for analysing the economic effects of trade policy proposals in the WTO negotiation process concerning the reduction of agricultural protection.

The objective is to help developing countries negotiate effectively in multilateral negotiations on agriculture.

### (ii) Trade Analysis and Information System (TRAINS)<sup>2</sup>

This programme provides interactive collection and dissemination of computerized trade information.

The objectives are:

- To increase transparency in international trading conditions;
- To facilitate trade; and
- To provide a comprehensive information system for use by policymakers and economic operators engaged in exporting.

Regarding analytical tools and databases, the following types of activities are undertaken:

- National and regional demonstration sessions for analytical tools and model results;
- Partnerships with various research and academic networks on the dissemination of the ATPSM model;

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<sup>2</sup>Website: [www.unctad.org/trains](http://www.unctad.org/trains).

- Training activities for national and subregional focal points (LAIA, SIECA, SAARC, CEMAC, SADC) on the use of the TRAINS database;
- Advisory services supporting developing countries' assessment of non-agricultural market access negotiations; and
- Various policy analysis workshops and intensive training courses for delegates to the WTO and UNCTAD.

Regarding policy-oriented studies, a major objective is the dissemination of analysis and presentations on trade issues in technical cooperation activities organized by UNCTAD, other international organizations (WTO, World Bank, OECD, FAO, etc.) and civil society organizations (local universities, think tanks and other research institutions).

## **B. TRADE NEGOTIATIONS AND COMMERCIAL DIPLOMACY**

UNCTAD implements trade-related technical cooperation and capacity-building activities that assist in the beneficial integration of developing countries, especially LDCs, into the international trading system, international trade and trade negotiations so as to ensure development gains and poverty reduction. This includes activities aimed at monitoring and assessing the evolution of the trading system from a development perspective, formulating national trade policies and analyses in relation to poverty reduction, and developing trade and trade-related capacities. Key issues to be addressed include special and differential treatment, South-South trade, WTO accession, trade in services, TRIPS and development, development benchmarks (as in services), trade and poverty, and trade and gender. The interface between the multilateral trading system and regional trade agreements is also a key area of focus. UNCTAD XI provided a comprehensive and strengthened mandate to contribute to the objective of securing an open, equitable, rule-based, predictable and non-discriminatory multilateral trading system.

Support is provided through capacity building, advisory services, workshops and training seminars for developing countries, especially LDCs, and countries with economies in transition in building human, institutional and regulatory capacities. Such activities include:

- Assistance to developing countries and countries with economies in transition in their accession to the WTO;

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- Capacity-building activities, involving collaboration with the private sector, for the strengthening of policymaking in services and promotion of international trade in services;
  - Assistance with regional trade negotiations among developing countries and between them and developed countries;
  - Assistance in improving the utilization of the Generalized System of Preferences schemes and other preferential trade arrangements;
  - Commercial diplomacy training activities on trade negotiations;
  - Training activities on trade-related dispute settlement mechanisms;
  - Capacity-building activities under the JITAP (Joint ITC/UNCTAD/WTO Integrated Technical Assistance Programme to Selected Least Developed and Other African Countries) (see page 37);
  - Support to cross-divisional activities such as inputs to the Integrated Framework for Trade-Related Technical Assistance to LDCs; and participation in the UNCTAD training courses on the Key Issues of the International Economic Agenda under paragraph 166 of the UNCTAD X Plan of Action; and
  - Technical backstopping support of the Third Round of negotiations by the Global System of Trade Preferences (GSTP) Committee of Participants, as well as assistance in disseminating information on the GSTP to the general public.

## **C. COMMODITIES**

UNCTAD's work on commodities, consisting of a balanced mix of analysis, policy advice and direct assistance, responds to the needs of the public and private sectors and civil society.

UNCTAD's work in ensuring development gains from commodities has a wide and comprehensive scope. The organization's technical cooperation and capacity-building activities aim at giving new impetus to formulating and implementing innovative solutions, in particular based on multi-stakeholder actions, for commodity problems. Such assistance encourages and sponsors various initiatives, often based on partnerships with major stakeholders, and focuses on key problems faced by commodity-dependent countries and populations. Technical cooperation and capacity-building activities identify new directions and elements of action, highlight successful experiences that merit being mainstreamed and are a driving force for raising the profile of the commodities issue in the international development policy debate. UNCTAD XI has also provided an extensive mandate

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to UNCTAD on commodities, and called for the setting up of an International Task Force on Commodities.

To promote these objectives a number of activities are carried out, including:

- National and regional capacity-building activities on export diversification and competitiveness strategies for commodities;
- Advisory services aimed at improving the sustainability of the cotton sector in West and Central Africa;
- Advisory services on the interface of oil and finance;
- Training courses on commodity finance;
- Assistance to African countries for the development of a pan-African commodity exchange;
- Policy dialogue and training materials on the role of the mining sector in socio-economic development and in poverty reduction programmes;
- Technical reports and workshops aimed at identifying and quantifying the compliance costs for tropical fruits;
- Provision of information through the INFOCOMM portal, a global electronic platform containing up-to-date information on more than 20 commodity sectors;<sup>3</sup>
- Advisory services on the development of South-South banking sector links as a means to facilitate South-South commodity trade; and
- Participation in the implementation of the European Union's Action Plan on Commodities.

## **D. TRADE, ENVIRONMENT AND DEVELOPMENT**

UNCTAD is engaged in a broad programme of work on strengthening the capacities of developing countries, especially LDCs, to make trade and environmental policies mutually supportive and guided by a development-oriented approach. The overarching long-term objective of UNCTAD's technical cooperation and capacity-building programme on trade, environment and development is to enhance the capacities of developing countries to analyse those issues and address them at the national, regional and international levels in a manner consistent with their development priorities. In addition, UNCTAD promotes practical mechanisms aimed at addressing specific problems identified in its technical cooperation activities or intergovernmental work, or promoting trade in environmentally-friendly products. It received an enhanced mandate from UNCTAD XI on addressing the interface between trade, environment and development.

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<sup>3</sup> Website: [www.unctad.org/infocomm](http://www.unctad.org/infocomm).

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Technical cooperation and capacity-building activities on trade, environment and development focus on a number of priority subjects:

- Market access issues, including environmental requirements and export competitiveness, as well as trading opportunities for environmentally preferable products;
- Trade liberalization in environmental goods and services (EGS);
- Protection and sustainable use of biodiversity and traditional knowledge;
- Various technical cooperation activities carried out under the UNEP-UNCTAD Capacity Building Task Force on Trade, Environment and Development (CBTF);
- Assisting developing countries in seizing the trade and investment opportunities of the emerging climate regime and carbon market;
- Activities by the International Task Force on Harmonization and Equivalence in Organic Agriculture (ITF) launched by UNCTAD, FAO and the International Federation of Organic Agricultural Movements (IFOAM);
- The Consultative Task Force on Environmental Requirements and Market Access for Developing Countries (CTF);
- Building Capacity for Improved Policy Making and Negotiation on Key Trade and Environment Issues;
- Activities and partnerships carried out in the context of the BioTrade Initiative at national, regional and subregional level (see below).

UNCTAD's Trade, Environment and Development Website<sup>4</sup> is a capacity-building tool in itself, and a rich source of information on the main trade and environment issues of interest to developing countries.

In addition to the general activities described above, UNCTAD has some more specialized programmes on trade and environment:

**(i) The BIOTRADE Initiative<sup>5</sup>**

This is aimed at stimulating trade and investment in biodiversity-based products in development countries to promote sustainable development in line with the three objectives of the Convention on Biodiversity (CBD):

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<sup>4</sup> Website: [www.unctad.org/trade\\_env](http://www.unctad.org/trade_env).

<sup>5</sup> Website: [www.biotrade.org](http://www.biotrade.org).

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- i. Conservation of biological diversity;
  - ii. Sustainable use of its components;
  - iii. Fair and equitable sharing of the benefits arising from the utilization of genetic resources.

The Initiative collaborates closely with various actors, including government, the private sector, NGOs, local and indigenous communities, and academia, to set up programmes that enhance the capability of developing countries to produce value-added products and services derived from biodiversity for both domestic and international markets.

The BIOTRADE Initiative comprises three complementary components:

- Country and regional programmes (through national focal points and regional partners);
- Policy development and trade facilitation;
- Internet services.

### (ii) **Climate change programme**<sup>6</sup>

UNCTAD's work on climate change focuses on the trade and investment impacts of the emerging climate regime and carbon market, with a particular emphasis on potential opportunities available to developing countries. It supports the establishment of public-private operational entities in developing countries, particularly in LDCs and countries with economies in transition, in order to facilitate investments and maximize the sustainable development benefits of the Clean Development Mechanism (CDM), one of the "flexibility mechanisms" of the Kyoto Protocol of the United Nations Framework Convention on Climate Change (UNFCCC). The main objective is to promote developing countries' participation in the emerging carbon market through the use of clean technologies and by bringing together Governments, industry and civil society.

## **E. COMPETITION AND CONSUMER POLICIES**<sup>7</sup>

UNCTAD's technical cooperation and capacity-building activities on competition and consumer policies is directed at assisting developing countries, especially LDCs, as well as economies in transition, in formulating or revising competition policies and legislation, at contributing to the building of national institutional

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<sup>6</sup> Website: [www.unctad.org/ghg](http://www.unctad.org/ghg).

<sup>7</sup> Website: [www.unctad.org/en/subsites/cpolicy](http://www.unctad.org/en/subsites/cpolicy).

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Capacity, at providing government officials and private entrepreneurs with a better understanding of competition laws and policies, and at supporting regional cooperation. UNCTAD provides technical cooperation related to preparation, adoption, revision or implementation of national competition and consumer protection policies and legislation. Such assistance contributes to a better understanding of the issues involved and it helps to building national institutional capacity to enforce effective competition legislation. Such assistance is delivered through training and advisory missions, and national seminars and workshops. A strengthened mandate on competition issues was provided by UNCTAD XI, including through facilitating regional cooperation.

The main types of technical cooperation activities can be described as follows:

- Provision of information about anti-competitive practices, their existence and possible adverse effects on the economy. This may involve a study on these practices in a specific country;
- Introductory seminars directed at a wide audience, including government officials and academics, as well as business and consumer oriented circles;
- Assistance to States or regional organizations which are in the process of drafting competition legislation in the form of provision of information on such legislation in other countries or advice on drafting;
- Advisory services for setting up competition authorities, and enforcement of competition policies. This usually includes training of officials responsible for the actual control of anti-competitive practices and may involve training workshops and/or on the job training with competition authorities in countries having experience in the field of competition;
- Seminars for States that have already adopted competition legislation, have experience in the control of anti-competitive practices and wish to enforce the implementation of competition legislation or consult each other on specific cases and exchange information;
- Assistance to States or regional organizations that wish to revise their competition legislation and seek expert advice from competition authorities in other States, so as to amend their laws in the most effective manner possible; and
- Assistance to developing countries, including the LDCs as well as economies in transition, with a view to helping them better evaluate the implications of multilateral discussions on competition issues.



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## **PART TWO: INVESTMENT, TECHNOLOGY AND ENTERPRISE DEVELOPMENT**

NOWADAYS, A REAL CONSENSUS EXISTS ABOUT THE TRIANGULAR RELATIONSHIP BETWEEN TECHNOLOGY, INVESTMENT AND TRADE.

WHILE TECHNOLOGY IS RECOGNIZED AS A MAJOR FORCE BEHIND THE GLOBALIZATION OF PRODUCTION AND THE CHANGES IN THE PATTERNS OF TRADE AND INVESTMENT, INVESTMENT IS SEEN AS A VECTOR OF PRODUCTION, TECHNOLOGY AND TRADE EXPERTISE.

TRADE, ON THE OTHER HAND, IS SEEN AS BOTH A CAUSE AND A CONSEQUENCE OF INCREASED INVESTMENT AND TECHNOLOGICAL DEVELOPMENT.

BUT AT THE ROOT OF THESE RELATIONSHIPS, OFTEN ANALYSED SOLELY AT THE MACRO LEVEL, LIES THE ENTERPRISE, THE UNIT ENGAGED IN THE DAILY DECISION-MAKING PROCESSES REGARDING TECHNOLOGY, INVESTMENT AND TRADE.

THUS, IT IS UNCTAD'S VIEW THAT DEVELOPING COUNTRIES MUST STRIVE TO DEVELOP THEIR ENTERPRISE SECTOR IN CONJUNCTION WITH WIDER NATIONAL TRADE, TECHNOLOGY AND INVESTMENT STRATEGIES.



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## **A. INSURANCE<sup>8</sup>**

The aims of the programmes are to (a) help establish competitive and efficient insurance markets and improve access to insurance services for the majority of developing countries' populations as well as their commercial sectors, so as to prepare those countries for further liberalization of their financial services sectors; (b) provide technical support, advice, guidance and training for insurance supervisory authorities, particularly in the establishment of legal frameworks and supervisory practices geared to the development of sustainable competitive insurance markets; (c) organize training seminars/workshops to improve understanding of the role of supervision and enhance the competence and technical abilities of the staff of supervisory authorities; and (d) organize events on the impact of liberalization.

## **B. CORPORATE TRANSPARENCY**

The programme promotes exchange of views on technical issues between experts from member States through the annual sessions of the Intergovernmental Working Group of Experts on International Standards of Accounting and Reporting (ISAR), workshops and round-tables. Key issues of concern include accounting, auditing, corporate governance and corporate responsibility. Best practice is disseminated through technical guidance on various aspects of corporate transparency and disclosure.

## **C. INVESTMENT POLICIES AND INVESTMENT PROMOTION**

UNCTAD is the focal point within the United Nations Secretariat for matters related to foreign direct investment (FDI).

The objectives are:

- To improve the understanding of developing countries and economies in transition of policy choices;
- To strengthen their abilities to formulate and implement policies, measures and action programmes; and
- To promote understanding of emerging issues, including the role of international arrangements for the purpose of attracting and benefiting from FDI.

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<sup>8</sup> Website: [www.unctad.org/insuranceprogramme](http://www.unctad.org/insuranceprogramme).

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## **(i) International Investment Agreements <sup>9</sup>**

UNCTAD helps developing countries and countries with economies in transition to participate as effectively as possible in international discussions on investment rule-making and international investment agreements (IIAs) at the bilateral, regional and multilateral levels.

This is done through:

- Training and capacity-building seminars and workshops;
- Facilitation services for the negotiation of bilateral investment treaties and double taxation treaties; and
- Advice to regional organizations with regard to the formulation and/or modernization of existing investment regimes.

## **(ii) Investment Policy Reviews <sup>10</sup>**

Investment Policy Reviews (IPRs) conducted by UNCTAD provide developing countries with an external tool to assess how they stand at a given point in time in attracting FDI in consonance with national objectives, and assist in promoting the role of FDI as a source of external financing for development. IPRs encompass the following:

- An examination of the country's objectives and competitive position in attracting FDI;
- An audit of the country's FDI policy framework and administrative structures and procedures;
- A survey of firms to obtain investor perceptions and experience;
- A round-table meeting of stakeholders to discuss preliminary findings, policy options and recommendations; and
- A presentation in appropriate intergovernmental and international forums whereby other Governments and private sector representatives can familiarize themselves with the country's investment environment and policies.

## **(iii) FORINVEST (Policy Framework for Attracting Foreign Investment)**

FORINVEST provides assistance to developing countries in strengthening their

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<sup>9</sup> Website: [www.unctad.org/iaa](http://www.unctad.org/iaa).

<sup>10</sup> Website: [www.unctad.org/ipr](http://www.unctad.org/ipr).

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capacity to create and manage the policy and operating climate in which foreign investment and international business can thrive.

It provides advisory services and training packages related to investment policy, investment legislation, investment codes, technology transfer and mechanisms for attracting investment, such as export processing zones and build-operate-transfer arrangements.

#### **(iv) STAMP (Strengthening and/or Streamlining Agencies concerned with Maximizing and Promoting FDI)**

The aim of STAMP is to provide assistance to developing countries and economies in transition in strengthening their investment institutions, especially investment promotion agencies (IPAs); streamlining their modes of operation and approval processes; monitoring the quantity, quality and impact of inflows; and promoting host countries as attractive locations.

#### **(v) Other investment-related programmes**

- With regard to the LDCs, UNCTAD has been a party since 2001 to the **Multi-Agency Technical Assistance Programme, entitled Facilitating Foreign Direct Investment in Least Developed Countries**, which aims at maximizing the benefits generated by FDI by strengthening the policy, legal and institutional framework for investment and by improving investment promotion capabilities in LDCs. It provides for a coordinated capacity-building approach by UNCTAD, together with the United Nations Industrial Development Organization (UNIDO) and the Multilateral Investment Guarantee Agency (MIGA), and the Foreign Investment Advisory Service (FIAS) of the World Bank Group.
- **Investment Guides for least developed countries**<sup>11</sup> prepared by UNCTAD with the International Chamber of Commerce are designed to serve as (a) objective descriptions of opportunities and conditions for potential investors; and (b) credible and attractive marketing tools for Governments. The project also incorporates a capacity-building element through (a) the training of local consultants engaged to gather information and produce partial drafts; (b) the close involvement of the investment agency in the entire process; and (c) project workshops that strengthen dialogue between investors and the Government, and create a greater awareness of the importance of promoting the country as a location for FDI. Guides published so far can be viewed either on the UNCTAD web page ASIT (website: [www.unctad.org/asit](http://www.unctad.org/asit)) or on Ipanet (website: [www.ipanet.net](http://www.ipanet.net)) and ICCWBO (website: [www.iccwbo.org](http://www.iccwbo.org)).

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<sup>11</sup> Website: [www.unctad.org/pub/investguide.en.htm](http://www.unctad.org/pub/investguide.en.htm).

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## D. SCIENCE AND TECHNOLOGY<sup>12</sup>

The objectives are:

- Enhancing the scientific and technological capabilities of developing countries and countries with economies in transition; and
- Facilitating their access to new and emerging technologies.

This is accomplished in particular through providing policy advice and supporting those countries' efforts in strengthening the human resource base through organizing special training events, and analysing and disseminating information on best practices in the development and transfer of technology, particularly new technologies.

## E. ENTERPRISE DEVELOPMENT

The objectives are:

- To improve SMEs' growth and international competitiveness; and
- To stimulate entrepreneurial potential.

In this respect, the **EMPRETEC**<sup>13</sup> programme was established to:

- Improve the beneficiary country's development prospects and the outlook for job creation;
- Mobilize entrepreneurial resources;
- Help SMEs to compete in liberalizing and globalizing markets by fostering entrepreneurship, innovation and partnering; and
- Offer SMEs the skills, technology, opportunities, training and information necessary to help them realize their objectives, expand their activities and establish productive, stable linkages with foreign companies.

The programme creates the institutional capacity to stimulate employment-creating investment, technology transfer and exports through the development of indigenous entrepreneurs and innovative SMEs.

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<sup>12</sup> Website: [www.unctad.org/stdev](http://www.unctad.org/stdev).

<sup>13</sup> Website: [www.empretec.net](http://www.empretec.net).

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EMPRETEC promotes the creation and growth of SMEs through a business support network. The network is a self-sustaining and active coalition of public officials, entrepreneurs, corporate managers, bankers and executives of transnational corporations.

The main beneficiaries are SMEs, potential entrepreneurs, women entrepreneurs, key country institutions and Governments.

It is important to highlight the fact that EMPRETEC transfers its methodologies to the counterpart institution in all the countries where the programme becomes operational. UNCTAD/EMPRETEC works with national institutions rather than individual entrepreneurs.



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## **PART THREE: TRADE LOGISTICS, CAPACITY DEVELOPMENT AND INFORMATION AND COMMUNICATION TECHNOLOGIES**

TRADE AND TRANSPORT ARE INEXTRICABLY LINKED, EFFICIENT TRANSPORT BEING A PREREQUISITE FOR SUCCESSFUL TRADING.

UNCTAD'S TECHNICAL COOPERATION HAS TRADITIONALLY CONCENTRATED ON ASSISTING DEVELOPING COUNTRIES IN THE ECONOMIC AND COMMERCIAL OPERATIONS OF TRANSPORT SERVICES, INCLUDING IN THE AREAS OF SHIPPING AND PORTS.

TRADE EFFICIENCY ALSO DEPENDS HEAVILY ON GOOD LOGISTICS, HENCE THE EMPHASIS IN UNCTAD TECHNICAL COOPERATION ACTIVITIES ON HUMAN RESOURCES DEVELOPMENT.



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## A. TRADE LOGISTICS

### (i) Transport and trade facilitation<sup>14</sup>

The objectives are:

- To improve the performance of transport operators and auxiliary services; and
- Set up the necessary institutional and operational environment for the introduction of multimodal transport.

The activities regarding transport and trade facilitation include the creation of platforms to support the development of multimodal transport systems and to design solutions to overcome impediments to trade, advice and operational support for port management, modernization and harmonization of national transport legislation and regulations, elaboration of proposals to improve the efficiency of transit transport operations and advice on transit agreements between landlocked countries and their neighbours, and institutional and individual capacity building in these areas.

### (ii) Training on transport and trade facilitation

The objectives are:

- To develop ad hoc and long-term institutional and individual capacity to implement trade and transport facilitation actions;
- To develop long-term institutional and individual capacity in port and shipping management.

Training and human resource development are carried out through transport and trade facilitation workshops at national and regional levels. There is also participation and ad hoc support to trade-logistics-related courses provided by academic or partner international organizations. The strategic planning workshop for senior shipping management (STRATSHIP) aims at improving the performance of shipping management. It is organized at least once a year and is based on a mixture of presentations, case studies and a computer-based management tool. The Port Training Programme for middle managers on modern port management, jointly developed with TRAINFORTRADE (see below), includes an eight-module course leading to a Port Management Certificate, providing middle managers with a full understanding of modern port management. A distance-learning version of the Port Management course is also available.

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<sup>14</sup> Website: <http://r0.unctad.org/ttl/>.

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### (iii) Advance Cargo Information System (ACIS)

The objective is:

- To increase transparency and efficiency in the transport sector by providing operational information to stakeholders.

Efficient transport systems have a major impact on economic development: they address issues such as high transport costs, delays, pilferage and eventual loss of markets for export goods or increased prices of import goods. UNCTAD has developed the ACIS programme to make transport systems more efficient by providing the required information on goods and vehicles. ACIS is a set of computer applications that allow cargo and vehicles to be tracked along transport networks.<sup>15</sup> An overall template of these applications is used to develop ad hoc solutions to serve transport companies and port authorities active in specific networks. After the implementation and transfer of know-how, the beneficiary recipient can maintain and manage the software independently.

### (iv) Automated System for Customs Data<sup>16</sup>

The objective is:

- To facilitate trade by speeding up the clearance process through the use of information technology and the reduction and simplification of customs documentation and procedures.

The efficiency of the customs administration is an essential part of a country's good governance policy. Customs have to assist the Government in dealing with national, regional and international policies associated with revenue collection and the combating of fraud. Customs also control the import of prohibited and restricted goods and provide external trade data for government analysis and planning. In this connection, UNCTAD has developed the Automated System for Customs Data (ASYCUDA), a computerized customs management system that is installed in more than 80 countries. ASYCUDA technical cooperation projects are implemented in the shortest possible time and within the specific institutional and environmental context of each administration. Project implementation includes a comprehensive training package that allows the transfer of ASYCUDA know-how and skills to national staff, thus ensuring that the programme can be sustained by the national administration.

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<sup>15</sup> Websites: tracking through ports at <http://www.porttracker.com> and tracking through railways at <http://www.railtracker.com>.

<sup>16</sup> Website: <http://www.asycuda.org/>.

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ASYCUDA ++ covers the whole clearance process, from (and prior to) the arrival of the goods until their ultimate release after payment of duties and taxes. It manages all types of procedures (import, export, transit, warehousing and other customs regimes) and has features based on risk management and including manifest control, transit, declaration processing, accounting and selectivity. A module allows the direct input of declarations by traders, and an interface permits the electronic data exchange between customs and approved third parties, such as banks, the trader community or other government agencies. The latest version of the system, ASYCUDAWorld, was launched in 2002. It offers the same functionalities as ASYCUDA++ while offering the technical advantages provided by state-of-the-art ICT. It takes into account the latest standards and present requirements in the Customs sector, namely increased controls and security, balanced by efficient trade facilitation.

In 2004, there were more than 50 operational ASYCUDA projects with expenditures exceeding \$7 million. The ASYCUDA programme remains the largest technical cooperation programme within UNCTAD, encompassing over 80 countries and four regional projects.

## **B. HUMAN RESOURCES AND INFORMATION AND COMMUNICATION TECHNOLOGIES FOR CAPACITY DEVELOPMENT**

### **(i) Building capacity through human resources development**

The objective is:

- To build national and regional capacities to formulate, negotiate and implement policies and strengthen trade-related skills that maximize the benefits of globalization for UNCTAD member countries, particularly the LDCs.

TRAINFORTRADE, the Training Course on Key Issues on the International Economic Agenda and the Virtual Institute on Trade and Development are the three UNCTAD complementary programmes that - by developing human resources - aim to build national and regional capacities to formulate, negotiate and implement policies and strengthen trade-related skills that maximize the benefits of globalization for UNCTAD member countries, particularly the LDCs.

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These programmes operate in the fields of international trade, trade-related services, investment, tourism and port management, and create a network of expertise in developing countries, thereby reinforcing South-South cooperation.

The three programmes work with UNCTAD's research and analytical departments to design learning materials, deliver training courses and develop systematic cooperation to exchange knowledge among partner institutions. They combine the use of a wide range of UNCTAD substantive expertise with networking and pedagogical capability in order to create comparative advantage and added value. They also make extensive use of ICT for distance learning and networking, so as to develop learning resources and activities adapted to the context of beneficiary countries, including the LDCs.

The target population are government officials involved in formulating and implementing effective trade, investment, and finance and development policies. Since other actors play a key role in these processes, the programmes also target trade and transport operators, import/export associations, chambers of commerce and NGOs dealing with trade, investment and development. To reach this population, the Virtual Institute works with the staff of universities involved in teaching and research on policy aspects of international economic and development issues. Regional organizations are also actively involved in TRAINFORTRADE activities.

The three programmes offer distinct but complementary services to their beneficiaries:

- **TRAINFORTRADE**<sup>17</sup> produces and delivers training packages and implements training activities in the framework of technical cooperation projects. Its quality derives from a rigorous methodology, comprising nine phases, which focus on the analysis of training needs, course development and the implementation and evaluation of training. It also adopts a train-the-trainers approach, which creates a cascade effect and facilitates sustainability at the national and regional levels.
- The UNCTAD **Virtual Institute on Trade and Development**<sup>18</sup> is a new capacity-building initiative targeted at academic institutions that was launched in June 2004 as one of the multi-stakeholder partnerships endorsed by the Eleventh

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<sup>17</sup> Website: [www.unctad.org/trainfortrade](http://www.unctad.org/trainfortrade).

<sup>18</sup> Website: [www.vi.unctad.org](http://www.vi.unctad.org).

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Conference of the organization. Its objective is to help strengthen the teaching and research capacity of participating universities in core UNCTAD areas (trade policy, investment, globalization) by developing systematic cooperation and knowledge exchange between UNCTAD and academia, and among participating university members of the Institute. Since universities play a key role in educating future and current decision makers and frequently advise Governments on national and international economic policies, this should contribute to the building of capacity in member countries to formulate, negotiate and implement policies that would maximize the benefits of globalization in terms of their economic and social development.

The Institute supports universities by (a) providing them with access to UNCTAD's analytical work, teaching materials and tools, including those that are specifically developed for the Virtual Institute; (b) assisting them in adapting relevant UNCTAD resources to their own national and educational contexts and in integrating them into their regular training activities and courses; and (c) facilitating a network of university members with expertise in trade and development that enables them to learn from each other through sharing training resources, curriculum development tools and experience, and encouraging collaboration among them and with UNCTAD on the development of relevant and up-to-date courses in response to their countries' training and development needs.

- The **Training Course on Key Issues on the International Economic Agenda**<sup>19</sup> conducts training needs analyses and develops training materials reflecting each region, with inputs from UN regional commissions, academic institutions and Governments in the countries where the course is held. Each training course focuses on (a) the main development-related features and trends on the international economic agenda; (b) the interfaces between trade, investment and development issues and their implications for the formulation and implementation of integrated development strategies; and (c) the best practices in designing and implementing national, regional and international policies on trade and sustainable development.

## **(ii) Capacity development and e-applications**

UNCTAD also aims at building up and strengthening local capacities in member countries by using information and communication technologies (ICT).

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<sup>19</sup> Website: [www.unctad.org/p166](http://www.unctad.org/p166).

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As part of the partnerships launched at UNCTAD XI, UNCTAD has designed a technical assistance package (**the E-Tourism initiative**<sup>20</sup>) aimed at promoting the application of ICT in the sector of tourism so as to enable developing countries themselves to exploit their tourism resources and benefit from greater autonomy in creating and promoting their own brand.

The package builds on the experience accumulated by UNCTAD in the application of information technologies in economic development projects. It comprises three elements: (a) an electronic platform and a business model that helps countries to identify, standardize, coordinate and propose tourism services offered by local enterprises online; (b) a method: collecting information about the tourism and craft sectors, standardizing it and distributing it on the Internet; and (c) a partnership approach: enabling all stakeholders to coordinate their resources and objectives.

### (iii) Capacity development for trade support institutions

UNCTAD technical cooperation activities aim to strengthen the trade support institutions in developing countries, in particular their capacity to provide services to local SMEs that would improve the readiness of SMEs to trade internationally and make their export/import operations more efficient.

## **C. INFORMATION AND COMMUNICATION TECHNOLOGIES AND E-BUSINESS<sup>21</sup>**

ICT and e-business have considerable potential benefits to developing countries, from the business, consumer and institutional perspectives.

The objective is:

- To support interested developing countries in the establishment and implementation of policies and actions aimed at realizing the opportunities for economic development generated by ICT and their application to business and government operations, emphasizing efforts in sectors and industries of particular interest to developing countries.

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<sup>20</sup> Website: [www.etourism.unctad.org](http://www.etourism.unctad.org).

<sup>21</sup> Website: <http://r0.unctad.org/ecommerce/>.

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In order to make its technical cooperation activities in this field more effective, a multi-stakeholder partnership on ICT for Development was launched during UNCTAD XI (June 2004). The partnership envisaged several components, including the Partnership on Measuring ICT for Development,<sup>22</sup> and the E-Tourism initiative mentioned above. Other component are work on free and open source software, and on e-finance. UNCTAD has also joined the Global ePolicy Resource Network (ePol-net).<sup>23</sup>

Policy advice and capacity-building activities carried out by UNCTAD in the area of ICT and e-business include:

- Support for the formulation of national e-strategies for development;
- Reinforcement of the policymaking capacity of developing countries in the field of ICT, with a special focus on the statistical measurement of access to, and use and impact of, ICT;
- Strengthening of the capacity of developing countries to be active participants in international discussions concerning ICT, e-business, e-commerce and related matters, including through policy analysis dissemination and awareness creation among policymakers in developing countries;
- Analysis of legal and regulatory frameworks for e-business and e-commerce;
- Discussion of the implications of free and open source software;
- Use of ICT and e-business to maximize the development potential of sustainable tourism in developing countries; and
- General capacity building for the adoption of e-business and e-commerce practices by small and medium-sized enterprises.

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<sup>22</sup> Website: <http://measuring-ict.unctad.org>.

<sup>23</sup> Website: <http://www.epol-net.org>.



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## **PART FOUR:**

# **INTERNATIONAL FINANCE**



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## DEBT MANAGEMENT - THE DMFAS PROGRAMME

UNCTAD responds to the needs of countries for effective debt management, a central feature of financial stability and gaining creditor confidence. This is undertaken essentially through **the Debt Management and Financial Analysis System (DMFAS)**<sup>24</sup> programme, which involves the provision of a computer-based debt management system, usually installed in central banks and/or ministries of finance.

DMFAS, with a client base of about 65 countries, is the most widely used standard debt management system in the world.

The objectives are:

- To help developing countries and countries in transition develop **appropriate administrative, institutional and legal structures** for effective debt management;
- To establish an **adequate information system**, with detailed and aggregated data on loan contracts, past and future disbursements, and past and future debt service payments;
- To improve national capacity to define and select appropriate **debt strategies**; and
- To increase national capacity to record grants and projects financed from external resources, thereby contributing **to aid management**.

Through its implementation substantial savings have been documented in avoiding unnecessary costs such as overpayments to debtors or penalty interests.

The assistance given under the Programme has three main features:

- **Advisory services**, including needs assessment and advice on technical, administrative, legal and institutional debt management issues, and assistance in software installation and maintenance;
- A **software** designed to meet the operational, statistical and analytical needs of debt managers and bodies involved in elaborating external debt strategies; and
- **Training** in the use of the software and in debt management issues in general.

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<sup>24</sup> Website: [www.unctad.org/dmfas](http://www.unctad.org/dmfas).

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At the end of 2005, the DMFAS software was installed, or about to be installed, in 95 institutions in 65 countries, namely 29 low-income countries, 27 lower-middle income countries and 9 upper-middle income countries. In 21 countries the system is set up in both the Ministry of Finance and the Central Bank, and the number of countries where these two institutions are electronically linked through the DMFAS (on a wide area network) is increasing.

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## **PART FIVE: SPECIAL FOCUS OF UNCTAD'S TECHNICAL COOPERATION ACTIVITIES**



## A. THE LEAST DEVELOPED COUNTRIES

Within the United Nations system, UNCTAD has a particular responsibility for addressing the special needs of LDCs, and gives priority to LDCs in its technical assistance activities. Fifty countries are currently designated by the United Nations as least developed countries. The current criteria are:

- Low national income (per capita GDP under \$900 for countries now joining the list);
- Weak human assets (a composite index based on health, nutrition and education indicators); and
- High economic vulnerability (a composite index based on indicators of instability of agricultural production and exports, inadequate diversification and economic smallness).

### (i) Trust Fund for LDCs

The objective is:

- To support new activities in favour of LDCs in all areas of UNCTAD work.



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## **(ii) Integrated Framework for Trade-related Technical Assistance**

UNCTAD, together with the WTO, ITC, UNDP, the IMF and the World Bank, is involved in the implementation of this programme, launched in 1997.

UNCTAD, in close cooperation with other core agencies, is playing an active part in the implementation of this framework. All UNCTAD LDCs - related technical cooperation activities are supportive of and complement the Integrated Framework.

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## **B. JOINT ITC/UNCTAD/WTO INTEGRATED TECHNICAL ASSISTANCE PROGRAMME TO SELECTED LEAST DEVELOPED AND OTHER AFRICAN COUNTRIES (JITAP)<sup>25</sup>**

JITAP is the integrated response of ITC, UNCTAD and WTO, in collaboration with interested international donors, to assist in the **effective integration of beneficiary African countries into the international trading system**, implemented in 16 countries.<sup>26</sup>

It aims at building human, institutional, policy and export strategy capacities in African countries to better understand and manage their integration into the multilateral trading system (MTS).

The five main areas of capacity building comprised under JITAP are (a) trade negotiations, implementation of WTO Agreements, and related trade policy formulation through the Inter-Institutional Committees (IICs) that are official frameworks for organizing national stakeholder discussion and decision-making on the MTS; (b) MTS Reference Centres (RCs) and National Enquiry Points (NEPs) for providing reliable technical information on the MTS, with attention to standards and quality requirements; (c) development of the national knowledge base on MTS through training of trainers and formation of trainer networks; (d) development of a goods, commodities and services policy framework and sectoral export strategies; and (e) networking of the institutional and human capacities built in each country to encourage synergy and exchange of expertise and experiences, including at the subregional level.

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<sup>25</sup> Website: [www.jitap.org](http://www.jitap.org).

<sup>26</sup> Benin, Botswana, Burkina Faso, Cameroon, Côte d'Ivoire, Ghana, Kenya, Malawi, Mali, Mauritania, Mozambique, Senegal, Tunisia, Uganda, United Republic of Tanzania and Zambia (6 developing countries and 10 LDCs).

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## C. UNCTAD'S ASSISTANCE TO THE PALESTINIAN PEOPLE<sup>27</sup>

Since 1995 UNCTAD has supported the Palestinian people efforts to develop capacities for effective economic policymaking and management, in accordance with its mandate in the areas of international trade, finance and related services, and in line with the provisions of the United Nations Medium-term Plan for 2002-2005, paragraph 35 of São Paulo Consensus, paragraph 167 of the Bangkok Plan of Action, and General Assembly resolutions 56/111 (paragraphs 6 and 7) and 43/178 (paragraph 9).

Emanating from research and policy analysis, the secretariat's technical cooperation programme provides concrete assistance with a view to building capacities for effective economic policymaking and management and strengthening the enabling environment for the private sector within a national development strategic framework.

In the last two years, the programme has responded to the capacity and institutional building needs of the Palestinian economy with focus on four clusters:

- Development strategies and trade policy;
- Trade facilitation and logistics;
- Public finance modernization and reform; and
- Enterprise, investment and competition policy.

To achieve its objective, the programme applies different modes of operations, including technical cooperation projects, advisory services, workshops/seminars, group training and technical/policy papers.

The objectives are:

- Improving the institutional and managerial capacity, at senior and middle levels, of the Palestinian Authority in planning, policymaking and implementation in areas related to trade policy and strategies, competition, trade facilitation, financial and debt management, development planning, investment promotion and enterprise development; and

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<sup>27</sup> Website: [www.unctad.org/palestine](http://www.unctad.org/palestine).

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- Improving the understanding of public, private and international institutions, as well as that of the international community, of issues related to Palestinian development in the context of the multilateral trading system; and increasing public awareness of UNCTAD's technical cooperation with the Palestinian people, and its research and analysis on Palestinian economic development.